CHALLENGES OF STRATEGY IMPLEMENTATION AT ECOBANK KENYA LIMITED

BY
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NOVEMBER, 2012
DECLARATION

This project is my original work and has not been submitted for a degree in any other university

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The management project has been submitted for examination with our approval as the University Supervisors.

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DEDICATION

This work is dedicated to my parents whose efforts to educate me have resulted in this work and to my brothers, sisters, and friends. Always remember that the fear of the Lord is the beginning of knowledge (Proverbs 1:7).
ACKNOWLEDGEMENT

The successful completion of this study was made possible by the cooperation, assistance, and financial and material support by a number of individuals. To all concerned, whether mentioned by name herein or not I say thanks a lot.

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ABSTRACT
The study investigated the challenges of strategy implementation in Ecobank Kenya Ltd. The research design employed was case study employing open ended questionnaires that captured in-depth responses. The data was collected from the top and middle management. The collected data was summarized according to the concepts and themes to allow for content analyses of the data through collation and thematic analysis. Despite the availability of well crafted strategies at Ecobank Ltd, the level of implementation is still lower and thus far off achieving the intended targets amidst the fluid business environment that has been extremely turbulent and competitive. Strategy implementation has been impeded by the ownership structure that has made decision making a complex bureaucratic process, challenges in government policy in terms of local share capitalization, problems of harmonizing multinational policies with domestic regulations and longer communication channels. The study established that successful implementation requires that the strategy, the organization, the people and their relationships, the systems and the measures all must be aligned and made to work towards a common goal. Effective leadership is required at all levels of the implementation process for decision-making, guidance, support and motivation of people involved in implementation. Ecobank Kenya needs to assess the factors which contribute towards effective leadership in implementation process. Employees' commitment has been rated as a very important factor in effective strategy implementation by managers. The strategic factors reflecting employees' commitment and their importance have been portrayed. However, each factor identified in this study needs further detailed examination for exploring various dimensions of its relationship with the implementation process. Strategy implementation assumes great significance and therefore should command an increased amount of attention of researchers in the banking field.
CHAPTER ONE
INTRODUCTION

1.1 Background of the study

While some determinants of a firm’s competitiveness are national in scope or the result of national policies, many are as a result of the firm’s strategy. Such things as the quality of service, infrastructure and technology vary markedly across different businesses. This leads to substantial differences in prosperity among firms and industries alike within a nation. Efforts to foster economic development are based on the fluid business environment and market forces. There are existing and potential competitive advantages that can support viable businesses if harnessed fully. Competitiveness depends on a healthy process of strategy implementation, innovation, cost minimization and dynamic improvements e.g., new products, new processes, and new ideas that drives the growth in productivity (Borch et al, 1999)

According to Kombo (2008), a firm’s prosperity depends on its competitiveness, which is based on the productivity with which it produces goods and services. Sound macroeconomic policies and stable political and legal institutions are necessary but not sufficient conditions to ensure a prosperous performance with competitiveness rooted in economic fundamentals through the sophistication of company operations and strategies and the quality of the economic business environment in which companies compete and thus crucial in understanding of the foundations of competitiveness is fundamental to strategic policy. The control environment is the foundation of other components. It sets the integrity and ethical values of management, structure of the organization, procedures for delegating authority and responsibility, management methods for assessing performance and the organizational policies.
Kenyan businesses have undergone economic reforms through trade liberalization which has dramatically reduced government interference with trade activities. However, banking industry, has not fully undergone deregulation of the business environment. The changing circumstances, and ongoing management efforts to improve the strategy causes the strategy to evolve over time and thus keeping the overall company strategy striving to maintain a strategic fit between external and internal situation to build sustainable competitive advantage to achieve its objectives (Kibera, 1997).

Eco bank like any other organization has its own challenges which include maintenance of client focused culture, even with growth. It also considers strategies aimed at maintaining a quality loan portfolio and satisfied customer base, introducing frictionless inter branch banking services and changing client perception of the pricing of products to among other challenges the bank faces in its future operations. These issues require that the bank has to be strategic in order to implement the said strategies and maintain a satisfied customer base (Ecobank, 2009)

1.1.1 Strategy Implementation

According to Hambrick (1983) implementation of policies and strategies is concerned with the design and management of systems so as to achieve the best integration of people, structures, processes and resources in reaching organizational objectives. Therefore, Strategy implementation is a vital component of strategic management process. Implementation involves putting into action the logically developed strategies. It is the summation of activities in which people use various resources to accomplish the objectives of the strategy

Wagner (1997) describes implementation as the execution of tactics both internally and externally so that the organization moves in the desired strategic direction. Thus, implementation
is the process of translating strategic plans and policies into results. Although the literature on strategy implementation is growing, it is not so well developed as the literature on strategy formulation. Further, strategy implementation is within the framework of an environment which is by and large unpredictable, many organizations are forced to become more flexible and adaptive to change. This supports the adoption of an emergent approach to strategy development which invokes a more intelligent capacity to respond to new opportunities. Nonetheless, such a strategy can preclude control over actions and may risk a lack of direction. A greater use of strategic planning tools for internal and external analysis would certainly facilitate improved organizational learning and enhance strategic thinking even while following an emergent approach.

However, according to Mintzberg (1998), empirical research discounts this, highlighting that realised strategy tends to be only 10 to 30 percent of the intended strategy. This is mainly because unpredictable events, such as the introduction of new regulations or technologies, will regularly act to force the original strategy off its course. It has been noted that organizations have difficulties in implementing their strategies. Research has suggested that half of the decisions made by an organization fail whereas nearly 70 percent of strategies and strategic plans and decisions are not implemented successfully according to Okumu (2003). Moreover, a failure in the implementation of any strategic decision can be very costly, both in terms of design costs and benefits which have already been accrued.

All in all, most viable strategies in today's business world should have customized elements of prescriptive and emergent characteristics in order to manage the complexities of their business
Strategy formation which places a lot of weight on existing capability strengths is thought to be a secure basis on which a firm should define itself and optimise its position, particularly in times of rapid and turbulent change. The sustainable approach implies that strategy development is always deliberate and that strategies are realised according to plan.

Murray (1988) suggested that the prescriptive approach to planning falls short in allowing for any learned elements to be absorbed into the strategy and so can limit an organization's ability to respond flexibly in today's rapidly changing environment. The narrow-minded manner in which it focuses on established areas of business and capabilities can hinder serious transformational change where reinvention is required.

### 1.1.2 Kenya's Banking Industry

The banking industry is an integral part of the economy that plays a key role in the wellbeing of the economy. Kenya's weak economy weak not only jeopardizes the long-term sustainability of strategy implementation which in turn can also be a trigger for a financial crisis which can lead to economic crises. The health of the banking sector is vital for enhancing the competitiveness of an economy. The different level of soundness of the banking sector players can be attributed to the varying levels of strategy implementation. The concerning trend is that the level of soundness of the banking sector in the developing and under-developed world is significantly lower than that in developed countries.

The banking sector in Kenya operates in a relatively deregulated environment governed by the Companies' Act, the Banking act, the CBK Act and the various prudential guidelines issued by the CBK. The financial performances of banks have in a general increasing trend and these have
mainly been attributed to proper management and proper formulation and implementation of strategy. In Kenya there are a total of 43 commercial banks which are all competing for the same market share (CBK, 2011).

The Kenyan banking industry has faced some challenges including: stiff competition among the existing local banks as they offer substitute products and offering loaning services at different rates. Micro finance and Savings and Credit Societies (Sacco) institutions are emerging key players in delivery of financial services. However, it is expected that the banking sector will continue to grow especially in retail banking segment, as major consumer segments remain largely unbanked. According to the CBK Annual Report (2011) the banking sector has continued to experience significant local and regional growth amidst increased competition. There is need for an integrated approach to develop within the sector; addressing social, economic and environmental factors simultaneously.

1.1.3 Ecobank Kenya Limited

Ecobank, whose official name is Ecobank Transnational Inc., is a Pan African banking group with presence in more African countries than any other bank. Ecobank started operations in 1985 and has grown to be a leading independent regional banking group in West and Central Africa servicing wholesale and retail customers. Ecobank is a full-service bank providing wholesale, retail, investment and transaction banking services and products to governments, financial institutions, multinationals, international organizations, medium, small and micro businesses and individuals. The head office bank has above 700 branches spread in 30 African countries it operates in and over ten thousand employees. The banks Vision is to build a world class African bank and to contribute to the economic and financial integration in Africa. The Mission is to
provide their retail and wholesale customers with convenient, accessible and reliable financial products and services. Ecobank started its operations in Kenya in 2008 after acquiring seventy-five percent shares of East African Building Society with branches currently numbering twenty-four.

The Bank offers a wide range of banking services and aims to bring microfinance into the mainstream financial services sector by demonstrating that providing financial services to low-income populations is not only commercially viable but an important aspect of poverty alleviation. The product and service offering includes group and individual loans, current and savings accounts, ATM cards, letters of credit and guarantees. Clients can access products and services at branches and a network of ATMs across Kenya. The bank also makes wholesale loans to other microfinance institutions and cooperative societies that on-lend the funds to members or employees (Ecobank, 2009).

However, the bank like any other organization has its own challenges which include maintenance of client focused culture, even with growth. It also considers strategies aimed at maintaining a quality loan portfolio and satisfied customer base, introducing frictionless interbranch banking services and changing client perception of the pricing of products to among other challenges the bank faces in its future operations. These issues require that the bank has to be strategic in order to implement the said strategies and maintain a satisfied customer base (Ecobank, 2009)

1.2 Statement of the Problem

For companies to be competitive, they must develop good strategies and appropriate realign the institution. According to Beer and Eisenstat (2009), there are six reasons why various strategies developed by firms were not implemented effectively. They include management issues of leadership, teamwork and strategic direction and not in the commitment of people and their
functional competence. Poor quality vertical communication may hinder communication and also prevent discussion of barriers therein.

According to Johnson and Scholes (2004), the implementation of appropriate strategies remains one of the most difficult areas of management. Substantial energy and resources must be given over to devising a strategic plan. Mintzberg (1994) noted that the plan rather than the implementation comes in for scrutiny, because it is less problematic to analyze.

At Ecobank, even with a lot of strategy formulation meeting by top managers, the bank is faced with a lot of challenges and especially when it comes to execution of the strategies formulated. For this very reason Ecobank needs to consider their competitive positioning and repositioning strategically with the competitors.

There are many studies that have been done regarding strategy implementation. Githui (2008), focused on challenges for implementing strategies within Barclays Bank Limited. Muthuri (2010) carried out a study on challenges of strategy implementation at National Bank of Kenya. Kiplagat (2008) carried out a study on challenges of strategy implementation at Kenya Revenue Authority while Njagi (2010) carried out a study on challenges of strategy implementation at Equity Bank of Kenya, Nyangweso (2009) on strategy implementation challenges at Cooperative bank.

It is therefore evident that studies have been carried out on commercial banks but since management is sensitive to the context in which it’s practiced, there exists and knowledge gap since findings of other studies cannot apply to Eco Bank Limited. The study therefore sought to answer the following question: “What are the challenges of strategy implementation at Eco bank Kenya Ltd?
1.3 Research Objective

The objective of this study was to determine the challenges of strategy implementation at Ecobank Limited.

1.4 Value of the Study

The findings of the study will help Ecobank Kenya to understanding the constraints faced in implementation of strategic plans. The study will be invaluable in strategy formulation process and subsequent restructuring of the organization to the strategy blue print.

The findings of the study will help managers at Ecobank (K) identify strategy implementation challenges and ways of managing these challenges. This will enable the organization be more competitive in the banking industry. The findings will also go a long way in assisting other financial institutions understand challenges they are facing while implementing strategies and solutions to these challenges.

To the academicians and researchers, the findings of this study will help them make future references towards studies of the industry and contribute to further research in strategy formulation.
2.1 Introduction

The chapter covers the concept of strategy, elements of strategic management, implementation and challenges to implementation.

2.2 The Concept of Strategy

The term strategy has its roots in the Greek language having come from the word “strategos” which means the art of an army general in deploying forces for battle. According to Yabs, (2008) strategy as practiced by army generals entailed their plans and logistics of supplying men and ammunition to defeat an enemy. These methods have been used in warfare from as early as 500 B.C and even had a significant role in the Second World War. He concludes that when the strategic methods and applications were borrowed into business lexicon and have been used to refer to long term plans for business and enterprises. The concept of strategy has been borrowed from the military with the war tactics equated to competition in industry and in business organizations.

While Thompson Jr, Strickland III and Gamble (2007) considered a company’s strategy as the competitive moves and business approaches that managers employ to grow the business, attract and please the customers, compete successfully, conduct operations and achieve targeted levels of organizational performance. In this context, a company’s strategy is all about “how” i.e. how management intends to grow the business, how it will build the local clientele, and outcompete rivals, how each functional piece of business will be operated and how performance will be
boosted. They argue that a strategy stands a better chance to succeed when it is predicted on actions, business approaches and competitive moves aimed at appealing to customers in ways that set company apart from the rivals and carving out its own market position. Simply copying what successful companies in the industry are doing and trying to mimic their position rarely works.

Mintzberg et al. (1998) defines strategy as a plan, a ploy, a pattern, a position, and a perspective. Plan is defined as a consciously intended course of action, or a guideline to deal with a situation. Ploy means a specific “maneuver” intended to outwit an opponent or competitor. While plan and ploy refer to intended strategies, that is, looking forward, pattern is a stream of actions or consistency in behaviour over time, or, looking back.

Whitehead adds (1985) strategy as a position looks outside an organisation, seeking to locate the organisation in its environment, whereas strategy as a perspective looks inside the organisation and inside its members’ heads, referring to a shared way of perceiving the world. When described with the historical perspective of logically written business school case studies, companies’ strategies often seem to be the product of an organized and rigorous planning process. The way that most companies’ strategies actually come to be defined, however, is often quite different.

Murray concludes (1988) organizations whose strategies have propelled them to the tops of their industries not infrequently arrived at those strategies through trial, error and unanticipated success. Rarely was the winning strategy clear to the combatants at the outset. As organizations
dive deeper into the undefined waters of the new economy and as traditional business models are being turned inside out, it is crucial that leaders of established and start-up companies alike understand the processes by which strategies are shaped, in order to guide their companies effectively.

According to Drucker (1997), understanding the key dimensions of strategy implementation process can help executives keep their hands more precisely on those levers that control how strategy gets defined and implemented, and to adjust the workings of that process as the competitive environment changes. He defines Strategy as a pattern or a plan which integrates goals, policies and operation activities chain of an organization as a whole. If it has been formulated accurately, and considered unified allocation and direction of resources, on the basis of capabilities and even relative inner shortcomings of organization and also environmental foreseen evolutions and intellectual contingency movements of competitors, it would be more effective or all decisions related to business objectives and the courses of actions to achieve them.

On emphasizing on the necessity for strategy, Pearce et al (2010) observes that strategy directs the evolving relationship between an organization and its environment and should enable the organization to find a strategic fit with its external environment. This means that strategy is central to creation of competitive advantage, profitability and survival. The concept of strategy is important to the management of institutions as it allows an institution to make best use of its resources and opportunities in achieving its objectives. It provides a basis for focus at all levels
of the organization and covers the range and depth of an organization involving decisions about
the products and services, competition and markets, growth and the change in organizations.

2.3 Strategic Management Process

Strategy consists of corporate decisions planning which clarify and determine vision, mission,
and objectives, defining policies and basic plans for achieving to those goals, defining scope of
company’s activities and specifying the kinds of economic and human type of the organization.
Strategy is an attitude or means that an organization selects for achieving long and short run
goals facing present and future situations. Strategy is a macro future oriented plan for responding
to competitive environment aiming optimization of goal attainment in every company there are
two independent and simultaneous processes through which strategy comes to be defined
(Andrews, 2008).

Robinson (1988) argues that the first strategy-making process is conscious and analytical,
involving assessments of market structure, competitive strengths and weaknesses, the nature of
customer needs, and the drivers of market growth. Strategy in this process typically is formulated
in a project with a discrete beginning and end. Top-tier management consultants often manage
these projects. The result of this process is an intended or deliberate strategy. Intended strategies
can be implemented as they have been envisioned if three conditions are met. First, those in the
organization must understand each important detail in management’s intended strategy. Second,
if the organization is to take collective action, the strategy needs to make as much sense to each
of the members in the organization as they view the world from their own context, as it does to
top management. Finally, the collective intentions must be realized with little unanticipated
influence from outside political, technological or market forces. Since it is difficult to find a situation where all three of these conditions apply, it is rare that an intended strategy can be implemented without significant alteration.

According to Thompson and Strickland (1999), the second strategy-making process has been termed emergent strategy. It is the cumulative effect of day-to-day prioritization decisions made by middle managers, engineers, salespeople and financial staff – decisions that are made “despite, or in the absence of, intentions. In fact, managers typically do not frame these decisions as strategic at all, at the time they are being made; they have a decidedly tactical character. Emergent strategies result from managers’ daily response to problems or opportunities that were unforeseen by those engaged in the deliberate strategy-making process, at the time they were doing their analysis and planning.

Strategic management is a series of managerial decision and activities which assign long-term performance of an organization. It consists of inspecting environment (internal and external), formulating strategy (long-term or strategic planning), implementing, evaluating and controlling. Strategic management focuses on monitoring and assessing external opportunities and threats, along with considering strengths and weaknesses. Strategic management is a term that explains process of decision-making and executing. It covers all decisions and activities lead to develop one or more effective strategy for achieving goals. There are three basic elements in this process: developing strategy; implementing, and evaluating and controlling strategy (Drucker, 1997).
Devlin et al, (1997) describes strategy implementation as almost and always involving 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. When a strategic change is poorly introduced, managers may actually spend more time implementing changes resulting from the new strategy than was spent in selecting it. Organizational issues are large-scale, system-wide issues that affect many people within the organization.

Wilkinson (1996) stressed strategy implementation is inseparable from effective leadership and communication within the company. The value creation process, follows these lines: Formulation and effective communication of vision and values, Formulation and effective communication of mission commitment to projects and business results that will fulfill on the mission, design of organizational architecture that allows for empowerment and communication, creation of tactics and short-term goals at the local level, effective action in a context of accountability and work on these intangibles is a strategic investment equally as important as new equipment, buildings, or mergers and acquisition.

2.4 Strategy Implementation

According to Pearce et al (2010) the first step in the implementation of business strategy is to translate the strategy into action throughout the organization. He identified five strategies namely: deriving short term objectives from the long term objectives; deriving functional tactics from business strategy; outsourcing selected functional activities; employee empowerment through policies, compensation rewards and lastly institutionalization of the strategy. Strategy
implementation is a process by which strategies and policies are put into action through the development of programs, budgets and procedures. They emphasize that this process might involve changes within the overall culture, structure and the management system of the entire organization.

In strategic management process, after formulating, implementing is the most important stage. Implementing strategy is the connecting loop between formulating and control. In fact what integrates strategies is successful implementation of them. The ability to implant a cost leadership, differentiation, or focus strategy is dependent on a firm's ability to develop a specific set of competitive methods (Porter, 1980).

Thompsons et al (2007) emphasize that marshalling sufficient resources and people behind the drive for strategy execution and instituting policies and policies. A good strategy requires a team effort. All managers have strategy executing responsibility in their areas of authority and all employees are participants in the strategy execution process. According to Aosa (1992), once strategies have been developed they need to be implemented; they are of no value unless they are effectively translated into action.

Unlike formulation, implementation of strategy is typically conducted by the middle and lower level managers, with review by top management. The top management are only required when substantial changes are necessary. Most of the definitions stress the role of top management while others stress the external environment without mentioning non managerial cadre and their crucial role in translating strategic plans into results. Operationalizing means to make the concept clearly distinguishable or measurable. It refers to a process that normally translates an
organization's code of conduct into action guidelines whereas normally aims at integrating fundamental values aimed at making the terms of a company understood. When an organization’s culture is consistent with its strategy, the implementation of strategy is eased considerably. The concept of “adaptable cultures” is an attempt to build organizational culture on a foundation of paying attention to key stakeholders such as employees, customers, and stockholders, thus ensuring that the culture can change when the organization’s strategy must change (Mintzberg, 1998)

Institutionalization of Strategy is the first 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. Organizations whose strategy is implemented with conducive climate are more effective than those whose are not. People are the instruments in implementing a particular strategy and organizational climate is basically a people-oriented attempt. 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.

According to Johnson and Scholes (1989), developing appropriate operating plans program and decisions take place in various parts of the organization. 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.

Ansoff (1980) defines developing appropriate organization structure as the pattern in which the various parts of the organization are interrelated or interconnected. It prescribes relationships among various positions and activities. For implementing strategy, the organization structure should be designed according to the needs of the strategy. The relationship between strategy and
structure can be thought of in terms of utilizing structure for strategy implementation because structure is a means to an end, that is, to provide facilities for implementing strategy. Therefore, both should be integrated. In the absence of such integration, outcome may be confusion, misdirection and splintered effort within the organization. There can be various ways of designing an organization structure. However, the major issues involved in designing the structure to fit the strategy involve the answers of following questions: What should be the different units of the organization? What components should join together and what components should be kept apart and what is the appropriate placement and relationship of different units?

Drucker (1997) concludes 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 clearer, 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.

Findings by Dess (1993) reveal that whenever organizational activities occur repeatedly, a standing plan – a pre-established single decision or set of decisions can effectively guide those activities. Once established such standing plans help managers conserve time because similar situations are handled in a pre-determined, consistent manner. Standing plans consist of policies, rules, and more detailed procedures. A policy is a general guideline for decision making. It sets up boundaries around decisions, telling managers which decisions can be made and which cannot. In this way it channels the thinking of organization members so that it is consistent with
organizational objectives. Some policies have rules built into them – statements of specific actions to be taken in a given situation. Most policies are accompanied by detailed procedures, called standard operating procedures or standard methods, which are just a detailed set of instructions for performing a sequence of actions that occurs often or regularly. Most organizations have some form of policies, rules, and procedures that help in implementing strategy in cases where routine action is required. At the Ecobank Limited, it is a standard procedure to ensure that customers get assistance within the first few minutes of entering the store.

2.5 Factors influencing Strategy Implementation

Most organizations face numerous challenges in their strategy implementation process. Normally, as hinted by Yabs (2007) implementation challenges arise from both internal and external environment and adapting to these challenges depends on the type of organization, the strategy out that the challenge of successful strategy implementation is to create a series of tight fits between the chosen strategy and leadership, strategy and culture, strategy and reward system strategy and structure and strategy and resource allocation.

Each implementation factor at any point in time should be aligned to the main strategic objectives or else successful implementation is jeopardized. Decisions of implementations should be incorporated into the decisions concerning formulation since in practice strategy formulation and strategy implementation overlap (Okumu, 2003).

Allio (2005) noted good implementation naturally starts with good strategic input. It has been observed by different authors that there are no definitive recipes for successful strategy execution.
or implementation for that matter that cuts across all company situations and strategies do not necessarily yield results for all type of managers. The role of management influences strategy implementation as the chief executive is expected to lead other top or senior management team in championing initiatives that spearhead the company in achieving its strategic goals and objectives.

Thompson et al (2008) concluded that the specific ‘how’ of implementing and executing a strategy must always be custom tailored to fit an individual companies’ own circumstances and represents managements’ judgment about how best to proceed. A well conceived strategy is one that takes to consideration the aspects of implementations during the strategy implementation process. Formulation of implementation steps should take cognizance of the external and internal environment. According to Aosa (1990), when congruence is achieved, implementation is likely to be successful.

2.6 Challenges of Strategy Implementation

According to Hrebiniak (2006) the real challenge of strategy implementation lies in the formulation and effective communication of vision, mission and values; commitment to projects and business results that will fulfill on the mission of the company by allowing empowerment and communication. Proper strategy communication plan recognizes that organizations are made up social, communicative beings. Communications ensures consistent delivery of information enhances relationship with stakeholders, creates a feeling or ownership as employees as other stakeholders become more
involved and informed, helps reduce conflict, ensures efficient use of resources and ensures a more unified approach to strategy implementation.

Further, changes in environment dictate changes in the corporate strategy, thus leading the changes in the organizations strategy. Strategy, structures and environment are intertwined and need to be closely intertwined to optimize on performance. A change can be adaptive, calling for installation of known practices; innovative, introducing practices that are new to adopting organizations or radically innovative, introducing practices new to all organizations in the same business or industry. Changes can involve technical innovations resulting from the application and use of technology; administrative innovations dealing with relationships and promulgating new rules, roles, procedures, or structures within organizations; or adaptation of technology or managerial practices used by competing or cooperating organizations.

The alignment of organizational structure to strategy affects shape, division of labour, job duties and responsibilities, the distribution of power and decision making procedures within the company. Organizational structure groups similar tasks and activities and delineates roles and activities. A poor organizational structure poses a serious challenge in separation of duties and may result in overlapping roles and conflict of interest (Okumu, 2003).

As Obara (2006) pointed out, resistance to change and lack of skills to handle modern work challenges are major cultural challenges in strategy implementation. Culture is also a major driver of strategy implementation. Culture can be a real challenge to strategy implementation
because it is close to change and often works as a major inhibitor of change. Thus a strategy cannot be successfully implemented without understanding the culture of an organization.

Culture must therefore be aligned with the perceived realities and it begins with understanding the dynamics of the present culture. If strategies set the general goal and course of action for organizations, operational plans provide the details needed to incorporate strategic plans into the organization's day to day operations. Operational plans fall into two general classes. Single use plans are designed to be dissolved once they have achieved specific, nonrecurring goals. Standing plans, in contrast, are standardized approaches to handling recurrent and predictable situations.

Yabs (2010) refers to resources as all those inputs that will enable a company to discharge its duties or mandate in producing a good or render a service. This can include among other things, raw materials, human capital, power and energy and other crucial facilities. Early in the process of crafting a strategy, managers need to determine what resources will be needed and consider the financial implications of the overall strategy on the company's bottomline.

According to Thompson et al (2007) any time a company moves to adopt a new strategy measures should be put in place to undertake a thorough review of existing policies and procedures to guard against unforeseen effects. Strategies must be updated to reflect overall changes in operations of an organization. Porter (1980) considered that for superior performance achieved in a competitive industry through implementing a strategy, there should be an overall cost leadership, differentiation, or focus approach to industry competition taking all stakeholders
into account. A poorly developed strategy is not implementable itself and is an exercise in futility.

Whereas most organizations develop very good strategies but successful implementation remains a major challenge because translating strategy into action is far complex, difficult and expensive. The challenges range from human resource, organizational structure, globalization of business, culture, leadership, policies and reward system. Further, Hill (2009) conducted a study that suggested that organizations that implement good practices covering a range of managerial aspects, and who are achieving organizational results are likely to be closer to satisfying their staff.

According to Durden (2001), technology plays a key role in the implementation of strategy. There is inadequate research into technology strategies and change in the banking sector of through the introduction and use of new technology that is consistent with global electronic banking services from formulation of IT strategies, to planning approaches for IT, to physical implementation of IT in organizations. There has been a shift in focus from IT being conceived as a means of improving the efficiency of processes to being used as a strategic tool in the hands of management, and enabling re-engineering and transforming the ways organizations do business. IT is no longer considered as merely a supportive tool for existing organizational processes, but is perceived as an integrating technology for initiating business changes and shaping structures in organizations, to align them to business needs.

Devlin et al (1997) argues that the components of competition are price, quality and time, which require effective control. The price has to be competitive, quality very high and delivery time very short. All this means that integrating Information Technology strategy to business strategy is possible only through the considerable involvement of all parties in thinking about its role in the organization.
Another challenge is human resource in terms of their participation and skills. It has become a widely held premise that people provide organizations with an important source of sustainable competitive advantage that the effective management of human capital, not physical capital, may be the ultimate determinant of organizational performance (Adler, 1988; Reich, 1991). The value of human capital may be especially apparent in modern manufacturing organizations that have invested heavily in production innovations such as advanced manufacturing technology, process control, and computer numerically controlled machine tools. Such initiatives tend to depend heavily on employee skills and commitment as key components in the value creation process.

Accordingly, Kithinji (2007) suggests it is instrumental for banking firms to harness the productive potential of their employees in order to achieve superior performance. Though human resource (HR) activities are frequently acknowledged to play a central role in linking employee capabilities with the performance requirements of a firm, the specific form of this relationship is still open to debate. To date, two primary perspectives—a universal approach and a contingency approach—have been used to describe the link between human resource management and firm performance.

The logic connecting these Human Resource practices and firm performance is intuitively appealing and supported by theoretical arguments from a number of disciplines. From microeconomics, human capital theory suggests that people possess skills, knowledge, and abilities that provide economic value to firms. Since firm investments to increase employee skills, knowledge, and abilities carry both out-of-pocket and opportunity costs, they are only justified if they produce future returns via increased productivity. In other words, increased productivity derived
from human capital investments depends on the contribution of employees to a firm. Therefore, the higher the potential for employee contribution in a firm, the more likely it is that the firm will invest in human capital (via human resource management activities) and that these investments will lead to higher individual productivity and firm performance.

From strategic management and organizational economics, the resource-based theory of competitive advantage focuses on the role internal resources like employees play in developing and maintaining a firm's competitive strategy and capabilities. In fact, numerous researchers have recently noted that people may be the ultimate source of sustained competitive advantage since traditional sources related to markets, financial capital, and scale economies have been weakened by globalization and other environmental changes. In particular, has made the case that firms wishing to succeed in today's global business environment must make appropriate HR investments to acquire and build employees who possess better skills and capabilities than their competitors (Pfeiffer, 1994).

Another challenge faced in strategy implementation is organizational structure. When executives develop corporate strategy, they nearly always begin by analyzing the industry or environmental conditions in which they operate. They then assess the strengths and weaknesses of the players they are up against. With these industry and competitive analyses in mind, they set out to carve a distinctive strategic position where they can outperform their rivals by building a competitive advantage. To obtain such advantage, a company generally chooses either to differentiate itself from the competition for a premium price or to pursue low costs. The organization aligns its value chain accordingly, creating manufacturing, marketing, and human resource strategies in the process. On the basis of these strategies, financial targets and budget allocations are set. The
underlying logic here is that a company's strategic options are bounded by the environment. In other words, structure shapes strategy.

According to Balmer et al, (1996) a firm's performance depends on its conduct, which in turn depends on basic structural factors such as number of suppliers and buyers and barriers to entry. It is a deterministic worldview in which causality flows from external conditions down to corporate decisions that seek to exploit those conditions. While the structuralist approach is valuable and relevant, the Reconstructionist approach is more appropriate in certain economic and industry settings. Indeed, today's economic difficulties have heightened the need for a Reconstructionist alternative. The first task of an organization's leadership, therefore, is to choose the appropriate strategic approach in light of the challenges the organization faces.

Choosing the right approach, however, is not enough. Executives then need to make sure that their organizations are aligned behind it to produce sustainable performance.

Johnson et al, (1989) agree that when the structural conditions of an industry or environment are attractive and you have the resources and capabilities to carve out a viable competitive position, the structuralist approach is likely to produce good returns. In companies with operations in multiple nations and even multiple continents, the center structure depends on each branch's ability to maximize its response to domestic conditions.

According to Hitt et al (2009), firms using this strategy are trying to gain the advantages of both local responsiveness and global efficiency. The result is a combinational structure that adds together the benefits of managing multiple geographic divisions in cooperation with the product divisional structure. A strategic business unit structure for an organization divides the company into units including the main headquarters, the strategic business units and the divisions of each. Each
has a common set of products or markets it deals with, but its internal structure does not have much in common with the organization of other units. The central headquarters is responsible for using strategic management processes, such as financial controls, to achieve the desired outputs for each of the SBUs.

Another challenge to implementation of strategy concerns employee skills, satisfaction and involvement. While most organizations typically emphasize generating new business strategies, a rapidly growing body of evidence points to an indirect yet undeniable correlation between employee participation on strategy implementation and financial performance. Numerous studies also support the idea that there exists a link between employee participation and customer satisfaction, productivity and financial results. The top five important contributors to employee satisfaction as: feeling appreciated for the work they do; not working in a stressful environment; being valued and respected within the organization; availability of career opportunities for advancement within the organization; and effectively utilizing employee's knowledge and skills.

When employees do participate in the organizations they feel more valuable, especially when they see the results stemming from their actions enabling employees to freely contribute in an organization can have a substantial positive effect in a company because keeping employees informed and getting them involved in decision that affects their work builds trust and feelings of self-worth. Porter (1985) alludes that managers use implementation to make planned changes in organizations by creating environments in which changes can survive and take root. Planned changes are proposals for action that alter organizations' practices. A change can be adaptive, calling for installation of known practices; innovative, introducing practices that are new to
adoptive organizations or radically innovative, introducing practices new to all organizations in the same business or industry. Changes can involve (1) technical innovations resulting from the application and use of technology; (2) administrative innovations dealing with relationships and promulgating new rules, roles, procedures, or structures within organizations; or (3) adaptation of technology or managerial practices used by competing or cooperating organizations. Porters' previous research has defined implementation in terms of actors, intents, and procedures. Implementation is a procedure directed by a manager to install planned change in an organization. Our study accomplishes this in the banking industry. There are several major internal subsystems of the organization that must be coordinated to successfully implement a new organization strategy.

In the banking industry, Young (1999) concludes that understanding market structure is a key determinant to the successful implementation of a differentiation or cost leadership strategy and Devlin (1995) suggests that distribution systems provide one way to differentiate banking services and Farrance (1993) identified distribution, technology, segmentation, pricing, product development, branding, service quality, and relationship banking as areas where financial institutions currently pursue differentiation strategies. Porter's (1980) generic strategy classifications are capable of discriminating between competitive strategy designs in empirical research and called for repetition of prior studies in different industries using identical competitive methods on which a principal component solution can be employed.

One of the challenges that must be successfully met by bank managers is the selection of most appropriate assets (loans, securities, etc.). However, different banking strategies have faced fundamental changes in recent years due to a few major factors. First are demographic changes,
which have created different requirements in retail banking services. The second group of changes is based on new trends in savings patterns. Low inflation rates, higher standards of living and shorter life expectancy have resulted in changes in savings patterns. This has posed a huge challenge for banks that have needed to diversify their activities and offer new financial services. The third group of changes has been propelled by customer awareness. The fluctuation in an uncertain future presents an opportunity for financial institutions to implement strategies for selecting an appropriate asset allocation plan. While short term variations in the interest rates within a year are fairly predictable, longer-term variations involve higher uncertainties. Porter (1980) argues that superior performance can be achieved in a competitive industry through the pursuit of a generic strategy, which he defines as the development of an overall cost leadership, differentiation, or focus approach to industry competition.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines research design, data collection and data analysis process. The objective of this study was to determine the challenges of strategy implementation at Ecobank Limited.

3.2 Research Design

A research design is the strategy for study and plan by which the strategy is to be conducted. It specifies the methods and procedures for the collection, measurement and analysis of data (Cooper and Schindler, 2006). According to Mugenda and Mugenda (1999) “a case study is a very powerful form of qualitative analysis that involves a careful and complete observation of a social unit; be it a person, family, an institution or even an entire community. The merit of case study is to enable one to conduct an in-depth investigation of the underlying issues within Ecobank (K) Limited. The study employed a case study on the challenges of strategy implementation at Ecobank Kenya Limited.

According to Mugenda (2010), in-depth investigation is studied using a variety of data gathering methods such as interviewing, observation, document analysis and/or questionnaires with the aim of obtaining a rich and detailed insight of that case and its complex relationships and processes.
3.3 Data Collection

This study relied on primary data. The data was collected using in-depth open interview guide. The respondents were operations managers, products development manager, head of finance, head of customer service, head of Information Communication and Technology and other manager, head of corporate banking and branch managers.

3.4 Data Analysis

Content analysis was used to capture open ended responses that are relevant to the key objectives of the study. According to Cooper and Schindler (2006), content analysis measures the semantic or the ‘what’ aspect of a message. Its breath makes it a flexible and wide ranging tool that may be used as a stand alone methodology or as a problem specific technique. Content analysis guards against selective perception of the content, provides for rigorous application of reliability and criteria, and is amenable to computerization. The similarities and differences will be summarized into emerging themes and compared with theoretical approaches cited in the literature review. This is because the study adopted qualitative data drawn from a single bank from different levels of management each responding to different sets of questions.
DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This section will entail data analysis, findings of the study and discussion in line with the objective of the study. The main objective was to study the challenges of strategy implementation at Ecobank Kenya Limited. The quantitative and qualitative analyses of data are represented under this chapter. The data collected aimed at providing answers to determine the challenges of strategy implementation at Ecobank Kenya Limited.

4.2 Strategy Implementation at Ecobank Kenya Limited

It is evident that there are strategic plans and hence strategies exist at Ecobank as evident in the website and other branded publicity materials. The Ecobank strategy is built and organized along three business lines: a portfolio of domestic banking businesses serving consumers, governments, small and medium scale enterprises and local companies; a pan-African corporate banking unit focused on serving multinationals, regional companies, international and multilateral organizations, and public corporate; and a treasury, investment banking and asset management unit with a focus on financial markets and investors. These three business lines will be supported by independent risk management and finance functions, and an upgraded operations and technology infrastructure. By aligning its structure with key customer groups, Ecobank expects to be able to deliver superior value-added services that address the local, continent-wide, and international banking needs of its customers.

According to the chief executive “With our geographical expansion coming to an end we think it is appropriate to focus on consolidating, re-tooling and re-engineering the group for long-term
profitability. Along with the re-organization, we are also in the final stages of a re-branding programme, and are taking advantage of current market conditions to attract new talent to refresh and strengthen our middle and senior management and “Our focus continues to be on strong banking fundamentals”. This explains the leadership acumen of Ecobank Kenya leadership and dedication to the strategy implementation process.

Over the last 5 years, Ecobank Kenya has built an unparalleled network of over 24 branches and offices across Kenya. The group is now present in more counties in Kenya than most other banks in Kenya. The organizational structure, which was rolled out in the first quarter of 2010, is being led by experienced team of bankers. Each of the three new business lines is headed by a group executive. The reorganization was part of a wide-ranging review carried out with the assistance of international consultants, to respond to a changed banking and economic environment globally. In addition to the refreshing Ecobank operations, areas were identified that are key initiatives in different areas of the bank that translating into strong performance and superior shareholder value.

Despite the fact that managers at Ecobank Kenya understand the significance of strategy implementation, it has been observed that implementation has fallen far short of the goals that organizations have set for itself. This is because their managers forget this vital component of the strategic management process like control. They are not paying as much attention to planning the implementation of their strategies as they give to formulating them.
It was reported that executive investment in implementation has been insufficient, e.g. executives spent most of their time in developing a joint venture situation, but less of their time in setting up a management system to implement that particular strategy. This may be because the development and selection of strategies to be pursued is considered to be easier and less time consuming than implementing them. However, implementation deserves considerable attention for the success of strategies. Because of lesser importance given to the implementation process, this has results into poor implementation which brings the entire plan into disrepute evidenced locally by loss in profit, low deposits and customer base.

4.3 Challenges of Strategy Implementation in Ecobank

Technology is a challenge in Ecobank because the expected synergy derived from tremendous support and advantage from the shared services of the robust group technology platform have not exhibited the potential to dramatically reduce operating costs and improved quality of management information hence making core banking less profitable. According to the head of Information Communication and Technology, this was highly driven by rapidly changing customers’ needs and preferences followed by competitive forces and product differentiation strategies, enhancement of customer relationship management while pressure to reduce transactional and operation costs and passing of the benefits to customers came last.

Lack of infrastructure also remains a challenge according to the head of transaction banking, since Ecobank offered a unique opportunity to reach a higher number of targeted customers without necessarily increasing physical branches accordingly.
According to the head of customer quality service culture presents difficulty as customers still valued personalized and responsive services from their front office bankers to for fear of modern banking methods. This reflects resistance to change by the stakeholders. For Ecobank, the transformation has caused problems because of the lack the necessary physical infrastructure resources that support its branchless banking e.g. limited internet bandwidth that has also pushed up costs too high, and that it will be difficult for them to match the prices of competing Internet banks if the customers underutilize the facility whose resultant is reduced profitability.

The international branch banking strategy is characterized by a relatively dense branch network in a large geographical area, covering two or more nations. The driving force behind the expansion has often been the wish to serve the largest corporate customers with effective cash management offerings. The international branch banking strategy has a significant growth potential if it is possible to acquire suitable banks. The problem cited with this strategy is that it is resource-intensive and therefore decreases a companies’ ability to marshal the resources needed to support strategic initiatives and steer the operations successfully.

For retail banks, the Internet is a new distribution channel, which offers a lower waiting time and a higher spatial convenience than traditional branch banking and it is therefore attractive to a large and quickly growing segment of bank customers. This has changed the distribution channel structure of retail banking. The changing structure forces retail strategists to decide which segments to target and which geographical coverage to aim at.
Another key challenge to strategy implementation is the balance between convenience and security to both customers and the bank. Ecobank designed products that offer a balance between competitive pricing and functionality, keeping abreast with dynamism of customer needs and innovation and lack of proper legislative framework to support the growth of e-banking.

Human resource yet another drawback in terms of their participation in strategy implementation and skills. It has become a widely held premise that people provide organizations with an important source of sustainable competitive advantage that the effective management of human capital, not physical capital, may be the ultimate determinant of organizational performance. When employees do participate in the organizations they feel more valuable, especially when they see the results stemming from their actions enabling employees to freely contribute in an organization can have a substantial positive effect in a company because keeping employees informed and getting them involved in decision that affects their work builds trust and feelings of self-worth.

4.4 Discussion

The results of this research suggested that the first and the foremost important factor for effective strategy implementation was the strategy making process itself. Respondents reported that organizations needed to pursue the components of strategy formulation process effectively for formulating the strategies which are implementable. The strategic factors in strategy making process revealed that all the respondents feel that selection of the best strategy is extremely important for effective strategy implementation.
Respondents were of the opinion that the issues external to environmental analysis, formulation of specific objectives and identification and evaluation of alternatives were also very important in strategy implementation. According to Durden (2001), firms following different strategies have varying degrees of firm success suggesting an unclear relationship between strategy implementation and bank’s performance.

Top management commitment involves the involvement and support of top management to the implementation process through employees. Managers surveyed accorded great importance to the top management commitment for effective strategy implementation. The results reflected that the respondents respectively believed that this factor was responsible for the great deal of effort and allocation of resources at appropriate time which is extremely important for strategy implementation. In tandem with these, the study seeks to unravel the challenges in implementation. This is supplementary to a study conducted by Hill (2009) suggesting that organizations whose top management attend to issues are likely to achieve successful implementation of their core strategies.

Strategy leadership was found key determinant in the success or failure of any human institution. The leader's role in strategy implementation was critical because it provides the basic leadership and impetus for the implementation process. Effective leadership was required at all levels of the implementation process for decision-making, guidance, support and motivation of people involved in implementation. Organizations need to assess the factors which contribute towards effective leadership in implementation process. Employees’ commitment was rated as a very important factor in effective strategy implementation by managers.
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The findings have been presented as discussed. This chapter comprises of summary of findings, conclusion and recommendations as per the research findings. It also includes suggestion for further research, limitations of the study and contributions to the body of knowledge.

5.2 Summary of Findings

The objective of the study was to determine the challenges faced by Ecobank in strategy implementation. From the findings, it was established that most respondents were in agreement that the company had well laid out strategies derived from existing strategic plans with activities drawn at departmental level. The budgetary requirements have been documented properly. However, little has been achieved towards actualizing the plans. Most of the goals and objectives have not been materialized. The study revealed existence of serious challenges to strategy implementation key of which are lack of planning for and mobilization of resources which are critical to strategy implementation.

The study revealed that the communication process was a key successful factor within strategy implementation at Ecobank Limited. The study revealed that communication on pertinent issues like setting goals and objectives, monitoring and, evaluation and controlled had not been fully embraced. Lack of skills and lack of continuity programs after change of top management have compromised the level of strategy implementation and ownership and the strategic plan. The
rapidly changing banking environment has meant strategies keep on changing thus impacting on negatively on bank’s operations.

Furthermore, the study established that organizational culture affected strategy implementation. The respondents agreed that the organizational culture affected strategy implementation where the dominant values and beliefs, the norms, ignoring the day to day business activities and the customers and staff not fully appreciating the bank’s strategy

5.3 Conclusion

From the findings, the study concludes that the current state of strategy implementation process is far from the expected. This arises from the failure to put in place measures that would ensure operationalisation and institutionalization of the strategies. There is absence of effective linkage between rewards and performance people get demoralized and lose the excitement of contribution. Ecobank Kenya has not designed effective rewards and incentive schemes for motivating their people to contribute their best to the implementation process.

There is lack of coherence between different organizational functions within Ecobank. Successful implementation requires that the strategy, the organization, the people and their relationships, the systems and the measures are aligned and made to work towards a common goal.

The study concludes that strategy implementation is inseparable from effective leadership and communication within the business as implementation calls for design of organizational architecture that allows for empowerment and communication at all the levels. Many relevant
phenomena like strategic control, human capital or corporate governance have not been deeply covered under the study but signified their presence within the findings.

5.4 **Recommendations for Policy and Practice**

The study recommends that top management commitment is very vital at Ecobank Limited since it affects strategy implementation. Management has to be sensitive to new cultural environments and implement a cross cultural approach to its strategic and operational development if international banking is to become successful. Culture management should be adequately looked at before implementing a strategy.

The study found out that communication was a key success factor within strategy implementation at Ecobank Limited. The study recommends that communicating with employees should be timely whenever changes in the organization are made. There should be a two way communication process that allows and solicits questions or feedback regarding the formulated strategy.

The study revealed that the top management, because of its knowledge of both the external environment and the overall business, is in the best position to define the broad strategic direction and offer effective leadership. In a similar way leaders' role in the strategy implementation has been identified as critical. This is because they provide the basic leadership and impetus for the implementation process.
5.5 Limitation of the study

The study was limited as it was a case study and thus its scope of coverage focused on one bank, as it only covered one bank. The use of interview guide also, made it complex to quantify data based on content analysis as it relied on in depth perceptions, opinions and knowledge of the respondents. The findings are only within the context of Ecobank Kenya Limited.

The other limitation was that the study focused on strategy implementation, while the strategic management process involves other aspects such as strategy formulation, situation analysis and monitoring and evaluation.

5.6 Suggestions for further Study

The study suggests that in future it should be replicated in other commercial banks, so as to compare the findings of this study. Another study should be carried out on the organization and to determine how these challenges identified in this study were dealt with the next strategic planning period.


services”, *The International Journal of Bank Marketing*. Vol. 15 No. 3, pp. 73-82.


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Osoo, W Y and Onen D (2005) A general guide to writing a Research proposal and


Dear Sir/Madam,

RE: REQUEST FOR RESEARCH DATA

I am a student registered for MBA program at the University of Nairobi, specializing in Strategic Management currently undertaking a research on "Challenges of Strategy Implementation: A case of Ecobank Kenya Ltd"

This research questionnaire focuses at structure and process of strategic implementation within your bank. Confidentiality shall be highly observed.

Thank you in advance,

Yours faithfully

OCHANDA, Mercy
APPENDIX II: INTERVIEW SCHEDULE FOR CHIEF OFFICERS

A: STRATEGY IMPLEMENTATION

1. To what extent are the objectives of your current strategic plan implemented and what is your commitment to achieving these objectives?

2. To what extent are the strategy implementation practices stated below employed by the bank using the key stated?  
   **KEY**: 1 = little extent, 2 = moderate extent, 3 = Great extent
   
<table>
<thead>
<tr>
<th>Practice</th>
<th>1</th>
<th>2</th>
<th>3</th>
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<tbody>
<tr>
<td>Human resource support</td>
<td></td>
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<tr>
<td>Organizational and management support</td>
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<td>Resource mobilization</td>
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<tr>
<td>Leadership</td>
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</tbody>
</table>

3. Is strategy implementation monitored and corrective action taken by the management?

4. Which decision making style is most preferred by the bank?

5. When recruiting new employees, how does the bank assess their competency in achieving the overall strategic goals?

6. Have you previously trained employees in order to improve strategy implementation?

7. Do you have regular feedback and monitoring system concerning strategy implementation?

8. How satisfied are you with the strategic implementation process so far?

B: STRATEGY IMPLEMENTATION CHALLENGES

9. What challenges do you face in the course of strategy implementation? How do you go about them?
10. What suggestions would you make to control against challenges in strategy implementation process within Ecobank in general?

11. Below are challenges to strategy implementation. Comment on how you cope with the following challenges?
   i) Leadership
   ii) Organizational Structure Alignment to Strategy
   iii) Globalization of markets/ Internationalization
   iv) Participation in Strategy Implementation
   v) Technology
   vi) Employee resistance
   vii) Change management
   viii) Culture

12. Please give any comment concerning this study

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Thank you
APPENDIX III: INTERVIEW SCHEDULE FOR BRANCH / OPERATIONS AND INFORMATION TECHNOLOGY

1. What role do you play in strategy implementation process?

2. Do you have laid down procedures for strategy implementation process in your section?

3. What is your general comment on the overall resource mobilization towards implementing strategy?

4. What challenges do you encounter in the process of implementing them?

5. Do you have regular feedback and monitoring system concerning strategy implementation?

6. How satisfied are you with the strategic implementation process so far?

7. What challenges do you face in the course of strategy implementation? How do you go about them?

8. What suggestions would you make regarding the challenges in strategy implementation process to the bank specifically and the entire industry in general?

9. Below are challenges to strategy implementation. Comment on how you cope with the challenges?

   ix) Frequent Innovations of banking products and services

   x) Organizational Structure

   xi) Globalization of markets/ Internationalization

   xii) Participation in Strategy Implementation

   xiii) Technology

Thank you