CHALLENGES OF STRATEGY IMPLEMENTATION IN
THE SCRIPTURE UNION OF KENYA

By

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Requirements for the Award of the Degree of Master of Business
Administration, School of Business, University of Nairobi.
DECLARATION

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

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This Management Research Project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

To my Lord and Saviour Jesus Christ Without whom this Project would
never have been, to my beloved parents; my father, Joseph Mbue Ngumo
and my mother Gladys Wanjiru for giving me unwavering support.
To my sister Margaret Njeri and my brothers Peter, John, James, Simon and
Benjamin thanks for your prayers and encouragement.
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The Scripture Union faces a number of challenges in implementing strategy. These arise mainly out of the organization’s concurrent pursuit of profit and non-profit objectives. The Scripture Union’s organizational structure is also unique. The board formulates strategy but does not oversee its implementation on a day-to-day basis. This arrangement causes a serious disconnect between what is formulated and what is actually implemented. This makes the board unable to offer guidance in the event of implementation bottlenecks.

The study found that the Scripture Union has no standards of performance against which actual results can be measured. Thus, the organizational culture embraced by the Scripture Union directly works against strategy implementation. The Scripture Union’s reward system is also a major obstacle to successful strategy implementation.

The study recommends that successful strategy implementation at the Scripture Union can only be realized if the organizational culture is re-engineered with a view to adopting a competitive business-type model. If this is not done, serious challenges would continue to stand in the organization’s way in implementing strategic initiatives.
CHAPTER ONE
INTRODUCTION

1.1 Background

Alexander (1991), states that the strategic management process can be compared to a two-headed coin. On one side is strategy formulation, which defines what an organization’s game plan will be to compete successfully within a specific context. The other side of the coin represents strategy implementation, which takes the formulated strategy as given and then decides how to achieve its goals. Strategy implementation addresses the issue of how to put a formulated strategy into effect within the constraints of time, an organization’s financial and human resources, and its capabilities. Consequently, these two integral parts of strategic management answer both, what the strategy shall be and how it should be put into effect.

Although there is a vast amount of literature around the strategic management process, the majority of the literature has been on the formulation side of the strategy (Aaltonen and Ikavalko, 2002).

Strategic management can be defined as a continuous, iterative process aimed at keeping an organization as a whole appropriately matched to its environment (Certo and Peter, 1988). It is a process of making explicit the goals of the enterprise, the environment in which it operates, the strategies, and finally the feedback loops that tell the firm whether each of these steps has been identified correctly (Gardner and Rachlin, 1986).

Furthermore, it is a stream of decisions and actions that leads to the development of an effective strategy or strategies to help achieve corporate objectives (Jauch and Gluck, 1988). Moreover, the strategic management is the way in which strategists determine objectives and make strategic decisions with regard to the organization’s mission, establishing long and short-range objectives to achieve the organization’s mission; determining the strategy that is to be used in achieving the organization’s objectives; and formulating policies to guide the organization in establishing, choosing a strategy, and implementing the chosen strategy (Byars, 1984).
Strategy implementation is perhaps the most important issue facing managers in organizations because it is the process that translates plans into actions. Without implementation, strategies that have been formulated are lifeless and can be considered a complete waste of expensive managerial time.

1.1.1 Strategy Implementation

Strategy implementation and execution is aimed at shaping the performance of core business activities in a strategy-supportive manner. It is easily the most demanding and time-consuming part of the strategy-management process. The reason implementation is difficult is that it forces a manager to direct organizational change, motivate people, build and strengthen company competencies and competitive capabilities, create a strategy-supportive work climate, and meet or beat performance targets, a task which is anything but easy (Thompson et al, 2003).

Strategy implementation is concerned with the translation of strategy into organizational action through organizational structure and design, resource planning and the management of strategic change (Johnson and Scholes, 1999). When considering implementation, questions relating to who would be responsible for carrying out the strategy, what changes in organizational structure and design would be needed to carry out that strategy and the systems that would need to be modified, must all be addressed.

Is strategy first formulated and then implemented, or vice versa? If one believes that strategies are explicit (Mintzberg, 1978), implementation means carrying out the predetermined strategic plans. If, on the other hand, one holds an emergent view on strategy, one does not believe that strategy is first created and then implemented, but that strategy emerges and evolves without interventions by the strategic planners, or in spite of them (Mintzberg, 1978).

We believe that in reality some strategies are planned and some strategies just emerge from the actions and decisions of organizational members. We suggest that planned strategy and realizing, or emergent, strategy evolve hand-in-hand and affect each other in
the process of strategy implementation, where strategies are communicated, interpreted, adopted and enacted (cf. Noble, 1999)

The implementation of strategy requires the managing of strategic change, which in turn requires action on the part of managers in terms of the way they manage change processes, and the mechanisms they use for it. Strategic change does not take place simply because it is considered to be desirable- it takes place if it can be made to work and put into effect by members of the organization.

Accomplished CEOs recognize that true genius is required to implement strategy, and that the discipline and skill required is as rare as that needed to formulate strategy. They also know that their personal involvement is essential (Thompson, et al: 2003). Implementation has become even more difficult in the light of rapidly changing environment. There are huge hurdles that must be overcome. Many managers face internal critical issues, which create barriers to implementation. These include the need to reduce complexity, poor cultural and structural alignment, a lack of strategic thinking and implementation skills in middle management, and a performance system geared only to annual objectives and not to strategic ones (Freedman, 2003).

According to Nutt and Backoff (1992), strategy changes the organization by changing its direction so that ideals can be realized. Strategy is used to focus action, create consistency or continuity, but, most significantly, to give organizations a new or renewed sense of purpose. Church organizations need to appreciate and embrace the strategy implementation process if they are to survive in the changing environment in which they find themselves.

The first step to strategic implementation is strategic thinking. Implementation is only as good as the foundation it rests on- that of a sound strategy clearly thought-out. Strategic insight is the first goal of strategic planning. Bold, creative, thoughtful strategic vision is at the heart of every successful organization and every effective strategic implementation. According to Saffold (2005), Christian schools, parachurch organizations (such as book
stores), and even churches are turning to strategic planning which must be followed by implementation as a means for organizing their efforts. The importance of strategic thinking, as a precursor to strategic implementation has been observed by leading researchers and thinkers. Robert (1988) has concluded that the processes and techniques of strategic planning and implementation, apart from truly strategic thinking, amount to little more than business as usual.

1.1.2 Christian Book Industry in Kenya

Christian organizations are characterized by both human (organizational) and godly (or spiritual) attributes. The church is both a body of Christ and a human institution. Because of its unique dual nature, the church (and its associated institutions), requires both spiritual and organizational management. Church management becomes a challenge of blending the spiritual with the organizational (Auken and Johnson, 1985). Church organizations face the perplexing challenge of fulfilling a spiritual mission through organizational management. Thus, Christian institutions must be alive to the need to manage their affairs using accepted business models while pursuing their spiritual goals and objectives.

Church organizations, though not in as much need for strategic management as are for profit enterprises because of a benign operating environment, are increasingly realizing the need to position them and formulate and implement strategy. They need forward looking managers who can position them to face an increasingly uncertain future. (Saffold 2005).

The spiritual challenge of the Christian book industry is to carry the Gospel, through books, to a lost world. The organizational challenge is to achieve this goal in the most cost-effective way, using proven business models. The industry, must therefore, be both spiritual and managerial. It must be concerned not only with right motives for financial stewardship but also with efficiently managing its spiritual stewardship program. Money invested in the industry must be cheerfully given (a spiritual imperative) and responsibly allocated (a managerial imperative). (Auken and Johnson, 1985)
Christian organizations must not only respond spiritually to spiritual challenges, they must also respond managerially to organizational challenges. The spiritual response would be to resort to prayer and proclaiming God's word while managerial responses would involve anticipating the consequences of present choices and commitments, procuring and organizing the human, financial, and material resources necessary to realize a plan. They would also include supporting and sustaining people in doing their part to bring the plan into reality and implementing the plans efficiently and effectively Auken (1985).

Spiritual and organizational responses are both legitimate church activities. Managerial processes are as authentic as godly activity as praying. The Christian book industry (and all Christian organizations) must be wary to the dangers of responding organizationally to spiritual problems or spiritually to organizational challenges.

1.2 Research Problem

Although Scripture Union of Kenya has spiritual goals and objectives, it nonetheless operates in the secular environment and is, therefore, faced with challenges common to business enterprises. The organizations strategy implementation has not being progressing as expected and also competitors in the market is increasing, such as Radio and TV programmes and Internet, hence the need to study challenges of strategy implementation. It must, therefore, have business (or organizational) answers to day-to-day business challenges as it continues with implementing spiritual answers to spiritual challenges.

As an organization, the Scripture Union Book Centre faces the same challenges common to all social entities. Because Christian literature's work is supportive of the overall Church mission, it is important that there is a blending of spirituality and managerial excellence. The major challenges include the raising of financial and other economic resources, technological issues, leadership style, publishing trends, and resistance to change, inadequate knowledge and information, among others.
To determine how institutions implement their strategies and challenges they face, it is important to carry out studies on organizations in various sectors of the economy. In this regard, studies have been done in Telkom Kenya Ltd (Koske, 2003), An empirical investigation of aspects of strategy formulation and implementation with large, private manufacturing companies in Kenya (Aosa, 1992) and Effectiveness and problems of strategy implementation of Financing higher education in Kenya by the Higher Education Loans Board (Awino, 2001).

No study has, however, been done on the Christian book industry. Despite the importance of Christian literature in society, it is a neglected area in strategic management studies. The closest study found was on Strategic Responses of Christian Churches in Kenya to Changes in the External environment (Muturi, 2003). He noted that whereas the church is a unique institution and its modus operandi differs significantly from that of business organizations it still faces the usual challenges common to all organizations. The church's uniqueness stems from the fact that it is a non-profit organization and hence its focus is not in line with the profit organizations. It has a holistic influence in the lives of its adherents, unlike other organizations and the demands that are placed on it introduce complexity on its management, thus its uniqueness.

In view of this situation, the findings from this research on firms in other industries are not useful in helping us understand the challenges and implementation of strategy by the Christian book industry. Consequently, this study seeks to investigate the challenges faced by the Christian book industry in strategy implementation. This study will fill the existing knowledge gap, especially in the light that not many Christian institutions have been studied as regards to their implementation of managerial processes.
1.3 Research Objectives

The objectives of this study are:

I. To determine the challenges facing Scripture Union of Kenya in strategy implementation.

II. To determine how the Scripture Union of Kenya is trying to cope with the challenges.

1.4 Importance of the Study

I. The study will be of major interest to stakeholders, pastors, finance committees of churches (who vote money for the book industry), and parishioners.

II. The study will be of interest to the Scripture Union of Kenya and may enable it re-examine its strategy implementation style.

III. The study will also be of interest to the Board of Directors of the Scripture Union who would be able to make informed decisions on the management of the bookshops activities (book chain).
CHAPTER TWO  
LITERATURE REVIEW

2.1 Concept of Strategy

Many companies have been fascinated by the concept of strategy. The zeal with which strategy has been studied and championed in business organizations gives an indication as to the expectations of these organizations with respect to the benefits expected to be derived from the development and implementation of strategy. Its importance can be seen from the definitions of the term, which has been variously given as: “A company’s strategy is management’s game plan for growing business, staking out a market position, attracting and pleasing customers, competing successfully, conducting operations, and achieving targeted objectives (Thompson, et al, 2005).

Strategy is the direction and scope of an organization over the long term: which achieves advantage for the organization through its configuration of resources within a changing environment, to meet the needs of markets and to fulfill stakeholder expectations (Johnson and Scholes, 1999). Strategies are systematic choices about how to deploy resources to achieve goals (Saffold, 2005).

Highly successful organizations are synonymous with clear and focused strategies. It is nearly impossible to succeed without a clear conception of where the enterprise is headed. Because of the competitive nature of business, management needs to have strategies which present it with a clear focus, or game plan on how to meet the challenges of the market place. Unfocused and erratic actions on the part of the company will expose the organization to defeat in the battle for customers and profitability.

Companies which are guided by proactively developed strategies are also more likely to have better performance. The quality of managerial strategy making and strategy implementation has a positive impact on revenue growth, earnings, and return on investment. Companies which lack clear-cut direction, and have a muddled strategy, or fail to implement the strategy that has been formulated are at the mercy of environmental risks and would fail the moment they hit previously-unseen obstacles.
Formulation and implementation of strategy are, therefore, very important management functions. Aosa (1992) has observed that strategies that have been developed must be implemented. They would be of no value unless translated into action. It has also been noted by Kiruthi (2001) that poor implementation of an appropriate strategy may cause that strategy to fail.

Probably nothing affects an organization more profoundly, for good or bad, than its ability to develop competitively effective strategies and implement the same. Indeed, it has been suggested that “excellent execution of an excellent strategy is the best test of managerial excellence- and the most reliable recipe for turning companies into stand-out performers” (Thompson, 2005). The well-known poet and essayist, Ralph Waldo Emerson, has remarked, perhaps in recognition of the critical importance of strategy formulation and implementation, which “Commerce is a game of skill which many people play, but which few play well”.

A company’s strategy is reflected in its actions in the market place and in the statements of its senior managers about the company’s current business approaches, future plans, and efforts to strengthen its competitiveness and performance (Thompson, et al, 2005). In principle, an organization’s, strategy should be aimed either at providing a product or service that is distinctive from what competitors are offering or at developing competitive capabilities that rivals can’t match.

Organizations that craft strategies that succeed in making them distinctive from their competitors have strategies that are more powerful than the rest. Their strategy enables them to tilt the playing field to their favour, in the process gaining a sustainable competitive advantage over rivals. Once this advantage has been earned, the organization has good prospects of winning in the market place and realizing above-average profitability (Thompson, et al, 2005). Without competitive advantage, a company risks being defeated by stronger rivals and/or being locked into mediocre financial performance.
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Thompson, et al (2005) have identified the most frequently used strategic approaches to setting a company apart from its rivals and achieving a sustainable competitive advantage. These include being the industry’s low-cost provider, out competing rivals based on differentiating features (such as higher quality, wider product selection, added performance, etc), focusing on a narrow market niche, and developing expertise and resource strengths that give the company competitive capabilities that rivals can’t easily imitate with capabilities of their own. They point out that many companies have realized that it is much easier to win competitive advantage by building competitively valuable expertise and capabilities than by having a distinctive product. This is because advantages based on the product alone can very easily be eroded by competitors through imitations.

A good strategy should fit the company’s situation, help the company achieve a sustainable competitive advantage and result in better company performance. For strategy to fit the company’s situation it must be well matched to industry and competitive conditions meet the company’s best market opportunities as well as are in tune with the enterprise’s external environment. It must also be tailored to the company’s resource strengths and weaknesses, competencies, and competitive capabilities.

Winning strategies must enable the organization to achieve a competitive advantage that is durable over the long run. The longer lasting the competitive advantage, the better and more powerful the strategy. A good strategy must also result in the company’s improvement in profitability and financial strength and an improvement in its competitive strength and market position.
2.2 Characteristics of Strategic Decisions

Strategic decisions are concerned with the long-term direction of an organization. How should the company relate to the future? How would it engage with the forces of the environment? Strategic decisions are also concerned with trying to achieve some advantage for the organization, usually over the competition. The company must offer some unique benefits to its customers over and above what the competition is offering. In this way, it can achieve advantage in the market or in relation to suppliers.

Strategic decisions are also concerned with the scope of an organization's activities, e.g. should the organization concentrate on one area of activity? Should it have many? The issue of scope of activity is fundamental to strategic decisions because it concerns the way in which the organization's managers conceive its boundaries. Strategy is also concerned with matching the organization's activities to the environment in which it operates in its search for strategic fit.

Strategy is linked with building on an organization's resources and competencies to create opportunities or to capitalize on them. According to Saffold (2005), effective strategies are not always entirely new, but success is usually the result of creatively analyzing the problem and discovering a fresh way to get the most benefit from the resources at hand. Strategic decisions must be flexible also. Even the most carefully and thoroughly developed plans must be flexible. Saffold (2005) has noted that plans must be constantly revised, deferred, or even abandoned in response to changing circumstances, new information or other developments.

Another characteristic of strategic decisions is that they require major resource changes for an organization. Strategies need to be considered not only in terms of the extent to which the existing resource capability of the organization is suited to opportunities, but also in terms of the extent to which resources can be obtained and controlled to develop a strategy for the future. Strategic decisions affect operational decisions in the sense that they require action.
Strategy formulation, without implementation is fruitless, while implementation of plans without carefully laying out the plan is aimless. The goal of all strategic decisions should be stimulate action. David (2003) has pointed out that it is always more difficult to do something than to say you are going to do it. The first of these relates to implementation, while the latter is about formulation. It is much harder to implement something than to formulate it. This state of affairs has been noted by Ansoff and McDonnell (1990) who have stated that implementation of strategy does not automatically follow strategy formulation. It exhibits its own resistance, which can invalidate the planning efforts.

The link between overall strategy and operational aspects of the organization is important in the sense that operational aspects must be in line with strategy; otherwise there would be no success for the organization. It is also true that only in the operational level can real strategic advantage be achieved.

The strategy of an organization is affected not only by environmental forces and resource availability, but also by the values and expectations of those who have power in and around the organizations. Hill and Jones (1999) have aptly pointed out the role and impact of politics in strategy implementation in organizations. They observe that it is important that forces of organizational politics be overcome and the resistance of powerful groups be neutralized if successful implementation is to be achieved. Powerful groups within organizations may regard the change caused by new strategy as a threat to their own power.

2.3 Strategy-Making and Implementation Process

According to Thompson (2005), crafting and executing strategy are the heart and soul of managing an enterprise. Crafting and executing a company's strategy is a five-phase managerial process, namely: developing a strategic vision- where the company needs to head and what its future of product-customer-market- technology focus should be; setting objectives and using them as yardsticks for measuring the company's performance and progress; crafting a strategy to achieve the desired outcomes and move the company along the strategic course that management has charted; implementing and executing the
chosen strategy efficiently and effectively; and monitoring developments and initiating corrective adjustments in the company’s long-term direction, objectives, strategy or execution in the light of the company’s actual performance, changing conditions, new ideas, and new opportunities.

At the beginning of the strategy-making process, a company’s senior managers must decide what directional path their organizations should take and what changes in the company’s product-market-customer-technology focus would improve its current market position and future prospects. The process of deciding to commit the company to one path as opposed to the other forces managers to draw some carefully reasoned conclusions about how to modify the company’s business make up and the market position it should stake out. This decision points out the organization in a particular direction, charts a strategic path for it to follow in preparing for the future, and molds organizational identity. A clearly articulated strategic vision communicates management’s aspirations to stakeholders and helps steer the energies of company personnel in a common direction.

Schmidt (1994) claimed that a strategic change can be successfully implemented through a four-stage process: Assess the organizational capabilities and behavior needed to move from what the company is to what it needs to become, determine what work processes would be required to implement the strategy and design current work processes to fit these requirements, identify what information needs the work processes generate, and determine what information systems and databases would be required to meet these needs and determine which organizational structure would best support those work processes.

Lingle and Schiemann (1994) found that there are six areas of vital importance to long term successful strategy implementation. These areas are: market, people, finance, operation, adaptability, and environment. McGrath et al. (1994) indicated that the political turbulence may well be the single most important issue facing any implementation process. Sandelands (1994) argued that people underestimate the commitment, time, emotion, and energy needed to overcome inertia in their organization and translate plans into action.
Lusterman (1988) found in the United States of America that management training was being increasingly undertaken due to changes in company circumstances. Such training was directly related to profitability or implementation of strategies. The training was thus meant to enhance success in implementation of strategies. Harbison and Meyers (1959) argued that managerial involvement would be higher in larger and more complex organizations. Day (1984) and Guth and MacMillan (1986) indicated that higher commitment in companies essential for effective strategy implementation. Such commitment came from widespread involvement of managers in decision making. Similarly, Corfield (1984), Gray (1986) and Eigerman (1988) stressed the importance of high managerial involvement in strategy development.

The managerial purpose of setting objectives is to convert the strategic vision into specific performance targets, and then use these objectives as yardsticks for tracking the company's progress and performance. Objectives must be quantifiable and contain a deadline for achievement. Objectives challenge the company personnel to make plans on how to deliver on performance. They also make personnel invent new ways of achieving targets, in the process creating a sense of urgency in improving financial performance and business position.

It is important that objective setting is not limited to company-wide performance targets. Company objectives need to be broken down into performance targets for each separate business, product line, functional department, and individual work unit.

Crafting a strategy should be the work of all persons in the organization. The more wide-ranging a company's operations are, the more that strategy making should become a collaborative team effort involving managers down through the whole organizational hierarchy. A valuable strength of collaborative strategy making is that the group of people charged with crafting the strategy can easily include the very people who will also be charged with implementing and executing it. Allowing people an influential stake in
Crafting the strategy they must later help implement and execute not only builds motivation and commitment but also allows them to be held accountable for putting the strategy into place and making it work.

Implementing and executing strategy is the operational phase of the strategy process. It is concerned with translating ideas and plans into action. Implementation is concerned with the conversion of strategy into organizational action through organizational structure and design, resource planning and management of strategic change. Johnson and Scholes (1999) have observed that successful implementation of strategy is likely to be dependent on the extent to which the components of organizational structure and design, planning and management of strategic change are effectively integrated to provide competencies which other organizations find difficult to match.

To have a successful strategy implementation, it is important to address the following questions: Who is responsible for carrying through the strategy? What changes in organizational structure and design are needed to carry through the strategy? What will the different departments be responsible for? What sort of information systems are needed to monitor progress? And so on.

The implementation of strategy also requires the managing of strategic change, which in turn requires action on the part of managers in terms of the way they manage the change processes, and the mechanisms they use for it. These mechanisms will also be concerned with changing day-to-day routines and cultural aspects of the organizations and also about overcoming political blockages to change Johnson and Scholes (1999).

Lynch (2000) has observed that resistance to change is bound to seriously impact implementation of strategies. He believes that people working in organizations sometimes resist proposed changes and make strategy difficult to implement. This may be due to resulting anxiety from the fear of economic loss, inconvenience, uncertainty and a break in normal social patterns (David, 2003).
Management’s action agenda for implementing and executing the chosen strategy emerges from assessing what the company, given its particular operating practices and organizational circumstances, will have to do differently or better to execute the strategy proficiently and achieve the targeted performance (Thompson, 2005). Strategy execution process can be greatly improved if the organization is staffed with the needed skills and expertise, efforts towards consciously building and strengthening strategy-supportive competencies and competitive capabilities, and organizing the work effort.

Budgets must also be developed that steer resources into those activities critical to strategic success; policies and operating procedures that facilitate effective execution must be put in place and continuous improvement of business processes; and motivation of people who would help implement the strategies. Rewards and incentives must be tied directly to the achievement of performance objectives and good strategy execution and internal leadership must also be exerted to drive implementation forward and keep improving strategy execution (Thompson, 2005).

Good strategy execution involves creating strong fits between the strategy and the organizational capabilities, between strategy and the reward structure, and between the organization’s work climate and culture. If the fit among these elements is strong, then the execution will be better and the higher the company’s odds of achieving its performance targets.

2.4 Challenges of Strategy Implementation

Freedman and Tregoe (2003) are convinced that “strategy implementation requires discipline, commitment, creativity, leadership, and superior execution skills”. This conviction fits well with the observations of many practitioners who have studied the pitfalls and challenges of strategy implementation. They have observed that whereas strategy formulation is glamorous, its implementation often gets short shrift.

Woolridge and Floyd (1990) note “It can be much easier to think of a good strategy than it is to implement it”. Much of the shortcomings in the strategy area is attributable to
failures in the implementation process rather than in the formulation of strategy itself (Beer et al., 1990; Woolridge and Floyd, 1990). Eisenstat (1993) indicated that most companies attempting to develop new organization capacities stumble over these common organizational hurdles: competence, coordination, and commitment manager were inadequate.

Wessel (1993) stated clearly that most of the individual barriers to strategy implementation that have been encountered fit into one of the following interrelated categories: too many and conflicting priorities, the top team does not function well; a top-down management style; interfunctional conflicts; poor vertical communication, and inadequate management development.

The pitfalls associated with implementation include: Strategic inertia caused by resistance to change or the failure by management to give it top priority; lack of stakeholder commitment, especially in the case where middle management block progress, strategic drift which arises in the instances where the C'10 ignores implementation, and strategic dilution which occurs in the case where ownership and commitment to the corporate strategy are not embraced by top management. In this situation, there is a likelihood of managers failing to concentrate on corporate goals, preferring instead, to concentrate on their own departmental goals.

Other pitfalls include strategic isolation which occur when communication is ineffective, and every business unit of the organization, its performance system, key business processes, and role modeling by leadership is not coherent and consistent. The interaction of these forces leads to disconnects between the strategy and its implementation. Failure to understand progress also is an important pitfall. This occurs when monitoring of the progress is not being undertaken. In this situation, the players in the organization lack motivation to continue implementing objectives whose progress they cannot understand. Also, failure to recognize and reward progress can hinder successful implementation.
Finally, there can be initiative fatigue where too much is happening within the organization. Personnel get tired and prefer to wait out the strategy rather than implement it. It is also true that CEO demands that strategy be implemented overnight can alienate other members of management. Successful managers recognize the pitfalls inherent in the strategy implementation process and make conscious steps to avoid them. They recognize that true genius is required to implement strategy and that skill and discipline required for implementation is as rare as that required for strategy formulation.

The challenges of strategy implementation are increasing by the day with CEOs facing serious issues related to management of complexity, poor cultural and structural alignment, a lack of strategic thinking and implementation skills in middle management, and a performance system geared only to annual objectives and not to strategic ones.

Robert (1991) point out that many managers have difficulties in coping with strategic issues. This is partly because strategy was developed by outside consultants. The managers that implement such strategy were not involved in the development of the strategies. Giles (1991) also argued that strategy implementation was enhanced by participation of managers in strategy development.

Hobbs and Heany (1977) pointed out that it was necessary to couple strategies to operating plans. Only then could the strategies be implemented. Steiner (1983) indicated that during strategy formulation, priority issues were identified, capital allocation would then be done based upon such issues. Nagel (1984) argued that it was wrong for resources allocation to take place be strategies were developed. It was the strategies that formed the basis for resource allocation.

Piercy and Meirion (1984) pointed out that it was important to integrate the strategic plan and budgets. A poor integration of these two suggested that the strategic plan was not important for company management. Thompson (1990) stressed the importance of the budget as a means of controlling resources. As part of strategy implementation such budgets should assist in the effective implementation of strategy. They should thus be
developed after strategy has been identified. Tregoe and Tobia (1991) argued that it was desirable to link strategies to plans. The latter were then used as a basis for implementing the former.

Henry (1977) found that many American companies had two planning cycles: a strategic planning and an operational cycle. There was need to link strategies and operational plans this way. Proposed programs, budgets and activities were linked to company strategies. The companies that maintained this sequence were significantly more successful in implementing strategy than those not having such sequence.

Freedman and Tregoe (2003) have identified the keys to successful implementation of strategy. The first of these is communication of strategy. Successful organizations ensure that their internal and external stakeholders have a full understanding of their strategy, how it was arrived at, and what role each stakeholder must play in its implementation. They also recommend that strategy must drive planning. Strategy must be set first, and planning must be part of the strategy implementation process. It has been found that in those organizations where strategy drives planning, the end result is a more realistic and holistic long-range plan, one that plays a key role in the transition from vision to action.

Strategy must drive structure. Organizational structures should be designed against a set of criteria that will ensure strategic alignment. These include compatibility with the firm’s competitive advantage, consistency with the two or three core processes that facilitate work flow and that support the strategy; alignment with the primary product and market segmentation variables; and devolution of decision-making in authority to those positions closest to the ownership of the decision and thus have the ability to implement it, and compatibility with the organization’s culture and leadership style.

Successful implementation is aided by the existence of a set of rational processes that enhance flawless execution of the strategy. The effective deployment of these processes ensures a faster and a higher quality resolution of human, operational, and strategic
issues. Complexity reduction in the organization is also an important feature. Complexity exists in a variety of strategic guises, including in the product base, the range and nature of customers served, and the number of suppliers used. Similarly, the number of business processes, the complexity of each, and the lack of a common language to resolve issues contribute to suboptimal strategy implementation.

2.5 Strategy Implementation in Not-For-Profit and Voluntary Organizations

Strategy development and implementation in not-for-profit organizations faces special challenges. In churches and other charities, for example, the sources of funds may be diverse. They are also likely to benefit persons who may not have contributed the funds themselves.

There are several implications arising from this disconnect between provision of funds (and other resources) and not being the direct beneficiaries of the same: Influence from the donors (e.g. church members) may be high in terms of the formulation of organizational strategies. Also, since such organizations are more likely to be dependent on funds from donors (as opposed to funds from users), there is a danger that they may become concerned more with resource efficiency than with service effectiveness. The multiple sources of funding likely to exist in such a situation, arising from the different objectives and expectations of the donors, might also lead to a high incidence of political lobbying, difficulties in clear strategic planning, and a requirement to hold decision making and responsibility at the centre, where it is answerable to external influences, rather than delegating it within the organization (Johnson and Scholes, 1999).

From the foregoing, it is apparent that the task of creating and implementing strategy is not easy. It requires bold action on the part of management. It also requires discipline, commitment, creativity, leadership, and superior thinking and execution skills.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Research Design
This study employed the case study method. This was because the objective of the study was to establish the challenges facing Scripture Union of Kenya in strategy implementation and how it's coping with the challenges, this required an in-depth study.

3.2 Data Collection Method
Primary data was collected within the Scripture Union of Kenya bookstores in Nairobi. Interview guide was used (see Appendix 1) to collect information from seven key people within the Scripture Union of Kenya through in-depth interviews.
The researcher personally interviewed the personnel. This provided opportunity to clarify any issues that arose during the interview as well as gaining additional information.

3.3 Data Analysis Method
Data was analyzed using the qualitative method of content analysis. This is a method of transcribing interview data into information as per responses given by key informants (KIs) on the basis of the responses they give as guided by a list of pre-designed interview guide (see Appendix 2). The interview questions were fielded to about seven key personnel within the Scripture Union of Kenya and then their responses was analyzed for content.
CHAPTER FOUR
DATA ANALYSIS AND FINDINGS

Data was obtained from seven key personnel working within the Scripture Union of Kenya branches. These persons had worked for an average period of 6.85 years in the areas of finance, sales, accounting and general management. Because of the varied nature of their responsibilities, they have a thorough knowledge of the organization, its activities, and programmes.

4.1 Profile of Scripture Union of Kenya

The Scripture Union Book Centre has both a vision and mission statement. Its vision is to be well managed, financially stable Christian bookshop offering quality products and services to the community. The organization’s mission is to provide Christians with the relevant doctrinally reliable printed and non-printed materials that communicate the good news leading people to personal faith in Jesus Christ, developing Christian maturity, offering service to the church and generating income for the Scripture Union Ministry. With these two strategic guidelines, the organization has put in place a strategic management process, defined by a Five-Year Strategic Planning Master Plan, to which are tied Annual targets for each year.

4.2 Strategy Formulation at Scripture Union of Kenya

The Scripture Union of Kenya undertakes a formal, strategic formulation process. The process is driven by top management, who obtain expert input from consultants. As an initiative of the top management, strategy formulation and development, occupies a very central role in the organization’s formal management process.
4.3 Strategic Management Practices

The extent to which Scripture Union undertakes strategic management practices is shown in the table below:

Table 1: Extent of strategic management in Scripture Union of Kenya (percentage figures in brackets)

<table>
<thead>
<tr>
<th>Description</th>
<th>Number indicating Yes (%)</th>
<th>Number indicating No (%)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision and Mission statement</td>
<td>7 (100)</td>
<td>0 (0)</td>
<td>Very satisfactory</td>
</tr>
<tr>
<td>Other long-term plans</td>
<td>5 (71.4)</td>
<td>2 (28.6)</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Annual work-plans complement</td>
<td>6 (85.7)</td>
<td>1 (14.3)</td>
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</tr>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>strategic plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization</td>
<td>3 (42.8)</td>
<td>4 (57.2)</td>
<td>Not satisfactory</td>
</tr>
<tr>
<td>Structure supports strategy</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The organization scores highly with respect to the existence of the vision and mission statement and the extent to which the annual work-plans support strategic activities. However, the major obstacle to realization of a full-fledged strategic management philosophy within the organization is the unsupportive organization structure. Respondents feel that there is need to re-structure the organization by the introduction of market-relevant departments (such as market research) while removing or re-organizing others. Respondents report that the organization structure, as currently constructed, does not support the timely implementation of strategies that have been agreed upon.
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The existing structure tends to be bureaucratic, with its long chain of reporting relationships and lines. This chain leads to communication breakdowns as well as delaying implementation of crucial parts of the Master Plan (since authorizations must be sought and obtained). This situation therefore creates a bottleneck in the Scripture Union’s efforts to implement strategy. Internal controls also need to be strengthened to be supportive of activities that can have a critical impact on the organization in the event there is break-down in normal operation procedures.

4.4 Skills and Personnel Competencies
The success of any strategy implementation is greatly dependent on the skills and competencies possessed by personnel. Table 2 below shows the extent to which it is perceived Scripture Union’s staff possess these skills:
Table 2: Staff preparedness and skills in implementing strategy

<table>
<thead>
<tr>
<th>Description</th>
<th>Number saying Yes (%)</th>
<th>Number saying No (%)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy training?</td>
<td>1 (14)</td>
<td>6 (86)</td>
<td>- Majority of staff are recruited on basis of specific qualifications rather than strategy skills</td>
</tr>
<tr>
<td>Academic training?</td>
<td>6 (86)</td>
<td>1 (14)</td>
<td>- Staff training fees reimbursed (up to 50%).</td>
</tr>
<tr>
<td>Management skills?</td>
<td>4 (57.1)</td>
<td>3 (42.9)</td>
<td>- Organization’s top managers hold advanced degrees</td>
</tr>
</tbody>
</table>

Whereas the organization’s staff are well qualified academically (there is a policy to reimburse staff up to 50% of the fees spent on training), respondents feel that specific skills associated with strategy formulation, development and implementation are not taught. Except for the staff that has had opportunity to undertake formal training at the
university, the rest of the organization’s personnel have, generally speaking, not been exposed to the dynamics of strategy.

Even in cases where training has been undertaken, respondents feel that the content was not sufficient to make them adequately prepared to implement the strategy crafted. Besides, the training is felt to be very infrequent so that only those persons who happened to be at hand when the strategy exercise was being undertaken benefited. In fact, only a tiny fraction of the employees have had formal training, either at the university or by consultants facilitating strategy development and implementation.

4.5 Organizational Policies and Procedures

The Scripture Union’s policies do not fully support strategy implementation. Because of its Christian background, rigorous measures of performance evaluation are not applied. There is a general belief in the goodness of individuals working within the organization so that stringent measures of performance are not demanded. This naturally limits the success of any strategies developed.

Respondents report that some employees do not even know that the day-to-day activities are actually part of the grand strategy. This situation is aggravated by the problem of general communication breakdown where some employees, particularly the newer ones are not adequately briefed of the organization’s policies and procedures.

4.6 Recruitment Policy

Organizational policies relating to recruitment and placement of personnel also do not support the success of strategy implementation. The general policy on employment is that persons considered faithful in their churches and are born again stand a higher chance of being recruited than those who are not. This policy sometimes disadvantages the organization where a higher premium is placed on employees possessing the desired spiritual values at the expense of qualifications. Fortunately, though, there is a general policy that top managers are employed on the basis of their qualifications in addition to their meeting the basic spiritual values.
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The reward systems at Scripture Union are not at all supportive of the strategy implementation process. This failure is greatly facilitated by the egalitarian view of the organization as a Christian entity. Respondents report that tying rewards to performance may be discriminative and against the core values held by the organization. The reasons why reward systems are not applied is shown in Table 3 below:

Table 3: Reward systems at Scripture Union of Kenya

<table>
<thead>
<tr>
<th>Responses</th>
<th>Why reward systems not in place</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>“We do not have reward systems”</td>
<td>• Fear that these can be misunderstood as a form of discrimination</td>
<td>• Egalitarian philosophy of the organization.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Need for fairness and equity</td>
</tr>
<tr>
<td>“A variation of reward systems exist”</td>
<td>• Recognition that some measure of success is required and should be rewarded</td>
<td>• There have been tentative attempts to link salary increment with performance</td>
</tr>
</tbody>
</table>

4.7 Leadership

The role and importance of leadership in implementation of strategy is very crucial. Respondents indicate that the board level managers have not been successful in demonstrating leadership of the strategy implementation process. There is urgent need to have leadership that is inspired, guided, and motivated and that can drive the implementation process. The breakdown in implementation has variously been attributed to communication short-comings, inadequate resources, and a bureaucratic organization.
structure. However, it is the feeling of respondents that decisive and focused leadership can go a long way in improving strategy implementation.

The table below summarizes respondents' evaluation of the existing leadership with respect to strategy implementation:

Table 4: Assessment of organizational leadership in driving implementation process

<table>
<thead>
<tr>
<th>Description of Response</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Composition of top management is not diversified</td>
<td>- There is need to have a management that reflects the marketing skills,</td>
</tr>
<tr>
<td></td>
<td>technology, and investment dynamics</td>
</tr>
<tr>
<td>New board members are required</td>
<td>- Regular rotation of board members would ensure new perspective is</td>
</tr>
<tr>
<td></td>
<td>brought into managing of organization</td>
</tr>
<tr>
<td>Train board members on strategic management</td>
<td>- Board members currently not well equipped with formal strategic</td>
</tr>
<tr>
<td></td>
<td>management skills. This impacts on ability to drive strategy</td>
</tr>
<tr>
<td></td>
<td>implementation process.</td>
</tr>
<tr>
<td>Board members conservative</td>
<td>- There is need to embrace new ideas</td>
</tr>
</tbody>
</table>

One way to achieving good leadership would be to train board level managers and other regional heads in leadership. This is because strategic implementation requires the support of the organization’s senior and key leaders. Issues of strategy cannot be assigned to staff experts or delegated to junior people. It is the core responsibility of the Scripture Union’s leaders.
4.8 Monitoring and Evaluation

Respondents state that the organization hardly performs formal monitoring and evaluation exercises to ensure that strategies are moving in line with the Master Plan. Monitoring and evaluation would be greatly aided by adherence to the Annual Work Plans. Unfortunately, the general feeling is that the Annual work plans are more in the province of words than deeds. Some respondents indicate that many of the annual plans have been discussed for a long time but little has been done by way of implementation. There is, however, a difference in the way monitoring and evaluation is perceived by the organization’s employees. Whereas some report that M&E is not done, others report that it is done, albeit at an irregular frequency. It is also possible that this irregular evaluation escapes the attention of some employees, particularly those who are new in the organization. A nother reason could be that the exercise is not done in a formal way, leaving a number of employees unaware of what is going on.

4.9.0 Challenges in Implementation

4.9.1 Top Management Support

Respondents feel that majority of top management, particularly at the strategic level of Board of Directors, are too conservative and not open to embracing the changing environment. As such, they fail of appreciating the consequences of changes in the environment, and are often too slow to embrace new ideas. Matters are made worse by the dynamic economic landscape, a fact which constantly requires the organization to be flexible and highly responsive to changes.

4.9.2 Inadequate Skills

It is felt that managers, who are responsible for implementing whatever strategic initiatives agreed upon, are not well equipped with the necessary management skills. The area of inadequate technical skills is also a major challenge. For example, it is felt that changes that have been implemented in the finance and accounting department have failed to yield as much positive results as expected because technical resources acquired are not consistent with the needs of the department, yet these were expected to improve the department’s productivity.
Employees generally feel that they are not equipped with sufficient skills to implement strategies adopted. This is made worse by the lack of sufficient training opportunities for managers, either within the organization or without. Board members, who are themselves responsible for formulating strategy, have not undergone formal training in formal strategic management processes. Some of board members management and entrepreneurship skills are greatly limited. This situation makes it difficult for the board to give proper guidance and direction to the organization's managers.

4.9.3 Communication Obstacles
This is a major problem, especially where new staff is not informed of the on-going strategic initiatives. Even when communication is attempted, it is often thought to be unclear and vague. Respondents feel that there is no sufficient communication from top management to the lower level staff with respect to strategy implementation. In fact, some respondents feel that annual plans are not communicated at all. There is limited communication between the strategy formulstors and those who are expected to implement the same. This is aggravated by the fact that the board level managers do not work at the Scripture Union on a day to day basis.

This means that whatever strategies are agreed upon is not clearly and consistently communicated to the employees who are on the ground. In addition to this, many of the board level members are not well-versed with formal management systems, including strategic management. As such, they fail of giving the strategy implementation process the push it needs to get going. It is also true that the composition of board level managers does not quite reflect the mix required for appreciating the technology, investment, and marketing dynamics that the Scripture Union faces.

4.9.4 Practical Challenges in Implementing Strategy
There is a feeling that some of the strategies agreed upon are not practical, by way of implementation. A solution to this would be to involve departmental heads in the
formulation of strategies in such a way that they can identify and support those strategies which can easily be implemented.

One way of improving this situation would be to decentralize implementation of strategies to departmental levels, where first-line managers are more aware of the challenges on the ground. Furthermore, it would help if implementation adopted a top-down model, while formulation itself acquired a bottom-up model. However, to make this possible, it would be necessary to change the organizational culture and structure. This also presupposes a culture that permits the free-flow of information and ideas from the top to the bottom and also in the reverse direction.

4.9.5 Resource Constraints

The organization has continued to face resource constraints so that some aspects of the strategic Master Plan cannot be implemented. Apart from the usual scarcity of financial resources facing majority of organizations, respondents feel that the exclusion of departmental staff in making decisions relating to investment of surplus finances has worsened the situation. This has also stifled growth of financial investments. It is felt that if the first-line managers in the finance department were involved in decision-making, then they would come up with feasible options to which surplus resources would be put, in the process earning above-average returns which can then be applied to other organizational activities and initiatives.

Capital budgeting decisions are not professionally made. Little or no financial projections are made. As a result, the organization has found itself using funds generated from the day-to-day revenue activities being applied towards capital projects. This has the effect of constraining the Scripture Union’s financial situation. Naturally, this problem can be alleviated if the organization’s top managers (i.e. board level managers) understood the difference between capital and revenue expenditures.

Issues relating to management of credit are limited to the Board, which also is a limitation in the sense, that, generally speaking, board level management may not be
aware of the best way this can be done. It would be far much better to involve departmental managers who are aware of the situation on the ground.

Because of the problem of inadequate resources, the Scripture Union has faced great difficulties in attracting and retaining highly qualified personnel. It has also been difficult to acquire suitable office facilities and infrastructure, including the development of a web-enabled infrastructure (such as web site and online purchasing activities).

4.9.6 Resistance to Change
Respondents feel that the entire organization, and particularly the top managers, has been resistant to change. A case in point is the reluctance of board level managers to change the organizational structure, to make it more responsive to changes in the environment. This resistance to change has put the organization in a strait-jacket, making it impossible to quickly take advantage of environmental changes. Staff has also been apathetic to changes, a factor which can be attributed to removal of the familiar environment, and possible threats to existing jobs and livelihoods.

4.9.7 Mismatch between Profit and Nonprofit Objectives
The Scripture Union has both profit and nonprofit components. The profit component is represented by the bookshop, which has to sell products at cost plus mark-up, in an effort to make profit. It is this profit that is used to underwrite the activities carried on at the bookshop, such as payment of salaries and wages. The non-profit component is the organization’s Ministry activities, which is concerned with preaching and spreading the gospel through Christian literature.

In an effort to carry out these initiatives, a mismatch has been observed, where one component defers to the other and there is lack of balance. The economic component has often prevailed at the expense of Ministry and vice versa. It has therefore been quite challenging to blend the spiritual aspect of the Scripture Union with its managerial aspect. This situation needs to be clarified urgently.
4.9.8 Legal Challenges in the Context of a Christian Environment
The Scripture Union has had to face problems which are legal in nature, yet their resolution seems at odds with Christian philosophy. One of the problems has been in the area of piracy. The organization has had to wrestle with the issue of how to deal with piracy of its intellectual property without going against its Christian philosophy which requires forgiveness and tolerance.

4.9.9 Challenges Imposed by Technological Changes
The recent years (from 1990s) have seen a revolution in technology impacting on almost all organizations in the world. Christian organizations, including the Scripture Union have not been spared this wave. The advent of the Internet, Electronic Bibles, Programming, and so on have forced the organization to find a way of responding and adapting to these changes.

One of the areas that have been affected by technology is in the packaging of products to run on an electronic platform. The Scripture Union is faced with the challenge of putting its products in a medium that can run on various technological platforms, including on the Internet as a way of meeting its goals and objectives of reaching the whole world with the gospel. This naturally requires that employees are well able to utilize the emerging technologies, a situation which is currently not wholly satisfactory. This has called for re-training of employees to equip them with the technical skills required for this work environment.

4.9.10 Inadequate Information and Operating Systems
Organizational strategies cannot be well implemented without a number of internal systems for business operations. Respondents indicate that the Scripture Union lags in the acquisition and deployment of modern information and operating systems, particularly in the critical accounting, finance, inventory, and marketing departments. There is little or no harnessing of Internet technologies to make possible facilities such as online purchasing of products and services, customer queries management, online advertising and so on.
If the Scripture Union would deploy well-conceived state-of-the-art operating systems, then it would greatly improve its strategy implementation process as well as strengthening its organizational capabilities. This in turn might provide a competitive edge over other rivals. The Scripture Union needs a well-functioning information system that can keep its employees well supplied with up-to-date information to make them better able to undertake their roles, especially in customer service management. Organizations that rely on empowered customer-service oriented employees will be better placed in achieving their strategic objectives and goals.

The information system would provide accurate and timely information about how well the strategy implementation is progressing. The system can be designed to capture data on customers, operations, employees, suppliers, and financial performance data. All key strategic performance indicators must be tracked and reported as often as possible. A real-time information system would permit Scripture Union’s managers to stay on top of implementation initiatives and daily operations, and to intervene if things appear to be going off-track. A successful strategy implementation process must be based on tracking key performance indicators, gathering information from operating personnel, quickly identifying and diagnosing problems, and taking corrective actions.

4.10.0 Coping with Challenges of Strategy Implementation

4.10.1 Training and Skills Enhancement

The Scripture Union has made attempts to cope with the challenges that stand in the way of implementing its Strategic Master Plan. Efforts have been made to train staff by offering reimbursement of up to half of total amount spent on tuition. This credit is offered to staff who attends recognized academic and professional training programs which are relevant to the organization. Already, a number of staff has attended postgraduate courses at the university and also professional accounting programs.

The organization has also attempted to acquire training services from consultants on specific areas as a means of beefing up existing knowledge held by employees. The
Scripture Union has also made a policy of hiring qualified, competent staff possessing the relevant skills for its mission and consistent with its philosophy.

Board level managers are also being trained in strategic management so that they can appreciate the importance of, and the best way to, managing strategic issues within the organization. The training will also empower them to take their rightful responsibility of driving the strategy implementation process at the Scripture Union. It would also be in order that Board members are rotated after sometime, as opposed to the current system, so that new members can bring the benefit of a different perspective in managing the organization.

4.10.2 Information and Operating Systems

The Scripture Union has also made tentative steps towards acquiring a modern information system. It is hoped that this would be deployed in the mission-critical areas of accounting, finance, inventory management, and customer management functions. This system, when fully deployed, would help the organization to deliver on its offerings to the market in a way that would be profitable and competitively superior to its rivals. The system is also hoped to fit into the overall organizational regime so that outputs of the system are in line with the Strategic Master Plan.

4.10.3 Legal Issues

The challenge of piracy of intellectual property is being addressed by public campaigns to discourage illegal copying of materials. The organization has also begun the process of labeling books with seals so that those without are understood to be contraband.

4.10.4 Communication Process Improvements

The organization is making improvements in its communication strategy by clarifying communication procedures, becoming more open with respect to financial, hiring, and promotion disclosures, and dealing with the problem of resistance to change. One of the ways has been to hold regular meetings with staff to enlighten them on upcoming
changes that would have an effect on them. The organization has also begun to define roles and responsibilities of all stakeholders in a way that removes any ambiguities.

Participative planning for staff and other council members has been engineered in a move aimed at making employees take ownership of plans and to be committed to the organizational goals and initiatives. The organization is also making efforts to secure feedback from employees and customers by instituting formal mechanisms of collecting data and analyzing the same. The objective of this effort is to ensure that views of staff and customers are incorporated in the decision-making process of the Scripture Union.

4.10.5 Enhancement of Resource Capability

The Scripture Union has realized the challenge posed by inadequate resources to implementation of its activities and programs. Accordingly, it has begun the process of ensuring that existing resources are well allocated to the most deserving programs. One of the ways this has been done is by employing well-skilled personnel in the accounts and finance department.

Priority planning for available resources is now being undertaken. Under this arrangement, critical areas get priority in the allocation of resources. The use of budgets has helped to make this work easier. The Scripture Union is attempting collaborative approaches with other organizations and ministries in a bid to cut down on costs and to avoid duplication of activities.
5.1 Summary, Discussions and Conclusions

The study examines implementation of documented strategies (Master Plan 2004-2008) and challenges encountered by Scripture Union of Kenya. This study reviews implementation of those strategies that were to be accomplished by 2006.

5.1.1 Strategy Implementation at Scripture Union of Kenya

The Scripture Union of Kenya faces unique challenges in implementing strategy. These challenges stem from the dual nature of the organization, namely: it is both a profit and nonprofit organization. The profit component of the Scripture Union arises from its book-selling activities where products sold must be at a profit.

The nonprofit component has to do with the Ministry of the organization which is, working with churches to make God's Good News known to children, young people and families and to encourage people of all ages to meet God daily through the Bible and Prayer so that, they may come to personal faith in our Lord Jesus Christ, grow in Christian maturity and become both committed church members and servant of a world in need.

This dual nature forces the organization to confront several issues such as how to institute formal, business models in an environment that is not principally profit oriented. Normal business models require that decisions are made with a view to how they fit in with the profit and other shareholder expectations. This also requires that performance measures are undertaken and those aspects of the organization not meeting set standards are then removed. But as a Christian organization, the Scripture Union has had to go slow on such radical measures. Even the necessary requirement that rewards be tied with performance has not been undertaken. This is in deference to upholding fairness and egalitarianism.

Whereas results of interviews conducted indicate that the organization has a formal strategy formulation, development, and implementation system, the whole regime faces several challenges. These are briefly discussed as below:
5.1.2 Leadership Challenges

The current leadership regime at the Scripture Union is not fully supportive of strategy implementation. The research shows that instead of the exercise being a top-down approach, the organization’s top managers have not been fully involved in driving the process of strategy implementation. The board-level managers need to do the following:

I. Be very involved with what is happening in the organization. They need to closely monitor progress, considering all relevant issues affecting successful strategy implementation and learning how to deal with the obstacles on the way;

II. Putting in place performance measures as a means of exerting pressure on employees and all other stakeholders to be glued towards achieving set objectives.

III. As a follow-up to the above, Scripture Union managers must put emphasis on achieving operating excellence in all that their organization embarks on, particularly as outlined in the Master Plan;

IV. Leading the development of stronger core competencies among the organization’s managers and other personnel. To achieve this, more focused training must be solicited and undertaken. The current organizational policy of reimbursing fees to employees is a step in the right direction; and,

V. Putting more targeted efforts towards pushing for corrective actions to improve strategy execution and achievement of targeted results. This must be done, inspite of the Christian philosophy that emphasizes tolerance and what may appear to be a benign attitude towards mediocre results and performance. The organization must commit itself to adopting business-model performance.

5.1.3 Acquisition of Resources

This study shows that there is need for the management of Scripture Union to acquire and marshal sufficient resources to facilitate implementation of strategy. It is difficult to implement strategy in the absence of a budget that provides adequate resources. The study reveals that the Scripture Union’s ability to marshal the resources needed to support new strategic initiatives has a big impact on the strategy implementation process.
Too little funding, arising from constrained financial resources, has the effect of slowing progress and impeding the efforts of organizational units to execute their pieces of the strategic plan proficiently. For example, the accounting and finance unit reported that inadequate resources have forced it to be stuck with unsuitable technologies that cannot support inventory management functions.

5.1.4 Organizational Policies and Procedures

It is important that the Scripture Union’s management considers re-engineering its organizational policies and procedures to make them more supportive of strategy implementation. They must also find ways of countering the inevitable resistance to change which always arises out of people’s stress and anxiety about how the changes will affect them (especially where strategic changes may call for the removal or radical redefinition of some jobs).

Carefully constructed policies and procedures would help channel organizational actions, behaviour, decisions, and practices in directions that promote good strategy implementation. If policies and procedures do not support strategy, they can become a barrier to the kinds of attitude changes that the strategy itself may be seeking to promote.

Revising policies in the light of changes on the ground is a way of facilitating strategy implementation. It provides top-down guidance to operating managers, and other supervisory personnel regarding how certain things need to be done. It also enforces consistency in how strategy-critical activities are to be performed, and it promotes the creation of a work climate and corporate culture that promotes good strategy implementation. The policies should only provide guidance rather than being strait-jackets that constrain organizational personnel and resources to the detriment of expected objectives and goals.
5.1.5 Monitoring and Evaluation of Strategy Implementation

The Scripture Union management needs to continually monitor and evaluate the progress made in strategy implementation. It may be necessary to compare the results being obtained on the ground with what other similar organizations are achieving. This process of benchmarking will serve as a learning aid, thereby enabling management to make necessary adjustments to their strategy with respect to the needs on the ground. In addition to this, benchmarking can provide a basis for setting performance targets.

One of the best ways of undertaking monitoring and evaluation would be for management to make regular visits to the field and talking with different people working at the various departments of the organization. Spending time with employees at their departments and gathering information and opinions firsthand from diverse sources about how well various aspects of the strategy implementation process are going is crucial to giving managers more insights on what needs to be done or adjusted.

5.1.6 The Role of Rewards and Incentives to Strategy Implementation

The study finds that the idea of paying other employees more, merely on the basis that they contribute more to realizing strategic goals and objectives, is frowned upon. If employees were constrained to meet set performance targets then employees would show more urgency in meeting organizational goals and objectives. The importance of organizational units and individuals being enthusiastic in their commitment to implementing strategy and achieving performance targets cannot be over-emphasized. Managers must find ways—both monetary and non-monetary—to motivate employees in their organization to meeting the requirements of the strategic plan.

One of the ways of rewarding employees would involve providing financial incentives. The Scripture Union management should consider providing attractive perks and fringe benefits, which must be tied to progress in meeting requirements of the Master Plan. Already, some efforts towards this are being attempted through half tuition reimbursement for academic and professional qualifications attained by its staff. Other motivational measures would include the following:
Promoting employees from within the organization is important. The study showed that the major criterion for employment within the Scripture Union is the prospective employee's personal testimony about being born again. This can be modified to ensure that such employees are well-qualified and remunerated, including being promoted as opportunity arises. Internal promotions also ensure that people in positions of responsibility actually know something about the organization, technology, and operations that they are managing.

The study found that majority of employees felt left out of the process of developing the Strategic Plan. When employees feel that their ideas are not welcome, then they cannot feel a commitment and responsibility to making the Strategic Plan a success.

Research has found that the most dependable way to keep people focused on strategy implementation and the achievement of performance targets is to generously reward and recognize individuals and groups who meet or beat performance targets and deny rewards and recognition to those who don't. It is recommended that the organization make every effort to ensure that it begins to operate (at least as far as its profit oriented component is concerned) in line with a reward-punishment model.

The Scripture Union needs to establish strategy-driven performance targets for its departmental units, managers, and individual employees. These targets must be such as to measure whether strategy implementation is progressing satisfactorily. Strategy-supportive motivational practices and reward systems are powerful management tools for gaining employee commitment.
5.2 Limitations of the Study
The study encountered a number of limitations. Perhaps the most important is the limitation imposed by the qualitative nature of the research. Content analysis had to be used, which made it impossible to infer results to other similar organizations.

The time period covered by the study could not allow the researcher to collect enough data for comprehensive analysis. The study therefore only focused on the extent of strategy implementation and challenges encountered, it ignored other important areas such as effectiveness of implementation of strategies.

The study also suffered from the limitations imposed by the case study method. These include: Subjectivity of the researcher in the way he understands information given, the inherent danger of false generalization in view of the fact that no set rules are followed in collection of the information and only few units are studied, and the fact that it is based on several assumptions which may not be very realistic at times.

The study was also confined to understanding the challenges of strategy implementation rather than considering the whole realm of strategic practices. As such, there is a major likelihood that useful information would be excluded, which information would possibly have come to light if a full-scale study on the whole strategy process were undertaken.

5.3 Recommendations for Further Research
It is recommended that more organizations which are similar to the Scripture Union be studied to begin to understand what challenges they face with respect to strategy implementation. It is also recommended that this study be continued over a longer period of time to begin to understand if changes have taken place with respect to challenges facing strategy implementation.
5.4 Recommendations for Policy and Practice.

The Scripture Union personnel require adequate training in the area of strategy making, and implementation. Training should be targeted at both top level managers who are responsible for driving the strategy formulation process as well as at lower level employees whose day-to-day activities translate strategies into actions. Specific training in the area of strategic management would greatly improve the capacity of the Scripture Union in implementing its strategies. For Scripture Union of Kenya to fully implement its documented strategies, it is recommended that it should source for enough funds. It should formulate financial plan and policies that will enable the organization access funds for implementation of strategies.

It is evident that the organization did not involve its staff in formulation of the documented strategies. This may be the reason why documented strategies are not implemented fully. It’s important to note that separation of strategy development and implementation may lead to a situation where critical issues may be left out of consideration during formulation phase. In order to correct the situation, the organization should ensure that staff is involved in the formulation of the new strategies. The organization should also ensure that the staff and especially those at the implementation levels discuss the strategies already formulated for them to own the process.

The Scripture Union needs to design the best way that communication can flow from the top to the bottom and vice versa. This may require a proactive process of creating new communication channels, which may include regular meetings between top management and lower-level employees. At these meetings, concepts can be clarified and progress charted and tracked. This measure can also serve to make employees committed to organizational goals and initiatives and to create a sense of ownership of the entire process. To ensure that the strategy is relevant in the face of dynamics on the ground, the Scripture Union should proactively review the contents of the Master Plan in the light of emerging challenges.
REFERENCES


APPENDIX
INTERVIEW GUIDE
STRATEGY IMPLEMENTATION AT SCRIPTURE UNION OF KENYA

INTRODUCTORY QUESTIONS
1. What position do you hold within the Scripture Union of Kenya?
2. How many years have you been with the Scripture Union of Kenya?
3. What is your main responsibility here?

STRATEGIC MANAGEMENT PRACTICES
4. Does the Scripture Union of Kenya have a vision statement? Mission statement?
5. What about other long-term plans? Explain.
6. Who is responsible for formulating strategies at the Scripture Union of Kenya?
7. Would you say that management staff has skills to successfully implement strategies? Why? Why not?
8. Does management staff receive training geared towards equipping them to understand the concept of strategy and its implementation? Who conducts the training? (Probe).
9. In your opinion, is staff recruited on the basis of their ability to implement strategies? Explain.
10. Are reward systems tied to ability to implement strategies? Does this apply to everyone in the organization? (Probe)
11. Do you think the organization’s annual work plan complements the strategic plan?
12. How supportive in strategy implementation is the existing organizational structure? Are there any changes that can be made? Why? Why not?
13. Are organizational systems and procedures supportive of the strategic Master Plan? How?
14. Does the organization’s management always refer to the Master Plan when implementing strategies? Explain.
15. Is there continuous monitoring of strategy implemented to ensure it is in tandem with the Master Plan? Who does the monitoring? How frequently is this done?
16. In your opinion, are financial resources always available to implement strategies? Are they sufficient?

CHALLENGES OF STRATEGY IMPLEMENTATION

17. Please describe the challenges Scripture Union of Kenya is facing in implementing strategy? (Probe fully).
18. What do you think Scripture Union of Kenya is doing to cope with the challenges you have described? (Probe fully).