CHALLENGES OF STRATEGY IMPLEMENTATION AT KENYA TOURIST BOARD

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DECLARATION

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

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DEDICATION

To my beloved Husband Obadiah for his great support both financial and moral, May God bless him. To my great loving sons Gerald, Abraham and Irvin for their support and understanding – Thank you so much. To my sisters, brother, relatives and friends, thank you for your understanding when I was not available for you during this program.

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LIST OF ABBREVIATIONS

KTB   Kenya Tourist Board

GoK   Government of Kenya

TSP   Tourism Sustainability Plan

TMRP   Tourism Market Recovery Programme

CTTDL   Catering Training and Tourism Development Levy

GDP   Gross Domestic Product

EU   European Union

ABSTRACT

In today's ever changing turbulent environment, the major determinant of an organization's success is the successful implementation of its strategy. Strategy implementation is the action aspect of the strategic management process through which strategy is translated into action and involves change. Strategic implementation also addresses the issue of how to put formulated strategy into effective within the constrains of the organization's financial and human resources, time and its capabilities.

This study sought to find out the challenges of strategy implementation at KTB. The objectives of the study were to determine the challenges KTB faces in implementing their organizational strategies and to establish how the organization has gone about overcoming these challenges in their strategy implementation. The study adopted a case study research design as it sought to gain an in-depth understanding of the specific challenges in implementing the organization's strategy.

A total of four senior managers who were mainly the decision makers were interviewed using an unstructured interview guide. The study showed that structure, culture, policies and leadership were the major challenges to their strategy implementation as elaborated in the study. The study also found out how these challenges were responded to and recommendations were made on alternative solutions.

CHAPTER ONE: INTRODUCTION

1.1 Background

Strategic Management is necessary for managing relationship between an organization and its environment. Today's environment has not only become increasingly competitive but uncertain, complex, interconnected and fast changing. Organizations are therefore required to think and plan in advance and yet be flexible enough to incorporate changes as they evolve in this ever changing environment. This has led to modern organizations whether private or public, profit or non profit – driven today to engage in Strategic Management as a basis of formulating their goals and monitoring their performance.

 Strategic Management is a systematic approach to a major and increasingly important responsibility of general management to position and relate the firm to its environment in a way which will assure its continued success and make it secure from surprises. Strategy implementation is the process of which the strategy is realized by applying what was formulated (Ansoff, 1965).

Most of the current successful firms believe that good management is as a result of a good strategy and good implementation of the same with the translation of strategy organizational structure and design, resources planning and the management of strategic change. A good strategy is one that enables an organization to effectively match the organization's strength and weaknesses to the environmental opportunities and threats.

The challenge to strategy implementation arises from lack of understanding the strategy and also ineffective communication, poor planning, unclear goals and flawed vision may be a hindrance to strategy implementation. Therefore good strategies are only as good as they are successfully implemented.

Strategy implementation challenge is to create a series of fight fits between strategy and the organization's competences which include capabilities and structure, between strategy and the following components- budgetary allocation, internal support system, reward structure and corporate structure. The four soft S (Staff, Style, Shared values and Skills) are considered key to business success (Thomson and Strickland, 1992). They further point out that one of the make-or-break determinants of successful strategy implementation is how well management leads the process.

Therefore leadership of strategy implementation plays a centre role becoming a challenge to strategy implementation. The other factor that affects a manager's approach to strategy implementation which the above authors have noted is a challenge to strategy implementation is the context of the organization's situation which include the seriousness of the firm's strategic difficulties, the nature and extent of the strategic change involved, the type of strength of any ingrained behavior that has to be changed, the financial and organizational resources available to work with, the firm's culture and overall work climate.

1.1.1 Strategy Implementation Challenges

According to Johnson & Scholes (2002) strategy implementation is concerned with the translation of strategy into action. The ways in which this is done can be thought of as the 'strategic architecture" of the organization and successful implementation of strategy is likely to be dependent on the extent to which these various components work together to provide, in themselves, competences which other organizations find difficult to match. Such components include; leadership, organizational structure and design, systems like information systems, organizational culture, resource planning and the logistics of implementation. All the above components are in fact a challenge to strategic implementation.

Implementation of strategy is an integral part of strategic management so that the process and content of strategy should take the need and capabilities of implementation into account.   A major challenge for the strategic manager is to help develop an organization which is able simultaneously to meet stakeholder expectations while building capabilities and competences which provide bases of internal efficiency as well as meeting the needs of customers better than competitors within a changing environment (Macmillan and Tampoe, 2000).

Johnson & Scholes (2002) note that a challenge to management is the extent to which they see their strategy developing essentially on the basis of a finely tuned responsiveness to changes in their business environment. If implementation of the strategic plan in any organization is poor all other elements of strategic management become a waste of time and effort.

The outcome of strategic planning is only a set of plans and intentions. By itself strategic planning provides no actions and no visible changes in the firm. To effect the changes the firm needs appropriated capabilities like trained and motivated managers, strategic information, fluid

and responsive systems and structures. Therefore however well thought out a strategy may be, it has little value unless it can be implemented effectively and within an appropriate time - a window of opportunity (Ansoff, 1965).

Not many organizations implement their strategies successfully. The factors responsible for successful strategy implementation are met with challenges which at times result in serious failures and hence do not experience the desired outcomes and/or intended benefits. Challenges which occur during the implementation process of a strategy are important areas of research because even the best strategy would be ineffective if not implemented successfully. Despite the fact that challenges to successful strategy implementation are many, challenges have not been thoroughly and widely investigated, there are some pertinent issues that have been indentified in many studies.

According to Pearce ll and Robinson, Jr (2002) the first concern in the implementation of a good strategy is to operationalize that strategy throughout the organization through; annual objectives, functional strategies and organizational policies. The above authors use McKinsey Framework which suggests that managers focus on six components to ensure effective strategy implementation; they include Structure, Systems, Shared values (Culture), Skills, Style, and Staff.

Thompson and Strickland (1992) also note that strategy implementation entails converting the strategic plan into action and then into results. They point out that strategy implementation is successful if the company achieves its strategic objectives and targeted levels of financial performance and that the keys to successful implementation are to unite the total organization behind the strategy and to see that every relevant activity and administrative task is done in a

manner that tightly matches the requirement for first-rate strategy execution. They have also concurred with Pearce and Robinson (1998) on the components of Leadership, Organization Structure, Culture, Policies and Procedures and Systems are a challenge to strategy implementation.

1.1.2 Kenya Tourist Board

Kenya Tourist Board was established as a state corporation through legal notice no. 14 on 9th February, 1997. The Kenya Tourist Board (KTB) is an organization representing Kenya's public and private tourism sectors. The organization is charged with the responsibility of marketing and promoting Kenya as a preferred tourist destination internationally, while encouraging development of Kenya's domestic tourist market. It fosters quality service and sustained excellence of tourist facilities and amenities.

To effectively carry out its mandate KTB has developed a strategic direction which embraces vision, mission, guiding principles and strategic objectives. They have highlighted that structure, system, leadership and management styles, shared values and skills all combine to determine the extent to which KTB strategic plan is effectively implemented.

The mandate of KTB also include establishing public relations services to address issues concerning the image of the tourism industry in Kenya and facilitate the resolutions of conflict within the industry, initiate education and awareness programmes on tourism locally and abroad, develop and maintain professional personnel to deal with issues that adversely affect Kenya's image in the tourism industry.

Tourism being a dynamic industry is not without challenges. This means KTB must be prepared to respond to these challenges by anticipating them through the Strategic Plan. It is on

this basis that KTB has prepared this Plan to enhance its mission, further its mandates, achieve better results with fewer resources and respond effectively to the rapid changing circumstances (Grieves Cook, 2008).

In addition KTB works with national and regional authorities to ensure protection of the environment and wildlife and also works closely with various relevant organizations to promote quality of service and excellence. Kenya Tourist Board is primarily funded directly by the Government of Kenya through direct exchequer releases, a share of the Catering Training and Tourism Development Levy and bilateral donors.

Kenya Tourist Board has become a regional leader in embracing and using ICT in the promotion of tourism. Through a major joint with the European Union they developed and launched one of the continents' largest and most detailed destination website – www.Magicalkenya.com which has since gone on to several awards and become the world's most popular online resource for Kenyan Travel.

According to Cook (2008) tourism plays an important role in the Socio-economic development of Kenya. It is an important global economic activity, which contributed about 3.7 per cent to the International Gross Domestic Product (GDP) in 2002. In Kenya, tourism accounts for about 10% of GDP making it the third highest contributor after Agriculture and Manufacturing, and Kenya's third highest foreign exchange earner after tea and horticulture, generating 18% of export revenue.

Kenya's tourism sector however experienced a decline in the 1990s due to internal and external factors, especially insecurity. The slump led to a decline in revenue and a loss of jobs in both the formal and informal sectors. In 2003 KTB through the assistance of the Kenya Government and

the European Union put in place a Tourism Market Recovery Programme (TMRP), which consisted of an integrated consumer focused campaign in selected European Markets. Tourism being one of Kenya's largest foreign exchange earners, The United States of America still stands as the third largest market for Kenya's inbound travel market, behind United Kingdom and Germany, respectively. With Americans spending three times that of the European traveler, the American Market holds a very strong standing in Kenya's tourism. That is why KTB has been working hard to market the country in the United States regardless of the Travel Warning as a result this has bore fruits.

Between 2003/4 and 2004/5 there was an increase of the GoK Grant from Kshs. 190 million to Kshs. 420 million respectively. Kenya Economic Survey (2008) points out that the tourism sector sustained an upward growth in 2007. The country earned an estimated Kshs. 65.4 billion in 2007, representing a 16.4 per cent over the Kshs. 56.2 billion for 2006, making tourism not only a socio-economic driver but one of the largest categories of international trade. Foreign travel earnings expanded by 23.6 per cent from Kshs. 49.6 billion in 2006 to Kshs. 61.3 billion in 2007. International arrivals improved by 13.5 per cent from 1,600.6 thousand recorded in 2006 to 1,816.8 thousand in 2007.This was attributed to continued aggressive marketing by KTB in the traditional markets and in the Far East. The improvement was also supported by the growing conference tourism and the launch of new tourism circuit as value addition to complement the traditional products of beach and wildlife. The increase in the number of international arrivals was also as a result of continued product development and diversification of tourism coupled with a growth in sports tourism.

According to the country's new policy blue print "Vision 2030" (2008) tourism was identified as a leading sector in moving the economy forward at an accelerated rate. This is to be realized by

turning the country into one of the leading long haul tourist destination, creating new high value niche products and investing in new conference facilities.

Tourism has been identified as one of the sectors that are expected to contribute significantly towards poverty alleviation and employment creation as set out in the Economic Recovery Strategy for Wealth and Employment Creation 2003-2007 (GoK, June 2005)

The sector has negatively been impacted by a number of factors which include deteriorated infrastructure, funding of tourism marketing programmes, insecurity, inefficient immigration procedures and problematic cross-cutting issues such as social and ethical issues, unemployment, poor management of the environment and health- HIV/AIDS (Ongong'a, 2008).

Kenya Tourist Board come up with further specific objectives which were; to build a consensus among stakeholders on the way forward for the tourism sector, develop effective action programmes for addressing critical constraints and challenges facing the tourism industry in Kenya, design action programmes for effective and efficient exploitation of the potential tourism market opportunities, and deliberate and agree on appropriate strategic direction from KTB for the 2005-2007 plan period.

1.2   Statement of the Problem

Strategy formulation is relatively easier since it is abstract but implementation is harder because it involves changing leadership, looking for resources, changing the culture of the organization, its structure, technology, processes and procedures. Macmillan & Tampoe (2002) noted that implementing strategy successfully is very difficult, the more radical the degree of change, the more difficult it is. Far-reaching and radical change affects all facets of the business. Change

affects people and the success of implementation critically depends on carrying the people in the organization along with the new strategy.

According to Mintzberg (1995) structure and strategy exist interdependently, each influencing the other. He explains that there are certainly times when the Structure is redesigned to carry out a new strategy. In this case organizational structure plays a vital role in the implementation of strategy and thus a great challenge. The author has also noted that Culture is a major challenge to strategy implementation as it permeates many critical aspect of strategy-making. According to him the most crucial realm is the way people are chosen, developed, nurtured, interrelated and rewarded in the organization that has a great impact on the successful strategy implementation.

On the other hand strategy itself may pose a challenge to its implementation like a wrong strategy, the formulation process may have been wrongly done thus not able to be implemented under the prevailing circumstances or may be the strategy was not clearly communicated and understood by people who are mandated to implement it.

Pearce and Robinson (1998) note that successful strategy implementation depends in large part on the firm's primary organizational structure. Structures help identify the firm's key activities and the manner in which they will be coordinated to achieve the firm's strategic purpose. They use one of the early widely accepted frameworks that identify the key factors that best explain superior performance – the McKinsey Framework. According to the framework, the key components that may challenge the implementation of strategy include – Leadership, Organizational Structure, Systems, Shared Values (Culture), Skills, Style and Staff. They emphasis that Structure is the basic way the firm's different activities are organized and that Leadership encompasses the need to establish an effective Style as well as the necessary Staff

and Skills to execute the strategy. Lastly, Culture is also a challenge to strategy implementation as culture is the shared values that create the norms of individual behavior and the tone of the organization. Since organizations do not operate in vacuum, it will be of great interest to find out whether the above challenges are faced by KTB in their strategy implementation and how it deals with them.

Whereas Strategic Management Process has been widely researched by various scholars in Kenya (Aosa, 1992; Kombo, 1993; Awino, 2001; Muthuiya, 2004 ;) and continues to attract a lot of attention due to the enormous challenges faced, only a few studies (Aosa, 1992; Awino, 2001; Koske, 2003) have been done on the challenges of strategy implementation. There are various studies that have been done in this area such as those of Koske (2003), Michuki (2005), Ateng (2007) and Kung'u (2007) on the challenges of strategy implementation both in private and public sectors. These studies mainly highlighted the following challenges of strategy implementation – Organizational Leadership, Structure, Culture, Policies and Procedures, Resources and Communication which in this case was relevant to this study at KTB.

Some of the main implementation challenges include; managing resources, managing information, managing technology, managing change and analysis by paralysis where managers do not know when to stop analysis and start implementation. Good strategies may be written but very little may be achieved in their implementation. The failure of strategy implementation can be attributed to a number of challenges which may not have been addressed adequately at the formulation stage. Common challenges in implementation are uncontrolled factors in the environment, unsupportive organizational structure and culture, unsupportive process and procedures, resistance to change, inadequate resources and also the leadership involved in an organization. It was of interest to establish whether such challenges were characteristic of KTB.

Various studies have been done both in the private and public sectors on the challenges of strategy implementation in Kenya but none has been done on KTB. Considering that the organization operates in a very unique industry which is mainly natural resources based, the tourism industry, this calls for a research study on the challenges the organization faces when trying to implement its strategic plan.

The study had two research questions to answer;

i) What challenges was KTB facing in their strategy implementation?

ii) How did the organization deal with these challenges?

1.3 Objectives of the Study

i) To determine the challenges faced by KTB in their strategy implementation; and

ii) To establish how KTB dealt with the challenges faced in their strategy implementation.

1.4 Importance of the Study

This will benefit the Kenya Tourism Industry stake holder i.e. Travel Agents, Tour operators, Hoteliers, Airlines, Communities, NGOs, The Kenya Utalii College and a host of private sector organizations involved. They will be able to identify the challenges on Strategy Implementation and their impact on their business as they work together with KTB and anything touching KTB concerns them directly in the tourism industry

Government Agencies especially the Ministries of Tourism, Finance, Trade and Planning: which are concerned with the tourism industry in Kenya, plus policy makers may use the results to formulate positive national policies on a framework concerning the tourism industry in Kenya.

Future researchers and current scholars in using the study as a source of reference on the challenges and successful responses to strategic planning implementation challenges – act as a basis for further research.

CHAPTER TWO: LITERATURE REVIEW

2.1 The concept of Strategy

The word strategy came from the Greek word strategos, which means a general. At that time, strategy literally meant the art and science of directing military forces. Today, the term strategy is used in business to describe how an organization is going to achieve its objectives and mission (McCarthy, Minichiello and Curran, 1996).

Mintzberg (1991) states that there is no single, universally accepted definition, different authors and managers use the term differently, but according to him, he defines strategy as the pattern or plan that integrates an organization's goals, policies, and action sequences into a cohesive whole. He further illustrates 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.

According to Johnson and Scholes (2002) strategy can be seen as the matching of the activities of an organization to the environment in which it operates. This is sometimes known as the search for strategic fit. They go on to state further that strategy can also be seen as building on or "stretching" an organization's resources and competences to create opportunities or to capitalize on them.

Strategy can be seen as a multidimensional concept that embraces all the critical activities of the firm providing it with a sense of unity, direction, and purpose, as well as facilitating the necessary changes induced by its environment (Hax and Majluf, 1996). On the other hand Grant

(1998) states that strategy is not a detailed plan or a program of instructions; it is a unifying theme that gives cohesive direction to the actions and decisions of an individual or organization.

Ansoff (1965) views strategy in terms of market and product choices. He defines strategy as a "common thread" among organization's activities and the market. Thompson (1997) defines strategy as means to ends; these ends concern the purpose and objectives of the organization. He further adds that they are things that businesses do, the paths they follow and the decisions they take in order to reach certain points and levels of success.

Steiner et al (1982) define strategy as 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 has got to do with the effective management of change and how to manage resistance to change and develop the capacity of the organization to receive change.

Strategy is the pattern or plan that integrates an organization's major goals, policies and action sequences into a cohesive whole. A well-formulated strategy helps marshal and allocates an organization's resources into a unique and viable posture basted upon its relative internal competences and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents (Quinn, 1980).

Mintzberg (1991) proposed that senior managers could develop an "umbrella strategy" within their organization, which would involve them only in setting broad guidelines or goals. An umbrella strategy would allow scope for sub-strategy development within departments.

Thompson and Strickland (2001) define strategy as a game plan management is using to stake out market position, conduct its position, attract and please customers then compete successfully

in order to achieve organizational objectives. Strategy is a determination of the basic goals and objectives of an enterprise, the adoption of the courses of action and allocation of resources necessary to carry out these goals (Chandler, 1962).

2.2 Strategic Management

Thompson (1997) defines strategic management as a process which needs to be understood more than it is a discipline which can be taught. It's the process by which organizations determine their purpose, objectives and desired levels of attainment; decide on the action for achieving these objectives in an appropriate timescale, and frequently in a changing environment; implement the actions; and asses progress and results.

According to Pearce and Robinson (1998) strategic management is a set of decisions and actions that result in the formulation and implementation of plans designed to achieve company's objectives. They also view that strategic management involves the planning, directing, organizing and controlling of the company's strategy- related decisions and actions that reflect a company's awareness of how, when and where it should compete, against whom it should compete and for what purpose it should compete.

Strategic Management is concerned with complexity arising out of ambiguous and non-routine situations with organization-wide rather than operation-specific implications: It includes strategic analysis, strategic choice and strategy implementation (Johnson and Scholes, 1999). They go ahead and break down the above as follows - strategic analysis is concerned with understanding the strategic position of the organization in terms of its external environment, internal resources and competences, and the expectations and influence of stakeholders. They define that strategic choice involves understanding the underlying bases guiding future strategy, generating strategic

options for evaluation and selecting from among them. Strategy implementation is concerned with the translation of strategy into organizational action through organizational structure and design, resource planning and management of strategic change (Jonson and Scholes, 1999).

Harvey (1988) defines strategic management as a process of formulating and evaluating business strategies to achieve future objectives. Therefore the management of a strategy in any organization will involve processes which need to be managed well from its conception stage to the evaluation stage.

According to Porter (1980) strategic analysis as an element in the strategic management process that assesses the impact of the external environment, organizational capability and stakeholders' expectations. It is concerned with understanding the different forces affecting the organization and its choice of strategies.

Different organizations in different contexts are likely to expertise different aspects of the strategic management process (Johnson and Scholes, 1999). They observe that one firm's challenge may be developing competitive strategy; other one's challenge may be building organizational structures capable of integrating complex global operations. They further state that, yet other firm's challenge may be understanding their competences so as to focus on what they are especially good at; and lastly other firms may be developing a culture of innovations. Therefore, according to the above authors, strategic priorities need to be understood in terms of the particular context of an organization.

Thompson and Strickland (1992) define strategic management as a process by which managers choose a set of strategies for an enterprise. These include selection of corporate mission plus major corporate goals, analysis of the organization's external competitive environment to

identify opportunities and threats, analysis of the organizational internal operating environment to identify organizational strengths and weaknesses as well as selection of strategies that build on the weaknesses in order to take advantage of the external opportunities and counter external threats plus strategy implementation.

Strategic Management is the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives (David, 1997). He states that strategic management process consists of three stages namely strategy formulation, strategy implementation and strategy evaluation.

According to Thompson and Strickland (2001) strategic management is a managerial process of forming a strategic vision, setting objectives, crafting a strategy; implementing and executing the strategy and then overtime initiating whatever corrective adjustment in the vision, objective, strategy and execution are deemed appropriate.

2.3 The Implementation of Strategy

Strategy implementation is concerned with the translation of strategy into organizational action through organizational structure and design, resource planning and management of strategic change.

According to David (2003) strategy implementation is often called the action stage of strategic management. He further notes that implementation means mobilizing employees and managers to put formulated strategies into action. This is considered to be the most difficult stage in strategic management; strategy implementation requires personal discipline, commitment and sacrifice.

Strategy implementation requires organizations to formulate and establish annual goals, devise policies, motivate employees and allocate resources so that the formulated strategies can be executed. Strategic Implementation include; developing a strategy supportive culture, creating an effective organizational structure, budget preparation to realigned to the expected strategy and also linking employee compensation to organizational performance. As all the above include involvement of organization's employees, interpersonal skills are critical for a successful strategy implementation.

Pearce and Robinson (1995) define strategic implementation as internal operations driven activity involving organizing, budgeting, motivating, culture building, supervising and leading to "make the strategy work". They further suggests that, strategy implementation includes building a firm capable of carrying out strategy successfully, allocating ample resources to strategy critical activities, establishing strategy supportive policies, instituting best practices and programs for continuous improvement, installing systems, tying reward structure to achievement of results, creating a strategy supportive corporate culture and exerting strategic leadership.

McCarthy et al (1996) point out that even in the best of circumstances, excellent plans provide excellent result only if they are well implemented. They further states that, even as plans are being formulated, managers must include the requirements that will foster good implementation in the future.

Mintzberg (1997) notes that since effective implementation can be a sound strategic decision, ineffective or debatable choice successful, it is as important to examine the processes of implementation as to weigh the advantages of available strategic alternatives.

Thompson and Strickland (1989) point out that strategy implementation includes the full range of managerial activities associated with putting a chosen strategy into place, supervising its pursuit and achieving the targeted results. They further note that by the term strategy implementation they mean acting on what has to be done internally to put the chosen strategy into place and to actually achieve the targeted results.

The implementation of strategy involves resource planning – the logistics of implementation and changes in the organizational structure and design. The implementation of strategy also requires the managing of strategic change (Johnson and Scholes, 1999).

According to Hill and Jones (2001) once a company has chosen a strategy to achieve its goals, that strategy then has to be put into action through; designing appropriate organizational structures, designing control systems, matching strategy, structure and controls and managing conflict, politics and change. To them, all the above is strategic implementation.

 Howe (1993) defines strategic implementation as an activity that embraces all those actions that are necessary to put a strategy into practice; the actions may include identification of the key tasks to be performed, allocation of those tasks to individuals, providing for co-ordination of separated tasks (Leadership), the design and installation of an appropriate management information system more broadly. Glueck (1988) divides such actions into three categories namely - Leadership Implementation, Organizational Implementation and Functional Implementation.

The new strategies are selected because they offer opportunities and potential benefits, but their implementation, because it involves changes and imply risk. Implementation of strategies should seek to maximize benefits and minimize risk (Reed and Buckley, 1988).

2.4 Challenges in Strategy Implementation

According to Pearce and Robinson(1995) strategy implementation includes building a firm capable of carrying out strategy successfully, allocating ample resources to strategy critical activities, establishing strategy supportive policies, instituting best practices and programs for continuous improvement, installing systems, trying reward structure to achievement of results, creating a strategy supportive corporate culture and extorting strategic leadership. Organizational elements that are fundamental means of institutionalization of the firms' strategy are; structure, leadership, culture and reward (Pearce and Robinson, 1991). According to Aosa (1992) he classifies the above elements into two namely Structure and Process. He pointed out that structure incorporates Leadership, Culture, Resources and other Administrative procedures.

Thompson and Strickland (1992) assert that "fit" with strategy need to be created internally as concerns structure, organization skills and distinctive competence budgets, support systems, rewards and incentives, policies and procedures and culture. They further illustrate that, the better the "goodness of fit" among these administrative activities and characteristics, the more powerful strategy execution is likely to be. They have noted that equally important, managers must do things in a manner and style that creates and nurtures a strategy-supportive work environment and corporate culture. In deciding how to implement strategy managers have to determine what internal conditions are needed to execute the strategic plan successfully. Then they must create these conditions as rapidly as practical.

2.4.1 Leadership

Learned et al (1969) define leadership as the role to provide the necessary motivation and demonstrate management values of the strategy traits that are critical to successful strategy

implementation. Therefore for any firm to succeed in their strategy implementation, good leadership is of paramount importance, in addition leaders need to motivate their employees since these employees are the driving force behind any successful strategy implementation.

The strategic leader must build and lead a team of managers and establish the goals or objectives. Styles will vary enormously, as will the leader and his or her managers must be clear about where the organization is going and how they are going to get there(Thompson, 1997). In addition goals and objectives are major reasons why organizations exist.   Therefore getting a leader who will be able to drive the firm's employees towards the same is very important for strategy implementation. As a result an organization is challenged to get a leader with a clear vision, who is eloquent and consistent, committed, well informed and who is able to use astute power.

According to Thompson and Strickland (2003) whatever the circumstances, effective leadership will reflect attributes that include; staying on top of what is happening through close monitoring, promoting a culture of "esprit de corps" (mobilizing employees) and motivating them to high performance levels, keeping the organization responsive to changing conditions (learning organization), exercising ethical leadership, thus do what you say and taking timely corrective action when change is apparent. They further state that strong leadership is almost always essential for effective execution, and exerting take-charge leadership, being a "spark plug", ram-rodding things through, and getting things done by coaching others are difficult tasks. Leadership will involve encompassing the need to establish an effective style as well as the necessary staff and skills to execute the strategy.   This in itself is a challenge to strategy implementation.

The above in turn will need a leader who is committed and understands very well the vision and mission of the organization for it to be able to move from the current position to the intended position.

2.4.2 Organizational Structure

According to Robin and Coulter (1996) structure in organizations refers to the formal framework by which tasks are organized and coordinated. Organization structure and administrative systems constitute the managerial infrastructure of the firm. An effective managerial infrastructure is critical for the successful implementation of the strategies of the firm.

The central problem in structuring today is not the one on which most organization designers spend their time by dividing up tasks. It is one of emphasis and coordination on how to make the whole thing work (Mintzberg and Quinn, 1999). They further note that an organizational structure appropriate for the efficient performance of the required tasks must be made effective by information systems and relationships permitting coordination of subdivided activities.

McCarthy et al (1996) note that strategy follows structure, distinctive organizational performance for good or ill, is almost entirely a function of deeply engrained repertoires. The organization within its marketplace is the way it gets from moment to moment – not the way it thinks it might act or ought to act.

Organizational structure involve building an organization capable of successful strategy execution, and this is not easy for it will involve a lot of restructuring of the current structure and in turn may result into resistance cause a challenge to strategy implementation (Thompson Jr, and Strickland III, 1992). According to Johnson and Scholes (1999) structure is a means to an

end (improved performance). All too often it is seen as an end in itself. An appropriate choice of structure can impede an organization's strategies.

Hills and Jones (2001) state that the role of organizational structure is to provide the vehicle through which managers can coordinate the activities of the various functions or divisions to exploit fully their skills and capabilities. Implementing a strategy successfully depends on selecting the right organizational structure and control system to match a company's strategy.

Matching structure to strategy requires making strategy-critical activities and organizational units the main building blocks in the organization structure.

2.4.3 Organization Culture

Organizational culture is the "deeper level of basic assumptions and beliefs" that is shared by members of an organization that operates unconsciously and defines in basic taken-for-granted fashion an organization view of itself and its environment (Johnson and Scholes, 1999).

Johnson (1992) argues that in the context of the organization or company it is the change of behavior that matters most, and really the idea that managers can engineer change in belief systems is rather fanciful. Johnson also suggests that the organization is embedded in a cultural web of stories and myths, rituals and routines, symbols, power structures, control systems, organizational structures, and all of these together shapes the paradigm. A paradigm is basically a formula for what the organization is and what it does and what the people in the organization think are the recipes for its success or otherwise. The author further offers some advice on how to avoid strategic drift which include creating an open and communicative culture where challenge of the status quo is encouraged, frequent use of external consultants and outsider input

to challenge established mindsets and the constant deployment of symbols of change rather than tradition is engaged in.

Robins and Coulter (1996) define culture as the fundamental values, beliefs, attitudes and patterns of people in which a firm operates. Aosa(1992) states that it is important that the culture of an organization be compatible with the strategy being implemented because where there is incompatibility between strategy and culture, it can lead to a high organizational resistance to change and de-motivation of employees, which in turn frustrate the strategy implementation effort.

According to Thompson (1997) to a great extent the culture of the organization is dictated by the strategic leader. The attitudes and behaviors of people are affected as well as their willingness to accept responsibility and take measured risks. He further illustrates that the strategic leader may have very clear or specific values which influence his or her style and the culture of the organization.

Thompson and Strickland (1992) point out that every organization has a unique culture, it has its own special history of how the organization has been managed, its own set of approaching problems and conducting activities, its own mix of managerial personalities and styles, its own established patterns of "how we do things around here", its own legendary set of war stories and heroes and its own experiences of how changes have been instituted. Therefore culture becomes a major challenge to strategy implementation since it will have to be shaped to fit the strategy and change will be involved in the way things are done – changing the status quo. The authors use the McKinsey 7-S framework which states that shared values are the core of 7-S framework because they are heart-and-soul themes around which organization rallies.

They define its main beliefs and aspirations, its guiding concepts of "who we are, what we do, where we are headed and what principles we will stand for in getting there". They bond the corporate culture and give it energy.

Perhaps the most obvious tool for strategy implementation is to reorganize or to shift personnel in order to lead the firm in the desired direction. The logic behind this approach is that the organization structure should foster the skill set and outlook needed for the strategy to succeed (McCarthy et al, 1996).

2.4.4 Organization Resources

David (2003) defines resource as both material and human that an organization has at its disposal for implementation strategy. Aosa (1992) further defines resources as the availing of material and human resources required for the strategy implementation.

According to Ansoff (1965) the operating level must have the resources needed to carry out each part of the strategic plan. Alexander (1985) points out that once a strategic option has been selected upon management's attention turn to evaluating the resource implications of the strategy. Taylor et al(1986) note that there should be staff development programs to build capacity, reward and incentive systems and performance evaluation programs that will motivate and identify capability gaps.

Every enterprise has limits – perhaps severe limits – on its resources. The amount of capital, the number and quality of key personnel, the physical production capacity, or the adaptability of it social structure – none of these is boundless. The tricky issue is how to use these limited resources to the best advantage. We must devise a strategy which is feasible within the inherent restraints (McCarthy et al, 1996).

According to Thompson and Strickland (1992) depriving strategy-critical organization units of the funds needed to execute their part of the strategic plan can undermine the implementation process. They also note that keeping an organization on the strategy implementation path thrusts a manager squarely into budgeting process. Not only must a strategy implementer oversee "who gets how much" but the budget must also be put together with an equal concern for "getting the biggest bang for the buck".

2.4.5 Organization Policies

McCarthy et al (1996) define policies as broad, general guides to action that outline the framework within which objectives are established and strategies are selected and implemented. They further stress that policies should flow logically from the organization's philosophy.

According to Pearce and Robinson (1991) policies are directives designed to guide the thinking, decisions and actions of the managers including all those involved in the strategy implementation. It is clear that policies establish indirect control over actions and provide uniform handling of activities.

Implementing strategies requires that policies to be followed are clearly spelt out during the implementation process without operating within a vacuum. Guidelines, rules, procedures and ideal framework must be set up as the basis of strategy implementation failure to which implementing a strategy may be difficult.

Thompson Jr. and Strickland lll(1989) state that changes in how internal activities are conducted and administered this will be a strategy implementation challenge since policies act as a lever for institutionalizing strategy supportive practices and operating procedures on an organization wide basis therefore pushing day-to-day activities in the direction of efficient strategy execution.

Policy helps to shape the characters of internal work climate and to translate the corporate philosophy into how things are done, how people are treated, and what the corporate beliefs and attitudes mean in terms of everyday activities. Some policies may be rigid therefore posing as a challenge to strategic implementation.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The study examined a single social phenomenon or a unit namely Kenya Tourist Board, therefore the research design adopted was a case study design which was most appropriate for this study. The research was meant to determine the challenges faced by KTB in their strategy implementation and it was also aimed at giving an in-depth account of how the organization has been responding to these challenges. According to Stake (1995) this is the appropriate form of study as its concerned with the complexity and particular nature of the case in question.

The case study design enabled the researcher to gain deeper insights and better understanding of the research problem since the researcher was able to gather systematically all factual information necessary with every specific focus to a social phenomenon in question. The study also provided a vehicle through which several qualitative methods were combined, thereby avoiding too great a reliance on one single approach.

3.2 Data Collection

The study relied mainly on the primary data which was collected through unstructured questions to four senior managers using an interview guide. This was to extract as much relevant information as possible. The interview guide was generated by reflecting on the objectives of the study and the research questions that the study was seeking to answer. These interviews were a key to gaining insight of KTB particularly with reference to obtaining first hand information from the persons involved in the setting of the organization's strategic plans.

3.3 Data Analysis

The nature of the data collected was qualitative, which was collected through in-depth

discussions, thus it consisted of ideas and themes. The data collected was analyzed using content

analysis, which is an approach to the analysis of documents and text that seek to quantify content

in terms of predetermined categories and in a systematic and replicable manner.

CHAPTER FOUR: FINDINGS AND ANALYSIS

4.1 Introduction

This chapter deals with the analysis and interpretation of the findings of the study, challenges of strategy implementation at KTB.

4.1.1 Mandate of KTB

Before any research is done on KTB, one needs to understand the importance of tourism in the Kenyan Economy, prompting KTB to work out ways of overcoming any challenges to their strategy implementation, especially their internal challenges. The objectives of the study were to determine the challenges faced by KTB in their strategy implementation and to establish how KTB has been overcoming them.

Kenyan tourism sector is committed to providing high quality facilities and services for enjoyment by citizens and visitors alike, while being at the same time an instrument for promoting the economy and livelihood of the people of Kenya with particular reference to job creation, raising human living standards, earning foreign exchange, encouraging investment and sharing of benefits with the local communities. In this way, tourism has become a rational basis for safeguarding sustainable conservation of Kenya's unique assets of beaches, wildlife and culture for enjoyment by present and future generations.

Kenya Tourist Board was established as a State Corporation through Legal Notice no. 14 on the 19th February 1997. Its primary mandate is to promote and market Kenya as a tourist destination both locally and internationally. In order to fulfill its objectives, KTB developed a strategic direction which embraced the vision, mission and guiding principles plus strategic objectives.

During the strategy implementation there were challenges both internal and external that the Board faced. This was partly due to the uniqueness of the industry in which the Board operates and also due to the exposure to the ever changing and complex environment. This study focused mainly on the internal challenges which included; leadership, resources, culture, structure and policies.

4.1.2 Objectives of Kenya Tourist Board

Currently alongside its normal annual marketing plan, the Board is implementing a Tourism Sustainability Plan (TSP), funded by the Kenya Government. The objective is to sustain the gains made since TMRP whist ensuring the longer term sustainability and growth of Kenya Tourism. Some other significant milestones achieved by Kenya Tourist Board include promoting and developing new and emerging markets throughout the world, diversifying the range of marketable tourism products to compliment the traditional products of wildlife and beach, and encouraging domestic tourism among Kenyans. Other objectives include destination image building and enhancing organizational effectiveness by embracing information communication and technology.

4.2 Strategy Implementation Challenges at KTB

Strategy implementation is the most important part of strategic management and this is what makes a firm to succeed or fail in their strategic plan. Therefore strategy implementation has to be embraced by the whole organization from the chief executive to the lowest staff level. In today's competitive and uncertain environment organizations are faced with a lot of challenges in trying to implement their strategies. The study undertook to find out challenges faced by KTB

in trying to implement their strategies and came up with the following challenges; leadership, culture, structure, resources and policies.

4.2.1 Resources and Strategy Implementation

The study found out that KTB has drawn and expects to continue to draw its financial resources from four main sources: financial support from the Government through the Ministry of Tourism and Wildlife, a 50% share of funds collected from the Catering Training and Tourism Development Levy, Grants and loans from Development Partners such as the European Union, Tourism Trust Fund and individual Donor Governments and institutions, and finally contribution in cash and kind from the Kenyan private sector. The tricky issue was how to use these limited resources of finance to the best advantage. Resource allocation from the Government which is allocated as per the financial year is not helpful especially when the Board has activities that are overlapping into the next financial year. The Government needs to have long term plans in their funding of the Board instead of the annual budget plans, for the Board to operate efficiently and overcome finance as a challenge to strategy implementation. Also the Board should sensitize other development partners and private companies of their importance in their involvement of the Board funding.

Since the organization's mandate is to market and promote the whole country plus take care of the organization's overheads, the funds are not enough posing a great challenge to strategy implementation. There were challenges in receiving these budgeted resources from the government due to the government change of policy to fund State Corporations. In their funding of the Board, the Government should consider the Board and its contribution to the economy of

the country and come up with better ways of overcoming finance as a challenge to the Boards' strategy implementation.

According to this study another resource that was a challenge to strategy implementation was the human resource. The organization is not a large one considering that the total number of staff is less than 100 in the four departments namely Marketing, Finance, Procurement and Logistics, and the Human Resources and that it's the only one of its kind in the country. Therefore getting experienced and professional human resource to implement the strategy became a great challenge. The human resource challenge focused on cost –cutting which meant reducing the number of staff, as a result the remaining staff were overworked and demoralized leading to low morale and unproductive.

Human resource is one of the major contributors to the success of any organization and the Board should look at the gains of employing experienced, professional and enough staff to run the Board and overcome human resource as a challenge to strategy implementation. Also the Board should do some benchmarking in countries with such Boards to analyze and see how such countries overcome the human resource factor as a challenge to their strategy implementation.

4.2.2 Organizational Structure and Strategy Implementation

Organizational structure in organizations is the formal framework by which tasks are organized and coordinated. The organizational structure plays a very important role in the implementation of a firm's strategic plan. The study found out that the organizational structure at KTB was a great challenge to their strategy implementation. During the strategy implementation, most employees who had been reporting to the higher office were now required to report to their heads of department and this was a great challenge as most of them were unwilling to embrace the

change, therefore affecting the strategy implementation. Matching structure to strategy requires making strategy-critical activities and organizational units the main building blocks in the organizational structure and as a result, organizational structure will not be a big challenge to strategy implementation.

This means building an organization capable of successful strategy execution, but it is not easy for it involves a lot of restructuring and re- engineering of the organization. Managers also find it a great challenge to adjust to the new structure which creates assistants and supervisors below them to coordinate the activities of various functions in order to exploit fully their skills and capabilities.

Procurement procedures were also a challenge as they were to be followed according to the organizational structure resulting in too much time taken in implementing the strategy. The organization should select the right organizational structure and control systems to match the organization's strategy in order to successfully implement the strategy. Organizational structure and administrative systems constitute the managerial infrastructure of the organization and an effective managerial infrastructure is critical for the successful implementation of the organizations' strategies.

The findings were that the Board also introduced performance contract to monitor and evaluate the strategy implementation and to confirm that all department were conforming to their ISO certification. Since the organization is the only one of its kind in the country, there had been no proper job allocations and evaluations which became a challenge to the strategy implementation.

 The Board should seek the assistance of a consultant firm and come up with proper job descriptions and evaluations so that employees are aware of what is expected of them, and their

jobs should match with the organizations' strategic plans, this will assist in the overcoming of organizational structure as a challenge to strategy implementation. Employees with a lot of experience and limited education, are very important to any organization, therefore the Board should come up with matching in house trainings and also where possible employees should be encouraged to go back to school for further studies. This will assist employees to understand the importance of having a proper organizational structure in the organizations' strategy implementation.

4.2.3 Organizational Culture and Strategy Implementation

The study set to find out if culture at KTB was a challenge to the organization's strategy implementation. When the Board came up with the strategic plan and its implementation, this meant that change was going to take place. The attitudes and behavior of employees were to be affected as well as their willingness to accept responsibility and take measured risks. Most employees were used to the old culture and wanted to maintain the status quo; they felt that with the new changes they were going to lose their identity with the organization as they were expected to change their attitudes, patterns, beliefs and values. Therefore culture became a challenge to strategy implementation since it had to be shaped to fit the strategy.

Board should create a conducive working environment to improve on production and assure employees that they are not only employees of the Board but partners with same goals and objectives which needs to be implemented and achieved. Fear for change in state corporations which hampers strategy implementation, such as old employees being comfortable with the status quo should be overcome by sensitizing employees on the importance of their contributions to the Board and reassuring them of their job security as they move along in the organizations'

strategy implementation, therefore dealing well with culture as a challenge to strategy implementation.

4.2.4 Organizational Leadership and Strategy Implementation

Generally it was observed that effective leadership was very important to strategy implementation since a leader had to stay on top of what was happening through close monitoring of activities, mobilizing and motivating employees to high performance levels plus keeping the organization responsive to changing conditions. The study found out that leadership at the Board had been embracing strategy implementation until the Government started appointing executives in acting capacity, therefore breaking the continuity. This was because when executives were appointed as acting, they were not so sure of their stay tomorrow therefore their consistence, commitment and their knowledge of the organization become questionable.

The change in leadership becomes a great challenge to strategy implementation since a leader may be appointed in acting capacity and as soon as he/she rolls out the way forward someone new comes to take over taking the organization a step behind. The new leader may come in with new leadership styles which will take employees time to adjust to, therefore becoming a challenge to implementation. Since leadership involves encompassing the need to establish an effective style as well as the necessary staff and skills to execute the strategy, it embraces continuity. Therefore, for any organization to succeed in their strategy implementation, good and continuous leadership is of paramount importance, in addition leaders need to motivate their employees since employees are the driving force behind any successful strategy implementation.

4.2.5 Organizational Policies and Strategy Implementation

The findings were that organizations operate in an uncertain and fast changing environment. Therefore policies established indirect control over actions and provided uniform handling of activities. The study found out that policies at the KTB were very important since these were the general guides to action that outlined the framework within which objectives were established and strategies were selected and implemented.

During the strategy implementation, some of the policies which any organization find to be a stumbling block to strategy implementation should re-considered and any that does not add value to be modified or done away with. Policies act as a lever for institutionalizing strategy supportive practices and operating procedures on an organization's wide basis, therefore pushing day-to-day activities in the direction of efficient strategy execution. There should be proper reward systems to employees to boost their morale, motivate them and make them feel the ownership of the organization. Therefore policies will not pose a great challenge to strategy implementation.

4.3 Organization's response to Strategy Implementation Challenges

This was the second part of the research study, which was to establish how KTB dealt with the challenges faced in their strategy implementation. Strategy implementation included building a firm capable of carrying out strategy successfully, allocating ample resources to strategy critical activities, establishing strategy supportive policies, creating a strategy support corporate culture, creating a strategy supportive structure and extorting strategic leadership. During the study, the above factors (resources, structure, culture, leadership and policies) contributed to the challenges of strategy implementation at KTB.

4.3.1 Resources

The Board came up with business plans specific to each of the four departments, which embraced budgets and procurement procedures. Since resources were limited, procurements had to go through several stages for approval. The Board followed the procurement Act 2005, of which the procedures were followed without fail. Each departments came up with its strategic plan which was aligned to the corporate one, they each gave in their detailed quarterly and annual reports on how they had spend their budgetary allocation resources for the year and any variations had to be explained to the finance manager. An auditing committee was set up to monitor, evaluate and confirm that all funds were used effectively to achieve the intended objectives.

Given the scale and competitiveness of international tourism and the limited funding available to promote Kenya, the promotional and marketing strategy had to be one that was clearly focused on the best prospects and utilized the most effective and cost efficient methods of reaching the potential customer. The Board put in place staff development programs to build capacity, reward and incentive systems and performance evaluation programs that were to motivate their staff and identify capability gaps.

4.3.2 Structure

The organization developed strategic plans specifically for each department and re-aligned its structure to match the organization's strategy; this was not easy as it involved a lot of restructuring of the current structure. Therefore each department was aware of the organization's strategic plan showing them where the organization was at that particular time, were it intended

to be in future and what was expected of each particular department, as organizational structure and administrative systems constituted the managerial infrastructure of the organization.

The departments were mandated to monitor and evaluate the strategy implementation process and report of any challenges it faced in their strategy implementation to the chief executive and the board. In order for the organization to have efficient performance of the required tasks, the appropriate structures were made effective by information systems and relationships permitting coordination of subdivided activities.

To ensure that employees were relevant to the strategy implementation, job evaluation and specification had to be done, deficiencies identified and where necessary staff training was carried out and new employees were hired. Change management concept had to be employed and old employees were taken through change management process for each to adhere to it.

4.3.3 Culture

The study found out that the Board had to educate employees on the importance of changing their organizational culture to avoid strategic drift which included creating an open and communicative culture where challenge of the status quo was encouraged. Frequent use of external consultants were encouraged and considered input from employees to challenge established mindset and the constant deployments of symbols of change rather than tradition were engaged in.

The Board encouraged employees to air their personal opinion openly without fear or intimidation. The findings were that culture had to change and employees were now performing their roles in the strategy through the individual work plans. The management was tasked to embrace team work among employees and to remind them that it was the change of behavior that

mattered most, and really the idea that managers would engineer change in belief systems was rather fanciful. The organization had to avoid strategic drift by creating an open and communicative culture where challenge of the status quo was encouraged in order to overcome culture as a challenge to strategy implementation.

4.3.4 Leadership

The findings were that, strong leadership was almost always essential for effective execution of an organization's strategic plan in any organization and that goals and objectives are major reasons why organizations exist, as a result setting them and making sure they were achieved in the time frame set was very important. Therefore despite the changes in leadership at the Board, departments had strong policies and procedures which they followed, monitored and evaluated to make sure that they were following the right path to achieve their objectives at the same time they were able to implement the organization's strategic plan. The chief Executive was required to develop a set of actions that were tied to the organization's strategic plan, this included realigning structures which involved hiring of more staff to suit the goals outlined in the strategy.

Having a Chief Executive in acting capacity for a short time does not allow for reasonable amount of time for redesigning structures to have any impact. Therefore, the Board should avoid such situations as this short duration does not give a Chief executive the opportunity to formulate and implement his/her action plan, on which their performance would be judged. Other than providing stability and continuity in the organization, such an arrangement will not enhance result-driven leadership and provide for proper executive succession, unlike if they had a Chief Executive who was appointed and given a time frame of three or five years on contract basis.

4.3.5 Policies

Generally, it was observed that policies help to shape the characters of internal work climate and to translate the corporate philosophy into how things are done, how people are treated, and what the corporate beliefs and attitude mean in terms of everyday activities. The management team evaluated all company policies and any that was found to be a hindrance to any progress and did not add any value to the smooth running of the organization was eliminated or modified to match with the strategic plan.

Proper policies on the reward of performers were established to give employees morale and motivate them to higher production. The Board came up with general guides to action that were outlined to the framework within which the Boards' objectives were established, strategies selected and implemented, the policies flowed logically from the organization's philosophy.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The objectives of the study were to determine challenges faced by KTB in their strategy implementation and to establish how KTB dealt with these challenges. The findings indicated that organizations operate in a very complex, uncertain and diversified environment and KTB was no exceptional. The study found out that resources, both financial and human resources were a challenge to strategy implementation as they were scarce. The other challenge to strategy implementation was the organizational structure as it had to be modified to fit with the Board's strategy. Challenges were also evident in the organizational culture, leadership and the organizational policies. The Board came up with mechanism to overcome the challenges as per the observation and discussion of the study in chapter four.

5.2 Conclusions

Strategy implementation is a continuous process which requires monitoring and evaluation at each stage. It's also concerned with the translation of strategy into organizational action through organizational structure and design, resource planning and management of strategic change. Therefore there is need for all leaders at all levels to embrace strategy implementation and come up with solutions to any challenges to strategy implementation.

5.3 Recommendations

Strategy implementation challenges cannot be ignored by any organization since overcoming them will result into the proper strategy implementation. To make the strategy work will involve a lot of organization's activities like organizing, budgeting, motivating of employees, culture building and good leadership to make the strategy work. Since KTB is a state corporation and the government is aware of the role it plays in the tourism industry and the role tourism plays in the country's economy, the government should increase its budgetary allocation to the Board for it to fulfill its mandate without a lot of straining.

The Board should employ a proper consultant firm to draw up employee job evaluation and description since this is the only Board of its kind in the country and getting experienced and professional employees to match the jobs can be a big challenge.

Since leadership is the role to provide the necessary motivation and demonstrate management values of the strategy traits that are critical to successful strategy implementation, the board of directors should come up with a plan of continuity, and avoid long periods of the top executive seat being left to acting personnel.

Policies are very important to any organization, they are directives designed to guide the thinking, decisions and actions of the managers including all those involved in the strategy implementation. Therefore the Board should come up with strong, practical and employee friendly policies which will add value to the operations of the organization.

5.4 Limitations of the Study

The study whose objectives were to find out the challenges faced by strategy implementation at KTB and establish how they were dealt with had its limitation. The interviews were meant for senior managers, who were mostly the decision makers and this posed a big challenge since most of the time they were either in critical meetings or outside the country on official duties.

The other limitation was that since KTB was the only one of its kind in the country, there is limited benchmarking locally. Therefore most of its benchmarking is done in the overseas country which in turn becomes very expensive.

5.5 Suggestion for Further Studies

Tourism accounts for 12 per cent of GDP in Kenya, making it the third largest contributor after Agriculture and manufacturing. It is Kenya's third highest foreign exchange earner after tea and horticulture, generating 18 per cent of export revenue. Therefore the Board which is mandated to market and promote Kenya as a country should be studied further on how best it can be handled to fulfill its mandate. The challenges faced by the Board in trying to implement its strategies should be researched and results implemented in order for the Board to achieve its objectives.

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Interview Guide

1. What are the broad Objectives of the Strategic plan 2008/9 – 2010/11? What role do you play in attaining these objectives?

2. In an effort to implement these Objectives, what action plans have you put in place?

3. Are the Strategic Objectives general or specific to each department? If they are departmental, what actions have you put in place to make sure that each department is doing what it is supposed to do to implement the firm's broad strategy?

4. Was it necessary to acquire new employees or retain the old ones? What key competencies were required from the employees?

5. What challenges did you face in terms of employee Morale, behavior, and general approach to work during the Implementation? How did you go about them?

6. How do you ensure that mismanagement of funds and embezzlement does not take place?

7. What challenges may you have faced when Implementing a Strategy aligned Structure?

8. Does the structure support communication for implementation?

9. Does the Organization have a documented reward policy? How does the policy (if any) support the Implementation of Strategy?

10. Comment on the various challenges that may have been faced on each of the following during strategy Implementation.

   - Leadership

   - Culture

   - Resources

11. What actions were put in place to deal with each of these challenges?

12. What is your general comment on strategy management Implementation challenges in the

private sector?