CHALLENGES OF STRATEGY IMPLEMENTATION AT THE MUNICIPAL COUNCIL OF KISUMU IN KENYA

BY

ROSE AKINYI ADEM

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

OCTOBER 2012
DECLARATION

This research project is my original work and has not been presented for the award of a degree in any other university or institution of learning.

___________________________   _____________________ ______
Signature      Date

Adem Rose Akinyi

Reg. No. D61/61926/2010

This research project has been submitted for examination with my approval as the University Supervisor

___________________________   _____________________ ______
Signature      Date

Dr. Vincent Machuki

Lecturer,
Department of Business Administration
University of Nairobi
ACKNOWLEDGMENTS

I thank my supervisor Dr. Vincent Machuki for his stewardship, for supporting me with invaluable insights at different stages in the research project, I am grateful.

I would also like to thank my employer, The Walter Reed Project, Kisumu for the material and moral support. Special thanks to my friend Mr. Nixon Ouku for his endless support during the whole time of undertaking this project, may God Bless you. Finally, to the management of The Municipal Council of Kisumu for accepting to set aside time to enable me interview them.
DEDICATION

I dedicate this research project to my parents posthumously, Mr. Shadrack Adem and Mrs. Julia Adem. I fulfilled the promise.

Finally to my sons, Jacob and Shadrack, for you I got inspired even more to do this.
ABSTRACT

The purpose of the study was to establish the challenges facing implementation of Strategy at the Municipal Council of Kisumu. The study was guided by the research question: What are the challenges facing implementation of strategy at the Municipal Council of Kisumu? This was a case study. The respondents consisted of departmental heads employed at the Municipal Council of Kisumu. Primary data was collected using an interview guide. A total of eight departmental heads were interviewed. Secondary data was collected through a review of the organizational chart, the strategic plan and various departmental reports. Data analysis was done based on the contents of the thematic areas in reference to the objectives of the study. The findings were presented in narrations and paragraphs. The major findings of the research were similar to earlier studies done on challenges to strategy implementation. The research identified several challenges affecting strategy implementation at the Municipal Council of Kisumu. These included lack of proper communication and creation of feedback mechanisms for strategy implementation, failure to align organizations structure and resources to the strategic plan, employee resistance to change, lack of education and training for employees and reluctance in embracing stakeholder support. Conclusively, strategy implementation process normally requires much more energy and time than the formulation of the strategy. It is therefore recommended that the strategy implementation phase needs to be done with instilled discipline, planning, motivation and in a controlled process.
# TABLE OF CONTENTS

DECLARATION ............................................................................................................. I  
ACKNOWLEDGMENTS ................................................................................................. II  
DEDICATION ................................................................................................................ III  
ABSTRACT .................................................................................................................... IV  

## CHAPTER ONE: INTRODUCTION ................................................................... 1  
1.1 BACKGROUND OF THE STUDY ......................................................................... 1  
  1.1.1 The Concept of Strategy Implementation .......................................................... 2  
  1.1.2 Local Authorities in Kenya ................................................................................ 3  
  1.1.3 Municipal Council of Kisumu ............................................................................ 4  
1.2 RESEARCH PROBLEM ..................................................................................... 6  
1.3 RESEARCH OBJECTIVES ................................................................................... 8  
1.4 VALUE OF THE STUDY ...................................................................................... 8  

## CHAPTER TWO: LITERATURE REVIEW .................................................. 10  
2.1 INTRODUCTION ............................................................................................. 10  
2.2 THE CONCEPT OF STRATEGY .......................................................................... 10  
2.3 STRATEGIC MANAGEMENT .............................................................................. 11  
2.4 STRATEGY IMPLEMENTATION ......................................................................... 12  
2.5 FACTORS INFLUENCING STRATEGY IMPLEMENTATION ............................... 14  
2.6 CHALLENGES OF STRATEGY IMPLEMENTATION .............................................. 16  
2.5 MEASURES TO ADDRESS THE CHALLENGES OF STRATEGY IMPLEMENTATION . 19  

## CHAPTER THREE: RESEARCH METHODOLOGY .................................... 23  
3.1 INTRODUCTION ............................................................................................. 23  
3.2 RESEARCH DESIGN ......................................................................................... 23  
3.3 DATA COLLECTION ......................................................................................... 24  
3.4 DATA ANALYSIS ............................................................................................. 24
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS ...... 26

4.1 INTRODUCTION ........................................................................................................... 26

4.2 STRATEGY IMPLEMENTATION AT THE MUNICIPAL COUNCIL OF KISUMU .......... 26

4.3 CHALLENGES OF STRATEGY IMPLEMENTATION AT THE MUNICIPAL COUNCIL OF KISUMU .................................................................................................................. 27

4.4 MEASURES TAKEN BY MUNICIPAL COUNCIL OF KISUMU TO ADDRESS CHALLENGES OF STRATEGY IMPLEMENTATION ................................................................. 31

4.5 DISCUSSION .................................................................................................................. 31

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS .................................................................................................................. 34

5.1 INTRODUCTION ............................................................................................................ 34

5.2 SUMMARY OF FINDINGS .......................................................................................... 34

5.3 CONCLUSION ................................................................................................................ 35

5.4 RECOMMENDATIONS FOR POLICY AND PRACTICE ............................................. 36

5.5 LIMITATION OF THE STUDY ...................................................................................... 38

5.6 SUGGESTIONS FOR FURTHER RESEARCH ............................................................... 39

REFERENCES ...................................................................................................................... 40

APPENDICES ....................................................................................................................... 44

APPENDIX I: INTERVIEW GUIDE .................................................................................... 44

APPENDIX II: LETTER OF AUTHORIZATION FROM THE UNIVERSITY OF NAIROBI ...... 46

APPENDIX III: EXTRACTS FROM KISUMU CITY DEVELOPMENT STRATEGIES ........ 47

APPENDIX IV: MUNICIPAL COUNCIL OF KISUMU ORGANOGRAM ......................... 50
CHAPTER ONE : INTRODUCTION

1.1 Background of the study

Strategic management is combination of science and arts which increases an organization’s chances of success as it involves detailed planning of each and every variable of the organization to help in the achievement of goals and objectives. It entails attention to the “big picture” and the willingness to adapt to changing circumstances. It consists of formulation of the organization’s future mission in light of changing external factors such as regulation, competition, technology, and customers’ development of a competitive strategy to achieve the mission creation of an organizational structure. Strategic management is adaptive and keeps an organization relevant (Afsar, 2011).

Many organizations have currently embraced strategic as a way of leading the organizations to achieve their missions, visions and objectives. A strategy is defined as a unifying pattern of decisions; it defines an organization’s purpose, goal objectives and priorities. (Nickols, 2000) defined strategy as a perspective, position, plan and pattern. A formal strategy is defined by the extent of deliberateness in planning, documentation and communication to the stakeholders. It is a well formulated strategy which helps to marshal an organizations resources into a unique and viable posture based on its relative internal competencies and weaknesses, anticipated changes in environment and contingent moves by intelligent opponents. Business strategies need to be consistently redesigned to effectively reflect the requirements of customers and to respond to changes in the business environment (Munive-Hernandez, 2004).
The increasing complexity of managing the local government sector is proving a challenge for managers and councilors all over Kenya. Despite each council’s different objectives, managers and councilors are mandated to provide the products and services to create and support sustainable communities for their constituents. They do this with increasing scrutiny of their management and performance, and rising levels of accountability. This has led local authorities to embrace the concept of strategic formulation and implementation. The keys to a successful strategic management plan are its ability to align with organizational objectives, and to ensure continuous feedback on the plan through measurement, monitoring, evaluation and predictive capabilities (Magambo, 2004).

1.1.1 The Concept of Strategy Implementation

Strategy formulation and implementation are separate distinguishable parts of the strategic management process. Formulations involves coming up with the actual strategic plan while implementation encompasses the processes of institutionalization and operationalization. The process of institutionalization relies heavily on the organization’s configurations that consist of structures, processes, relationships and boundaries through which the organization operates. Operationalization on the other hand involves committing an organization’s resources to the process and embodying the strategy in the organizational activities (Johnson and Scholes, 2002).

Good strategies only guarantee success if they are translated into action that yields acceptable results. Strategy implementation has received much attention both in research and practice in public institutions, for profit and not for profit organizations. Further, the treatment of strategy implementation as an administrative process makes
it subject to the manifestations of an organization's internal environment (Machuki, 2011). The successful implementation of strategy takes more time than its formulation, it involves many people hence communication down the organization or across different functions becomes a challenge, controls must therefore be set to provide feedback and keep management abreast of external “shocks” and changes. The process of execution must be dynamic, adaptive and responsive to unanticipated events (Hrebiniak, 2008).

The goal of strategy implementation is to unite total organization behind strategy. Implementing strategy is an action-oriented, operations-driven, people and systems management activity involving leading, motivating, organization change, engineering business processes and creating strong fits between strategy and operations. It’s tougher and more time consuming due to variety of managerial activities. A workable strategy implementation plan should undergo the processes of institutionalization of strategy, setting proper organizational climate, developing appropriate operating plans and developing appropriate organization structure (Barnat, 2005).

1.1.2 Local Authorities in Kenya

The Local Authorities (cities and Local Governments) are very important to the citizenry. They are the engines of growth and centers of development. They provide cultural; educational; management, research, commerce and political services. They also do offer employment, best health facilities and boost the country’s economy (Magambo, 2004). Most of the services provided by Local Governments address the eight millennium development goals (SNV East & Southern Africa, 2006). The Millennium development goals status report of Kenya (2005) illustrates the eight goals
as; eradication of extreme poverty and hunger; achieving universal primary education; promoting gender equality and women empowerment; reduction of child mortality; improving maternal health; combating HIV/AIDS, malaria and other diseases; ensuring Environmental sustainability and; developing global partnership for development.

The Local Government system in Kenya is divided into four categories (Omamo, 1995). These are: city, municipal, county and town councils. By the year 2009, the Local Authority system had 175 Local Authorities composed of one city council (Nairobi), forty five municipal councils, sixty seven county councils and sixty two town councils. The structure of the different Local Authorities is related to their sizes and the categories. In each Local Authority there are two structures. One is the decision making (political) structure headed by the mayor or chairperson and the other is the administrative structure headed by town/county clerk (Mboga, 2009). The main function of local government is to improve the livelihoods of citizens through the provision of basic socio-economic and other services. Services provided by local authorities include markets, parks and gardens, sanitary inspection and refuse disposal, burial grounds and crematoria, fire services and fire brigade, public transport, social welfare services, basic environmental sanitation, roads and drains maintenance, water supply and basic planning and development control.

1.1.3 Municipal Council of Kisumu

Kisumu was established as a settlement towards the end of the 19th century. In 1903, the township boundaries were gazetted and some 12,000 acres, including water, set aside for its development. The new township reverted to its original name, Kisumu, in
substitution of the colonial name Port Florence. As the third largest urban centre in Kenya today, with an area of 417 sq kms, Kisumu has grown from humble beginnings to its current status. By 1976, the municipality had a total area of 53 sq kms. The boundary was extended to include the densely populated peri-urban settlements of Manyatta and Nyalenda, plus a large portion of largely rural land. (www.citycouncilofkisumu.or.ke).

The mission of the council is to provide unequalled quality services matched by superior local government solutions that result in creating an enabling environment for investment, with the aim of improving the quality of life of the residents of Kisumu. The Council’s vision is to be the leading local Authority in Kenya and the entire Great Lakes Region providing innovative, competent and responsive services as well as opportunities for sustainable development. The core values of The Municipal Council of Kisumu include being an equal opportunities employer, subscribing to provision of services professionally, striving to ensure integrity and discipline and subscribing to harmony and teamwork (www.citycouncilofkisumu.or.ke).

The vision of Kisumu Municipal council is to revamp the identity of Kisumu as the principal transport, communication and commercial hub of the Great Lakes region, while strengthening the service coverage and delivery capacities. The Kisumu City Development Strategy 2004 -2009, is substantively the result of rigorous stakeholders’ consultations that were carried out with the citizens of Kisumu over a period of 2 years. It captures their perspectives on the current and desired socio-economic development. The strategy upholds the principles of increased productivity, equity and access, good governance and sustainability. The city development strategy has further
been enriched by the incorporation of relevant ongoing development processes such as those embedded within the Local Authority Service Delivery Action Plans. Regional considerations have been introduced through experiences of Lake Victoria Region Local Authorities Cooperation in which Kisumu plays a central role, and other interventions through the Swedish Lake Victoria Initiative. Furthermore, the active involvement of the communities within Kisumu in developing the National Vision and Strategy for Management and Development of Lake Victoria Basin contributed invaluably to the enrichment of the Kisumu city development strategy (UN-HABITAT, 2003).

1.2 Research Problem

Strategy implementation is largely an internal administrative activity. It entails working through others, organizing, motivating, culture building and creating strong links between strategy and how the organization operates. It also entails a process of converting the formulated strategies into viable operations that will yield the organization’s targeted results (Musyoka, 2011). 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 (Aosa, 1992). Inappropriate systems utilized during the process of operationalization, institutionalization and control of the strategy are often sources of challenges during strategy implementation. The process of institutionalization relies heavily on the organization configuration that consists of the structures, processes, relationships and boundaries through which the organization operates (Johnson and Scholes, 2002).
The Municipal Council of Kisumu operates within an executive and political authority, the process of balancing the two centers of power is a definite challenge in the way the municipal council implements its strategic plan; this was evidenced by the many municipal development projects that had not been achieved as was stipulated in the strategy document. Kisumu Municipal Council was faced by many operational challenges which directly impacted on how it was able to achieve its objectives. However, a systematic documentation of these challenges had not received the attention of scholars and researchers. It was therefore be important to determine what specific challenges the council was facing in the implementation of its strategies towards achieving its development goals.

Several studies had been done on challenges of strategy implementation in Kenya. (Machuki, 2005; Musyoka, 2011; Gakii, 2011; Gakahu, 2011 among others ). Machuki studied the challenges to strategy implementation at CMC motors group ltd, Musyoka studied the challenges of strategy implementation at Jomo Kenyatta Foundation, Gakii studied the challenges of strategy implementation at Kenya Revenue Authority and Gakahu studied the challenges of strategy implementation at the Municipal Council of Thika.

All these studies documented the various challenges faced by different organizations during strategy implementation. As case studies these highlighted the challenges in the context of the organizations of study. Strategy implementation is context sensitive therefore outcomes of case studies cannot be generalized across board. A replicative study would therefore bring out the specific challenges encountered by the Municipal Council of Kisumu in implementing its strategic plan. This study therefore answers the
question; what are the challenges of strategy implementation at the Municipal Council of Kisumu?

1.3 Research Objectives
The objectives of this study were to;

i. Establish the challenges of strategy implementation at the Municipal Council of Kisumu, Kenya.

ii. Determine the measures taken to address the challenges of strategy implementation at the Municipal Council of Kisumu, Kenya.

1.4 Value of the study
The findings of this study contributes to the development of theoretical understanding and also adds on to the growing body of knowledge in the field of strategy implementation in local government authorities in Kenya since most of the studies in local governments have been done in the developed economies like in South Africa and Australia, which have different contexts.

The findings are useful in both policy development and implementation within local governments in Kenya especially in the current form of new constitution dispensation. These can be used as tools for future references in the field of policy development in public institutions. It can also act as a reference to inform institutions in strategic planning and implementation.

Finally the study contributes in informing good management practices within local authorities in Kenya and other developing countries. The outcomes of this study highlights the management processes and practices in strategy implementation within
the context on Municipalities which can be adopted or improved by other stakeholders in public institutions in Kenya.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter deals with theoretical literature review on the concepts of strategy and strategic management, the strategy implementation process, factors influencing strategy implementation, challenges facing implementation of strategic plans in organizations and measures undertaken to address these challenges.

2.2 The concept of strategy

A strategy is a company’s game plan. A strategy reflects a company’s awareness of how, when and where it should compete; against whom it should compete and for what purposes it should compete (Pearce and Robinson, 1991).

A company’s strategy is the management’s action plan for running the business and conducting operations. The crafting of a strategy represents a managerial commitment to pursue a particular set of actions in growing the business, attracting customers, competing successfully, conducting operations and improving the company’s financial and market performance. The best indicators of a company’s strategy are its actions in the market place and the statements of senior managers about the company’s current business approaches (Thompson, Strickland, and Gamble, 2007).

Most organizations have multiple levels of strategic decision makers, typically the larger the firm the more levels it will have. The strategic managers at the highest level are responsible for decisions that affect the entire firm, commit the firm and its resources for the longest periods, and declare the firm’s sense of values. In defining or redining the company’s mission, strategic managers must recognize the legitimate
rights of the firm’s claimants. These include not only the stockholders and employees but also outsiders affected by the firm’s actions. Such outsiders commonly include customers, suppliers, governments, unions, competitors, local communities and the general public (Pearce and Robinson, 1991).

2.3 Strategic Management

Strategic management is defined as the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company’s objectives. It comprises of nine critical tasks, namely: formulating the company’s mission, purpose, philosophy and goals, developing a company’s profile that reflects its internal conditions and capabilities, assessing the company’s external environment, analyzing the company’s options by matching its resources with the external environment, identifying the most desirable options by evaluating each option in light with the company’s mission, selecting long term objectives and short term strategies that are compatible with the selected set of long term objectives and grand strategies, implementing the strategic choices by means of budget resource allocation in which the matching of tasks, people, structures, technologies and reward systems is emphasized (Pearce and Robinson, 1991).

The decision making hierarchy of a firm typically contains three levels. At the top is the corporate level composed of the board of directors. They are responsible for the firm’s financial performance and for the achievement of non-financial goals. They set objectives and formulate strategies that span the activities and functional areas of these businesses. In the middle is the business and corporate managers, these managers must translate the statements of direction and intent generated at the corporate level into
concrete objectives and strategies for individual business divisions. At the bottom of the decision making hierarchy is the functional level, composed of managers of products, geographic and functional areas. They develop annual objectives and short term strategies. Their principal responsibility is to implement or execute the firm’s strategic plans (Pearce and Robinson, 1991).

Formality in strategic management refers to the degree to which participants, responsibilities, authority and discretion in decision making are specified. systems varies widely among companies. The size of the organization, its predominant management styles, the complexity of its environment, its production process, its problems and the purpose of its planning system all play a part in determining the appropriate degree of formality. In particular formality is associated with the size of the firm and with its stage of development (Pearce and Robinson, 1991).

2.4 **Strategy Implementation**

A good strategy without effective implementation is not likely to succeed. Closing the gap between ideal and expected outcomes requires more than making a strategic choice. The implementation process involves a number of interrelated set of choices and activities that are used to allocate resources, organize, assign key managers, set policies and establish an administrative system to reinforce, control and evaluate strategy. These resource allocation decisions set the operative strategy of the firm (Jauch and Glueck, 1988).

Operationalization of strategy is done through the use of annual objectives, functional strategies and policies. Institutionalization on the other hand must permeate the firm’s day to day life (Pearce & Robinson, 1991). Putting the strategy into operation involves
diving the work among groups and individuals and making sure that parts are linked together to ensure that they will work together effectively. The best organization structure is one which fits the organizations environment and internal characteristics giving rise to a strategy. Effective strategic management suggest that organization structure should change if strategy changes or if the organization experiences problems. In addition, it is necessary to develop policies and plans and assign or reassign leaders to support the strategy and help achieve objectives. Plan and policy implementation is designed to specify how the strategic choice will come to be. The critical element is the ability to factor the grand strategy into plans and policies that are compatible and workable. Policies and plans developed for the operating and staff departments need to be consistent with one another and fit the strategic choice and timing needs of the strategy (Jauch and Glueck, 1988).

Effective leadership implementation involves making sure the person has the right education, abilities, experience, motivation and personality to enact the strategic choice. The nature of the leadership style and motivation, decision, communication and control processes will determine how effective the leader is in developing a climate and culture conducive to making policies work. Evaluation of strategy is necessary to assure that a follow through on plans occurs, to provide information or needed corrective action and to ensure the repetition of the strategic management process. The control process requires multiple criteria, timely measurement and feedback and an evaluation of performance deviations so that corrective action can be taken. Control and evaluation takes place at both the strategic business unit level and the corporate level and may involve controllers and other top managers. The
evaluation system provides feedback to the strategic management process in its entirety (Jauch and Glueck, 1988).

One major shortcoming of strategic implementation in organizations is a failure to translate statements of strategic purpose, such as gain in market share into identification of those factors which are critical to achieving the objectives and the resources/competencies to ensure success. Some of these challenges include poor implementation practices, lack of skills and capacity in the implementation and execution of strategic plans, quality of services and products, conflicts of interest and lack of ownership of the strategies by the staff (Daft, 2000).

2.5 Factors influencing strategy implementation

Formulating and implementing are two relative components of strategic management approach. Spontaneous reviewing of them is a very important but difficult job. While formulating has an entrepreneurial nature and requires a great deal of motivation, analysis and judgment, implementing is an administrative one, which needs human skills, culturing and creating a deep compatible relationship between strategy and doing tasks in organization to be successful. Besides, implementing is more difficult and time consuming than formulating. Some of the factors which influence the process of strategy implementation in organizations include the strategic capability of the organization, corporate governance, organization structure and organization culture (Zaribaf and Hamid, 2010).

Strategic capability is concerned with the adequacy and sustainability of resources and competences required for an organization to survive and prosper. It comprises of how these resources are used and deployed. In dynamic conditions it is unlikely that such
strategic capabilities will remain stable. Dynamic capability of an organization therefore becomes important inorder to change strategic capabilities continually. Managers need to think about how and to what extent they can manage the development of the strategic capabilities of their organizations by stretching and adding to such capabilities and by the way they manage people in their organizations (Johnson, Scholes and Whittington, 2008).

The purpose of an organization will be influenced by the expectations of its stakeholders. The influence of some key stakeholders will be represented formally within the governance structure of an organization. This can be represented in terms of a governance chain, showing the links between ultimate beneficiaries and the managers of the organization. Different stakeholders exercise different influence on organisational purpose and strategy, dependent on the extent of their power and interest. An important managerial task is to decide how the organisation should express its strategic purpose through statement of values, vision, mission or objectives (Johnson, Scholes and Whittington, 2008).

Creating an organization which can implement the strategies involves creating a structure which supports implementation of strategies, reinforcing skills and capabilities on which strategies are planned and positioning most appropriate people for occupations in organization. This is supported by providing financial resources (budgeting) which can support strategies to ensure that financial resources are allocated to units appropriate to their contribution of strategic role and that consuming resources (inputs) will cause desired outputs. It also involves establishing inter support units for developing and managing policies and procedures that facilitate
implementation of strategies and creation of operational and administrational systems which can empower strategies (Zaribaf and Hamid, 2010).

Organizational culture is the basic assumptions and beliefs that are shared by members of an organization, operate unconsciously and defines in a basic taken-for-granted fashion an organization’s view of itself and its environment. The history and culture of an organization may contribute to its strategic capabilities, but may also give rise to strategic drift as its strategy develops incrementally on the basis of such influences and fails to keep pace with a changing environment. Cultural and institutional influences both inform and constrain the strategic development of organizations. Forming organization’s culture to adjust strategies and creating common values, defining ethical criteria, creating a workplace which supports strategies and creating highly achievement motives in culture of organization is also a factor to consider in the implementation process (Johnson, Scholes and Whittington, 2008).

Performing leadership strategies to lead the process of value formation, culture development, and empowering implementation, developing and saving innovations, responsibility to environment and using opportunities, considering political aspects of strategies, confronting to power conflicts and creating consensus, posing ethical criteria and behavior and innovating modifications for improving implementation of strategies goes a long way in affecting how a strategic plan is implemented (Zaribaf and Hamid, 2010).

2.6 Challenges of Strategy Implementation

Implementation of strategy remains one of the most difficult areas of management. Its success depends on both the selection of an appropriate strategy and converting that
strategy into action. If any of these aspects are deficient, the strategy may either fail or be less effective than intended (Hussey, 2000). The key challenges to strategy implementation can be summarized as the difficulty in matching the strategy to structure, aligning organizational change to conform to the strategy, limitations within the organizations cultural values, adopting a corporate governance policy that support the strategy and also handling the dynamites of the external stakeholders during the implementation process.

The biggest challenge to strategy implementation is matching strategy to structure; the lack of understanding of a strategy and the inability to connect strategy formulation and implementation has an impact on successful implementation. The process of institutionalization relies heavily on the organization configuration that consists of the structures, processes, relationships and boundaries through which the organization operates (Johnson and Scholes, 2002). The relationships consist of interactions, influence, communication and power dynamics, among other elements that occur in a systematic or a structured manner. Whilst the strategy should be chosen in a way that it fits the organization structure, the process of matching structure to strategy is complex (Alkhafaji, 2003). The choice of a particular structure is a formidable challenge.

Governance structures in place often bring about constraints during strategy implementation. Managers often find it difficult establishing and maintaining a position of integrity. The challenge is the existence of potential conflicts between what strategies are in manager’s own best interest and what strategies are in the longer-term interest of their organization and the shareholders. The biggest challenge being for
Managers to develop a high level of self awareness of their own behavior as it requires them to stand apart from often deep-rooted and taken for granted assumptions that are part of the organization’s culture (Johnson, Scholes and Whittington, 2008).

Strategy implementation is inextricably connected with organizational change; all organizations resist change and try to maintain the status quo, sometimes even if it yields unsatisfactory results. Resistance to change is a multifaceted phenomenon which introduces delays, additional costs and instabilities into the process of introducing change. People working in an organization sometimes resist change proposals and make strategy difficult to implement. Procrastination and delays in triggering the process of change, unforeseen implementation delays and inefficiencies slow down the change process and makes it cost more than was originally anticipated. Systemic resistance results from passive incompetence of the organization in support of strategy. It arises whenever the development of capacity lags behind strategy development. This may further hinder implementation, especially where strategic and operational control systems do not detect and cause adjustment to the changing internal environment (Lynch, 2000).

Managers find it difficult to think through the relationship between a firm’s culture and the critical factors on which strategy depend. Consequently managing the strategy-culture relationship requires sensitivity to the interactions between the changes necessary to implement the new strategy and the compatibility or fit between those changes and the firm’s culture (Pearce & Robinson, 1991). While an organization’s strategy may continue to change incrementally, it may not change in line with the environment. Paradigms in an organization can underpin successful
strategies by providing a basis of common understanding in an organization, but can also be a major problem especially when strategic change is needed (Johnson, Scholes and Whittington, 2008). Behavioral resistance on the other hand may be manifested on an individual or group level. Parochial self interest, misunderstanding and lack of trust, different assessments and views from managers, and low tolerance to change are some of the reasons behind behavioral resistance (Githui, 2006).

The operating environmental forces compounded by pressure arising from stakeholders like creditors, suppliers, customers, shareholders, government and the local community can impose challenges that could impair strategy implementation. Often people know little, if any, about a strategy when it is being hatched in the boardroom. Participation of all stakeholders in strategic planning is seen as important because of the key role stakeholders have to play in implementation, including monitoring of the planning recommendations and strategies (Pearce and Robinson, 2007).

2.5 Measures to Address the Challenges of Strategy Implementation

A company is an organism. It lives and grows. Introducing new strategy into the organism can rejuvenate and strengthen the entire system. It can also choke the system at different points, preventing the organism from thriving (Patoka, 2007). In order to address the many challenges a number of measures can be put in place to mitigate if not to eliminate these challenges. Measures to address these challenges include identifying measurable, mutually determined annual objectives, developing specific functional strategies, communicating concise policies to guide decisions, developing...
an effective organizational structure, recognition of the organizational culture and also putting strategic controls in place.

Annual objectives translate long range aspirations into a years budget. If well developed, these objectives provide clarity, a powerful motivator and facilitator of effective strategy implementation. Functional strategies translate grand strategy at the level of the firm as a whole into activities for the firms’ units. These once put in place helps clarify what their units are expected to do in implementing the grand strategy. Policies are specific guides for operating managers and their subordinates. Policies can be powerful tools to strategy implementation if they are clearly linked to functional strategies and long term objectives (Pearce & Robinson, 1991).

The very basics of a strategy, the fundamentals that drive a business, must be well communicated to everyone in the company so that people are informed and enabled to contribute their part however big or small that might be. Strategy isn’t best communicated by only a memo. Even if it is extremely well written, which it never is, there are too many nuances that don’t make it onto paper. One of the most important jobs of the development team, in addition to formulating the strategy, is the creation of a plan to communicate the strategy throughout the organization. More specifically, to decide who needs to know what, when, and how they should be told (Patoka, 2007).

Successful strategy implementation depends in large part on the firm’s primary organizational structure. The structure identifies key activities within which the firm and the manner in which they will be coordinated to achieve the firm’s strategic purpose. Choosing an effective organizational structure depends on the strategy of the firm. Since the structural design ties together key activities and resources of the firm,
it must be closely aligned with the demands of the firm’s strategy. A common strategy-structure consequence that can be adopted entails first choosing a strategy, administering problems and decline in performance, shifting an organizational structure more in line with the strategy’s needs and following through the execution of the strategy (Pearce & Robinson, 1991).

Understanding the relevance of an organization’s culture to strategic success is important in the implementation process. The culture of excellent companies are seen in key themes that guide members behaviour and orientation. Companies with strong cultures are enthusiastic collectors and tellers of stories and legends in support of basic beliefs, these companies are clear on what their beliefs and values need to be and take the process of shaping those beliefs and values very seriously. The stronger a company’s culture and the more that culture is directed towards customers and markets, the less the company uses policy manuals, organization charts and detailed rules and procedures to enforce discipline and norms (Pearce & Robinson, 1991).

Not everyone will agree to a strategy. Before officially launching a strategy, it’s important to check that everyone on the development team agrees with it. Drilling down and asking specific questions to people who disagree will help in understanding their reasons for disagreeing and listening to their answers can help in identifying and addressing potential gaps in either the strategy or the communication. Involving as many people in the strategic development process as possible and as early as possible hence creating a corporate-wide ownership of the strategy (Patoka, 2007).

A strategy is never perfect, it’s therefore important to establish a process to improve the strategy throughout implementation and beyond. Major forces that push strategy
around are the world changes; an external disruption, a competitor surprises the market, by launching a remarkably better product, service or business model or a new technological change. It can also be an internal disruption for example deadly bacteria found in a meat processing plants or even raw sewage from the city’s largest ever concert backs up and turns the entire inventory into garbage. While your strategy works on paper it will definitely need tweaking as it moves through implementation (Patoka, 2007).
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, the data collection process, analysis and presentation pertinent in answering the research question.

3.2 Research Design

This study was a case study of the Municipal Council of Kisumu. The research design which was used in this study was descriptive research design. This design refers to a set of methods and procedures that describe variables. It involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data. The researcher used this research design to establish the challenges of strategy implementation at the Municipal Council of Kisumu. This design was deemed to be best suited to identify all the issues and complexities involved in the subject of study.

Case study research excels at bringing us to an understanding of a complex issue or object and can extend experience or add strength to what is already known through previous research. Case studies emphasize detailed contextual analysis of a limited number of events or conditions and their relationships. Researchers have used the case study research method for many years across a variety of disciplines. Social scientists, in particular, have made wide use of this qualitative research method to examine contemporary real-life situations and provide the basis for the application of ideas and extension of methods. The case study research method is an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984).
3.3 Data collection

Data collection was done in the weeks of 10th to 21st of September 2012. Prior appointments were booked with various departmental heads based on their availability. Both primary and secondary data were collected. Primary data were collected using interview guide administered to eight key departmental heads of the Municipal Council of Kisumu. Open ended questions were used to aid in probing more on the subject matter of the question hence allowed for a better understanding of the processes.

Secondary data were collected through review of available relevant documents of the council including the strategic plan, organogram, and departmental reports. These were used to supplement the primary data collected from the application of the interview guide.

3.4 Data Analysis

The data collected was thoroughly examined and checked for completeness and comprehensibility. The data was then summarized and analyzed using content analysis. Thematic areas were identified based on the objectives of the study and the flow of the interview guide. The analysis was based on how the strategic plan was institutionalized and operationalized into the organization.

This analysis detailed how the Municipal council of Kisumu annual objectives were translated to functional strategies and the policies put in place to support the implementation of strategy. How resource allocation and structures were adjusted in conformity with the strategic plan. The administrative systems put in place and how roles were assigned to departmental heads to facilitate the implementation process. It
further detailed how employees were capacitated, trained and motivated to support the implementation. Finally the evaluation and control processes that were put in place to oversee the whole implementation process were also looked into.

A documentation of the measures that were put in place by the Municipal Council of Kisumu to address the challenges of strategy implementation also formed part of the analysis.
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter summarizes the findings of this study and further discusses the outcomes of the challenges of strategy implementation at the Municipal Council of Kisumu. The objective of the study was to establish the challenges faced by the Municipal Council of Kisumu in implementing its strategies and to determine the measures taken by the Municipal Council of Kisumu to address these challenges. This was a case study and data was collected by interviewing eight departmental heads.

The findings discussed in this chapter include the process of strategy implementation at the municipal council of Kisumu, challenges faced during this strategy implementation and measures taken to address these challenges.

4.2 Strategy Implementation at the Municipal Council of Kisumu

Municipal council of Kisumu has a strategic plan. The strategic plan document Kisumu city development (2004-2009) was developed with support from UN-HABITAT, a memorandum of understanding was signed between the municipal council and UN-HABITAT in the January 2002 as a sign of commitment by the Municipal council to the strategic planning and implementation process.

Operationalization and institutionalization of the strategic plan for the Municipal council of Kisumu has not seen the light of the day as was expected from the strategic action plans. Two years after the elapse of the performance period for the strategic plan, not much was achieved. No major efforts were put in place to drive the council
to align these plans into their operations. Though there were attempts to have the document reviewed after the elapse of the performance period, there was no evidence of commitment to these reviews. A call for proposals for consultants to conduct this review had elapsed with more than two months and no efforts had been made to award the work to any consultant.

Despite the fact that the process of developing the strategic plan was a widely consultative process, the municipal council failed to put measures in place to operationalize the document. More than half of the respondents indicated not having seen the strategic plan even though less than half of the respondents mentioned that it was in use but they did not have a good understanding of the expectations.

4.3 **Challenges of Strategy implementation at the Municipal Council of Kisumu**

This study established that the municipal council of Kisumu faced several challenges in implementing its strategies. The strategic action plan clearly outlined the long term objectives, the short term objectives, the specific activities and the timeframe within which to achieve these goals. A municipal council development and planning unit was established to oversee the implementation of the strategic plan, however, the point of departure was that there were no specific policies put in place to drive this process. This study revealed that there was no proper communication of the strategic plan even to the departmental heads and the employees as a whole. As the Head of Procurements department said, 

“I just saw the document; some have not even seen it though it is in the treasures office”.

27
Organization structure was in place at the Municipal Council of Kisumu as was mentioned by all the respondents. Most of the respondents mentioned that the strength in the organization structure that they felt supported the implementation of the strategic was that there were enough personnel in the departments and clear lines of reporting. Some respondents also mentioned that there was a clear and strict chain of command. The organization structure however was not restructured to accommodate the requirements of the strategic plan implementation. The management system remained wholly top down, with minimal provision for a feedback system.

Some respondents mentioned that budgets though were linked to the departments, there was no proper accountability system and there was no proper mention or allocation on the departments which required more funds to push the processes like the municipal planning and development unit. Some resources to facilitate the implementation process were availed by developmental partners like the UN Habitat and other local nongovernmental organizations. Strict reporting systems from the partners, fixed budget allocations with no flexibility on the budget line variations, unfavorable terms and conditions were mentioned as some of the challenges that hindered the process of implementation.

The municipal council of Kisumu did not put proper administrative structures in place to support the implementation of the strategies. There was beurocracy in management systems with no clear job description for staff. The Head of Human Resources mentioned,
“Though I am a departmental head, I personally don’t have a job description and even those for the staff I supervise; it’s very difficult to write job descriptions to positions that keep changing depending on who occupies it!”

Other respondents also highlighted the fact that remuneration of staff was a problem. The reward system in place was not in conformity to qualification of staff, this led to demoralization hence poor service provision. The Revenue Officer mentioned,

“We have big job titles with very little pay”.

This study revealed that the Municipal Council of Kisumu was in the process of implementing several changes to facilitate the implementation of its strategic plan. These changes included hiring qualified personnel based on merits, encouraging cooperation among the staffs through team building activities, efforts to computerize the systems, embracing a corruption free system of operation, engaging competent departmental heads, periodic departmental planning meetings with sub-committees and introduction of annual budgets and plans in line with the strategic plan, as well as departmental work plans.

Other frequently mentioned ongoing changes were the involvement of external consultants in the development and review of the existing strategic plan, joint planning, introduction of performance contracts, merging of some departments to avoid redundancy, sensitization programs were in the introductory phase. However other respondents mentioned that there were no changes and even the strategic plan document had not been shared with the entire municipal council of Kisumu staff.
Most of the respondents mentioned that the changes put in place were resisted since it came with various demerits such as transfers of staff without consultation and involvement of concerned parties, the Head of Environmental Division mentioned,

“Reshuffling of staff has brought change as well as confusion in the implementation of the strategic plan”.

There were also concerns that changes brought about confusion since it was not well communicated and they felt things were forced on them. However, few respondents welcomed the changes and mentioned that it helped in bringing about organization development as well as implementation of projects. The greatest opportunity mentioned was the fact that there were efforts to introduce an effective monitoring and evaluation and accountability system. This was evident by the fact that most respondents mentioned that plans were underway for the periodic monitoring and evaluation together with review meetings.

There were also other external factors that were mentioned by most of the respondents. Political interference came out very strongly and this was because some of the leaders like the counselors are involved in development projects which are geared toward satisfying political needs. This caused decision making to be biased based on vested interest. There are also high expectations from the business community more so with allocation of resources. Governance policy is also a challenge because implementation relies mainly on existing policies which are very rigid and bureaucratic. The Housing Officer mentioned,

“The treasurer is not approachable and therefore we do not even go to her office”.

30
Municipal council of Kisumu works in collaboration with several development partners. Some of the challenges the respondents mentioned they encountered when interacting with the partners during strategy implementation included strict reporting systems from the partners, fixed budget allocations with no flexibility on the budget line variations, unfavorable terms and conditions, high unrealistic targets leading to falsification of results and complicated indicators for monitoring outcomes.

4.4 **Measures taken by municipal council of Kisumu to address challenges of strategy implementation.**

The municipal council of Kisumu is in the process of conducting several reviews to facilitate the achievement of its goals. Most of these are at the very initiation stages and no workable document has been drawn to guide these. Solutions in recommendations to address these challenges of strategy implementation included efforts to put in place an effective monitoring, evaluation and review system, staff empowerment forums and sensitization workshops, setting of performance targets, encouraging development of work plans, adjusting remuneration packages to match qualification, outsourcing experts to review and audit the projects, joint planning and also efforts were in place to review the strategic plan. Few respondents however mentioned that there were no solutions being put in place to help address these challenges since the strategic plan was yet to be shared.

4.5 **Discussion**

Communicating a strategy is the entry point to successful implementation of any strategy, one of the most important jobs of the development team, in addition to formulating the strategy, is the creation of a plan to communicate the strategy
throughout the organization. More specifically, to decide who needs to know what, when, and how they should be told (Patoka, 2007). Mission and vision of the Municipal council of Kisumu was not clearly communicated to the employees. There was lack of information dissemination to the staff and feedback forums were not created. Furthermore employees were not involved in development of important documents like the strategic plan or even the organogram. There was no consultation in the implementation of the strategic plan, there was no proper partnership or collaboration in the departments since most of the departments worked alone, there were also no progress reports, clear documentation and reporting was also lacking.

The process of institutionalization relies heavily on the organization configuration that consists of the structures, processes, relationships and boundaries through which the organization operates (Johnson & Scholes, 2002). Strategy implementation is directly connected with organizational change; all organizations resist change and try to maintain the status quo, sometimes even if it yields unsatisfactory results. Resistance to change is a multifaceted phenomenon which introduces delays, additional costs and instabilities into the process of introducing change. People working in an organization sometimes resist change proposals and make strategy difficult to implement (Lynch, 2000). Ongoing changes at the municipal council of Kisumu have been resisted by employees. Most employees prefer to operate within their current cultural fit and see these changes as threats to their current jobs and could curtail their operational spaces and working privileges.

Participation of all stakeholders in strategic planning is seen as important because of the key role stakeholders have to play in implementation, including monitoring of the
planning recommendations and strategies (Pearce & Robinson, 2007). The Municipal Council of Kisumu has various development partners namely Un-Habitat, European Union, Franchisor Development (FD) and Coca-cola among others. These partners engage and contribute to the process of strategy implementation by provide funds, developing guidelines on how funds should be used, develop standard operating procedures for project implementations, help in developing work plans, carry out process monitoring, employ agents or contact persons to supervise funds. It also came out clearly from most respondents that partners have shown interest in funding the development, review and awareness creation of the strategic plan. However the reporting protocols required by these partners hindered wide and friendly consultations due to the strict reporting deadlines, a culture which is missing in the municipal council.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter outlines the summary of findings and conclusions based on the findings and the objectives of the study, recommendations for practice and policy, limitations encountered while conducting the study and suggestions for further research.

5.2 Summary of Findings

Kisumu Municipal Council is faced by many operational challenges which directly impacts on how it’s able to achieve its objectives. The study conducted to explore this revealed that the major challenge was lack of communication of the strategic plan. Internal stakeholders were not involved right from the formulation stage; hence it was a challenge initiating the implementation process. The existing strategic plan 2004 - 2009, was outdated and the efforts to have it reviewed were picking up very slowly; a call for proposals for consultant to lead in review of the plan had long elapsed but no consultants had been identified.

The Municipal council of Kisumu had an organization structure with clear reporting lines; however, there were no job descriptions for employees to facilitate implementation. Most employees were well conversant with their line of reporting but were not clear on their roles and responsibilities in the implementation of the strategic plan. The allocation of resources was not matched to the intentions of the strategic plan; the strategic plan was not factored in the annual budget.
The Municipal council of Kisumu had continually made efforts to put feasible changes meant to embrace strategic planning and implementation, however lack of communication and staff involvement in the change process resulted to staff not embracing these changes. Consequently most employees viewed these changes as threats rather than strengths.

There was clear evidence that the partners/external stakeholders were interested and willing to support the strategic plan implementation, however, the organization culture and climate of the Municipal council of Kisumu posed a challenge in embracing these kinds of support. The feeling amongst the implementers was that these support come with strict and unfavorable terms and conditions.

5.3 Conclusion

The Municipal Council of Kisumu did not do give much priority to the implementation of the strategic plan, this was evident by the fact that the working document was outdated and had not been reviewed. There was scanty noticeable effort to change this situation. It was mentioned by the respondents that there were efforts to have external consultants to help in the development and review of the strategic plan, which would hopefully improve the situation especially if all the relevant persons were involved in the entire process from review to implementation.

Communication is a key element to successful implementation of a strategic plan. The very first step is to create a communication plan for the strategy and systems for monitoring and feedback. Communication emerged as a major challenge hindering successful implementation of the strategy in the Municipal Council of Kisumu. Most respondents mentioned that they had not seen the strategic plan or even had feedback
forums; this was an indication that communication channels were not complete. The picture painted was that of a document developed by external partners and pushed to the employees to implement without a manual or a clear understanding of the expectations and the delivery path.

The administrative systems in place are yet to be aligned to the requirements of the strategic objectives, lack of job descriptions and frequent staff transfers based on individual preferences as opposed to organizations objectives are some of the challenges to the whole process. The municipal council has deep rooted organizational cultural practices of laxity and reluctance in growth with the changing environments. The corporate governance policies, employee motivation and an evaluation and control process all are still wanting.

As mentioned in the discussion the process of institutionalization relies heavily on the organization configuration that consists of the structures, processes, relationships and boundaries through which the organization operates this is not the case in the municipal council of Kisumu hence great need to factor in this for successful implementation of a workable strategic plan.

5.4 Recommendations for Policy and Practice

Translating strategic intents to functional units was established as a challenge in the process of strategy implementation. The municipal council of Kisumu should work to have its annual objectives translated into a years budget. If well developed, these objectives provide clarity, a powerful motivator and facilitator of effective strategy implementation. Functional strategies should be well translated into activities for the firms’ units. These once put in place helps clarify what their units are expected to do
in implementing the grand strategy. Policies which inform specific guides for operating managers and their subordinates should be formalized, documented and communicated. It is necessary to embrace effective communication.

Most respondents mentioned that most employees did not have the necessary technical knowledge to match their positions. Employee capacity enhancement is an important area to look into in the effort to facilitating successful implementation of strategic plan. Most respondents mentioned that they do not have a job description to aid the implementation of the strategic plan. This was an indication that there are no guidelines in implementation of projects hence poor response. There is need to build the capacity of the staff to help them understand their roles and responsibilities, clearly written job description is a great necessity for municipal council of Kisumu employees. The municipal council of Kisumu should also invest in motivating staff through creation of competitive and remuneration packages match to the job descriptions, objectives and strategies.

Deep rooted cultural practices in the municipal council of Kisumu were highlighted as one of the causes for poor implementation of strategies. Forming organization's culture to adjust strategies and creating common values, defining ethical criteria, creating a workplace which supports strategies and creating highly achievement motives in culture of organization is also a factor to consider in the implementation process. Embracing leadership strategies to lead the process of value formation, culture development, creating responsibility to the environment, considering political aspects of strategies, posing ethical criteria and behavior and innovating modifications for improving implementation of strategies goes a long way in affecting how a strategic
plan is implemented. This would help all round support from the staff and entice them to own the process.

5.5 Limitation of the study

There were a number of limitations that affected the outcomes of this study. The design of the study was a case study, thus the study suffers from the limitations of all case studies.

Formality refers to the degree to which participants, responsibilities, authority, and discretion in decision making are specified. It is an important consideration in the study of strategic management, because greater formality is usually positively correlated with the cost, comprehensiveness, accuracy, and success of planning. The different types of formalities include the entrepreneurial mode, the planning mode and the adaptive mode. It is not unusual to find different modes within the same organization. This study faced the challenge of understanding what particular modes were in use. The organization of study applied all the modes without proper documentation of what was applied where. This made it difficult to understand the processes.

Strategy implementation is a new concept in the Municipal council of Kisumu as such many respondents did not have a good understanding of the strategy implementation process and implications. They were not very sure of how this impacted on their day to day work. As such the interviewer spent a lot of time probing to get relevant responses.
The respondents were limited only to the departmental heads of the municipal council of Kisumu; this formed a very small sample size. This study relied largely on quantitative data and was therefore restrictive. Since only self-report measures were used, common-method variance and response consistency effects may have biased the results.

5.6 Suggestions for further research

This study suggests that there is need to replicate this study to other local authorities, this would show whether these challenges were similar across board and would inform the governance of local authorities in Kenya.

This study relied largely on quantitative methodology of data collection which was restrictive. A study relying more on qualitative methodology of data collection to establish the challenges of strategy implementation at the municipal council of Kisumu should be undertaken in future to provide wider perspective to the present study. In this study, the data collection was confined to only departmental heads; research studies with much larger sample size would be required to ensure appropriate generalization of the findings of the study.

The study revealed that municipal council of Kisumu staff did not have a good understanding of the concept of strategy implementation processes and implications. Therefore a study should be done to explore the factors influencing employee understanding of strategy implementation.
REFERENCES


APPENDICES

Appendix I: Interview Guide

Challenges of strategy implementation at Municipal Council of Kisumu

<table>
<thead>
<tr>
<th>INFORMED CONSENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hello! I’m Rose Adem from University of Nairobi carrying out a study on Challenges of strategy implementation at Municipal Council of Kisumu; the results will contribute in informing good management practices within local authorities in Kenya and other developing countries. The outcomes of this study will highlight the management processes and practices in strategy implementation within the context on Municipalities which could be adopted or improved by other stakeholders in public institutions in Kenya.</td>
</tr>
<tr>
<td>I will ask you questions for about 30 minutes. The information you will provide will be kept strictly confidential. Participation in the study is voluntary and you can choose not to answer any individual question or all of the questions. However, I hope that you will participate in this study since your views are important.</td>
</tr>
<tr>
<td>Signature of interviewee-----------------------------Date-------------------</td>
</tr>
<tr>
<td>Signature of interviewer-------------------------------Date-------------------</td>
</tr>
</tbody>
</table>

**Section 1: Effects of organizational structure on strategy implementation**

1. Are you aware of the existence of a strategic plan for the municipal council

2. Does the municipal council have an organization structure?

3. In your opinion what are some of the strengths in this organization structure that support the implementation of its strategic plan?
4. What are some of the weaknesses in this organization structure that hinder the implementation of the strategic plan

**Section 2: Effects of Organizational change on strategy implementation**

5. What are some of the changes that have been put in place to facilitate the implementation of this strategic plan?

6. In your view how did staff generally respond to these changes?

7. How did the changes impact positively in the effort to implementing the strategic plan?

8. What are some of the challenges that these changes have caused in the process of strategy implementation?

9. What are some of the solutions to the above challenges that the organization has put in place

**Section 3: External environment verses strategy implementation**

10. Who are some of the development partners to this organization?

11. How do they engaged/contribute to the process of strategy implementation?

12. What are some of the challenges encountered when interacting with these partners during implementation of the strategic plan?

13. What are some of the steps taken to overcome these challenges?
Appendix II: Letter of authorization from the University of Nairobi

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAM – LOWER KABETE CAMPUS

Date: 29th August 2012

TO WHOM IT MAY CONCERN

The bearer of this letter Rose Adem

REGISTRATION NO: D61/60697/2010

The above named student is in the Master of Business Administration degree program. As part of requirements for the course, she is expected to carry out a study on Challenges of Strategy Implementation at Municipal Council of Kisumu

She has identified your organization for that purpose. This is to kindly request your assistance to enable him complete the study.

The exercise is strictly for academic purposes and a copy of the final paper will be availed to your organization on request.

Your assistance will be greatly appreciated.

Thanking you in advance.

Sincerely,

MR. ALEX JALEHA
COORDINATOR, SOB, KISUMU CAMPUS

Cc File Copy

ISO 9001: 2008 Certified
Appendix III: Extracts from Kisumu City development strategies

Executive Summary

The Kisumu City Development Strategy is, substantively, the result of rigorous stakeholders consultations that were carried out with the citizens of Kisumu over a period of 2 years. It captures their perspectives on the current and desired socio-economic development. The strategy upholds the principles of increased productivity, equity and access, good governance and sustainability. The CDS has further been enriched by the incorporation of relevant ongoing development processes such as those embedded within the Local Authority Service Delivery Action Plans (LASDAP). Regional considerations have been introduced through experiences of Lake Victoria Region Local Authorities Cooperation (LVRLAC) in which Kisumu plays a central role and other interventions through the Lake Victoria Initiative. Furthermore, the active involvement of the communities within Kisumu in developing the National Vision and Strategy for Management and Development of Lake Victoria Basin invaluably contributed to the enrichment of the Kisumu CDS.

The first section of the CDS presents the basic city profile within the National and local contexts respectively, highlighting some key determinant policy and legal issues that guide development in the city. Of great significance is the fact that despite having a rich natural resource base, 48% of Kisumu’s population of 345,312 live within the absolute poverty bracket comparing unfavourably with the national average of 25%. The city also experiences one of the highest incidences of food poverty (53.4%) in the country, concentrated mainly amongst the 60% of the city’s population residing within the peri-urban informal settlements. Despite the legislative authority giving mandate to the City Council to provide basic services within its area of jurisdiction, such provision has fallen way short of demand with about 10% sewerage coverage, 40% water supply outreach and 20% solid waste management efficiency. Housing provision remains one of the bigger challenges for the authorities, with approximately 75% of the peri-urban inhabitants residing in temporary and semi-permanent structures with inherent infrastructural deficiencies. A positive attribute has however emerged through the current policy shift in the local governance arena where citizens have been provided with more institutionalised space to actively participate in local development processes. New institutional arrangements that involve community and private sector participation have evolved such as the Kisumu Water and Sewerage Company (KIWASCO) and the Lake Victoria Trust Fund for Jomo Kenyatta Grounds (LVTF-JKG). Practical experiences from such partnership arrangements will continue to inform the development arena of Kisumu, providing useful foundation for exploring similar avenues in the forward implementation of CDS.

Section two highlights the participatory and all-inclusive processes applied in developing the CDS. The CDS process is generally guided by thematic references to urban governance, improved urban environment, poverty reduction, economic growth and gender mainstreaming. Initiated through a cross-cities sharing forum, the CDS process in Kisumu focussed on one hand on sustaining interest and commitment from the Council, and on the other creating a level playing field for active public participation. Workshops and key informant interviews targeting lead agency actors and key stakeholder representation largely generated consensus on the priority issues in the city and the strategic investment plans. A Rapid City scan with an impressive 3,764 respondents surveyed randomly provided useful information and prioritised strategies for the CDS. The scan results provided similar priorities to those emanating from the stakeholder workshops and individual consultations. Special
attention was paid to the gender participation both in the scan and other forum participation, registering 45% overall female participation. Secondary information obtained from relevant development processes namely LASDAP, LVRLAC and ISWMP largely informed the CDS framework to ensure continuity and complimentarity of interventions. A multi-stakeholder network of principle actors in sectoral development processes emerged in Kisumu, largely as a product of the CDS process.

The third section discusses the development challenges as identified and prioritised by the citizens of Kisumu, harmonised from a broad spectrum of stakeholder views and interests. Poor urban planning ranks high in the list of challenges and was closely associated with the unchecked sprawl of densely populated informal settlements characterised by lack of basic service provision and limited accessibility. A marked rise in informal (Street) trading within the Central Business District accompanied by insurgence of street children is partly viewed as a resultant factor of slow planning response to an inherent population demand. Despite sitting on one of the largest fresh water lakes in the world (L. Victoria), Kisumu citizens continue to experience severe water shortage, with a supply coverage mainly confined to the core urban centre. This accompanied by the low sewerage coverage provides justification for the high ranking of water and sanitation as a key challenge. Poor environmental management closely associated with solid waste collection and treatment inefficiencies, discharge of inadequately treated wastewater, blocked drains often associated with flash floods, and direct pollution of water bodies through informal practices such as car-washing, also ranks highly in the list of challenges. Urban agriculture and livestock keeping widely practiced as a livelihood means, particularly in the peri-urban fringes continue to suffer under repressive and archaic laws that provide limited legal space, posing a direct challenge to this poverty reduction opportunity. Other highly ranked challenges include the inadequacy of decent and affordable shelter, high prevalence of HIV/Aids, Malaria and infectious diseases, poor access to health services, unexploited transport and communication potential.

The fourth section of the CDS document presents a summary of the citizens’ vision and strategic options that defines the city development framework as a response to the priority challenges. Kisumu development vision is based on a historical and functional consideration of the city, noting its origin as a railway terminus (1901), and the central role of the city as a transportation and commercial hub of the region. The CDS vision is to make Kisumu “a leading transportation, communication and commercial hub in the Great Lakes Region offering great tourism and agro-investment opportunities”. The stakeholders mission therefore is to “mainstream good governance and democratic principles in urban management aimed at empowering the citizenry to singularly and collectively participate in their livelihood and environmental improvement actions for a sustained growth and development”. In pursuit of this mission, five key strategic objectives derived from a broad goal framework were outlined as follows;

- To improve the quality of life of 40% of the urban population by promoting actions towards a healthy environment and access to quality food within the next 5 years
- Ensure 40% of the population have access to potable water and sanitation within the next 5 years
- Encourage public-private investment initiatives for improved productivity and poverty reduction
- Develop and institutionalise frameworks that promote stakeholder participation in urban planning with due consideration to gender equity, efficiency and empowerment
- Contribute to the reduction on current trends of environmental pollution within the city and its environs for the protection of the lake and its resources
The strategic action and investment plan developed in line with these objectives incorporates ongoing initiatives such as the Integrated Solid Waste Management Plan (Sida), Kisumu Water and Sanitation rehabilitation project (Afd), Cities Without Slums initiative (UN-Habitat), Environment Pedagogic Centres (LVRLAC), Non-Motorised transport (ITDG) and Urban Agriculture and Livestock keeping initiative of the Kisumu UL&A forum (Urban Harvest). It is anticipated that the CDS constitutes the broad development framework that would guide the city's development processes in the next five years, upon which a review will be conducted. The Kisumu CDS is a local strategic response to the National Governments Poverty Reduction Strategy Paper (FRSP) and the Economic Recovery and Wealth Creation Strategy.

The final section of the CDS framework for Kisumu concludes by comparing the gravity of the issues identified as challenges in Kisumu's development pursuit with those of contemporary modern cities. Most trends recorded in the urban environment and poverty scenarios in Kisumu City are reversible, albeit with relatively minimal investments. It was widely acknowledged that the resource potential in Kisumu remains widely untapped, a position exacerbated by the absence of the critical incentives structures to embed active public-private partnerships. The numerous coping initiatives undertaken by the communities against the backdrop of changing local governance strategies provides critical room for establishing institutional linkages that would consolidate gains from such initiatives. A significant potential further lies in the regional cooperation efforts, with Kisumu strategically placed to play an important role in linking the three East Africa States; whether in trade, communication, tourism or transportation. A principal strategy that emerges from the CDS framework is that which entails a neighbourhoods approach to responding to development challenges, in the process empowering communities to sustain any interventions within their respective neighbourhoods. The CDS framework broadly envisions a sustained political good will for any meaningful success to be attained.
Appendix IV: Municipal Council of Kisumu Organogram