

**FACTORS INFLUENCING STRATEGY IMPLEMENTATION  
AMONG LOCAL NON-GOVERNMENTAL ORGANIZATIONS IN  
NAIROBI, KENYA**

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## DECLARATION

This research project is my original work and has not been submitted for examination in any other university.

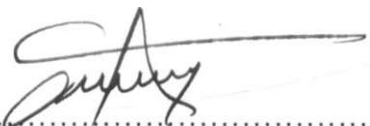
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Finally, and most especially, I sincerely thank God who made all things possible.

## **DEDICATION**

I dedicate this research project to my lovely son Ethan Kito who was born during the project proposal presentation and to his mum Sophie; my dear wife who has been a great source of inspiration and joy in my daily endeavors to better my best.

## **ABSTRACT**

Strategy implementation is understood as one of the most difficult business challenges facing today's managers. The challenges can be ascribed to several reasons among them ever changing external environment, inadequacy of resources and inappropriate organizational systems among others, despite the neglect by academicians and consultants. No known study has been done on factors influencing strategy implementation among local Non-Governmental Organizations (NGOs) in Nairobi. This study therefore sought to fill this gap by investigating the factors influencing strategy implementation among local NGOs in the city of Nairobi. The study used cross sectional survey research design. The target population of the study was the local NGOs in Nairobi amounting to 2252 registered local NGOs in Nairobi district. The study used stratified random sampling technique to select a sample of 100 local NGOs in Nairobi. Data was collected using structured questionnaire while data analysis was done using descriptive statistics. From the findings, the study concluded that the major factors influencing strategy implementation in NGOs in Nairobi are poor communication; lack of commitment of top management to strategy implementation, poor leadership style of managers, inadequate funds, limited human resource skills, economic forces and pressure from donors. The study recommends that the management should ensure that they employ and deploy qualified and competent individuals. The NGOs should implement approaches such as effective reward management systems meant to enhance manager's commitment. The NGOs should improve integrated communications plans to improve strategy implementation.

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# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

Strategic management is the art, science and craft of formulating, implementing and evaluating cross-functional decisions that will enable an organization to achieve its long-term objective (Thompson and Strickland, 2003). Strategic management seeks to provide solutions to these issues by maintaining a long term focus to anticipate and deal with issues facing the organization with a view of long term growth, profitability and survival (Robbins and Coulter 2004). Strategy of an organization is the roadmap towards attainment of its long term goals and objectives. Today's global competitive environment is complex, dynamic, and largely unpredictable. To deal with this unprecedented level of change, a lot of thinking has gone into the issue of how strategies are best formulated. Complexity in the global environment is a product of contextual factors such as technological advances, diverse social and economic change, and political upheavals. More directly, for the firm complexity is intensified by the scope of its operations in global markets, at different levels of the value chain and how they are arrayed across markets, the interlinking and interdependences between markets, and the increased blurring of product market boundaries, both functionally and geographically.

As noted by Thompson & Strickland (2003), the cornerstone of strategy implementation is building an organization capable of carrying out the strategy successfully. Strategic formulation includes the setting of the mission, goals and objectives for the organization, the analysis of the external environment as it affects the organization, together with its internal resources and the choice of strategic alternatives. Kaplan & Norton (2001) see the ability to execute the strategy as an

even bigger management challenge than determining the right vision and the quality of the strategy itself. They point to the importance of adequate performance management systems as a critical success factor for implementing strategies. More and more companies are acknowledging that performance measurement systems need a focus, by linking them to the strategy of the organization. Many academicians and performance management consultants see a solution in new performance measurement systems. These initiatives perhaps seem to be attractive but there is still a lack of integration.

There are different aspects of strategic management, and to a greater extent all these aspects are relevant for most organization. However different aspects will be more important in some context and in some organizations than in others (Johnson & Scholes, 2005). Of interest in this study is the not-for-profit sector with emphasis in the non-governmental organizations (NGOs). In this sector, the underlying values and ideology will be of central significance and play a vital role in strategy development and implementation. In such organizations, the sources of funds may be diverse and are quite likely not to be direct beneficiaries of the services offered. Nonetheless the principles of competitive strategy still hold. The fact that multiple sources of the donors, might also lead to a high incidence of political lobbying, difficulties in clear strategic planning and implementation, and a requirement to hold decision making and responsibility at the centre, where it is answerable to external influences rather than delegate it within the organization. This creates a great extent of impedance to the process of strategy implementation.

### **1.1.1 The Concept of Strategy**

Strategy can be defined as the direction and scope of an organization that ideally matches the results of its changing environment and in particular its markets and customers so as to meet stakeholder expectation (Johnson & Scholes, 2002). According to Greenley (2006), strategy is a unified and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and that is designed to ensure that the basic objectives of the enterprise are achieved through proper execution by the organization.

Strategy is a multi-dimensional concept and various authors have defined strategy in different ways. It is the match between an organization's resources, skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish (Quinn, 1993). It is meant to provide guidance and direction for the activities of the organization. Since strategic decisions influence the way organizations respond to their environment, it is very important for a firm to make strategic plans and define strategy in terms of its function to the environment.

The purpose of strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment (Pearce and Robinson, 2007). Mintzberg (2003) perceives strategy as a pattern or a plan that integrates organization's major goals, policies and action into a cohesive whole. Porter (2004) has defined strategy as a creation of a unique and vulnerable position of tradeoffs in competing, involving a set of activities that neatly fit together, that are simply consistent, reinforce each other and ensure optimization of effort.

According to Pearce & Robinson (2007), strategy is defined as the company's "game plan" which results in future oriented plans interacting with the competitive environment to achieve the company's objectives. This definition of strategy is important in this study as it reflects competitiveness in the environment and the game plan aspects, which organizations put into place to be able to compete effectively.

### **1.1.2 Strategy Implementation**

Strategy implementation involves organization of the firm's resources and motivation of the staff to achieve objectives. Implementation is defined as the phase in which systems and procedures are put in place to collect and process the data that enable the measurements to be made regularly (Drazin and Howard, 2002). This process includes the various management activities that are necessary to put strategy in motion, institute strategic controls that monitor progress, and ultimately achieve organizational goals. According to Raps and Kauffman (2005), the implementation process covers the entire managerial activities including such matters as motivation, compensation, management appraisal and control processes which entail cascading strategy to all functional areas in such a way as to achieve both vertical and horizontal logic and enhance implementation of policies.

As pointed out by Galbraith and Schendel (2002), almost all the management functions-planning, controlling, organizing, motivating, leading, directing, integrating, communicating and innovations are in some degree applied in the implementation process. Hendry and Kiel (2004) also explain that to effectively direct and control the use of the firm's resources, mechanisms such as organizational structure, information systems, leadership styles, assignment of key managers,

budgeting, rewards and control systems are essential strategy implementation ingredients. There should be specific interim or ultimate time-based measurements to be achieved by implementing strategies in pursuit of the company's objectives. The implementation activities are in fact related closely to one another and decisions about each are usually made simultaneously (Alexander, 1985).

The challenges of strategy implementation are illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies (Raps and Kauffman, 2005). The primary objectives are somehow dissipated as the strategy moves into implementation and the initial momentum is lost before the expected benefits are realized. Successful implementation is a challenge that demands patience, stamina and energy from the involved managers. The key to success is an integrative view of the implementation process (Raps and Kauffman, 2005). Awino (2001) identified four challenges areas affecting successful strategy implementation. He cited lack of fit between strategy and structure; inadequate information and communication systems; and failure to impart new skills. He identified most challenges as concerning connecting strategy formulation to implementation; resource allocation; match between structure with strategy; linking performance and pay to strategies; and creating a strategy supportive culture.

### **1.1.3 Factors Influencing Strategy Implementation**

As proposed by Beer and Eisenstat (1996), there are three essential factors for successful strategy implementation. First of all, the change process should be systemic. This means that both the human and systemic aspects of the organization should fit with each other in the organization. This is a very important point.

It is easy to imagine a situation in which severe motivation problems would arise in effect of a lack of interest in one of these aspects. The second factor is the condition that the change process should encourage the open discussion of barriers to effective strategy implementation and adaptation. All impediments to strategy should be taken in to account and the most reliable way to get the best information is to include the largest possible number of the organization's members into the discussion. This brings us to the third factor proposed by the authors, which tells us that the change process should develop a partnership among all relevant stakeholders (Campbell & Goold, 2000).

Elsewhere, Beer and Eisenstat (2000) catalogued a group of relevant, inhibiting factors to strategy implementation and learning. The factors are: a top-down or laissez-faire management style, unclear strategy and conflicting priorities, an ineffective senior management team, poor vertical communication, poor coordination across functions, plus inadequate down-the-line leadership skills and development. The authors seem to clearly acknowledge the need for large-scale communication as well as at least partial participation and on the other hand leadership and organizational integrity. The factors proposed by Beer and Eisenstat are present in a survey done by Alexander (1985). The major problems present in strategy implementation: the implementation taking more time than allocated, unanticipated, major problems surfacing during implementation, poor coordination, competing activities, lacking competencies, etc. speak of a poor fit between human resources and the organizations structure and systems as well as poor vertical communication in both directions.



Alexander goes on promoting five guidelines to overcome the problems, not unlike those proposed by Beer and Eisenstat. They are: communication, starting with a good concept, providing sufficient resources, obtaining employee commitment and developing an implementation plan (Beer and Eisenstat, 2000). Noble (1999) in turn speaks of barriers to effective implementation. The physical distances hindering the necessary, cross-functional collaboration in the organization form physical barriers. Turf barriers are the other side of this coin, representing the differing interests of the distinct units. Interpretive barriers are formed by the different ways different units interpret and comprehend the strategy. Personality barriers reflect the personal characteristics of key personnel, as well as between different groups in the organization's hierarchy. Another important barrier is that of varied goals amidst the organization and its units. Noble's perspective, therefore, is that of the organization as consisting of different units and functional groups. His novel contribution to the discussion of effective implementation is that for effective implementation the strategist must create unofficial communication networks (Noble, 1999).

#### **1.1.4 Local Non-Governmental Organizations in Nairobi Kenya**

Most non Governmental Organizations are funded by private donors, international agencies and the Kenyan Government initiatives. The main areas of concern for these organizations include health, housing, sanitation, food and providing other needs and basic facilities. There is also the issue of Gender inequality, HIV AIDS support and the Adult care as well as charity. Most of these NGOs are health based, improving the livelihood of most Kenyans who live below the poverty line. There are approximately 2252 local non-Governmental Organizations in Nairobi.

Non-Governmental Organizations (NGOs) are increasingly being recognized by governments everywhere as potent forces for social and economic development; important partners in nation building and national development; valuable forces in promoting the qualitative and quantitative development of democracy and not least, important contributors to GDP. Currently there are many national, regional and international NGOs in Nairobi Kenya. Some of these deal with issues such as gender, human rights, environment, advocacy and participatory development. All of them have been assisting in strengthening the civil society through informing and educating the public on various issues, such as their legal rights, entitlements to services or by helping them attune to government policies. NGOs are involved in all spheres of life.

The activities of NGOs have increased since 1980s. The 1980s and 1990s was a period in which Kenyan NGOs changed in several ways. They shifted their focus away from concerns about relief to more general interests in development. They increased their involvement in socioeconomic matters. The range of activities in which they began to involve themselves widened to include sectors such as energy, environment, primary health care, nutrition, education, and vocational training. The government of Kenya and development partners recognizes the role of NGOs as agents of development and positive change.

## **1.2 Research Problem**

Strategy implementation is the process of allocating resources to support the chosen strategies. In the world of management, increasing numbers of senior people are recognizing that one of the key routes to improved business performance is better implementation (Hambrick and Cannella, 2003). However, at the same time, it is also

understood that implementation is one of the more difficult business challenges facing today's managers (Drazin and Howard, 2002). The apathy to strategy implementation can be ascribed to several reasons, among them: greater likelihood of failures in implementing strategies; higher complexity in the process of strategy implementation; strategy implementation being considered to be less glamorous than formulation; and practical difficulties in research involving middle-level managers. Despite the neglect by academicians and consultants more challenges are experienced in practice in the course of strategy implementation. The organizations have to manage these challenges effectively for them to achieve their strategic intent.

The interest in the study 'factors influencing strategy implementation among local NGOs in Nairobi, has been inspired by the fact that strategy implementation besides, the existing knowledge in addition to the current literature is biased towards developed nations, creating further a gap in emerging economies and their unique needs. Strategy implementation will therefore continue to attract attention because it plays a central role in the overall success of organizations today be they small or large, profit or non-profit making and even government institutions worldwide.

Studies have been done on the challenges of strategy implementation. For instance, Arumonyang (2009), did a survey on strategy implementation challenges facing regional development authorities in Kenya, Patrick (2009), on challenges of strategy implementation at Kenya wildlife service, Njoki (2009), on challenges of strategy implementation at Oxfam Great Britain-Kenya, Merikol (2010), on challenges of strategy implementation at the ministry of road and public works in Kenya and Aosa (1992), on an empirical investigation of aspects of strategy formulation and

implementation within large, private manufacturing companies in Kenya. No known study has been done on factors influencing strategy implementation among local NGOs in Nairobi. This study therefore seeks to fill this gap by investigating the factors influencing strategy implementation among local NGOs in the city of Nairobi. The study will therefore answer the question: what are the factors influencing strategy implementation among local NGOs in Nairobi, Kenya?

### **1.3 Research Objective**

The objective of the study was to determine factors influencing strategy implementation among local NGOs in Nairobi, Kenya.

### **1.4 Value of the Study**

Findings of the study may particularly be useful in providing additional knowledge to existing and future institutions on strategy implementation and provide information to potential and current scholars on strategic management in Kenya. This may expand their knowledge on strategy implementation and also identify areas of further study. The study may be a source of reference material for future researchers on other related topics; it will also help other academicians who undertake the same topic in their studies.

The findings of this study will help in enlightening the key decision makers in local NGOs in Nairobi Kenya in policies formulation and on how to successfully implement their strategies and how they could purpose to mitigate the challenges facing them. The study will in addition to the above, be useful to stakeholders, donors, and investors in formulating and planning areas of intervention and support.

Finally, the study may be important not only to local NGOs in Nairobi but also to other managers in other sectors. It would help them understand the factors influencing strategy implementation and how to overcome them. It would help them understand why different firms achieve success better than others.



## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter presents the information from other researchers who have carried out their research in the same field of study. The specific areas covered here are strategy implementation, challenges of strategy implementation and strategies in overcoming the challenges of strategy implementation (commitment of top management, involve middle manager's valuable knowledge, communication, clear assignment of responsibilities, change management, teamwork, respect the individual's different characters, supportive implementation instruments and calculate buffer time for unexpected incidents).

### **2.2 Strategic Management Theory and Practice**

There is no single universally accepted definition of strategy. Different authors and managers use the term differently (Mintzberg, 1993). Quinn (1980) defines strategy as the pattern or plan that integrates an organization's major goals, policies and action sequences into a cohesive whole. He goes further to state that a well formulated strategy helps to marshal and allocate an organization's resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents. Strategy can be formulated on three different levels, namely: corporate, business unit and operational level. While strategy may be about competing and surviving as a firm, one can argue that products and not organizations compete. Products are developed by the business units. The role of the organization then is to manage its business units and products so that each is competitive and so that each contributes to the organization's purposes (Porter, 1980).

Strategy helps to position a firm in the wider external environment. It also defines the obligation of the firm to its stakeholders (Johnson and Scholes, 1999). Strategy helps to define the specific business of the firm in terms of products, markets and geographical scope. Strategy can also be considered as a firm's game plan that enables the firm to create competitive advantage (Pearce and Robinson, 2007). The firm needs to look at itself in terms of what the competitions are doing. This is critical because firms in the same industry tend to compete for the same customers. Ansoff and Mc Donnell (1990) define strategy as a set of decision making rules for guidance of organizational behavior. This strategy is used as a yardstick to measure firm's performance and to define its relationship with the external environment. Strategy needs to take into consideration both the immediate and remote environments.

There is no single exhaustive definition of strategy. What emerges, however, is that strategy is defined by how a firm relates to its environment. This has to take into account the internal capabilities of the firm which defines the firm's competitive advantage. The success or failure of a firm's strategy will depend on skillful formulation and effective implementation. However, all successful strategies have some common elements. They are based on simple consistent and long term objectives. They are also based on a profound understanding of the competitive environment and objective appraisal of available resources (Cox and Britain, 2000). In addition, a well developed control mechanism that monitors and evaluates the strategy implementation process is a vital tool required for successful implementation of strategy. Continuous and well calculated scanning of the external environment comes in handy during the strategy implementation phase.

## **2.3 Implementation of Strategy**

Strategy implementation has attracted much less attention in strategic and organizational research than strategy formulation or strategic planning. Alexander (1985) suggests several reasons for this: strategy implementation is less glamorous than strategy formulation, people overlook it because of a belief that anyone can do it, people are not exactly sure what it includes and where it begins and ends. Furthermore, there are only a limited number of conceptual models of strategy implementation. In the world of management, increasing numbers of senior people are recognizing that one of the key routes to improved business performance is better implementation (Renaissance Solutions Ltd, 1996). However, at the same time, it is also understood that implementation is one of the most difficult business challenges facing today's managers (Pfeffer, 1996). Within this, management ability, or competence, is seen as an important contributor to achieving this aim (Boyatzis, 1982).

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation; communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Okumus (2003) observe that "despite the importance of the strategic execution process, far more research has been carried out into strategy formulation rather than into strategy implementation", while Alexander concludes that literature is dominated by a focus on long range planning and strategy "content" rather than the actual implementation of strategies, on which "little is written or researched"(Alexander, 1985).



Reasons put forward for this apparent dearth of research effort include that the field of strategy implementation is considered to be less "glamorous" as a subject area, and that researchers often underestimate the difficulties involved in investigating such a topic especially as it is thought to be fundamentally lacking in conceptual models (Alexander, 1985). More "practical" problems associated with the process of strategy implementation, meanwhile, include communication difficulties and "low" middle management skill levels (Otley, 1999).

What tends to be absent from these programmes is attention to any higher order competencies which enable managers to use these educational or technical abilities to make a difference to the organization (Harris, 1989). As an example, better financial management may require senior managers not only to have a good grasp of financial principles but also to "remain open minded" or to "lead by example" under the difficult circumstances of trying to get other managers to keep a closer eye on expenditure. Similarly, improved chairmanship may demand qualities of "self confidence" and the ability to "read interpersonal or political situations" which often crop up in management meetings, as well as learning about techniques for running meetings. Exactly the same is argued to be true for organizational strategy and other areas of business improvement (Ulrich, 1998).

## **2.4 Challenges of Strategy Implementation**

According to Alexander (1985), the ten most frequently occurring strategy implementation problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact.

Reed and Buckley (1988) discuss problems associated with strategy implementation identifying four key areas for discussion. They acknowledge the challenge and the need for a clear fit between strategy and structure and claim the debate about which comes first is irrelevant providing there is congruence in the context of the operating environment. They warn that, although budgeting systems are a powerful tool for communication, they have limited use in the implementation of strategies as they are dominated by monetary based measures and due to their size and the game playing associated budget setting "it is possible for the planning intent of any resource redistribution to be ignored" (Reed and Buckley, 1988). Another problem is when management style is not appropriate for the strategy being implemented, they cite the example of the "entrepreneurial risk taker may be an ideal candidate for a strategy involving growth, but may be wholly inappropriate for retrenchment" (Reed and Buckley, 1988).

Resource insufficiency is another common strategy implementation challenge. This may be as a result of lack of resources which include financial and human or indivisibility of resources. Established organizations may experience changes in the business environment that can make a large part of their resource base redundant resources, which may be unable to free sufficient funds to invest in the new resources that are needed and their cost base will be too high (Johnson and Scholes, 2002).

Changes do not implement themselves and it is only people that make them happen (Bryson, 2005). Selecting people for the key positions by putting a strong management team with the right personal chemistry and mix of skills is one of the first strategy implementation steps (Thompson and Strickland, 2003). They point out

that assembling a capable team is one of the cornerstones of the organization-building task. Strategy implementation must determine the kind of core management team they need to execute the strategy and then find the right people to fill each slot. Staffing issues can involve new people with skills (Hunger and Wheelen, 2005). Bryson (2005) observes that people's intellect creativity, skills, experience and commitment are necessary towards effective implementation. However selecting able people for key positions remains a challenge to many organizations.

Whilst the strategy should be chosen in a way that it fits the organization structure the process of matching structure to strategy is complex (Bryson, 2005). The structure that served the organization well at a certain size may no longer be appropriate for its new or planned size. The existing structure and processes in the organization support in different ways, there is likely to be problems should the existing structures be used to implement the changes (Meldrum and Atkinson, 1998). The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place. According to McCarthy (1986), creating that structure for managers is the selection of the organization structure and controls that will implement the chosen strategies effectively.

Cultural impact under estimation is yet another challenge to strategy implementation. The implementation of a strategy often encounters rough going because of deep rooted cultural biases. This causes resistance to implementation of new strategies especially in organizations with defensive cultures. This is because they see changes as threatening and tend to favor "continuity" and "security" (Wang, 2000).

It is the strategy maker's responsibility to choose a strategy that is compatible with the "sacred" or unchangeable parts of prevailing corporate culture. Creating an organization's culture, which is fully harmonized with implementation plan, offers a strong challenge to the strategy implementation leadership abilities. Aosa (1992) observes that lack of compatibility between strategy and culture can lead to high organizational resistance to change and demotivation, which can in turn frustrate the strategy implementation.

Strategic change is the movement of an organization from its present state to toward some desired future state to increase its competitive advantage (Hill and Jones, 2001). The behaviour of individuals ultimately determines the success or failure of organizational endeavours and top management concerned with strategy and its implementation must realize this (McCurthy, 1986).

As indicated by Aaltonen and Ikavalko (2001) the amount of strategic communication in most organizations is large with both written and oral communication being used in form of top down communications. However, a great amount of information does not guarantee understanding and there is still much to be done in the field of communicating strategies. According to Wang (2000), communication should be two way so that it can provide information to improve understanding and responsibility and to motivate staff. Also they argue that communication should not be seen as a one-off activity throughout the implementation process. In many cases it is not so and therefore communication still remains a challenge to strategy implementation process.

Before any strategy can be implemented, it must be clearly understood. Clear understanding of a strategy gives purpose to the activities of each employee and allows linking whatever task is at hand to the overall organizational direction (Byars, 1996). Lack of understanding of a strategy is one of the obstacles of strategy implementation (Aaltonen and Ikavalko, 2001). They point out that many organizational members typically recognize strategic issues as important and also understand their context in generic terms.

Some of the barriers of strategy implementation as identified by Al-Ghamde (1998) are competing activities that distract attention from implementing the decision; changes in responsibilities of key employees not clearly defined; key formulators of the strategic decision not playing active role in implementation; problem requiring top management involvement not communicated early enough; key implementation task and activities not sufficiently defined. Meldrum and Atkinson (1998) identified two problems of implementation: a flawed vision of what it seems to be in a strategic position within an organization and a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief.

A study by Okumus (2003) found out that the main barriers to the implementation of strategies include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities. Meldrum and Atkinson (1998) found out a number of implementation pitfalls such as isolation, lack of stakeholder commitment, strategic drift, strategic dilution, strategic isolation, failure to understand progress, initiative fatigue, impatience, and not celebrating success.

As identified by Sterling (2003), there are several reasons why strategies fail. Among these are unanticipated market changes; lack of senior management support; effective competitor responses to strategy application of insufficient resources; failure of buy in, understanding, and/or communication; timeliness and distinctiveness; lack of focus; and bad strategy poorly conceived business models.

## **2.5 Measures to Deal With Strategy Implementation Challenges**

The strategy implementation process normally requires much more energy and time than the mere formulation of the strategy. A creative chaos can be advantageous for the formulation phase whereas the more administrative strategy implementation phase demands discipline, planning, motivation and controlling processes (Alexander 1985).

The second most important thing to understand is that strategy implementation is not a top-down-approach. The success of any implementation effort depends on the level of involvement of middle managers. To generate the required acceptance for the implementation as a whole, the affected middle managers' knowledge (which is often underestimated) must already be accounted for in the formulation of the strategy. Then, by making sure that these managers are a part of the strategy process, their motivation towards the project will increase and they will see themselves as an important part in the process (Tavakoli and Perks 2001).

Communication aspects should be emphasized in the implementation. Even though studies point out that communication is a key success factor within strategy implementation (Miniace and Falter, 1996), communicating with employees concerning issues related to the strategy implementation is frequently delayed until

the changes have already crystallized. Traditional strategy implementation concepts generally over-emphasize the structural aspects and reduce the whole effort down to an organizational exercise. It is dangerous, however, when implementing a new strategy, to ignore the other existing components. Strategy implementation requires an integrative point of view. Not only the organizational structure, but cultural aspects and the human resources perspective are to be considered as well. 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 (Aaltonen and Ikavalko, 2001).

Teamwork plays an important role within the process of strategy implementation. When it comes down to implementation activities, however, it is often forgotten. It is / indisputable, that teams can play an important part to promote the implementation (Drazin and Howard, 1984). To build up effective teams within strategy implementation the Myers-Briggs typology can be useful to ascertain person-to-person differences. Differences in personality can result in serious inconsistencies in how strategies are understood and acted on. Recognizing different personality types and learning how to handle them effectively is a skill that can be taught.

To facilitate the implementation in general implementation instruments should be applied to support the processes adequately. Two implementation instruments are the balanced scorecard and supportive software solutions. The balanced scorecard is a popular and prevalent management system that considers financial as well as non-financial measures. It provides a functionality to translate a company's strategic objectives into a coherent set of performance measures (Kaplan and Norton, 1993).

When it comes to meeting the criteria of a strategy implementation instrument, there is an excellent fit. The individual character of each balanced scorecard assures that the company's strategic objectives are linked to adequate operative measures. As a consequence, it provides even more than a controlling instrument for the implementation process. It is a comprehensive management system, which can support the steering of the implementation process.



## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter presents the methods that are adopted by the study in obtaining information necessary to achieve objectives of the study. The chapter outlines research design, target population, sample design, data collection and data analysis.

### **3.2 Research Design**

The research design that was used in this study was cross sectional survey. The design was cross sectional because data was collected at one point in time. A cross sectional survey attempts to describe or define a subject often by creating a profile of a group of problems, people or events through the collection of data and tabulation of the frequencies on research variables or their interaction as indicated.

### **3.3 Population**

The target population of the study was the local NGOs in Nairobi. According to the NGO Co-ordination Board of Kenya 2012, there are 2252 registered local NGOs in Nairobi district.

### **3.4 Sample Design**

The study used stratified random sampling technique to select a sample of 100 local NGOs in Nairobi. The goal of stratified random sampling is to achieve the desired representation from various sub-groups in the population.

Each stratum comprised of proportionate representation of NGOs that engage in multiple sectors of socio-economic development. The main sectors of socio-economic development that the study focused on were health, education, human rights, community development and gender and youth affairs among others.

### **3.5 Data Collection**

The study relied on primary data which was collected through administering structured questionnaire comprising of closed and open-ended questions. The questionnaires were administered to 100 local NGOs in Nairobi where one respondent in top level management from each local NGO was asked to fill in the questionnaire. The top level management targeted was the executive director, the finance director, the operations director, the programmes director or the external relations director. Selecting respondents from senior management level enhanced validity of data gathered.

The research instrument was divided into two parts where Part A covered general demographic data of the respondents and part B consisted of questions focusing on factors influencing strategy implementation among local NGOs in Nairobi. These questions were addressed using Likert 1-5.

### **3.6 Data Analysis**

The process of data analysis involved several stages. The completed questionnaires were edited for completeness and consistency. They were checked for errors and omissions and then coded.

Descriptive statistics involving percentage mean and standard deviations were used to determine factors influencing strategy implementation. A Likert scale and the use of a statistical computer application were employed to determine the descriptive statistics. Tables, Pie charts and other graphs were used as appropriate to present the data collected for ease of understanding and analysis of factors influencing strategy implementation among local NGOs in Nairobi.

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## **CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATIONS**

### **4.1 Introduction**

This chapter presents analysis and findings of the study as set out in the research methodology. The results were presented on the factors influencing strategy implementation among local non-governmental organizations in Nairobi, Kenya. The research was conducted on a sample of 100 respondents from top level management to which questionnaires were administered.

However, out of the issued questionnaires, 75 were returned duly filled in making a response rate of 75% which was sufficient for statistical reporting. This response rate was sufficient and representative and conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. This commendable response rate was due to extra efforts that were made via personal calls and visits to remind the respondents to fill-in and return the questionnaires. The chapter covers the demographic information and the findings are based on the objectives.

### **4.2 Demographic Information**

The respondents were asked to indicate their job designation. This was crucial for determining whether the respondents were holding positions where they can make decisions in their organizations. The results are shown in Table 4.1.

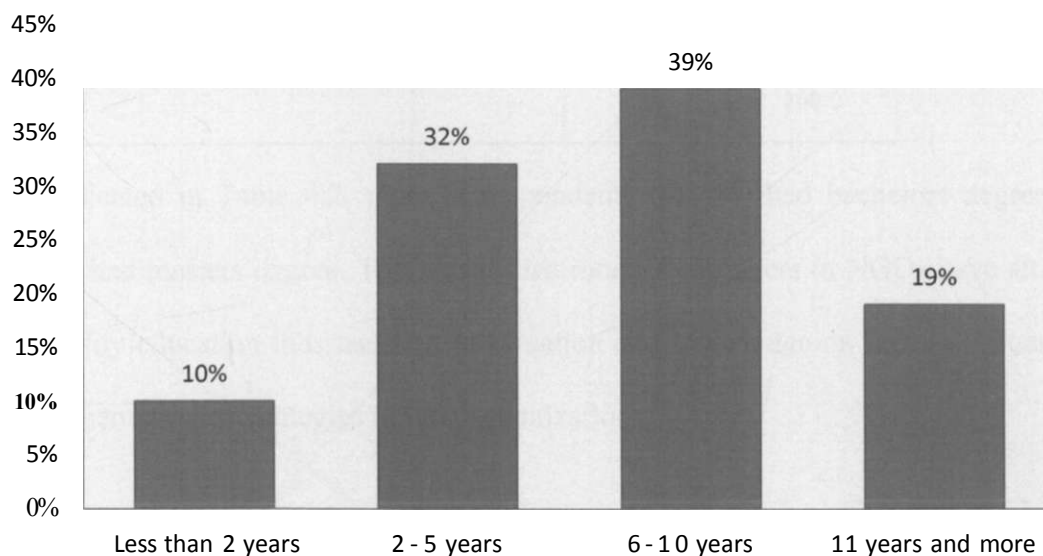
**Table 4.1: Job Designation**

Job Designation	Frequency	Percentage
Executive Officer	22	29.3
Finance Director	18	24
Operations Director	16	21.3
External Relations Director	19	25.3
	75	100

As indicated in Table 4.1, most of the respondents (29.3%) were executive officers and 25.3% were external relations directors. This depicts that the respondents were in senior management and hence conversant with the strategy implementation in their organizations.

In order to determine whether the respondents had reasonably worked long enough in their organization to experience a strategy implementation process, the respondents were asked to indicate the duration in which they had been working in the NGO. The results are shown in figure 4.1.

**Figure 4.1: Working Duration**



As indicated in figure 4.1, most of the respondent (39%) had worked in the NGO for 6 to 10 years. This therefore means that most of the managers in the NGOs had worked for a long duration of more than 6 years, and hence they had rich information on factors which influence strategy implementation in their organizations, based on their extensive experience.

The respondents were requested to indicate their level of academic qualifications. This was carried out in order to find out whether the respondents had attained the necessary education and knowledge on strategy implementation. The results are shown in Table 4.2.

**Table 4.2: Highest Level of Education**

Highest Level of Education	Frequency	Percentage
Certificate	0	0
Diploma	0	0
Higher National Diploma	7	11.3
Bachelors	30	48.4
Masters	15	24.2
PhD	10	16.1
Total	75	100.0

As indicated in Table 4.2, most of respondents (48.4%) had bachelors degree and 24.2% had masters degree. This shows that most of managers in NGOs have attained university education thus had rich information and knowledge on factors influencing implementation of strategies in their organizations.

The study also sought to determine the number of years that the organization had been in existence. This was necessary to establish the age of the organizations. This would therefore determine whether the organization has existed long enough to carry out a strategy implementation process. The results are shown in Table 4.3.

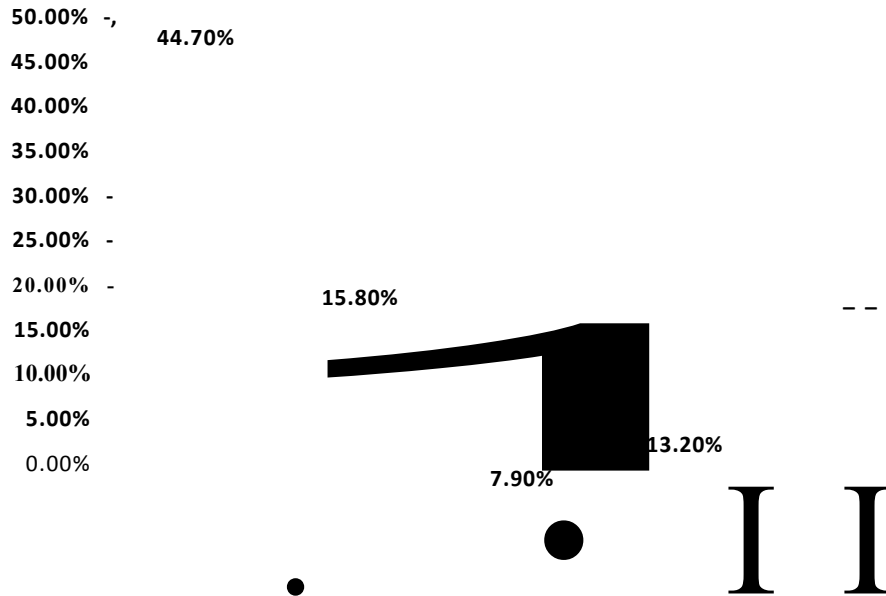
**Table 4.3: Number of Years of Existence of NGOs**

<b>Years of Existence</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative Frequency</b>
Less than 5 years	33	44.7	33
6-10 years	17	23.7	50
10-15 years	8	10.5	58
16-20 years	4	5.2	62
More than 20 years	13	17.3	75
Total	75	100	

As indicated in Table 4.3, most of the NGOs were less than 20 years old since they were established. The survey deduces that most of the NGOS in Nairobi were formed after the entry of multiparty democracy in Kenya in 1992.

The study sought to establish the size of the NGOs using the number of employees the NGOs had. This exercise was crucial in determining the size of the organization. This is due to the fact that different organizations in terms of size face diverse challenges in implementing strategy. The results are shown in Figure 4.2.

**Figure 4.2: Number of Employees**

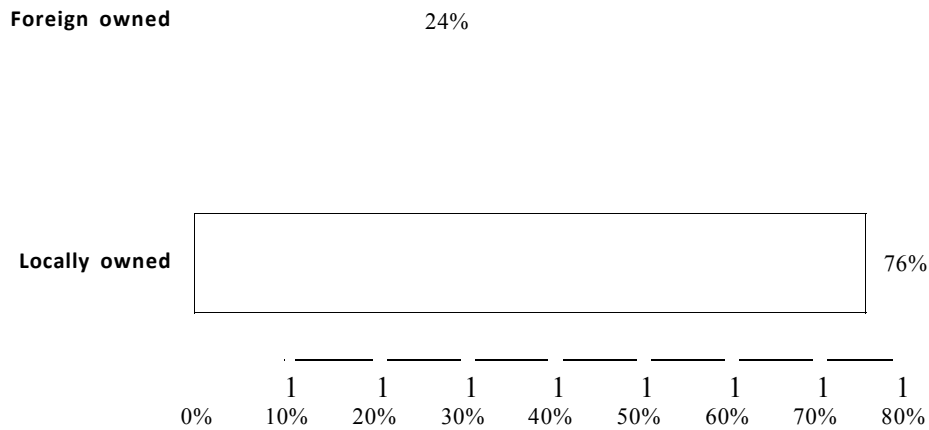


As indicated in Figure 4.2, most of the NGOs had less than 20 employees. This depicts that most of the NGOs are small and medium sized organizations basing on the number of the employees.

The respondents were further required to indicate the ownership structure of the organization. This was valuable as the ownership would influence the funding of these organizations and consequently influence strategy implementation. The results are shown in Figure 4.3.



**Figure 4.3: Ownership Structure of Organization**



As indicated in Figure 4.3, majority of the NGOs (76%) were locally owned. This depicts that majority of the NGOs were run by the people from within the country and required to adopt and implement strategies to comply with the international standards.

The study also sought to identify the sector that the NGOs belong to. It is important to note that different strategy development and implementation is influenced by the context the organization engages in. The results are shown in Table 4.4.

**Table 4.4: Nature of NGOs**

Nature of NGO	Frequency	Percentage
Health	32	42.1
Education	25	34.2
Gender/Youth Affairs	4	5.3
Community Development	10	13.3
Human rights	4	5.3
Total	75	100

As indicated in Table 4.4, the study found out that most of the organizations belonged to the health and education sector although there was appropriate distribution among the various sectors.

### **4.3 Factors Influencing Strategy Implementation among Local NGOs in Nairobi**

#### **4.3.1 Organizational Level Where Challenges in Strategy Implementation are Faced**

The study in this area asked the respondents to state the extent to which challenges in the strategy implementation were experienced at Corporate, Business, Functional and operational level. The responses were rated on a five point Likert scale where: 1 - to / no extent 2 - little extent 3 - moderate extent 4- great extent and 5- very great extent. The results are presented in Table 4.5.

**Table 4.5: Organizational Levels**

<b>Organizational Level</b>	<b>Mean</b>	<b>Standard Deviation</b>
Corporate level	3.03	0.203
Business level	2.97	0.282
Functional level	3.16	0.194
Operational level	2.48	0.367

As indicated in Table 4.5, most of the respondent reported that challenge was faced majorly on functional level as shown by a mean score of 3.16 with the minimum standard deviation of 0.194 and corporate level with a mean score of 3.03. This means that strategy implementation among NGOs in Nairobi was greatly affected by challenges in the functional and corporate levels in the management of the NGOs.

### 4.3.2 Commitment by Top Management on Strategy Implementation

The respondents were requested to indicate their level of agreement on various statements in relation to the effect of level of commitment of top management on the strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.6.

**Table 4.6: Commitment by Senior Management on Strategy Implementation**

	Mean	Std Dev
<b>Commitment by Senior Management</b>		
The top management's commitment to the strategic direction itself is the most important factor.	4.5	0.561
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.	4.4	0.853
The managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective.	4.14	0.566
Lack of top management backing is the main inhibiting factors.	3.1	0.374
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.	2.8	0.173

As indicated in Table 4.6, most of the respondent were in agreement with the statements that the top management's commitment to the strategic direction itself is the most important factor with a mean of 4.5 while the managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective had a mean score of 4.14. They were neutral that lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes (2.8). This depicts that the top management's commitment to the strategic direction is significant factor in the strategy implementation process.

### 4.3.3 Communication Process in Strategy Implementation

The respondents were requested to indicate their level of agreement on the statements in relation to the effect of communication on the strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.7.

**Table 4.7: Role of Communication in Strategy Implementation**

	Mean	Std Dev
<b>Communication Process</b>		
Communicating with employees is frequently delayed until changes have already crystallized.	2.53	0.508
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy.	2.15	0.348
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees.	2.19	0.261
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion.	4.17	0.197
An integrated communications plan must be developed at the organization to enhance strategy implementation.	4.63	0.285

As indicated in Table 4.7, most of the respondents were in agreement with the statement that an integrated communications plan must be developed at the organization to enhance strategy implementation with a mean score of 4.63. This depicts that for communication in the organizations to effectively impact on the strategy implementation; NGOs should develop an integrated communications plan and ensure that they communicate information about organizational developments to all levels during and after an organizational change. They should also adopt a two way communication program.

#### 4.3.4 Coordination of Activities in Strategy Implementation

The respondents were requested to indicate their level of agreement on the statements in relation to the effect of coordination of activities on strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.8.

**Table 4.8: Coordination of Activities in Strategy Implementation**

Coordination of Activities	Mean	Standard Deviation
Coordination is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures.	3.2653	1.18017
Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals.	2.4286	1.20992
The effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases.	3.5204	1.25369
Silent killers of strategy implementation comprise unclear strategic intentions, resistance to change, conflicting priorities and weak coordination across functions.	3.5408	1.14125

As indicated in Table 4.8, the majority of the respondents strongly agreed that silent killers of strategy implementation comprise unclear strategic intentions, resistance to change, conflicting priorities and weak co-ordination across functions (M=3.5408) and that the effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases (M=3.5204). This depicts that to ensure success in coordination during strategy implementation; NGOs should deal with silent killers of strategy implementation and ensure that employees stay focused on the key targets under every day pressures.



### 4.3.5 Organizational Inappropriate Systems

The respondents were requested to indicate the extent to which internal organizational inappropriate systems and policies effect strategy implementation. The responses were rated on a five point Likert scale where: 1 - Not at all 2 - Less extent 3 - Moderate extent 4- Great extent and 5- Very great extent. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.9.

**Table 4.9: Organizational Features that Affect Strategy Implementation**

<b>Organizational Inappropriate Systems</b>	<b>Mean</b>	<b>Std Dev</b>
Lack of understanding of strategy implementation.	3.71	0.429
Organizational structure does not match strategy.	2.60	0.139
Difficulties and obstacles not acknowledged, recognized or acted upon.	3.62	0.452
Ignoring the day-to-day business imperatives.	2.80	0.148
Leadership style of managers.	3.73	0.540
How managers make decisions.	3.50	0.413
The dominant beliefs, values and norms.	2.81	0.421
Very little support from management.	2.50	0.350

As indicated in Table 4.9, most of the respondents strongly agreed that leadership style of managers and lack of understanding of strategy implementation affect strategy implementation most. This was indicated by mean scores of 3.73 and 3.71 respectively. This illustrates that the internal organizational systems that affected strategy implementation were poor leadership style and lack of understanding of strategy.

### 4.3.6 Inadequacy of Resources in Strategy Implementation

The respondents were requested to indicate the extent to which various facets of inadequacy of resources affect strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from statistical computer application and the results are shown in Table 4.10.

**Table 4.10: Inadequacy of Resources in Strategy Implementation**

<b>Inadequacy of Resources</b>	<b>Mean</b>	<b>Standard Deviation</b>
Inadequate funds.	4.5714	0.77326
Human resources skills are limited.	4.5306	0.78915
Lack of experience of key staff.	4.3776	0.68135
Having the right facilities plays a big role in strategy implementation.	4.2755	0.58821
Inadequate equipment plays no role in strategy implementation.	4.2347	0.95220

As indicated in Table 4.10, majority of the respondents indicated that the most significant facets of inadequacy of resources affecting strategy implementation were lack of inadequate funds (M=4.5714) and limited human resources skills (M=4.5306). This depicts that most NGOs in Nairobi are faced with inadequate funding and limited human resources skills that are vital in strategy implementation.

### 4.3.7 Macro-environmental Forces Effects in Strategy

#### Implementation

The respondents were requested to indicate the extent to which various facets of macro-environmental forces affect strategy implementation. The responses were rated on a five point Likert scale where: 1-Not at all, 2-Less extent, 3-Moderate extent, 4-Great extent and 5-Very great extent. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.11.

**Table 4.11: Macro-environmental Forces and Strategy Implementation**

Macro-environmental Forces	Mean	Standard Deviation
Economic forces	3.7959	0.95204
Politico-legal forces	3.7755	1.07962
Social-cultural forces	3.6531	1.12242
Technology	3.7859	1.11188
Ecological forces	3.6327	0.90118

As indicated in Table 4.11, majority of the respondents indicated that the most significant macro-environmental forces affecting strategy implementation were economic forces (M=3.7959) and technology (M=3.7859). This depicts that the dominant external environmental forces significantly affecting strategy implementation among NGOs in Nairobi are economic forces and technology.

### 4.3.8 Operating Environmental Forces

The respondents were requested to indicate the extent to which various facets of operating environmental forces affect strategy implementation. The responses were rated on a five point Likert scale where: 1-Not at all, 2-Less extent, 3-Moderate



extent. 4-Great extent and 5-Very great extent. The mean and standard deviations were generated from statistical computer application. The results are shown in Table 4.12.

**Table 4.12: Operating Environmental Forces**

<b>Operating environmental forces</b>	<b>Mean</b>	<b>Standard Deviation</b>
Pressure from donors.	4.4082	0.75760
Pressure from shareholders.	4.1837	0.85370
Pressure from the local community.	3.1323	1.39930

As indicated in Table 4.12, majority of the respondents indicated that the most significant facets of operating environmental forces affecting strategy implementation were pressure from donors (M=4.4082) and pressure from shareholders (M=4.1837). This depicts that the most significant operating environmental forces influencing the strategy implementation in NGOs are pressure from donors and shareholders. This is owing to the fact that the NGOs must always comply with the conditions of the donors and shareholders who finance their operations. However these conditions may not be in line with the strategy implementation leading to reduced success rate in the strategy implementation.

# **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

## **5.1 Introduction**

This chapter presents the summary of the findings on factors influencing strategy implementation among local non-governmental organizations in Nairobi, Kenya. It also provides the conclusions and recommendations of the study based on the objectives of the study. The objective of this study was to investigate the factors influencing strategy implementation among local non-governmental organizations in Nairobi, Kenya.

## **5.2 Summary**

The study found out that commitment by the top management affected to a very great extent the strategy implementation. The study also found out that the top management's commitment to the strategic direction is significant factor and that the managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed and not spare any effort to persuade the employees of their ideas for strategy implementation to be effective in most of the NGOs.

The study found out that communication is a key factor on strategy implementation at NGOs and that this affects implementation to a great extent. The study also showed that an integrated communications plan must be developed at the organization to enhance strategy implementation, and that it is essential both during and after an

organizational change to communicate information about organizational developments to all levels in a timely fashion. It also found that the NGOs are rarely faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. The lack of communications cause more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees.

The study further found out that the most significant internal organizational challenges affecting the NGOs were leadership styles of managers and lack of understanding of strategy implementation. Most of the managers were not transformational leaders neither were they change agents, a strong leadership style that is key in strategy implementation. In addition it was found that difficulties and obstacles in strategy implementation were not acknowledged, recognized or acted upon. This was further compounded by the lack of cultivation of strong cultural values to meet the changing organizational needs.

The study further revealed that the most significant facets of inadequacy of resources affecting strategy implementation were lack of adequate funds and limited human resources skills. The dominant macro-environmental forces affecting strategy implementation were economic forces and technology. In addition, the most significant facets of operating environmental forces affecting strategy implementation were pressure from donors and pressure from shareholders respectively. This conforms to current trends of performance based funding that requires NGOs to comply with conditions of donors and shareholders who finance their projects.

### **5.3 Conclusion**

The study concludes that commitment by the top management affects the strategy implementation to a very great extent. It further concludes that the top management's commitment is a major issue and the managers must exhibit their willingness to demonstrate power and loyalty to the implementation process for it to succeed. The top management should also not spare any effort to persuade the employees of their ideas for strategy implementation to be effective in most of the NGOs.

The study also concludes that communication is a major factor in strategy implementation in NGOs. In addition, lack of effective two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy and lack of communications about the employees' new requirements, tasks and activities to be performed by the affected employees rarely affect communication in NGOs in Nairobi, Kenya.

The study also concludes that poor leadership styles of managers and lack of understanding of strategy implementation were the major impediments of strategy implementation in terms of internal organizational systems. It was further concluded that economic forces and technology were the main micro-environmental factors that influence strategy implementation. Other factors influencing strategy implementation were lack of adequate funding from donors and limited human resources skills. The situation is further compounded by pressure from donors who demand total compliance with strict terms and conditions; however these conditions may not be in line with the strategy implementation plan.

## **5.4 Recommendations**

This section presents the recommendations of the study that are subdivided into two parts. The first part presents recommendations with policy implications; and the second part presents recommendations for further research.

### **5.4.1 Recommendations with Policy Implications**

The study found out that commitment to strategy implementation by senior management team is vital. It is therefore recommended that managers must demonstrate their willingness to give more energy and loyalty to strategy implementation process for it to succeed. Further, they should not spare any effort to persuade the employees of their ideas for strategy implementation to be effective.

The study also found out that organizational inappropriate systems and policies were major challenges faced in strategy implementation. It is therefore recommended that the NGOs should implement approaches such as effective reward management systems meant to enhance manager's commitment to performing their roles as well as incorporating lower ranks of employees in strategy design and implementation. The study also recommends that NGOs should embark on staff improvement through training and offering conducive environment for their work to improve their productivity which in turn will win support from the staff and thus make strategy implementation a reality in NGOs.

The study also found out that lack of adequate funds and limited human resources skills immensely affected strategy implementation. It is therefore recommended that the management should ensure that they employ and deploy qualified and competent individuals. The study also recommends that NGOs should employ monitoring/supervision mechanism, to allow efficiency in strategy implementation. The study also recommends that the NGOs should cultivate a vigorous resource mobilization exercise in order to mobilize more funding for their projects for both core and restricted projects. This will go a long way in improving the services to NGOs.

The study also found out that communication is a key tool in the process of strategy implementation. It is therefore recommended that the NGOs should engage integrated communications plan to improve strategy implementation. The content of such communications plan should include clear explanation of what new responsibilities, tasks, and duties need to be performed by the affected employees. This will enhance communication of change during and after an organizational change on organizational developments to all levels in the appropriate manner.

The study also found out that coordination of activities was a major impediment to strategy implementation. It is therefore recommended that the NGOs should adopt staff oriented approaches to facilitated full appreciation of the strategy in a bid to minimize challenges of successful implementation which emanates from lack of cultivation of strong cultural value to meet the changing organizational needs. This will enhance proper integration of activities and feelings of ownership and commitment.

#### **5.4.2 Recommendation for Further Research**

The study on factors influencing strategy implementation was carried out in the Non-governmental organizations sector. This may not fully determine the factors that influence strategy implementation. A comparative study is therefore recommended on factors affecting strategy implementation in organizations such as the banks in Kenya which operate in highly competitive environment, to ascertain the validity of the research findings. The study also recommends that further studies should be done on the role of staff training on strategy implementation.

#### **5.5 Implications of the Study on Policy, Theory and Practice**

The findings of the study were useful in providing additional knowledge to existing and future institutions on factors influencing strategy implementation among local NGOs in Nairobi. The main findings of the study were importance of commitment by top management on strategy implementation, communication in strategy development and implementation, adequate funding, use of appropriate organizational systems among others. These expand knowledge on competitive strategy implementation in local NGOs and also identify areas of further study where the study seconds the idea of sustainable competitive advantage.

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One of the major impediments to the process of strategy implementation that came out clearly from the study is pressure from funding bodies. The study supports the ideas put across by (Johnson & Scholes, 2005) that the principles of competitive strategies still hold. This is due to the fact that multiple sources of donors may lead to high incidences of political lobbying that may generate difficulties in clear strategy

development and implementation. A requirement to hold decision making and responsibility at the centre of the organization is jeopardized by the diversity in the funding bodies. This pressure from the donors brings in external influence to the process of strategy development and implementation, which is a mandate of the management of the organization. It can be deduced from the study that one of the main reasons why the process of strategy development and implementation is influenced by the donors is due to the fact that core funding to NGOs is no longer the order of the day. Donors have lately turned into performance based funding through restricted projects with no major inputs from the implementing organizations.

The study may help in enlightening the key decision makers in local NGOs in Nairobi Kenya in policies formulation and on how to successfully implement their strategies and how they could purpose to mitigate the challenges facing them. The study may in addition to the above, be useful to stakeholders, donors, and investors in formulating and planning areas of intervention and support.



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## APPENDICES

### Appendix I: Letter of Introduction

MUEMA ENOCH KIINDU  
D61/75308/2009  
UNIVERSITY OF NAIROBI  
SCHOOL OF BUSINESS  
BUSINESS ADMINISTRATION DEPARTMENT  
P.O BOX 30197, 00100  
NAIROBI

12<sup>th</sup> September, 2012

Dear Sir/Madam,

**RE: REQUEST FOR YOUR PARTICIPATION IN MBA RESEARCH PROJECT**

I am a student at the University of Nairobi pursuing a Master of Business Administration degree. As part of my coursework, I am required to carry out and submit a research project report on factors influencing strategy implementation among local non-governmental organizations in Nairobi, Kenya.

To achieve this objective, I kindly request for your assistance in completing the attached copy questionnaire. I assure you the information you provide is purely for academic purposes and will be treated with utmost confidentiality. Should the finding of this Research Project be of interested to you or your organization, a copy would be available at the University of Nairobi Library.

Yours faithfully,

Muema Enoch Kiindu  
D61/75308/2009

## Appendix II: Questionnaire

### Section A: Demographic Information

1. What is your job title? (Tick whichever is appropriate).

Executive Officer  
Finance Director  
Operations Director  
External Relations Director  
Other (indicate)

2. For how long have you served in the organization? (Tick whichever is appropriate).

Less than 2 years	<input type="checkbox"/>
2 - 5 years	<input type="checkbox"/>
6-10 years	<input type="checkbox"/>
11 years and more	<input type="checkbox"/>

3. What is your highest level of education? (Tick whichever is appropriate).

Certificate	<input type="checkbox"/>
Diploma	<input type="checkbox"/>
Higher National Diploma	<input type="checkbox"/>
Bachelors Degree	<input type="checkbox"/>
Masters Degree	<input type="checkbox"/>
PhD	<input type="checkbox"/>

4. How long has your organization been into existence? (Tick whichever is appropriate).

Less than 5 years  
6-10 years  
10-15 years  
16-20 years  
More than 20 years

5. What is the size of your organization in terms of number of employees?

(Tick whichever is appropriate).

Less than 20

21-30 employees

31-40 employees

41 - 50 employees

More than 50 employees

6. What is the ownership structure of your organization? (Tick whichever is appropriate).

Locally owned

Foreign owned

What sector does your organization work in? (Tick whichever is appropriate).

Health

Education

Human rights

Community development

Gender/youth affairs

Other (indicate).....r i

## Section B: Factors Influencing Strategy Implementation among

### Local NGOs in Nairobi

8. To what extent does your local NGO in Nairobi face challenges in the strategy implementation at the following levels? Use a scale of 1 to 5 where 1 is to a very great extent and 5 is to no extent.

<b>Organizational Levels</b>	1	2	3	4	5
Corporate level.					
Business level.					
Functional level.					
Operational level.					

9. What is your level of agreement with the following statements that relate to the effect of level of commitment of top management on the strategic implementation? Use a scale of 1-5 where 1= strongly agree and 5= strongly disagree.

<b>Effect of level of commitment of top management on the strategic implementation</b>	1	2	3	4	5
The top management's commitment to the strategic direction itself is the most important factor.					
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.					
The managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective.					
Lack of top management backing is the main inhibiting factors.					
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.					

10. To what extent do you agree with the following statements that relate to communication process influencing strategy implementation in your local NGO in Nairobi? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.

<b>Communication in strategy implementation</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Communicating with employees is frequently delayed until changes have already crystallized.					
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy.					
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees.					
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion.					
An integrated communications plan must be developed at the organization to enhance strategy implementation.					

11. What is your level of agreement with the following statements that relate to coordination of activities and its effect on strategy implementation? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.

<b>Coordination of activities</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Coordination is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures.					
Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals.					
The effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases.					
Silent killers of strategy implementation comprise unclear strategic intentions, resistance to change, conflicting priorities and weak coordination across functions.					



12. To what extent do the following facets of inappropriate system of organizational culture, structure, leadership, policies, support and reward affect strategy implementation?

<b>Inappropriate systems</b>	<b>Very great extent</b>	<b>Great extent</b>	<b>Mode rate extent</b>	<b>Less extent</b>	<b>Not at all</b>
Lack of understanding of strategy implementation.					
Organizational structure does not match strategy.					
Difficulties and obstacles not acknowledged, recognized or acted upon.					
Ignoring the day-to-day business imperatives.					
Leadership style of					
Lack of motivation from management.					
The dominant beliefs, values and norms.					
Very little support from management.					

13. To what extent do the following facets of inadequacy of resources affect strategy implementation?

<b>Inadequacy of resources</b>	<b>Very great extent</b>	<b>Great extent</b>	<b>Mode rate extent</b>	<b>Less extent</b>	<b>Not at all</b>
Inadequate funds.					
Human resources skills are limited.					
Lack of experience of key staff					
Having the right facilities plays a big role in strategy implementation.					
Inadequate equipment plays no role in strategy					

14. To what extent do the following facets of macro-environmental forces affect strategy implementation?

<b>Macro-environmental forces</b>	<b>Very great extent</b>	<b>Great extent</b>	<b>Moderate extent</b>	<b>Less extent</b>	<b>Not at all</b>
Economic forces.					
Politico-legal forces.					
Social-cultural forces.					
Technology.					
Ecological forces.					

15. To what extent do the following facets of operating environmental forces affect strategy implementation?

<b>Operating environmental forces</b>	<b>Very great extent</b>	<b>Great extent</b>	<b>Moderate extent</b>	<b>Less extent</b>	<b>Not at all</b>
Pressure from donors.					
Pressure from shareholders.					
Pressure from the local community.					