

**THE CHALLENGES FACING  
MIDDLE LEVEL MANAGERS IN THE  
IMPLEMENTATION OF CORPORATE  
STRATEGIC PLAN AT NATIONAL SOCIAL  
SECURITY FUND**

UNIVERSITY OF NAIROBI  
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**BY**

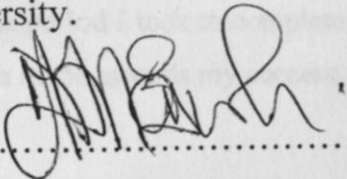
**MANYARKIY, T.J.**

A Management Research Project Submitted In Partial Fulfilment Of The  
Requirements For The Award Of A Degree Of Master Of Business  
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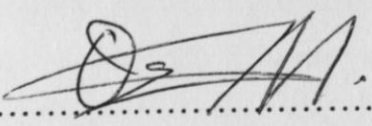
# DECLARATION

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

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The study found out that top management has easy access and high degree of understanding of the corporate strategic plan as compared to middle level managers and operational managers.

Middle level managers appreciate that their role in the implementation process is of great significance as does the fight against corruption in all levels of management. Other roles of middle managers that contribute to successful implementation of the strategic plan are overall reduction in expenditure, strict adherence to the NSSF's control systems and procedures and alignment of organization's systems to its mission.

In order to realize effective and efficient delivery of services it is recommended that middle level managers should play key roles in improving teamwork, work culture at work, organizational systems and public relations, and utilisation of available resources. It is suggested that staff placement and relevant skills are very critical to effective implementation of the corporate strategic plan.

**ABSTRACT**

This study seeks to acquire a deeper understanding of the role that middle managers play in strategy implementation and how they deal with the challenges arising by examining the corporate strategic plan of NSSF. The effective implementation of strategy by middle level managers is crucial to the performance of the organization based on the premise that implementation is the critical link between the formulation of strategy and the achievement of superior performance. However, implementation research often ignores the middle level managers, who are intricately involved in implementation of the Fund's activities.

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# Chapter One: Introduction

## 1.1 Background

The world in which middle managers operate has changed dramatically, demanding speed, flexibility, and continuous self-renewal from organizations and their leaders. Organizations will need to anticipate and respond to shifts with more agility than their competitors, maintain an unswerving focus on the needs of their stakeholders, and demonstrate an ability to deliver and be accountable for results. They will also need to develop and maximize current and potential talent, cognizant that the demand for skills and the demographic trends will sharpen the urgency of managing people effectively.

In just a few years, middle managers have gone from the traditional roles of planning, monitoring, and controlling, to those that are centered on strategy and process. Now, as we look towards the coming decade, a new set of roles will include executing strategy and providing upward feedback to executives, communicating the organizational vision, values, mission and strategy and ensuring timely implementation to the stakeholders' satisfaction.

### 1.1.1 Social Security Industry

Future middle managers will ensure that there is the right mix of skills and competencies needed in the people and also build and enhance customer and supplier relationships, as well as fostering effective relationships with unions. It also includes leading, motivating and inspiring people to perform exceptionally.

According to Ghosan, (2002), strategy is 5% thinking, and 95% execution. Many managers have learned the hard way that implementing a strategy for change in a business (Govindarajan et al, 1988) is usually as challenging as formulating it in the first place. But the ability to align strategy with collective behaviour and the competitive context ultimately determines how well a business performs.

Research on strategy implementation tends to adopt the perspective of the change agents. It typically looks at what senior managers can do to increase motivation from those at lower levels of the corporate hierarchy. For example, Guth and McMillan (1986) have cautioned senior managers about the ability of workers at lower levels to delay or even sabotage proposed strategies if self-interest does not coincide with corporate interests. As a result, solidarity among change agents is necessary for successful implementation. The rationale is that a divisive top management team creates conflicting priorities. The results are poor communication with lower-level employees, poor coordination among work units, and low commitment to collective action (Eisenhardt et al, 1997).



Several researchers (Alexander et al 1991) carried out studies on the implementation of strategies and their findings revealed a number of human problems, notably, weak management roles, lack of communication and commitment, unawareness, misunderstanding and or misinterpretation of the strategy as relayed from the corporate level to the functional level. The organizational policy, structure and unproductive work culture and attitudes allow little room for increased speed in businesses process and effective implementation of strategies.

Very few empirical studies have explored strategy implementation from the perspectives of middle managers other than top managers. Some notable exceptions include Balogun and Johnson (2004), who showed how middle managers made sense of imposed structural changes a cognitive perspective. Westley (1990) studied the interactions between top and middle managers and concluded that the latter would be energized if the former included them in strategic discussions. As a result, we know very little about how middle managers respond to instructions from the top management. We know even less about how these responses influences strategy implementation.

### **1.1.1 Social Security Industry**

Every human being is vulnerable to risks and uncertainties with regard to income as a means of life sustenance. To contain these risks, everyone needs some form of Social Security guaranteed by the family, community or the society as a whole. Such socio-economic risks and uncertainties in human life result in the need for Social Security whose basic principle is risk pooling by the society, since no individual can fully guarantee his or her own (Kaushik, 1999). Social Security means any kind of collective measure or activities designed to ensure that members of the society meet their basic needs and are protected from contingencies to enable them maintain a relatively decent standard of living.

The concept of Social Security has been changing with time from traditional ways to modern forms of protection. As societies became more industrialized and dependent on wage employment, it was no longer possible to rely on the traditional system of Social Security. The negative impact of industrialization and urbanization attracted the attention of policy makers to formalize a Social Security system that addressed the emerging social issues.

In its broadest meaning, the International Labour Office (ILO) defines Social Security as the protection measures which the society provide for its members, through a series of public measures against economic and social distress that would otherwise be caused by the stoppage or substantial

reduction of earnings resulting from sickness, maternity, employment injury, unemployment, disability, old-age, death, provision of medical care and subsidies for families with children.

Formal social security protection around the world covers about one third of the population. It is very unfortunate that the coverage in Africa is very low, whereby ninety percent of the population are without any formal protection. Today, uncertainty characterizes many aspects of our contemporary world. Social security schemes worldwide face various challenges notably, the impacts of globalisation, the ageing of the population, technological innovation in information and telecommunications, and the evolving nature of international and domestic labour markets, among others (James, 1994.)

In a world where policy reform and associated institutional and legislative change are commonplace, social security institutions find themselves confronted with serious challenges. Addressing these challenges successfully requires not only an understanding of 'best practice' solutions but also the necessary techniques to avoid the potential bottlenecks, traps, and impediments that can accompany any reform process.

### **1.1.2 National Social Security Fund (N.S.S.F.)**

The National Social Security Fund (NSSF) was established in 1965 by an Act of Parliament (CAP 258 of the Laws of Kenya) in order to administer a provident fund scheme for all workers in Kenya. Initially the fund operated as a government department under the Ministry of Labour but as its membership grew and its operations became complex, the NSSF Act was amended in 1987 to transform it into an autonomous State Corporation. Since 1988, the Fund has been operating under a Board of Trustees, which is constituted by representatives of three key stakeholders: the government, workers, and employers.

Membership has grown steadily over the years and by the end of 2005, the Fund had a cumulative registered membership of about 3.2 million. Today, NSSF continues to work on enhancing its organizational performance and improving the quality of services it provides to its members against contingencies such as employment injury, illness and/or disability and death.

Sadly, NSSF's history has been marred by scandals and ill-conceived investment policies. Indeed, some regrettable investment decisions were made by the Fund in the early and mid 1990s. However, in recent times, aggressive reform policies have been implemented to prevent the errors of the past from recurring. NSSF's operations are now conducted in an atmosphere of transparency, accountability, and with a renewed commitment to efficient delivery of social security services.

In the year 2003, NSSF embarked on an ambitious Corporate Strategic Plan (CSP) intended to improve the existing benefits and grants to its members. These included; the decentralization of services to all its branches spread across the country, computerization and interlinking of its branches to Head Office, and the reorganization of the management structure in response to customer's needs.

In addition, NSSF is in the process of converting from a National Provident Fund Scheme to a Social Insurance Pension Scheme that will operate as a mandatory National Social Insurance Pension Scheme, serving as the workers first pillar of social protection. This new proposal is awaiting parliamentary approval before implementation

## **1.2 Statement of the Problem**

The successful implementation of a corporate strategy is the most pressing issue facing many institutions in Kenya today. Although there has been a long history of studies in policy implementation and a significant body of research on the management of change, there is virtually no evidence on the impact of middle level managers in strategy implementation. As Noble (1999, p. 119) states, "well formulated strategies only produce superior performance for the firm when they are successfully implemented".

There is some evidence to suggest that middle level managers provide significant benefit in both the development and the implementation of corporate strategy (Noble and Mokwa, 1999). Their involvement in strategy development is important because in their role, they are intimately associated with the processes, which represent the competences of the organization and also are in boundary-spanning positions with the business environment.

The effective implementation of the strategy by middle level managers is crucial to the performance of the organization based on the premise that implementation is the critical link between the formulation of strategy and the achievement of superior performance (Chebat, 1999). However, implementation researches often ignore these managers, who are intricately involved in implementation activities.

Previous research findings have so far focused almost exclusively on strategic implementation at the corporate or functional level with little attention given to middle level management. Whereas as the strategic management practices have been widely researched by management scholars in Kenya, only a few studies have been done on strategy implementation (Awino et al, 2001). The study by

Aosa (1992) suggests that strategic management is facilitative towards efficiency with regard to the private sector. However, there is no authoritative literature on the challenges facing middle managers in strategy implementation.

The implementation of the Corporate Strategic Plan at NSSF in 2003 covering the period 2003 - 2006 has not been quite effective. The strategic plan was necessitated by the need to effectively respond to emerging critical issues and rising public expectations. The provident fund model of NSSF has been wanting with inadequate integrated computer network, high level of suspense account, poor investment mix, low membership base and inadequate training of personnel. In formulating the strategic plan, the organization involved top management and consultants but excluded the middle managers.

As a result of the exclusion of middle level managers, the implementation of the strategic plan has not been effective. Some aspects of the plan like, the introduction of a suspense clearance task force, voluntary contribution, funeral grants and maternity grants, have remained below the expected targets in the last three years.

A review of available literature shows that a few studies have been on NSSF namely; the decentralization of services (Keitany, 2005), the impact of conversion of NSSF from a Provident Fund to Pension scheme (Akoya, 2005) and Job Satisfaction Survey (Chanzu, 2005). Their findings demand a new business strategy that maximizes internal synergies to gain economies of scale and improve organizational effectiveness in service delivery.

From the literature given, it is indeed evident that there is significant gap that exist in our knowledge on challenges facing middle managers in strategic implementation, which the study aims to bridge. In view of the fact that strategy implementation is a key component of strategic management process in organizations, increased research in this area is needed to unveil roles and challenges facing middle managers.

This study therefore seeks to explore the role that middle managers play in successful implementation of organizational strategies. More significantly, the study seeks to answer the following questions: -

What is the role of middle managers when implementing a Corporate Strategic Plan?

What key challenges do middle managers face when implementing Corporate Strategic Plans?

### 1.3 The Objective of the Study

To find out the role of middle managers during the implementation of Corporate Strategic Plans.

To identify key challenges encountered by middle managers during the implementation of Corporate Strategic Plan.

### 1.4 Importance of the Study

The findings from this study will fill the existing knowledge gap on challenges faced by middle managers in effecting corporate strategies. Specifically it is envisaged that the study will;

First, provide Information that will be used for effective implementation of strategies. It will also give suggestions on the best ways of improving the middle manager's relationship with top, and operational managers.

Secondly, it will benefit consultants who endeavour to use the findings in formulating and implementing successful strategies in this competitive environment.

Thirdly, the study will bridge the knowledge gap on strategy implementation at NSSF and where necessary make recommendations for further research.

Fourthly, the study will provide information to scholars and researchers who might need to research on strategy implementation and its challenges at NSSF.

Fifthly, the study will also contribute to the existing body of knowledge on strategy implementation, besides providing the foundation for aligning the entire organizational structure and its resources towards achieving its mission and vision.

# Chapter Two: Literature Review

## 2.1 Strategy and Strategic Management Practices

Strategic management has enjoyed the voice and pen of various leading management scholars and practitioners who (Porter et al 1980) view strategy as defining the business of a company. Chandler (1962) in support of Drucker (1954) defined strategy as the determination of the basic long-term goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals. Andrews (1987) in a more elaborate version wrote that an organization's strategic plan is the pattern of major objectives, purposes or goals and essential policies and plans for achieving those goals.

Mintzberg et al. (1998) defines strategy as a plan, a ploy, a pattern, a position, and a perspective. A plan is defined as a consciously intended course of action or a guideline to deal with a situation. Ploy means a specific "maneuver" intended to outwit an opponent or competitor. While plan and ploy refer to intended strategies, that is, looking forward, pattern is a stream of actions or consistency in behaviour over time. Strategy as a position looks outside an organization, seeking to locate the organization in its environment, whereas strategy as a perspective looks inside the organization and inside its members' heads, referring to a shared way of perceiving the world.

Chaffee (1985) categorized strategy into three models; linear, adaptive and interpretive strategy. According to the linear view, a strategic plan consists of integrated decisions, actions, or plans that will be set to achieve organizational goals. Both the goals and the means of achieving them are results of strategic decision. In the adaptive model of strategy, an organization continuously evaluates its external and internal conditions.

Main concern here is the development of a viable match between the opportunities and risks present in the external environment and the organization's capabilities and resources for exploiting these opportunities. The interpretive model of strategy is associated with the social and cultural aspects of an organization. Strategy is about conveying meanings by using orienting metaphors or frames of reference that are intended to motivate stakeholders in ways that favour the organization.

Pearce and Robinson (2003) define strategic management as the set of decisions and actions that result in formulation and implementation of plans designed to achieve the company's objectives. It involves the planning, directing, organizing and controlling of company's strategy related decisions and actions. Strategy in an organization is viewed from three levels: corporate, business and functional.

At the corporate level, these are members of the board of directors and the chief executive and senior administrative officers. Decisions at corporate level tend to be more value oriented, more conceptual, and less concrete than decision at the business or functional level (Pearce and Robinson, 2000). Corporate level decisions are often characterized by greater risk, cost and profit potential, greater need for flexibility and longer time horizons (Mintzberg and Quinn, 1996). Such decisions include the choice of businesses, dividend policies, sources of long-term financing and priorities for growth. At that corporate level, strategic management entails assessing strategic capability of the organization.

The second rank of decision-making is business level, composed principally of business and corporate managers. Functional level decisions implement the overall strategy formulated at the corporate level while business-level decisions help bridge decisions at the corporate and functional levels. The functional level decisions incur only modest costs, because they are dependent on available resources (Lynch, 2000). The ideal strategic management process is developed and governed by a strategic management team that include decision makers from the three levels of management: corporate, business and functional.

The purpose of the three levels of strategy entails devising and communicating the strategic plan within a corporation to achieve shared, effective goals and directed effort by all participants. Consequently, it is a key element in achieving increased productivity, placing decision making at the most effective level and unleashing the human capital within an organization. The strategic plan may relate to a specific project, a department, a division or the corporation as a whole. A successful strategy recognizes the environment in which it is exposed, particularly competitors and incorporates adjustment and flexibility.

## **2.2 Strategic Management in Public Sector Organizations**

The environment of public corporations is a complex phenomenon and has not yet been adequately conceptualized. It is more unpredictable and less stable than that of private enterprises mainly because its socio-political contents depend upon a turbulent environment that confuses managers in the process (Edward, 1967). The strategic planning process in many public sector organizations especially in developing countries is treated with groans rather than cheers. It is seen as a chore to meet a legal requirement rather than something that revitalises, re-energises and refocuses the organization.

Regarding decision making in public sector settings, Rider (1987) emphasizes that decision-making is a political process. In such a situation decisions are typically not purely rational but rather incremental,

adaptive and predetermined by interactions of political influence and sudden changes in the environment. He further argues that strategic planning has to be accomplished in a pluralistic environment where power is distributed among many and varied interest groups. The public sector is composed of managers whose vision and mission often get blurred by political interference and external environmental pressures, which perennially affect its efficiency and productivity.

There has been a considerable shift by state corporations towards embracing strategic management principles in the recent past. It then becomes imperative to analyse the contribution of this new way of management in the form of reforms as a remedial measure, to interrogate the postulation of Bryson and Roering (1987) that strategic management approaches, developed in the private sector, can help governments and public agencies to become more effective.

### **2.3 The Concept of Strategy Implementation**

Mintzberg (1994) describes implementation as the process of proselytizing deliberate and emergent strategy into realized strategy. Wind and Robertson (1983), exemplify the common treatment of implementation as a final stage in the strategy process. Implementation has also been defined as, "...the way in which a company creates the organizational arrangements that allow it to pursue its strategy most effectively" (Hill and Jones, 1998, p.347).

In general terms, strategy implementation is a series of actions aimed at putting a selected strategy to work. It is an important part of the strategy process, but has often been allocated a secondary status when compared to formulation of strategy and the choice of strategic direction.

The extent to which middle managers are involved in the determination of the implementation of strategy appears to have a significant influence on their commitment to those roles and its success. Wooldridge and Floyd (1990) recommend a mix of top and middle management initiative. Top managers need to articulate the direction and development of organizational structures and reward systems that encourage middle managers to think more strategically than they have been in the past.

Bourgeois & Brodwin, (1984) categorized strategy implementation into five models namely; Commander, Change, Collaborative, Cultural and Crescive models, which they say represent a trend towards increasing sophistication in thinking about implementation.

In Commander model, a general manager, after exhaustive period of strategic analysis, makes the strategic decision, presents it to top managers, tells them to implement it, and waits for the results.



In this model, the general manager has a great deal of power and access to complete information, and is insulated from personal biases and political influences. The model also splits the organization into thinkers and doers.

In Change model, after making strategic decisions, the general manager comes up with a new organizational structure and makes personnel changes. He/she also adopts new planning, methods, information measurement, compensation systems and cultural adaptation techniques to support the implementation of the strategy.

Collaborative model of strategy implementation goes to involve the management team in strategic decision-making. The general manager employs group dynamics and brainstorming techniques to get managers with different viewpoints to provide their inputs to the strategy process.

Cultural model takes the participative elements to lower levels in the organization. The general manager guides the organization by communicating his/her vision and allowing each individual to participate in designing his/her work procedures in line with the vision.

In Crescive model, the strategy comes upward from the bottom of the organization, rather than downward from the top. The general manager's role is to define organization's purposes broadly enough to encourage innovation and to select judiciously from among those projects or strategy alternatives that reach his attention.

Aaltonen & Ikavalko (2001) argued that transforming strategies into action is a far more complex and difficult task. Similarly, David (2003) points out that strategy implementation is always more difficult than strategy formulation because the latter does not automatically follow strategy implementation. Thomson & Strickland (1998) stated that strategy implementation challenge is creating fit between strategy and the organization's competences, capabilities and structure and between strategy and the corporate culture. Alexander (1985) identifies inadequate planning and communication as two major obstacles to successful implementation of strategy.

#### **2.4 The Roles of Middle Level Managers in Strategy Implementation.**

Nonaka (1991) defines middle managers as the bridge between the visionary ideals of the top and the chaotic reality of the front line of business. They intercede between the "what should be" mindset of the top and the "what is" mindset of the front line employees. Westley (1990) asserts that the ability of any organization to be cohesive depends on the structure and quality of its

communication system. One set of communication habits and experiences central to the integration of all organizations are those of middle managers in their encounters with the strategic decision-making systems of their organizations.

Middle managers are usually portrayed as having considerable influence on strategy decision-making (Dutton and Jackson, 1987). By labelling issues either as opportunities or as threats, they are able to influence strategy and top managers' propensity to react to positive or negative information on those issues. Top managers "often fail to make distinctions about the variety of contributions made by middle managers, and, in particular, overlook the possibility that middle managers play strategic roles" (Floyd and Wooldridge, 1994:48).

Imposing strategies on middle managers is unproductive, ineffective, and even destructive. Piercy (1991) believes that implementation needs to be an integral part of an organization's strategic planning, not as is often the case, an after-thought beyond the creative aspects of strategy formulation. Considering implementation issues after the stage where a commitment has already been made and tasks already allocated is ineffective for two reasons. Firstly, the strategic plan ends up being one that cannot realistically be implemented with the resources, people, capabilities and systems in place. Secondly, in order to make plans work, there is a need to gain the commitment of employees at all levels of the organization and involve them in all strategic action. Particularly in the context of large bureaucratic organizations, middle managers have traditionally been seen as suppliers of information and consumers of decisions made by top-level managers, who bring together and interpret information for the system as a whole (Daft and Weick, 1984).

However, Mangaliso (1995) acknowledges the growing evidence to suggest that middle managers can, and do, play a central role in the initiation of strategic change. Wooldridge and Floyd (1990) found that middle level management involvement in strategy formulation processes improves organizational performance. Evidently, top management assimilates and makes sense of information for the organization (Daft and Weick, 1984), but middle management manages information flow from the bottom-up to keep top management informed about lower-level concerns. In addition, Mangaliso also discovered that middle managers more often than not fill top management appointments.

Westley (1990) found that despite the fact that a growing amount of empirical evidence indicates that middle managers play a key role in initiating strategic change, they continue to be accorded a support role in most models of strategy.

## 2.5 Strategy Implementation and Its Challenges to Middle Managers

Competitive pressures in the early nineties caused companies to reduce costs where possible. Middle managers were seen as a cost not an asset and were "shown the door" in an effort to bolster short-term profitability. In some organizations, senior management actually identified middle management as the root cause of the problem. Even management guru, Drucker (1986), observed that middle managers were similar in function to the boosters on a telephone cable, which collect, amplify, repackage and send information. Widespread layoffs amongst middle managers were rampant and appeared to be an endangered species.

The removal of layers and the flattening of organizational structures have raised a number of challenges for middle managers. It is certainly clear from Thomas and Dunkerley's (1999) findings that middle managers are working harder, with greater strategic input, and greater responsibilities. Middle managers are increasingly urged to identify with the organization's activities and yet at the same time are not rewarded in terms of secure employment and career progression. If middle managers feel that the rewards for their input to the organization are not forthcoming, then their attitudes towards the job and the organization will become increasingly cynical and bitter, leading to withdrawal and alienation.

Miller (1997) stated that there was widespread agreement that measuring strategy implementation is particularly difficult. It would seem that the main problem revolves around the precise definition and scope of the concept. Challenges that occur during the implementation process are many and diverse and thus require consistent techniques that ensure its success. Communication during strategy implementation has been seen to be one of the problems. Aaltonen & Ikavalko (2001) stated that communication of strategies in most of the organizations largely both written and oral, are used mostly in form of top-down communication. However a great amount of information does not guarantee understanding by the recipients.

According to Wang (2000), communication should be two way so that it can provide information flow in order to improve understanding and responsibility. Before a strategy can be implemented it must be understood clearly. Understanding of a strategy gives purpose to the activities of each employee and allows them to link whatever task at hand to overall organizational directions (Byars et al, 1996).

Organizations often find it difficult to carry out their strategies well because they have compensation systems that measure and reward performance in a way that ignores or even frustrates strategic thinking, planning and action (McCarthy et al 1996).

People working in an organization sometimes may resist such proposals and make strategy difficult to be implemented (Lynch, 2000). This may be as a result of anxiety or fear of economic loss, inconvenience, uncertainty and a break in normal social patterns (David, 2003).

Organizational politics remains another key challenge in strategy implementation. These are tactics that strategic managers engage in to obtain and use power to influence organizational goals and change strategy and structure to further their own interest. Hill & Jones, (1999) and Wang, (2000) stated that it is important to overcome the resistance of powerful groups because they may regard the change caused by the strategy as a threat to their own power.

Each organization possesses its own culture, which is a system of shared beliefs and values. Culture determines the extent of cooperation, degree of dedication, and depth of strategic thinking within an organization. Middle management's principal challenge in the cultural context is to set the culture's tone, pace, and character, to ensure that it's conducive to the strategic changes that they are charged to implement. When implementing the strategic plan, the most important facet is top management's commitment to the strategic direction itself. In fact, this commitment is a prerequisite for strategy implementation; so top managers have to show their dedication to the effort. At the same time, this shows a positive sign for all affected employees. To implement strategy successfully, senior executives must not assume that lower-level managers have the same perceptions of the strategic plan and its implementation, its underlying rationale, and its urgency.

The corporate structure improves accountability in its management so that the company achieves its goals and objectives and, ultimately, its mission. These mission and goals make the top managers accountable for the overall strategy. The goals then are subdivided into objectives that are delegated to the next level of executive management. In effect, a strategy defines both the firm's direction and top management's job. Decision-flow processes, however, are the vehicles companies use to integrate results into coherent patterns for developing, implementing, and controlling decision-making. Research studies indicate that less than 5% of the typical workforce comprehends their organization's strategy. Without understanding the general course of strategy, employees cannot contribute to an effective implementation. What is necessary to help them reach this goal is a higher degree of transparency in the decision-making process.

Strategy implementation processes frequently result in problems or even fail to take off due to unclear assignments of responsibilities. To add to this problem, responsibilities are diffused through numerous organizational units that tend to think in only their own department structures. Therefore the cross-functional relation between departments is critical during implementation period. Presence of bureaucratic huddles makes the situation even more challenging and can make the whole implementation a disaster. To avoid power struggles between departments and within hierarchies, middle managers should create a plan with clear assignments of responsibilities regarding detailed implementation activities. Through this approach, responsibilities become evident, and potential problems can be avoided before they arise.

Implementing strategic change requires the confidence, cooperation, and competence of the organization's technical and managerial people, hence there is need to continually develop the organization's human resources. It is a great challenge to deal with potential barriers of change because implementation efforts often fail when you underestimate these barriers. Experience shows that barriers against the implementation of the strategy can lead to a complete breakdown of the strategy. These barriers are psychological issues, ranging from delay to outright rejection, and companies need to pay more attention to them. By changing the way employee's view and practice strategy implementation, middle managers can effectively transform change barriers into gateways for a successful execution.

Teamwork plays an important role within the process of strategy implementation. When it comes down to implementation activities, however, this is often forgotten, even though it is indisputable that teams can play an important part in promoting the implementation. To build effective, cohesive teams within strategy implementation, the use of the Myers-Briggs typology has proved to be a useful tool in determining personality differences. Middle managers and supervisors have important and fertile knowledge that is seldom tapped in strategy formulation. Without understanding the general course of strategy, employees cannot contribute to an effective strategy implementation. That is exactly why the involvement of middle managers seems to be appropriate to increase the general strategic awareness. At the same time, it promotes an integrative understanding of the strategic direction and helps to accomplish a strategic consensus.

Many executives underestimate the amount of time needed and do not have a clearly focused view of the complexities involved when implementing strategies. A strategic planning system cannot achieve its full potential until it is integrated with other control systems like budgets, information, and reward systems. The balanced scorecard provides a frame to integrate the pieces of the strategic planning initiative and meets the requirements that the strategic planning system itself can display.

Information Technology (IT) support is becoming more and more important because information tools must be available and adequate to allow strategic decision makers to monitor progress towards strategic goals and objectives, track actual performance, pinpoint accountability, and most importantly provide an early warning of any need to adjust or reformulate the strategy.

### 3.2 Data Collection Methods

The study relied on primary data collected directly from the target sample of twenty (20) managers. Data from middle managers were collected through administration of a structured questionnaire. A questionnaire was designed and pre-tested on selected respondents. Once done, it was distributed and collected after the respondents filled them. The questionnaire had both open-ended and closed questions covering a variety of issues on roles and challenges that middle managers experienced during strategy implementation.

The study deliberately enabled responses to be limited to stated alternatives. These alternatives were designed to make a list that is simple for the respondents to understand. Open-ended questions allowed free responses from the respondents. These methods were employed to ensure that the respondents were actually free to express their views and opinions in unbiased manner. The drop and mail method was used to disperse the questionnaire. Brief follow-up interviews were also held with the respondents for clarification of issues that arose in the questionnaire administered.

### 3.3 Data Analysis Technique

The data captured in the questionnaire was qualitative in nature and spread in a five point scale to gauge for the diversity in responses. The Excel spreadsheet - a computer software program- was used to analyze the weighted mean and standard deviation of the roles and challenges that influence middle managers in strategy implementation.

# Chapter Three: Research Methodology

## 3.1 Research Design

The research investigated the roles and challenges facing middle level managers during strategy implementation at NSSF. Data was drawn from the middle level management in the organization to bring out key findings that would shed light on challenges that they face when executing corporate strategic plans. The case study based its findings on the social science research methodology. The scope of the study was confined to the current NSSF's Corporate Strategic Plan 2003-2006.

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The closed questions enabled responses to be limited to stated alternatives. These alternatives were designed in such a way as to be simple for the respondents to understand. Open-ended questions permitted free responses from the respondents. These methods were employed to ensure that the respondents were totally free to express their views and opinions in unbiased manner. The drop and pick method was used to disperse the questionnaire. Brief follow-up interviews were also held with the respondents for clarifications of issues that arose in the questionnaire administered.

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# Chapter Four: Data Analysis and Presentation

This chapter presents the results from the data collected and analyzed using the Excel spread sheet and interpreted to give useful information. These results are presented in tables for ease of understanding, with mean scores and the spread of each factor under study from the true mean.

## 4.1 Respondents' Background Information

The study involved a total of twenty respondents all of whom were middle level managers staff at NSSF.

The following table summarizes their details:

**Table 1: Respondent's Details**

| Number of years in the position | Frequency | Percentage (%) |
|---------------------------------|-----------|----------------|
| 3                               | 2         | 10             |
| 5                               | 2         | 10             |
| 6                               | 1         | 5              |
| 9                               | 1         | 5              |
| 10                              | 6         | 30             |
| 11                              | 1         | 5              |
| 12                              | 1         | 5              |
| 15                              | 3         | 15             |
| 16                              | 1         | 5              |
| 21                              | 1         | 5              |
| 25                              | 1         | 5              |
| <b>TOTAL</b>                    | <b>20</b> | <b>100</b>     |

**Source: Research data**

The above table shows that majority of the respondents at middle level management positions have worked with NSSF for more than three years. Most of the respondents witnessed the development and formulation of the Corporate Strategic Plan 2003-2006. There is a strong assumption therefore that majority of the middle level managers have contributed immensely to the implementation of NSSF corporate strategic plan that is currently taking place at the organization.

## 4.2 Evidence of Existence of Corporate Strategic Plan

The implementation of corporate strategic plan requires the alignment of the corporate strategic plan to its vision, mission and goals of the organization.



This process calls for a high degree of compatibility, acceptability, participation and accessibility of the corporate strategic plan by all the employees of the Fund who play crucial roles in the implementation and sustenance of corporate strategy.

**Table 2: Evidence of corporate strategic plan**

| FACTOR  | MEAN SCORE | STANDARD DEVIATION |
|---|------------|--------------------|
| The vision statement is relevant to organization's activities and mandate.                | 4.55       | 2.49               |
| The current mission statement is compatible with the corporate Strategic plan.            | 4.05       | 2.17               |
| The employees were informed on how the corporate strategic plan will affect their work.   | 2.55       | 1.49               |
| There has been a great participation in developing the mission statement by the           |            |                    |
| - Top management  | 4.35       | 2.18               |
| - Middle management   | 2.60       | 1.30               |
| - Operational management  | 1.90       | 2.12               |
| The level of involvement in the formulating of the Corporate strategic plan by            |            |                    |
| - Top management  | 4.40       | 2.50               |
| - Middle management   | 2.85       | 1.47               |
| - Operational management  | 2.05       | 1.49               |
| - Consultants   | 3.60       | 1.36               |
| The corporate strategic plan document has been made easily accessible to                  |            |                    |
| - Top management  | 4.25       | 2.41               |
| - Middle management   | 2.70       | 1.50               |
| - Operational management  | 1.95       | 1.70               |
| There has been a high degree of understanding of the corporate strategic plan document by |            |                    |
| - Top management  | 4.05       | 2.34               |
| - Middle management   | 2.95       | 2.26               |
| - Operational management  | 2.15       | 1.83               |

**Source: Research data**

The evidence shown on the table above is indicative of the extent to which the respondents agreed or disagreed with the various issues raised in the questionnaire as highlighted below;

## Relevance of NSSF's Corporate Strategic Plan to its vision and mission.

The study sought to find out whether middle level managers agree, disagree or strongly disagree with the factors provided as prove to the existence of a Corporate Strategic Plan (CSP) and its relevance to the vision ,mission and goals of the organization.

Table 3: Roles of middle level managers in strategy implementation

From the table above, it is clear that the middle level managers strongly agree (with a mean score of 4.55) that the NSSF's vision and mission statements are relevant to the organizations activities and mandate. In addition, the current mission statement is compatible with the corporate strategic plan (for the period 2003–2006) that is being implemented (with mean score of 4.05). Although most respondents disagree (Mean score 2.55) with the fact that they were informed about the effects (impacts) of the strategic plan being implemented on their work, it is evident also (at 4.35) that there has been a great deal of participation by top management in the development of the organization's mission statement. Middle and operation levels of management were however not wholly involved in the development of the mission statement.

### Formulation and accessibility of the Corporate Strategic Plan

Middle level managers were partly involved (mean of 2.85) in the formulation and development of the corporate strategic plan, whereas top managers and consultants (at 4.40 and 3.60 respectively) were highly involved in the development of the strategic plan.

It is also evident that the top management had easy access (at 4.25) and higher degree in understanding the corporate strategic plan as compared to middle level managers (at 2.70) and operational managers (at 1.95) whose response showed complexity in comprehending the document.

From the above findings, it can be concluded that the top management of NSSF play a very significant role in the formulation and implementation of corporate policies as compared to middle and operational level management. This had a remarkable effect on the implementation progress and subsequent success in assimilation of the strategic plan.

### 4.3 The role of middle level managers in the implementation of Corporate Strategic Plan

Middle level managers play very important roles in the execution of corporate strategic plans. These roles are mainly geared towards improving service delivery to the clients. The study intended to establish their roles as a prelude to identifying the potential challenges that the middle level managers face during strategy implementation.

The results presented in the table below consist of computation of the mean scores and standard deviation of the responses. The findings outlines the extent at which middle level managers play their roles in strategy implementation.

**Table 3: Roles of middle level managers in strategy implementation**

| FACTOR   | MEAN SCORE | STANDARD DEVIATION |
|--|------------|--------------------|
| Improvement in effective and efficient delivery of services                                      | 4.65       | 2.86               |
| Development of cultural competence among employees   | 4.10       | 1.94               |
| Effective communication of the corporate strategic plan  | 3.80       | 1.65               |
| Improvement in the decision making process   | 4.00       | 1.48               |
| Overall cost reduction in expenditure  | 3.60       | 1.32               |
| Alignment of the organization systems to its mission   | 3.70       | 1.06               |
| Setting up of meaningful goals   | 3.85       | 1.52               |
| Improvement in resource utilisation  | 4.15       | 1.93               |
| Improvement in accountability  | 4.00       | 1.64               |
| Improvement in time management   | 4.10       | 1.70               |
| Improvement in budget controls   | 3.55       | 1.29               |
| Improvement in corporate image.  | 4.30       | 1.93               |
| Providing leadership support and direction during strategy implementation                        | 3.95       | 1.38               |
| Acting as motivators of change to employees during the implementation                            | 3.95       | 1.58               |
| Ensure that control systems and procedures support implementation                                | 3.75       | 1.82               |
| Ensure availability of resources   | 3.30       | 0.96               |
| Ensure work plans are done in accordance with corporate strategic plan                           | 3.80       | 1.95               |
| Ensure corporate strategic plan is accessed by all employees                                     | 3.60       | 1.02               |
| Participated in equipping employees with skills that enable successful strategy Implementation   | 3.70       | 1.06               |
| As part of the training team on reforms to enhance employees ability to execute the new strategy | 3.60       | 1.24               |
| Established appropriate appraisal and periodic performance system                                | 3.55       | 1.72               |
| Instil a sense of urgency to employees during reforms  | 3.85       | 1.45               |
| Zero tolerance to corruption   | 4.05       | 1.61               |
| Improvement of work culture and teamwork   | 4.35       | 2.03               |
| Decentralization of finances, human resources and decision making process                        | 3.55       | 1.36               |
| Improvement in staff retention and succession planning   | 3.50       | 1.33               |
| Effective monitoring and evaluation practices and transparent reporting                          | 3.75       | 2.62               |

Source: Research data

The following is an interpretation of the research findings.

### **Improvement in efficiency and effectiveness in service delivery**

The middle level managers play significant role in improving the efficiency and effectiveness of service delivery (at 4.35) to clients, these being one of the core objective of a corporate strategic plan. In order to achieve this end middle level management view improvement of organizational culture at work through teamwork, (mean score 4.35) improvement of organizational outlook (4.30) and resource utilization (4.25) as the most considerable steps that would assist to a great extent in the implementation of the corporate strategic plan.

### **Improvement in decision-making process**

Decision making processes in any organization is the hallmark in the implementation of corporate strategic plans. Middle level managers interviewed acknowledged that their (mean score 4.00) role in this process is of great importance. Also of great importance is the fight against corruption (4.05), improvement in accountability (mean score 4.00), and time management (at 4.10)

Other roles of middle level managers that were considered to contribute a little extent to successful implementation of the corporate strategic plan included reduction in expenditure (mean score 3.60), strict adherence to the control systems and procedures and of great importance is the alignment of systems to its mission.

### **Leadership support and skills during strategy implementation**

Middle level managers act to some extent as motivators of change (mean score 3.95) to other employees in the organization during the implementation of strategy. In their role of providing leadership, they ensure that interpretation and execution of departmental workplan is done in accordance with the overall corporate strategic plan (mean score 3.80) and that strategic plan is accessed by all employees (mean score 3.65) and consequently participate in equipping employees with appropriate skills that facilitate the successful implementation of the strategic plan.

## **4.4 Middle level managers' challenges in strategy implementation**

In this study, the respondents were asked to describe the level at which each challenge constrained the strategies being implemented on a five point scale (not at all to great extent). A mean score and standard deviation for each category was obtained. Table 4 below indicates the rating of each challenge on the level that the respondents believed affected strategy implementation.

**Table 4: Rating on the level of challenges facing middle level managers**

| FACTOR   | MEAN SCORE | STANDARD DEVIATION |
|--|------------|--------------------|
| Poor work culture and teamwork   | 3.50       | 1.12               |
| Cumbersome and bureaucratic procedures                                 | 4.20       | 1.98               |
| Inappropriate code of regulations                                      | 3.30       | 1.96               |
| Inappropriate staff placement  | 4.45       | 2.18               |
| Inadequate remuneration at middle level management                     | 3.60       | 1.07               |
| Inappropriate training polices   | 4.15       | 1.85               |
| Lack of adequate training budget                                       | 3.50       | 1.66               |
| Lack of rewarding systems for high achievers                           | 4.30       | 1.93               |
| Inappropriate induction of employees                                   | 3.85       | 1.00               |
| Inadequate Information Technology (IT) infrastructure                  | 3.65       | 1.83               |
| Low computer literacy among staff                                      | 3.45       | 1.33               |
| Lack of integrated computer network                                    | 3.60       | 1.50               |
| Overall budgetary constraints  | 3.10       | 1.14               |
| Negative corporate image   | 3.05       | 1.06               |
| Employee resistance to change  | 3.35       | 1.27               |
| The absence of a strategy implementation schedule                      | 3.65       | 1.11               |
| Lack of sufficient resources for implementation.                       | 3.15       | 1.76               |
| Lack of employee skills, abilities and knowledge                       | 2.95       | 1.73               |
| Inadequate support and commitment from top management                  | 3.30       | 1.31               |
| Lack of communication between different departments                    | 3.45       | 1.08               |
| Incompatibility of strategic plan with organization culture            | 3.25       | 1.07               |
| Incompatibility of strategic plan with the organization's systems      | 3.10       | 1.18               |
| Complexity of the corporate strategic plan                             | 3.30       | 1.11               |
| Insufficient time to properly implement the plan                       | 2.85       | 1.20               |
| In adequate finances for effective implementation                      | 2.90       | 1.79               |
| Lack of personal initiatives by middle managers                        | 2.85       | 1.43               |
| Inadequate communication of the strategic plan to the staff            | 3.55       | 1.29               |
| Coordination and sharing of responsibilities was not well defined.     | 3.85       | 1.38               |
| Competing activities and crises distracted attention in implementation | 3.10       | 1.03               |
| Uncontrollable external factors affected implementation.               | 2.95       | 1.15               |
| Inadequate training of the staff.                                      | 3.95       | 1.52               |
| Lack of leadership and direction by reform team                        | 3.60       | 1.20               |
| Inadequate coordination by Research &Development unit                  | 3.75       | 1.35               |
| Inadequate information systems to track implementation process.        | 3.60       | 1.07               |
| Unexpected technical problems during reforms                           | 3.15       | 1.37               |
| Lack of focus during implementation                                    | 3.35       | 0.90               |
| Poorly defined tasks   | 3.85       | 1.23               |

**Source: Research data**

From the table above, it is evident that middle level managers faced many constraints in performing their duties during strategy implementation. Generally, these challenges affect to a great extent the effective delivery of services to clients and overall functioning of the NSSF. The interpretation of the above findings is provided as below.

### **Cumbersome and Bureaucratic Procedures**

In their quest to implement the corporate strategic plan, middle level managers faced serious constraints. Some of the problems include lack of rewarding systems for high achievers (mean score 4.30), staff misplacement (at 4.45), inappropriate training policies (mean score 4.15), and highly cumbersome and bureaucratic procedures.

### **Inadequate Coordination**

The middle level managers experienced to a little extent inadequate coordination with the top management on scheduled of activities to be implemented (mean score 3.75) in the strategic plan. There is also inadequate information technology (IT) infrastructure (3.65), absence of a strategy implementation schedule, inadequate communication of the strategic plan to the lower management and poor culture at work (3.50) as a result of poor teamwork. Other apparent hurdles due to poor coordination of implementation activities include lack of adequate training budget (3.50), lack of proper communication between different departments (3.45) and employee resistance to change (3.35).

### **Lack of employee skills, abilities and knowledge**

Lack of sufficient skills amongst employees (2.95) was one of the challenges that slow the effective execution of the corporate strategic plan. Other potential constraints that affect middle level managers to some extent include inappropriate code of regulations, inadequate finances for effective implementation (2.90) and insufficient time to properly implement the corporate strategic plan.

### **Organization Policies**

Organizational policies provide a framework from which the various levels of management operate. Middle level managers form the core part in formulating the organization's policies during strategy implementation. The tabulated results above show that inappropriate code of regulations ( 3.30) and also inappropriate training polices ( 4.15) pose great challenges to the implementation of the corporate strategic plan by middle level managers.

### **Organizational Systems**

Any new system introduced in an organization affects the responsibilities of middle level managers and overall delivery of services to clients. The study sought to establish whether overall alignment of NSSF systems and procedures posed any challenge to effective implementation of corporate strategic plan. The mean score of the responses (3.75) showed that it does not affect to some extent. The changes in the organization's system affect the financial status, communication channels and subsequent influence on the strategy implementation.

### **Personnel Competency**

The study intended to find out whether the Human Resources department assesses the competency of the personnel during the recruitment process so that they are compatible with the current strategy. The weighted mean score (4.35) obtained shows that the competence of new personnel is critical in effective and efficient service delivery, besides the challenges encountered during the implementation of the strategy.

### **Leadership**

The research also sought to find out whether the top management of NSSF provided the required leadership for successful strategy implementation. The results show a mean score of 3.56 meaning that the top management has been in the forefront in providing effective leadership to ensure that strategies are implemented successfully.

### **Resources**

Another important question in the research was whether NSSF provided the required resources to successfully implement its documented strategies. A mean score of 2.96 to this question was obtained from the study. It can therefore be concluded that the organization did not provide adequate finances, physical resources, human resources and technological resources for successful implementation of the strategies.

### **Organizational Structure**

As documented, the structure of NSSF was changed as a result of the new Corporate Strategic Plan 2003-2006. Respondents were asked to describe their level of agreement or disagreement on the current changes in the structure. A mean score of 3.76 was obtained implying that the structure was changed in line with the corporate strategic plan.

When the respondents were further asked on whether the current organization's structure supports the implementation of the current strategies, a mean score of 3.52 was obtained. This meant that the de-centralization of authority and the new changes in staff titles were implemented as planned. This also included the expansion of the regional offices.

### **Organization Culture**

The question as to whether the culture of NSSF was supportive of the strategy implementation was also important in the research. The results obtained showed a mean score of 3.50. Therefore the current organizational culture of NSSF to some extent is compatible with the new strategies being implemented. However, when the respondents were probed further for the reasons, some argued that there was still a culture of centralized control and command, and that some old staff still do things the way they used to do some years back.

### **Communication System**

To find out whether there were established systems of communication in support of strategy implementation, respondents were asked to describe their extent of agreement or disagreement. The results showed (mean score of 3.45) the existence of established communications systems that enhanced access to useful and required information. The fact that effective systems of communication are in place, does not imply that the staff really know and understand the corporate strategic plan. The research established that majority of the staff did not know or understood the content of the corporate strategic plan.

### **Monitoring and Evaluation (M&E)**

Monitoring and Evaluation controls are critical during implementation of a strategy in any organization. The research therefore sought to find out the effectiveness of NSSF's monitoring and evaluation systems and the implication it had on the implementation of the Corporate Strategic Plan. The on-going reforms were continuously being monitored and evaluated (with a mean score of 3.56) to identify gaps that require adjustment.



# Chapter Five: Conclusion

## 5.1 Summary, Discussions and Conclusions

The objectives of this study were to find out the roles of middle level managers and the challenges they faced during implementation of corporate strategic plan. Checklists of methods used by NSSF and factors that hinder effective strategy implementation were studied. The findings regarding these objectives are summarized, discussed and concluded in the order of the objectives.

### 5.1.1 The roles of middle level managers in implementation of strategy

The first objective of this study was to establish the roles of the middle level managers in strategy implementation at NSSF. The findings of the study indicate that in order to realize its main objective of effective and efficient delivery of services, middle level managers play key roles in the improvement of culture at work, organizational systems, corporate image, and utilisation of available resources. NSSF has implemented its strategies through establishment of effective financial management systems, developed yearly work plans, changed the organization's structure, enhanced staff skills, and provided effective leadership and procedures. Other important roles include monitoring and evaluation of the strategic plan to ensure effective policies and procedures.

The findings from the study show that the new corporate strategic plan has not been effectively implemented at NSSF due to inadequate provision of skilled manpower and training of middle level management. However bureaucratic procedures have reduced to minimum levels leading to improved decision making processes and working relationships. The improvement of communication channels among the various levels of management has also increased democratic space thus contributing, to some extent to the success of the implementation process.

The study found out that the overall expenditure has reduced by a big margin owing to the new measures arising from the adoption of the corporate strategic plan. The financial management systems at all levels has been reinforced to ensure transparency, accountability and efficient reporting. This practice has enhanced proper utilization of funds and monitoring for effective strategy implementation.

Middle level managers include those between the senior management group in the organization and the first line managers. The group is made up of individuals with diverse skills in their respective area of specialization. They include the Head of Reforms Programmes, Head of Finance, Human Resource and Administration Manager and their deputies.

The senior management team under the leadership of the Managing Trustee has been in the forefront in providing effective leadership. during implementation of strategies. The overall responsibility for programme development, implementation and management lies with the Managing Trustee. However, the Head of Reforms Programmes provides technical backup on behalf of the Managing Trustee with support from a technical unit, which was established to strengthen planning, evaluation, research and cross cutting issues.

The study found out that there were notable improvements in cost reduction and management of procurement and transport systems, financial management systems, and monitoring and evaluation system. The significant improvements were as a result of the effective implementation of the corporate strategic plan by middle level managers.

Factors that were found not to have effectively enhanced strategy implementation at NSSF and hence existed as potential constrains to this effect include; inadequate finances, technology and physical resources to meet the gradual increase in operational capacity. This has greatly affected the implementation of the NSSF's Corporate Strategic Plan. Besides technical skills required in the operation, further research and improvement in Information Technology (IT) is still needed.

The employee training currently being provided was found to be inadequate and has insignificant results on efficient and effective delivery of services. It was also established that there is no clear rewarding system in place that motivates the employees to achieve set targets. If the strategy accomplishment has to be achieved within set parameters, then the organization needs to develop and document an effective reward policy. As stated in the literature review, effective rewarding policy is one of the factors that enhance the success of strategy implementation.

### **5.1.2 Challenges encountered during implementation of corporate strategic plan**

The second objective of the study was to identify the challenges encountered by middle level managers in their effort to implement the strategic plan. The results of the study show that the major challenges encountered by middle level managers include inappropriate placement of employees through ad hoc transfers that have no relationship with their profession and lack of rewarding systems for high achievers that demean the team building process. Cumbersome and bureaucratic procedures that exist were also found to kill the freedom of employees to put effort in their work.

Inappropriate training policies during reforms seem to miss the primary objective of equipping employees with relevant skills that are useful in the implementation of the strategic plan.

The staff inductions on the new changes in the organization indicate that it is done in a rush leaving them having not comprehended fully the mechanism of executing the plan. Monitoring, planning, coordination and sharing responsibilities during the execution of the strategic plan was marred by poorly defined tasks.

Generally the inappropriate staff placement and induction can be said to be the main constraint to successful strategy implementation. For successful implementation of the corporate strategic plan, the staff should be placed appropriately on the basis of competence and qualification and there should be rewarding systems for high achievers and elimination of cumbersome and bureaucratic procedures. In addition, provision of required resources to implement the strategic plan was inadequate, poor working culture and employee resistance to change also slowed down the implementation progress.

### 3.4 Recommendations for Policy and Practice

#### 5.2 Limitation of the Study

The research did not cover complete layer of middle level managers in NSSF. This is mainly due to the limited time scheduled for the study.

The respondents were also found to be very busy leading to delay in filling of the questionnaires and eventually the overall time spent in the study.

The study was restricted to the roles and challenges facing middle level managers in strategy implementation in exclusion of all the other levels of management.

#### 5.3 Recommendations for further Research

Research is a continuous study that aims at solving the many challenges facing humanity. Thus there is no end to this noble course. Therefore, what this research has achieved in this area can only be considered as an eye opener that requires further research work and in-depth analysis of the potential challenges facing middle level management at NSSF. From the insights gained in the course of the investigation, the researcher offers the following suggestions, which could serve as a guide to future research.

There is need to undertake further research on challenges that arise during strategy implementation at the operational level of management in public sector organization to corroborate the findings from this study.

Although the research targets middle managers, the study at the functional level of management will reinforce the fact that all the levels of management work in tandem and require cohesive and clear structures that ensure smooth implementation process.

There is need to study the methods employed by the middle level managers to evaluate progress towards strategy implementation at NSSF to find out whether they are valid, adequate and whether they provide indications of new and emerging challenges in the near future.

A replication of this study should be done after some time to find out if there are any changes that have taken place and comparison is made thereafter. From this, a definite recommendation should be arrived at that will validate the findings of this study.

## **5.4 Recommendations for Policy and Practice**

### **Specific Recommendations to NSSF**

NSSF should provide adequate resources and good working environment to her employees to ensure that its new strategic plan is accepted with enthusiasm and fanfare. There is need for well-structured financial plans and policies that will enable NSSF access and generate funding for the successful implementation of the strategy. Good policies ensure effective and efficient delivery of services to the clients.

Budgetary system is a tool that regulates and ensures efficient use of resources by the management in implementing the strategic plan. NSSF budget to some extent constrained the implementation process. The inadequate allocation of finances slowed the implementation of the reforms. The formulation of strategic plan demands that realistic budget is put in place to ensure successful completion of the project.

NSSF should involve all staff at the strategy development (formulation) stage. The non-involvement of staff is among the reasons that have led to poor implementation of corporate strategic programmes. It is important therefore 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. There is need to ensure that the staff and especially those empowered to implement corporate strategies must participate to a great extent in its development to ensure that they understand the implementation mechanism and also have a high degree of ownership of the process.

Finally, there is need for periodical reviews of the progress of the corporate strategic plan to ensure that there is consistency of the mission statements with the strategic plan at all times.

### **Recommendations relevant to Public Sector Organizations**

Strategy implementation challenges facing middle level managers cut across all public sector organizations in Kenya. It is therefore recommended that organizations need to be proactive when formulating corporate strategic plans. Organizations need to identify environmental factors that affect the development of strategy and subsequent implementation process. Stringent measures should be laid down at formulation stage of the corporate strategy to ensure that any shortcoming arising thereof be countered with the appropriate contingencies.

The study shows that NSSF has put in place effective methods that enhance implementation of its documented Corporate Strategic Plan 2003-2006. These include sound financial management systems, annual work plans, organization structure, effective leadership, systems and procedures. However, the study indicates that employees training do not effectively enhance strategy implementation. For any other organization to succeed in implementing its strategies, it is recommended that all its trainings should be geared towards strategy implementation. There is need to set out training objectives to ensure that the trainings are appropriate and relevant. Where possible, training should be tied to specific objectives and policies.

It is evident from the study that most of the staff do not understand the Corporate Strategic Plan. It is therefore recommended that a communication plan be included in the strategy implementation programme. Communication needs to be a continuous activity and its objective should be clear to reduce uncertainty. This will enable the staff to fully understand the corporate strategy. The strategy should be communicated to all employees in the organization because every individual involved is important in the implementation of the strategy.

The sensitisation of employees to new programmes is very critical to prepare them psychologically in order to embrace the new changes and subsequent adoption of the strategic plans. This will lessen cultural conflicts that arise as a result of the implementation of the strategic plans. Briefing of the progress of the implementation process should be held regularly to ensure that variation in opinion that arise be addressed by the technical unit promptly to put it on course.

Organizations should come up with an effective remuneration package that rewards high achievers and values professional skills of staff by placing them on the right jobs to avert employment apathy, or underpayment.

### References

In conclusion, middle level managers play a vital role in charting the course of the organization's corporate strategic plan and translate it into action plans. They also ensure that the development and implementation of the business unit plans are aligned with the strategy of the organization. Therefore they play a key part in identifying and evaluating opportunities against a clear set of strategic goals.

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**PART A: RESPONDENT'S PROFILE**

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**2. Position held**

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**PART B: EVIDENCE OF CORPORATE STRATEGIC PLAN**

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**Top management**

**Middle management**

**Operational management**

**Consultants**

**6. The corporate strategic plan document has been made easily accessible to**

**Top management**

**Middle management**

**Operational management**

**7. There has been a high degree of understanding of the corporate strategic plan by**

**Top management**

**Middle management**

**Lower management**

# APPENDICES

## APPENDIX I: QUESTIONNAIRE

### PART A: -RESPONDENT'S PROFILE

1. Department.....
2. Position held.....
3. Number of years in service.....

### PART B: - EVIDENCE OF CORPORATE STRATEGIC PLAN

For each question below, enter the appropriate number to indicate the degree of your agreement on the following statements using a five point scale, where

[1] Strongly disagree [2] Disagree [3] not sure [4] agree [5] strongly agree

1. The vision statement is relevant to the organization's activities and mandate [1] [2] [3] [4] [5]
2. The current mission statement is compatible with the corporate Strategic plan being carried out. [1] [2] [3] [4] [5]
3. The employees were informed on how the corporate strategic plan will affect their work. [1] [2] [3] [4] [5]
4. There has been a great participation in developing the mission statement by the:  
Top management [1] [2] [3] [4] [5]  
Middle management [1] [2] [3] [4] [5]  
Operational management [1] [2] [3] [4] [5]
5. There has been a high level of involvement in the formulation of the corporate strategic plan by  
Top management [1] [2] [3] [4] [5]  
Middle management [1] [2] [3] [4] [5]  
Operational management [1] [2] [3] [4] [5]  
Consultants [1] [2] [3] [4] [5]
6. The corporate strategic plan document has been made easily accessible to  
Top management [1] [2] [3] [4] [5]  
Middle management [1] [2] [3] [4] [5]  
Operational management [1] [2] [3] [4] [5]
7. There has been a high degree of understanding of the corporate strategic plan by  
Top management [1] [2] [3] [4] [5]  
Middle management [1] [2] [3] [4] [5]  
Lower management [1] [2] [3] [4] [5]

**PART C: - MIDDLE MANAGERS' ROLE IN IMPLEMENTATION OF CORPORATE STRATEGIC PLAN (2003- 2006).**

To what extent do you consider your role in strategy implementation as important in each of the following aspects: - Using a five point scale, where [1] is not important at all [2] of very little importance [3] of little importance [4] of great importance [5] of very great importance.

|  | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| <b>Factor</b>  |   |   |   |   |   |
| Improvement in effective and efficient delivery of services  |   |   |   |   |   |
| Develop cultural competence among employees: awareness, positioning, and adapting  |   |   |   |   |   |
| Participation and strong communication of the strategic plan   |   |   |   |   |   |
| Improvement in the decision making process   |   |   |   |   |   |
| Improvement in efficiency and effectiveness  |   |   |   |   |   |
| Overall cost reduction in expenditure  |   |   |   |   |   |
| Alignment of the organization systems to its mission   |   |   |   |   |   |
| Undertaking promotional campaigns  |   |   |   |   |   |
| Setting of meaningful goals  |   |   |   |   |   |
| Better resource allocation   |   |   |   |   |   |
| Improvement in accountability  |   |   |   |   |   |
| Improvement in time management   |   |   |   |   |   |
| Improvement in budget controls   |   |   |   |   |   |
| Improvement of corporate image   |   |   |   |   |   |
| Providing leadership support and direction during strategy implementation  |   |   |   |   |   |
| As motivators of change to employees during the implementation   |   |   |   |   |   |
| Ensuring that control systems and procedures support implementation  |   |   |   |   |   |
| Ensuring that resources required for implementation were readily available   |   |   |   |   |   |
| Ensuring that interpretation and execution of departmental work plan was done in accordance with the overall corporate strategic plan. |   |   |   |   |   |
| Ensuring that strategic plan was accessed by all employees   |   |   |   |   |   |
| Contributed to significant improvement in financial management systems towards successful strategy implementation                      |   |   |   |   |   |
| Participated in equipping employees with skills that enable successful strategy Implementation   |   |   |   |   |   |
| Part of the training team on reforms to enhance employees' ability to execute the new strategy.  |   |   |   |   |   |
| Introduce appropriate appraisal and periodic performance system  |   |   |   |   |   |
| Instil a sense of urgency to employees during reforms  |   |   |   |   |   |
| Zero tolerance to corruption   |   |   |   |   |   |
| Develop implement appropriate staff development programme  |   |   |   |   |   |
| Efficient and effective service delivery   |   |   |   |   |   |
| Improvement of work culture and teamwork   |   |   |   |   |   |
| Decentralization of financial accountability, human resource management and decision making  |   |   |   |   |   |
| Overall reorientation from a rules-based to service oriented approaches  |   |   |   |   |   |
| Improvement of staff retention and succession planning   |   |   |   |   |   |
| Effective monitoring and evaluation practices and transparent reporting systems  |   |   |   |   |   |

## PART D: MIDDLE MANAGERS' CHALLENGES IN STRATEGY IMPLEMENTATION

To what extent are you constrained in strategy implementation by each of the following factors, Using a five point scale, where [1] Not at all [2] Very little extent [3] little extent [4] Great extent [5] Very great extent.

|   | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| <b>Factor</b>   |   |   |   |   |   |
| Poor work culture and teamwork  |   |   |   |   |   |
| Cumbersome and bureaucratic procedures  |   |   |   |   |   |
| Inappropriate staff placement   |   |   |   |   |   |
| Inadequate remuneration at middle level management  |   |   |   |   |   |
| In appropriate training polices   |   |   |   |   |   |
| Lack of adequate training budget  |   |   |   |   |   |
| Lack of rewarding systems for high achievers  |   |   |   |   |   |
| Inappropriate induction of employees  |   |   |   |   |   |
| In adequate Information Technology(IT) infrastructure                                     |   |   |   |   |   |
| Low computer literacy among staff   |   |   |   |   |   |
| Lack of integrated computer network   |   |   |   |   |   |
| Budgetary constraints   |   |   |   |   |   |
| Lack of appropriate feedback  |   |   |   |   |   |
| Negative public image   |   |   |   |   |   |
| Business processes not customer friendly  |   |   |   |   |   |
| Lack of customer care services  |   |   |   |   |   |
| Employee resistance to change   |   |   |   |   |   |
| The absence of an implementation schedule   |   |   |   |   |   |
| Lack of sufficient resources to for implementation.                                       |   |   |   |   |   |
| Lack of employee skills, abilities and knowledge  |   |   |   |   |   |
| Inadequate support and commitment from top management                                     |   |   |   |   |   |
| Lack of communication between different organization levels                               |   |   |   |   |   |
| Incompatibility of strategic plan with organization culture                               |   |   |   |   |   |
| Incompatibility of strategic plan with other organization systems                         |   |   |   |   |   |
| Complexity of the corporate strategic plan  |   |   |   |   |   |
| Insufficient time to properly implement the plan  |   |   |   |   |   |
| In adequate finances for effective implementation   |   |   |   |   |   |
| Lack of personal initiatives by middle level managers                                     |   |   |   |   |   |
| Inadequate communication of the strategic plan to the staff                               |   |   |   |   |   |
| Monitoring, planning, coordination, and sharing of responsibilities was not well defined. |   |   |   |   |   |
| Uncontrollable external factors affected implementation.                                  |   |   |   |   |   |
| Inadequate training of the staff.   |   |   |   |   |   |
| Lack of leadership, direction and coordination by reform team                             |   |   |   |   |   |
| Inadequate information systems to monitor implementation.                                 |   |   |   |   |   |
| Unexpected technical problems during reforms  |   |   |   |   |   |
| Ineffective coordination of activities  |   |   |   |   |   |
| Poorly defined tasks  |   |   |   |   |   |

APPENDIX B: SURVEY FORM  
What suggestions/recommendations do you have on how strategy implementation in organizations can be improved?

.....  
.....  
.....

Any other comment

.....  
.....  
.....

Thank you for your time and patience.

managers in the implementation of strategies in their  
Your organization is the main subject of study. Your organization is a member of  
MS&P is the only institution that provides such a service. We are currently in the  
process of converting from a private firm to a public company. We are currently  
in the middle of implementing Corporate Strategy. We are currently  
I kindly request your approval in conducting the research. The information  
gathered will not be used for any other purpose.  
Any reports or journals we write will be sent to you. We will be grateful if you  
can be contacted by  
me at your convenience.  
A copy of the final report will be made available to you. Your kind assistance in  
facilitating the research will be highly appreciated.  
Yours sincerely,

Jimmy Manuvelly  
IMBA STUDENT

Dr. Marwa Oqas  
MANAGER

24<sup>th</sup> July, 2006

The Managing Trustee  
National Social Security Fund  
P.O. BOX 30599,  
**NAIROBI**

Dear Madam,

**REF: RESEARCH STUDY IN NSSF**

I am a postgraduate student studying at the University of Nairobi, Faculty of Commerce. I am conducting a management research proposal in partial fulfillment of the requirement for a master of business Administration (MBA) degree. My topic of research is "the challenges facing middle managers in the implementation of strategies at NSSF.

Your organization is the main focus of study (case study). The choice is based on the reasons that NSSF is the only institution that provide social security in Kenya and especially now that you intend to convert from provident fund to National Insurance scheme. Furthermore your organization is in the middle of implementing Corporate Strategic Plan 2003-2006.

I kindly request your approval in conducting the research in your organization. The information gathered will not be used for any other purpose other than for this research.

Any reports or journals on strategic plans that you consider relevant to the topic may be availed to me at your own discretion.

A copy of the final report will be available to your organization on request. Your kind assistance in facilitating the research will highly be appreciated.

Yours sincerely,

**Jimmy Manyarikiy**  
**(MBA STUDENT)**

**Dr. Martin Ogutu**  
**(SUPERVISOR)**



31<sup>st</sup> July, 2006

Dear Respondents,

**REF: RESEARCH QUESTIONNAIRE**

I am a postgraduate student studying at the University of Nairobi, Faculty of Commerce. I am conducting a management research proposal in partial fulfillment of the requirement for a Master of Business Administration (MBA) degree. My topic of research is the challenges facing middle managers in the implementation of strategies at NSSF.

I would like to request you to participate in the study. Your responses to the questions will be held in utmost confidence and the results will not affect your employment status with NSSF. Your identity as a respondent will remain anonymous and for this reason, you are not required to give your name. For the objective of this study to be realized, kindly answer all questions completely, clearly and sincerely. However, you have a right not to participate in the study.

Yours sincerely,

**Jimmy Manyariki**  
**(MBA STUDENT)**

**Dr. Martin Ogutu**  
**(SUPERVISOR)**