CHALLENGES OF STRATEGIC IMPLEMENTATION IN
MATHARE 4A SLUM UPGRADE IN NAIROBI

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DECLARATION

This research project is my original work and has not been presented for a degree in any other university

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DEDICATION

This research project is dedicated with a lot of respect and appreciation to my dear wife Susan Wanjohi and my sons Ted, Ian and Victor for their love, patience and support in making this struggle worthwhile.

Only God can reward your patience and great sacrifice that enabled me carry on with my studies.
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ABSTRACT

Strategy in effect, is management's game plan for the business; managers develop strategies to guide how an organization conducts its business and how it will achieve its target objectives. Without a strategy, there is no established course to follow, no roadmap to manage by, no cohesive action plan to produce the intended results (Thomson & Strickland, 1992).

This case study sought to describe challenges in strategic implementation of slum upgrading policies taking a case of Mathare 4A slum. Primary data were collected using an interview guide. Using the guide, researcher was to establish the strategic implementation challenges experienced in Mathare 4A slum.

Fifteen respondents were randomly selected to participate in the study. Seven from the Kenya Government ministry involved in the Mathare slum upgrading, four from the donor agency (KFW) from German Government and four from Catholic Archdiocese of Nairobi.

The researcher collected secondary data from individuals, government development plans and statistical abstracts. The collected data was subjected to content analysis.
The researcher established that slum up grading is a sensitive issue that has several challenges among them being political interferences, inadequate resources, delayed work plan, stakeholders influences, leadership among other issues. The limitations experienced during the study was the inaccessibility of some of the respondents earmarked for the research as well as difficulties in accessing the confidential government reports on Mathare 4A.

The case study offers comprehensive study on challenges of up-grading Mathare 4A, and the researcher suggests that further similar studies can be done on other slums in Nairobi and deduce whether the same challenges that affected Mathare 4A applied to all slums with similar programmes. Further research can also be done on Government slum up-grading policies and their challenges to slum up grading especially in major urban centres in Kenya.
TABLE OF CONTENTS

DECLARATION .................................................................................................................. II

DEDICATION .................................................................................................................. III

ACKNOWLEDGEMENTS ............................................................................................. IV

ABSTRACT ....................................................................................................................... V

LIST OF FIGURES ......................................................................................................... X

ABBREVIATIONS .......................................................................................................... XI

CHAPTER ONE: INTRODUCTION .................................................................................. 1

1.1 Background ............................................................................................................... 1

1.1.1 The Strategic Management Process .................................................................. 1

1.1.2 Slums And Slum Upgrading ............................................................................. 5

1.1.3 Mathare 4A Slum Upgrading Project ............................................................... 7

1.2 Research Problem ................................................................................................... 10

1.3 Research Objectives ............................................................................................... 12

1.4 Importance Of The Study ...................................................................................... 12

CHAPTER TWO: LITERATURE REVIEW ....................................................................... 13

2.1 Concept Of Strategy ............................................................................................... 13

2.2 Characteristics Of Strategic Decisions .................................................................. 15

2.3 Strategy Formulation And Implementation Process ............................................ 18

2.3.1 The Strategy Implementation Framework ....................................................... 23

2.4 Challenges To Strategy Implementation ............................................................... 24
APPENDICES

APPENDIX 1: Interview Guide ................................................................. 53
APPENDIX 2: Letter Of Introduction ......................................................... 58
LIST OF FIGURES

FIGURE 1: Implementing Strategy- (The Principal Tasks)........................... 24
ABBREVIATIONS

KENSUP: Kenya Slum Upgrading Programme
AFC: Agricultural Finance Corporation
NGO: Non-Governmental Organization
KFW: Kreditanstalt Fur Weideraufblau
UN: United Nations
UNCHS: United National Center For Human Settlements (Habitat)
1.1 Background

1.1.1 The Strategic Management Process

Strategy is defined as a commitment to undertake one set of actions rather than another. Strategy in effect, is management's game plan for the business; managers develop strategies to guide how an organization conducts its business and how it will achieve its target objectives. Without a strategy, there is no established course to follow, no road map to manage by, no cohesive action plan to produce the intended results (Thompson & Strickland, 1992).

Crafting a strategy for the business is a core management function. Indeed, a good strategy and good implementation are the most trustworthy signs of good management. The standards of judging whether an organization is well managed, therefore, are grounded in a good strategy making, combined with good strategy executions. The better conceived an organization's strategy and the more flawless its execution, the greater the chance that the organization will be a peak performer in its industry. However, superior strategy-making and strategy-implementing don't guarantee superior organizational performance continuously. Even well-managed organizations
organizational performance continuously. Even well-managed organizations can hit the skids for short periods because of adverse conditions beyond management's ability to foresee or react to. Indeed, the essence of good strategy making is to build a strong position that is flexible enough to produce successful performance despite unforeseeable and unexpected external factors. (Thompson & Strickland, 1992).

Strategic implementation and execution are aimed at shaping the performance of core activities in a strategy-supportive manner. It is easily the most demanding and time-consuming part of a strategy-management process. The reason why implementation is difficult is that it forces a directional organizational change, motivation of personnel, creation of strategy-supportive environment, and meeting or beating performance targets, which is anything but uneasy. (Thompson and Strickland, 1998).

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 & Scholes, 2002). When considering implementation, questions relating to who should be responsible for carrying out the predetermined strategic plans, what changes are necessary must be addressed.
According to Mintzberg (1991), implementation means carrying out the predetermined plans. Some strategies are planned and some others just emerge from actions and decisions of organizational members. The selected strategy is implemented by means of programmes, budgets, and procedures. Implementation involves organization of the firm's resources and motivation of the staff to achieve objectives.

The way in which the strategy is implemented can have a significant impact on whether it will be successful. In most cases, different people from those who formulated it do implementation of the strategy. For this reason, care must be taken to communicate the strategy and the reasoning behind it. Otherwise, the implementation might not succeed if the strategy is misunderstood or if the affected parties resist its implementation because they do not understand why the particular strategy was selected (Thompson, 1998).

Putting the strategy into effect and getting the organization moving in the direction of strategy accomplishment calls for a specific set of managerial tasks and skills. Whereas crafting strategy is largely an entrepreneurial activity, implementing strategy is primarily an internal administrative activity. Whereas strategy formulation entailed heavy doses of visions, analysis, and entrepreneurial judgment, successful strategy implementation depends upon the skills of working through others,
organizing motivating culture-building and creating strong fits between strategies and how organization does things, ingrained behaviour does not change just because a new strategy has been announced. Implementing strategy poses the tougher, more time-consuming management challenge. Practitioner is emphatic in saying it is a whole lot easier to develop a sound strategic plan than it is to “make it happen” (Thompson & Strickland, 1989).

According to Thompson and Strickland (1992, the organization’s chief executive officer and heads of major organizational units are the persons most responsible for seeing that strategy is implemented successfully. Strategy implementation involves every organization unit from head office down to each operating department, asking, "what do we have to do to implement our part of the strategic plan, and how can we best get it done”? In this sense, all managers become strategy implementers in their areas of authority and responsibility. Low-level managers are always active participants in strategy implementation process. They not only initiate and supervise the implementation process in their areas of responsibility, they are also instrumental in seeing that the desired results and performance targets continue to be met day after day once the strategy is in place.
1.1.2 Slums And Slum Upgrading

According to Munyatho (1993), slum upgrading is a programme, which most governments in developing countries have adopted with the aim of improving housing conditions in formal settlement areas. In Kenya, the objective of the programme is to improve the livelihood of people living and working in slums and informal settlements in urban areas of Kenya and to contribute poverty reduction and fulfillment of the millennium development goals. The programme is intended to upgrade the environments of the slum residents by improving shelter, sanitation, accessibility, security and livelihoods. The scope of the project includes the provision of physical infrastructure services such as clean water sewage, and sanitary facilities, drainage, refuse collection, street lighting, roads and social amenities.

The Kenya slum-upgrading programme started with Kibera, Soweto and it will eventually be extended to other slum areas countrywide. The programme is being implemented through active involvement of slum dwellers, public authorities, civil society organizations, local and international donors and other stakeholders (Munyatho, 1993).

A slum is a section of a city or town which is usually inhabited by the very poor or socially disadvantaged. Slums can be found in most large cities around the world (Munyatho, 1993).
Slums are usually characterized by high rates of poverty and unemployment. They tend to be breeding centres for many social problems such as crime, drug addiction, alcoholism, prostitution, high rates of mental illness and suicide, and despair. In many poor countries, they exhibit high rates of disease due to unsanitary conditions, malnutrition, and lack of basic healthcare (Otieno, 2001).

During their urban housing workshop held at AFC Training Centre in June 2003, the government committed to implement the Kenya Slum Upgrading Programme (KENSUP) in liaison with local authorities and other stakeholders in accordance to memorandum of understanding signed between the government of Kenya and UN-HABITAT, further, the government will develop slum upgrading policy and guideline in liaison with stakeholders while upholding the principle of minimum or no displacement, promote partnership between the government private sector, professionals, external support agencies, local authorities, cooperatives societies, NGO’s and communities in infrastructural development. Further, the government was to pro-actively encourage the adoption of best practices in innovative land tenure and practices and finally ensure active, continuous and meaningful participation of all key stakeholders in upgrading process. Uphold the moratorium on
demolitions in unplanned settlements. (Francis, A. June 2005 Shelter Forum Bulletin).

The slum upgrading programme received a boost from the government of Kenya following the allocation of Kshs 500m by the Government of Kenya in the 2005/2006 Budget. KENSUP observes that continuous mobilization and accessibility to adequate finance on a sustainable basis is critical to the success of slum upgrading. KENSUP strategy is to improve livelihoods of at least 1.6 million households (5.3 million slum dwellers) by the year 2020, which is estimated to cost at current market prices Kshs 883.76 billion. (Min. of Housing-KENSUP challenges of slums in urban areas-Daily Nation April 11 2007, pp. 34-35).

1.1.3 Mathare 4A Slum Upgrading Project

The Mathare 4A slum rehabilitation programme was initiated on a pilot basis in 1992 following an agreement between the Archdiocese of Nairobi of the first part and the Government of the Republic of Kenya represented by Kreditanstalt Fur Weideraufblau (KFW) of the Federal Republic of Germany of the other part. The pilot phase of the programme covering about 3 ha was funded through a grant by KFW amounting to about of US$ 1.5 million. The objective of the programme then was to
upgrade the living environment of the slum dwellers by improving the housing conditions, sanitation, accessibility and security.

Upon completion and approval of the pilot phase, a separate agreement to cover the entire Mathare 4A area was signed on 21st January 1997 to finance the rest of the settlement measuring about 17 ha under a US$ 6 million grant arrangement. The project land area was transferred by the government on leasehold basis to the Archdiocese of Nairobi for project purposes to hold it in trust on behalf of the area residents. The Archdiocese was to establish the Executive Agency of the Project as a public charitable trust to be known as Amani Housing Trust.

The initial objective of the Mathare 4A Development Programme had been the immediate improvement of housing conditions through construction of low-cost formal houses. However, the overall project goals and objectives underwent adjustments following an analysis of the formal housing component (affordability, appropriate building technology and financial feasibility), which assisted in identifying actual needs and priorities of the target groups.

Priorities of the target groups were the improvement of the physical infrastructure (water supply, sewage, storm water drainage, roads and footpath development) first followed by a strong interest in improvements
of community facilities (health centres, primary schools, kindergartens) and support to income-generating activities (UNCHS, 1984).

During implementation, the programme experienced some hitches. There were challenges in the takeover of structures and compensation of structure owners in the beginning before the owners accepted compensation. The tenants had criticized the projects strategy of takeover of structures from former structure owners, collection of rent, and the enforcement of rent collection measures, and demands for all rent collection to cease until formal houses were constructed. The other issue was the cost. The cost estimate for the entire pilot phase was also reviewed upwards from the original estimate due to inclusion by the executive agency of budget costs of local construction supervision and contracts management specialist, and set up of an accounting and management information system previously under the consultant's budget. The rent expected from the structures originally by the executive agency was not as expected due to some former landlords collecting rent illegally and relocation of some people to other areas in Nairobi and up-country, change of place of work or leaving after defaulting in rent payments.
1.2 Research Problem

Strategy implementation is the most crucial aspect in strategic management and is the one that causes failure in realizing a selected strategy. This is because it is at this stage that the strategic initiatives are to be actualized by translating them into actions. This is the reason why few organizations that do an effective job of formulating strategy are doing equally effective job of implementing their strategy.

Since 1970s to date, the Kenya Government has been having slum-upgrading projects. The government usually comes up with very good policies but implementation of these policies has always been a problem in one way or another. The population in urban areas has continued to grow at a rapid rate impacting heavily on available infrastructure leading to mushrooming of slums. The government in partnership with UN-Habitat and other donors are in an initiative to upgrade slums and make available decent housing to genuinely poor families. (Special Survey on Housing- Daily Nation April 2 2004, p. 4).

Previously, the government was known for demolishing of squatter settlements that meant loss of considerable investment in terms of labour, and money. Authorities are realizing that instead of demolishing squatter settlements, they should regularize and upgrade them so that the existing housing level is reserved and the housing conditions are
improved. Despite the above mentioned government effort, there still remain several slums in Nairobi namely, Mathare, Mukuru, and Kibera, although the government has put a lot of effort so as to improve the living conditions of Kenyans who live in this impoverished part of the town. Upgraded houses are turning out to be too expensive for slum dwellers thereby failing to solve housing problems. This has led to the pertinent issues being raised relating to successive implementation of the slum upgrading strategy.

Though many studies have been carried out in the field of strategic implementation such as, (Sabare, 1999), (Muthuiya, 2004), and (Kithinji, 2006), the researcher is not aware of any study that has paid attention to the strategic implementation of upgrading slums in Kenya. There is, therefore, a knowledge gap about the challenges that the government and other institutions involved have encountered during the slum upgrading process. The research will endeavor to answer the following questions; what are the challenges to implementing slum upgrading in Mathare 4A? How can the challenges be overcome in upgrading Mathare 4A?
1.3 Research Objectives

- To establish the challenges to implementing slum upgrading strategy at Mathare 4A.
- To establish strategies of overcoming challenges in upgrading Mathare 4A.

1.4 Importance Of The Study

This study will be important considering that slum is a huge problem that must be addressed in the developing countries and no one knows the best strategy to upgrade them. The study will, therefore, be useful to organizations such as the UN-habitat and others interested in this field. The policy-makers will find the study useful as a basis of formulating policies, which can be effectively, implemented for better and easier upgrading of slums. Once mistakes that were made are understood, the government and all institutions will formulate corrective criteria for slum upgrading. Finally, the researchers and academic community could use this study as a stepping-stone for further studies especially in this field that is currently being researched on.
CHAPTER TWO: LITERATURE REVIEW

2.1 Concept Of Strategy

Johnson and Scholes (2002) view a strategy as the management’s game plan for growing organizations, staking out a market position, attracting and pleasing clients, competing successfully, conducting operations, and achieving targeted objectives. 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’s expectations. Strategies are systematic choices about how to deploy resources to achieve goals (Safford, 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 to.

Organizations guided by proactively developed strategies are more likely to have better performance. Those that lack clear-cut direction, and have muddled strategy, or fail to implement 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. (Thompson, 1998). Aosa (1992) observes that strategies that
functions. (Thompson, 1998). Aosa (1992) observes that strategies that have been developed must be implemented. They are valueless unless translated into action. It has been noted by Kiruthi (2001) that poor implementation of an appropriate strategy may cause the 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 effective execution of a good strategy is the best test of managerial excellence and the most reliable recipe for turning companies into standout performers (Thompson, 1998).

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 edge over rivals. Once this advantage has been earned, the organization has good prospects of winning in the market place and realizing above-average success (Thompson & Strickland, 1998). Without competitive advantage, a company risks being defeated by stronger rivals and/or being locked into mediocre financial performance.
A good strategy should fit the company's situation; help it achieve a sustainable competitive advantage and result in better performance. For strategy to fit the organization's situations, it must be well-matched to the industry, competitive conditions, market opportunities, as well as be in tune with the external environment. It must also be tailored to the organization's resource strengths and weaknesses, competencies and competitive capabilities (Thompson & Strickland, 1992).

Winning strategies must enable the organization to achieve a competitive advantage that is durable over long run. The longer the lasting competitive advantage, the better and more powerful the strategy. A good strategy must also result in the company's improvement in its competitive 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 competition (Thompson & Strickland, 1998). 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. The issue of scope is fundamental to strategic decisions because it concerns the way in which the organization manages its boundaries. Strategy is also concerned with matching the organization's activities to the environment in which it operates in search for strategic fit.

Strategy is linked with building on an organization's resources and competencies to create opportunities to capitalize on their own. 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 also be flexible. 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 change in 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 (Saffold, 2005).

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 to stimulate actions. David (2003) has pointed out that it is always more difficult to do something than to say that 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. It has been noted that implementation of strategies 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 organization. Hill and Jones (1999) have aptly pointed out the role and impact of politics strategy implementation in organizations. They observe that it is important that forces of organizational politics are overcome and the resistance of power for 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 Formulation And Implementation Process

According to Thompson et al (1998), 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, what its future of product-customer-market-technology focus should be; setting objectives and using them as yardsticks for measuring the company 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, an organization’s senior executives must decide what direction path their organization should take and what changes in the product-market-clients-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 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 moulds 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. (Thompson & Strickland, 1989).

Schmidt (1994) claims that a strategic change can be successfully implemented through a four-stage process: Assess the organizational capabilities and behaviour 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 those requirements, identify what information needs the work processes generate, and determine what information systems and
databases would be required to meet those 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) indicate that the political turbulence may well be the single most important issue facing any implementation process. Sanderlands (1994) argues that people underestimate the commitment, time, emotion, and energy needed to overcome inertia in their organization and translate plans into action.

Crafting a strategy should be the work of all persons in the organization. The more wide-ranging company 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 might later help implement and execute not only motivation building and commitment but allows them to be held accountable for putting the strategy into place and making it work. (Sandelands, 1994).
Implementing and executing strategy ideas are the operational phases of the strategy process. They are concerned with translating ideas and plans into action. Implementation is concerned with the conversion of strategy into organizational structure and design, resource planning and management of strategic change. Johnson and Scholes (2002) 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 out the strategy? What changes in organizational structure and design are needed to carry out the strategy? What will the different departments be responsible for? What sorts of information systems are needed to monitor progress?

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 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 & Scholes, 2002).

Resistance to change is bound to seriously impact implementation of strategies (Lynch, 2000). 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).

Budgets may be developed to steer resources into those activities critical to strategic success; policies and 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 directly tied to achievement of performance objectives and good strategy execution and internal leadership must also be exerted to drive implementation forward and keep improving strategy execution (Thomson & Strickland, 1992). Good strategy execution involves creating strong fit 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.
2.3.1 The Strategy Implementation Framework

Thompson and Strickland (1992) have noted that strategy implementation entails converting the strategic plan into action and then into results. Implementation is successful if the company achieves its strategic objectives and targeted levels of financial performance. What makes the process so demanding is the wide sweep of managerial activities that have to be attended to, the many ways managers can tackle each activity, the skill it takes to get a variety of initiatives, launched and moving, and the resistance to change that has to be overcome. Moreover, each strategy implementation situation is unique enough to require its own specific action agenda. Strategy should be implemented in a manner that fits that organization's situation. Managers have to take into account the nature of the strategy (implementing a strategy to become the low-cost produce is different from implementing a differentiation strategy keyed to superior quality and premium prices). They must consider the amount of the strategic change involved (shifting to a bold new strategy poses different implementation problems than making minor changes in a ready existing strategy).

This study was based on Thomson and Strickland's Management Theory (1992). The theory gives the principal tasks of strategy implementation as illustrated below.
Figure 1: Implementing Strategy- (The principal tasks)

Building an organization capable of successful strategy execution

Exercising strategic leadership

Shaping the corporate culture to fit the strategy

Establishing a strategy supportive budget.

Installing Administrative support systems (policies, procedures, information systems and controls)

Designing rewards and incentives that are tightly linked to performance objectives and strategy


2.4 Challenges To Strategy Implementation

Challenges that occur during the implementation process of a strategy are an important area of research because even the best strategy would be ineffective if not implemented successfully. Despite the fact that challenges to successful strategy implementation have not been widely investigated, there are some issues that have surfaced in many studies.
The most important problem experienced in strategy implementation in many cases is the lack of sufficient communication. Aaltonen and Ikavalko (2001) state that the amount of strategic communication in most of the organizations is large, both written and oral communication is used, mostly in form of top-down communications. However, a great amount of information does not guarantee understanding and there is still much to be done on the field of communicating strategies. According to Wang (2000), communication should be two-way so that it can provide information to improve understanding and responsibility, and to motivate staff. Also, they argue that communication should not be seen as a once-off activity focusing on announcing the strategy. It should be an on-going activity throughout the implementation process. In many cases, it is not so and therefore, communication still remains a challenge to strategy implementation process.

Before any strategy can be implemented, it must be clearly understood. Clear understanding of a strategy gives purpose to the activities of each employee and allows them to link whatever task is at hand to the overall organizational direction. Lack of understanding of a strategy is one of the obstacles of strategy implementation (Aaltonen & Ikavalko, 2001). They point out that many organizational members typically recognize strategic issues as important and also understand their context in
generic terms. However, problems in understanding arise when it comes to applying the strategic issues in the day-day decision-making.

Whilst the strategy should be chosen in a way that it fits the organizational structure, the process of matching structure to strategy is complex. The structure that served the organization well at a certain size may no longer be appropriate for its new or planned size. The existing structures and processes in the organization support the current ways of doing things and if the strategy indicates that the organization needs to behave in a different way, there is likely to be problems should the existing structures be used to implement the changes (Campbell et al 2002). The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place. According to McCarthy et al (1986), creating that structure and the attendant behaviour changes is a formidable challenge. The fundamental challenge for managers is the selection of the organizational structure and controls that will implement the chosen strategies effectively.

According to Wang (2000), senior managers might leave too soon after the process has been started. When senior managers step out of the picture, after implementation begins, this undermines staff commitment and enthusiasm for strategy. According to him, staff often distrust new
strategy and prefer old and familiar situation. Staff attitudes and perspectives go a long way towards subverting the company’s plan.

Cultural impact underestimation is yet another challenge to strategy implementation. The implementation of a strategy often encounters rough going because of deep-rooted cultural biases. It causes resistance to implementation of new strategies especially in organizations with defender cultures. This is because they see change as threatening and tend to favour “continuity” and “security” (Wang, 2000). It is the strategy maker’s responsibility to choose a strategy that is compatible with the “sacred” or unchangeable parts of the prevailing corporate culture (Thomson & Strickland, 1989).

Creating an organization culture, which is fully harmonized with strategic plan, offers a strong challenge to the strategy implementer’s administrative leadership abilities. Aosa (1992) observes that lack of compatibility between strategy and culture can lead to high organizational resistance to change and de-motivation, which can in turn frustrate the strategy implementation.

Resource insufficiency is another common strategy implementation challenge. David (2003) argues that allocating resources to particular divisions and departments does not mean that strategies will be
successfully implemented. This is because a number of factors commonly prohibit effective resource allocation. These include; overprotection of resources, too great emphasis on short-run financial criteria, organizational policies, vague strategy targets, reluctant to take risks, and lack of sufficient knowledge. Also, established organizations may experience changes in the business environment that can make a large part of their resource base redundant and unless they are able to dispose off those redundant resources, they may be unable to free up sufficient funds to invest in the new resources that are needed and their cost base will be too high (Johnson & Scholes, 2002).

Changes do not implement themselves and it is only people that make them happen (Bryson, 1995). Selecting people for key positions by putting a strong management team with the right personal chemistry and mix of skills is one of the first strategy implementation steps (Thompson & Strickland, 1998). Assembling a capable team, they point out, is one of the first cornerstones of the organization-building task. Strategy implementation must determine the kind of core management team they need to execute the strategy and then find the right people to fill each slot. Staffing issues can involve hiring new people with new skills (Hunger & Wheelen, 1994). Bryson (1995) observes that people’s intellect, creativity, skills, experience and commitment are necessary in creating order, culture, systems, and structures that focus and channel
efforts towards effective implementation. However, selecting able people for key positions remains a challenge to many organizations.

Organizations often find it difficult to carry out their strategies because they have executive compensation systems that measure and reward performance in a way that ignores or even frustrates strategic thinking, planning, and action (McCarthy et al 1986). Most incentive programmes are designed only for top management and lower levels of management and operative employees do not normally participate. If strategy accomplishment is to be a really top priority, then the reward structure must be linked explicitly and tightly to actual strategic performance (Thomson & Strickland, 1998). Bryson (1995) asserts that people must be adequately compensated for their work. McCarthy et al (1986) argue that in many companies, much effort has been put into both strategy formulation and resource allocation process as a way to improve implementation and unfortunately, effort has not been wholly effective because the necessary measurement and rewards system that completes the cycle is lacking.

At its simplest, strategy is all about managing change and resistance to change can be considered the single greatest threat to successful strategy implementation. Strategic change is the movement of an organization from its present state towards some desired future state to
increase its competitive advantage (Hill & Jones, 1999). The behavior of individuals ultimately determines the success or failure of organizational endeavors and top management concerned with strategy and its implementation must realize this (McCarthy et al 1986). Change may result to conflict and resistance. People working in organizations sometimes resist such proposals and make strategy difficult to implement (Lynch, 2000). This may be due to result of anxiety to fear of economic loss, inconvenience, uncertainty, and a break in normal social patterns (David, 2003).

What is clear from existing literature is that the approach to managing strategic change will need to be context-dependent. It will not be the same for all situations in all types of organizations. Managers therefore, need to balance the circumstances they face. Moreover, managers need to be able to help create the sort of organizational context, which will facilitate change (Johnson & Scholes, 2002).

Organizational politics remains another key challenge in strategy implementation. Organization politics 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). Wang (2000) states that it is important to overcome the resistance of powerful groups because they may regard the change caused by new
strategy as a threat to their own power. Top-level managers constantly come into conflict over what the correct policy decisions would be, and power struggles and coalition building is a major part of strategic decision-making. According to them, the challenge an organization faces is that the internal structure of power always lags behind changes in the environment because in general, the environmental changes are faster than the organization can respond to.
3.1 Research Design

The research design was a case study that sought to describe strategic implementation of slums upgrading policies - a case of Mathare 4A slum. Cooper and Schindler (2003) argue that case studies place more emphasis on a full contextual analysis of fewer events or conditions. An emphasis on detail will provide a valuable insight for problem-solving, and evaluation of strategies adopted.

3.2 Data Collection

Primary and secondary data were used in this study. Data were collected using an interview guide (appendix 2) through in-depth interviews. Using the questionnaire, the researcher was to probe to establish the implementation strategies adopted in Mathare 4A and their challenges from the respondents. Fifteen respondents were used in this study, seven from the Kenya Government involved in the Mathare slum upgrading, four from the donor agency KFW from the Government of Germany and four from the catholic Archdiocese of Nairobi. The number was expected to provide in-depth information useful for the study. The study employed both primary and secondary data. Primary data were elicited from the
respondents while the secondary data were obtained from government official sources.

Secondary data were collected by the researcher himself from individuals, organizations and published or unpublished works. The major sources were development plans, statistical abstracts, appropriation accounts, commissioned report, district plans (Orodho, 2005).

3.3 Data Analysis

Content data analysis was used to identify and extract the key themes, concepts and arguments. Content analysis is defined as a technique for making inferences by systematically and objectively identifying specified characteristics of managers using the same approach to relate trends. Mbogo (2003) who employed this kind of approach argues that it is useful in gaining fresh material from what was thought to be unknown. This was best suited for the kind of data that was collected. Content analysis has been successfully used to conduct similar qualitative studies in the past (Thiga, 1999; Njau, 2000; Koske, 2003).
4.1 Demographic Information

The organisations that were involved in the implementation of slum upgrading strategy included the government, the donor agency and Catholic Archdiocese of Nairobi. The Mathare 4A slum rehabilitation programme was initiated on a pilot basis in 1992 following an agreement reached between the Government of Kenya, the German Government (through its donor agency KFW) and the Catholic Archdiocese of Nairobi. The pilot phase of the programme covering about 3 ha. of the slum area was funded through a grant by KFW amounting to about US$ 1.5 million.

The objective of the programme then was to upgrade the living environment of the slum dwellers by improving the housing conditions, sanitation, accessibility and security. The Archdiocese was entrusted to act as the project-implementing agency on behalf of the government for the benefit of the residents. In the spirit of forging partnerships with non-governmental entities, the church was chosen to be the implementing agency due to its familiarity with the problems in the area and commitment to social development as well as to guarantee all residents the right to benefit equitably. The Archdiocese in turn set up the Amani
Housing Trust under the Succession of Titles Act to implement and administer the project for the benefit of the residents.

4.2 Strategic Implementation

From the interview guide, the researcher wanted to find out the problems that were being addressed by the organisations. The study found out that the main problems being addressed were congestion of houses, poor drainage, lack of water, poor road networks and poor housing in Mathare 4A.

The respondents were then asked to rank the problems in order of priority from most significant to insignificant. The results were in this order; Poor houses, poor drainage, no electrification, congestion of the houses, medical services, poor road network, and lack of water.

The respondents were asked whether the government had undertaken any upgrading work in Mathare 4A and when the work started. The study found that the government has been working together with other partners in upgrading the slum. All the respondents had been involved in upgrading Mathare 4A slum area.
The respondents were also asked to rate how various factors influenced strategic implementation. They were to rank them on a scale of very supportive, moderately supportive, less supportive and not at all. The orders of the results were as follows; Financial services, Organizational policies, organization structure, reward system and the recruitment process. It is therefore evident that slum-upgrading implementation is highly dependent on finances, and therefore this calls for government intervention or the donor community. Implementation policies were also found to play a pivotal role to the slum upgrading. For policies to be effective, we need an elaborate leadership governed by a well-defined organization structure respected by all.

On how often the strategy implementation was monitored, the responses show that monitoring of strategy implementation process is often. The monitoring is done on a daily basis.

4.3 Challenges Of Implementing The Slum Upgrading Strategy

During the interview the respondents were asked to rank the level at which the various challenges affected the implementation of slum upgrading project. The ranking was from least affected to extremely affected respectively. The study found that the factors that affected implementation the most were obstacles surfacing during
implementation that had not been identified and implementation taking more time than originally allocated. The interview guide had a variety of challenges. Most incidentals were centred on political interferences.

The researcher found that the one of the challenge not identified before hand was the slumlords resistance to the upgrading although compensation of the structures had been done. The details of this are explained further in the paragraphs below. The other challenge was that the project took longer than expected. Quite a number of coordination activities and decision-making had to be done between the government of Kenya, the Catholic Archdiocese of Nairobi, and the donor agency and this consumed time. To make the co-ordination of the implementation process easier, the executive agency (Archdiocese) had to involve local construction supervisors and contracts management specialist and this also meant costs moving upwards that were not originally factored in the original budget. Sourcing the same from partners was time consuming.

Information system used to monitor the implementation of the programme also proved inadequate from the research. It is noted that to counter this, the executive agency had to set up an accounting and management information system. From the research the issue of acceptability of the new strategy, leadership provided by the leaders as well as the monitoring, planning and co-ordination of the slum upgrading
would have been easier if the government support was more than was offered during the period. The implementers felt that the support was inadequate. For example some of the leaders who opposed the upgrading were allowed to be elected in city council or parliament and therefore their followers would be keen to listen to them as discussed below.

**Other Challenges**

There were media reports from time to time in the past that the residents of Mathare 4A were up in arms against the Mathare 4A slum upgrading programme. The facts were that 92% of those residing in Mathare 4A were tenants. The rest 8% were the structure owners or ‘slum lords’.

To take control of the settlements and to facilitate proper planning, it was necessary for the previous ‘slum lords’ to surrender their structures for project purposes. Approximately US$800,000 has been paid out as compensation to the ‘slum lords’ for structures comprising 7,300 rooms built on land they did not own in the first place.

Slum rehabilitation is a sensitive issue and explosive situations often occur from time to time in the light of diverse interests of stakeholders. Conflicts had arisen as to whether beneficiaries of upgrading should be the tenants or ‘slum lords’. Ideally, the person residing in the slum area should be considered the beneficiary since that is the only kind of
accommodation affordable to him. It can be argued that the absentee 'slum lords' do not live there because they can afford better shelter elsewhere. Also, even though they have invested in the structures, they would have recouped their initial investment in a given period and after that period, they would be making profit from the land that does not belong to them.

In the case of Mathare 4A, the 'slum lords' who apart from having put up their own dwellings, had constructed extra ones for rent or sale. Most of them did not live in the slums but had experienced slum life and it was the income from the rentals that afforded them better residences elsewhere. Naturally, they grew to become the most powerful people in the slums, providing not just dwellings, shops and other commercial entities but often even political leadership, hence, their close association with the local political leadership. Some actually got elected to the City Council of Nairobi and even parliament. Such people would understandably be opposed to the project as they lost regular income from rent with the rehabilitation of the area. They therefore, facilitated the outbreak of hostilities towards the project in a bid to maintain the status quo - the filth, stench, and crime for their continued gain.

The area residents are required to contribute a nominal amount of rent to the project management, Amani Housing Trust based on the size and quality of the rooms they occupy. The rent revenue is applied by the
project management for the maintenance of installed facilities and to meet the operational costs of the project management. On one hand, the level of rent charged ought to be affordable while on the other hand, it should be such that it can sustain maintenance and operations.

Due to the declining economic performance in the country in recent times with the attendant high levels of unemployment and poverty, it has been very difficult to strike a balance between affordability and sustainability. Any rent increment by the management in an effort to sustain maintenance and operations has been met by stiff resistance by the target group. Local politicians have not helped matters either as they have taken advantage of such confrontations to gain political mileage by agitating for either rent boycott or rent reduction. Some local leaders have advocated for a populist change in project concept from a rental scheme arrangement to a tenant purchase arrangement whilst fully aware of the risk of economic eviction of the resident population by speculators and people from higher income groups.
5.1 Summary

The study was designed to establish the challenges to implementing slum upgrading in Mathare 4A and to establish how the challenges can be overcome in upgrading the slum area. The programme was set in such a manner that upon completion and approval of the pilot phase, a separate agreement to cover the entire Mathare 4A area was signed on 21st January 1997 to finance the rest of the settlement measuring about 17 ha. under US$ 6 million grant arrangement. The project land area was transferred by the government on leasehold basis to the Archdiocese of Nairobi for project purposes to hold it in trust on behalf of the area residents.

The initial objective of the Mathare 4A Development Programme had been the immediate improvement of housing conditions through construction of low-cost formal houses. However, the overall project goals and objectives underwent adjustments following an analysis of the formal housing component (affordability, appropriate building technology and financial feasibility), which assisted to identify the target group's actual needs and priorities.
Priorities of the target group, as expressed in the surveys, had ranked the improvement of the physical infrastructure (water supply, sewage, storm water drainage, roads and footpath development) first followed by a strong interest in improvements of community facilities (health centres, primary schools, kindergartens) and support to income-generating activities.

Participatory discussions following a 1995-field survey made it clear, that the target group's fear of being evicted by rent increase induced by the physical upgrading measures had to be taken very seriously. As a compromise, the following three programme components were deduced for the project. First, immediate fast developing of general infrastructure which entailed relocation requirements arising from the fact that a number of dwelling, had to be demolished to pave the way for the installation of roads and footpaths, construction of wet core etc. Secondly, shelter improvement, initiating the future formal housing component for which project sponsor insisted on substantial financial resources to be generated internally from rent and lastly, the preservation and strengthening of the multi-functional residential and social economic character of the area.

While there are serious housing problems in Kenya, both in rural and urban areas, housing problems are most acute in urban areas. The
phenomenon of rapid urbanisation being experienced world-wide has brought about many challenges, the most critical being a general deterioration of the living standards of an increasing majority of urban dwellers. The problem of urban housing is mainly that of acute shortage in the number of dwellings, inadequate infrastructure, community facilities and services, over-crowding and sub-standard human settlements such as slums and squatter settlements. This situation has been aggravated by recent changes in socio-economic development strategies in a liberalised world economic order.

The acute shortage in housing supply has led to high rents being charged by landlords. Recent statistics indicate that the majority of the people in urban areas do not own homes as the level of owner-occupancy has been declining. The housing problems in urban areas are also closely linked to the rural-urban migration of citizens in search of better economic prospects. Prevailing high unemployment levels, low investment in housing and infrastructure development by the public sector, high cost of finance and limited availability or lack of serviced land have exacerbated this situation. This situation is best illustrated in the city of Nairobi whose population has grown at a rate of 5% p.a. over the last thirty years.
An increasing number of city residents live in informal settlements estimated at 60% of the total population. However, the land area of the city covered by informal settlements is just over 5% of the total area used for residential purposes. This means that over half of the city population live on 5% of the residential land area. This is a very distressing situation as this scenario cuts right across the national urban landscape where an estimated 47% of urban population live in inadequately constructed and serviced settlements.

The estimated current urban housing needs are 150,000 units per year. It is estimated that the current production of new housing in urban areas is about 20,000-30,000 units annually, giving a shortfall of over 120,000 units per annum. This situation has given rise to mushrooming of informal settlements, construction of unauthorised extensions in existing residential estates and overcrowding. This has led to poor standards of construction of housing units and disputes between tenants and landlords over rents charged especially in low-income neighbourhoods such as Mathare 4A slum in Nairobi.

The Mathare 4A slum was then generally characterised by very high population densities of up to 1300 inhabitants per hectare with very limited or hardly any public space reserves due to inefficient land use. About 90% of the population were tenants of one-room structures
(average surface of 9 square metres) rented out by ‘slum lords’, the
majority of whom lived outside the slum area and had no occupation
license/title deeds. Structures/houses built from temporary materials
(mud and wattle), below any acceptable building standard.
Infrastructure, commodities and services like water supply, solid and
liquid waste disposal, surface drainage, access roads were non-existent
or on a hygienically unacceptable level.

The majority of the population with low or very low and unsteady
income and there was poor coverage of community facilities like health
centres, nursery, primary schools or even the recreational facilities. The
area was characterized with high incidences of social instability (crimes
and burglary, high school dropout rates, unstable families and teenage
pregnancies).

5.2 Conclusion

There were challenges that arose and halted the whole slum upgrading
programme at Mathare 4A. The chaos that erupted between the slum
lords, the tenants and the crew involved in the slum upgrading
programme cannot be overlooked. Future slum upgrading plans should
ensure that beneficiaries are mobilised and sensitised on the critical
issues of the programme. Information, education and communication
strategies including media outreach should also be looked at before any plan to upgrade a slum is carried out.

Large sums of funds will be required to systematically undertake several tasks. Funds will be needed in the mobilization and sensitisation of the beneficiaries. This will call for information, education and communication strategies including media outreach activities. There will be need to investigate the actors in each slum informal settlements. The government and development partner will need resources to undertake social, economic and physical mapping. Funds will also be required for the preparation of scheme designs, site layout plans, preliminary drawings and cost estimates for decanting sites as well as the preparation of the overall site layout plans, detailed working drawings and cost estimates for the main project.

Finally a lot of resources will be needed for the construction of the infrastructural services including the improved housing units in both relocation and the main project areas. Monitoring and evaluation to assess whether the programme is meeting the required objectives will definitely require sizeable portion of the allocated funds.

The study recommends that the financial and material resources should be mobilized by both the Government of Kenya and UN-HABITAT. The
government should provide counterpart funding for the programme through budgetary allocation and other bilateral support. The government together with UN-HABITAT should mobilize external financial and other resources, including those from members of the cities alliance, multilateral and bilateral donor agencies that may support the Programme. A conducive environment should be created to enable institutions, organizations and stakeholders both local and international, who have interest in the Programme to invest their resources.

5.3 Limitations Of The Study

The research was faced with two limitations. Not all respondent answered the questionnaires as expected due their inaccessibility but an overall response rate of 90% was found to be quite representative. Due to the fact the slum up-grading was government project, accessing all the necessary monitoring confidential reports on the same was difficulty However, published materials on Mathare 4A were adequate.

5.4 Recommendations For Further Study

Limited studies have been carried out on to highlight challenges of slum up-grading especially in urban centres and steps that would be taken to ensure successful implementation of slum upgrading especially in major cities in Kenya. I would recommend further similar studies on other
slums in Nairobi and deduce whether the same challenges that affected Mathare 4A applied to all slums with similar programmes. Further research can also be done on Government slum up-grading policies and their challenges to slum up grading and finally a study on the community participation in slum upgrading with reference to successful cases in Kenya.
REFERENCES


“Special Survey on Housing”- *Daily Nation* April 2 2004 p. 4.


APPENDIX 1: INTERVIEW GUIDE

I am an MBA student-conducting research as part of fulfillment to my degree. The information provided here will be used only for academic purposes and thus it will be treated with maximum confidentiality and never be made available in its raw form.

PART A: Demographic Information

1) Name of the organization (optional) ...........................................................

2) How many years have you served in the organization? ...........................

3) What is your position in the organization i.e. CEO, senor management, middle -level management, supervisor etc? ...........................

4) How long has the firm been in existence? ...........................................

5) In what form does the firm operate
   
   Government agent .................................................................
   
   Non-profit organization ...........................................................
   
   Charitable organization .........................................................

6) Are the organization’s activities only carried out in Mathare 4A?
   
   If No to 6(a) above, in which other slums does the firm carry out its activities? (please state) ..............................................................

PART B Strategic Implementation

1) Which of these problems was the organization addressing? (Tick as appropriate)
Lack of water ( )
Poor road network ( )
Congestion of houses ( )
Poor houses ( )
Medical services ( )
Poor drainage ( )
Electrification ( )
Any other (specify) .................................................................

b) Rank the above problems in order of priority (1 most significant, 2 more significant, 3 significant, 4 less significant, 5 insignificant).

<table>
<thead>
<tr>
<th>Problem</th>
<th>Most signif</th>
<th>more signif</th>
<th>signif</th>
<th>less signif</th>
<th>insignif</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of water</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Poor road network</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Congestion of houses</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Poor houses</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Medical services</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Poor drainage</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>No electrification</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Any other (specify)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

2) (a) Has the government undertaken any upgrading work in this area?
(b) If yes in (a) above, when did the work start? ........................................

3) (a) Was the firm involved in the upgrading work (Tick as appropriate)
   Yes ( ) No ( )

(b) If yes in (a) above, how was it involved (Tick)
   It was consulted ( )
   It was involved in upgrading work ( )

   Any other (Specify) ..............................................................................

4) What else could have been done to make Mathare 4A slum upgrading successful?

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

5) Does the firm have a written vision and mission statement?

   Yes ( ) No ( )

6) Who is responsible for formulating strategies? ...................

7) (a) Is there any training offered on strategic implementation?
   Yes ( ) No ( )

(b) If yes in 14 (a) above, who conducted the training?

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

8) Were those people involved in strategy implementation also involved in its formulation? ..............................................................................................................

9) Please rate how the following influence strategic implementation.

   Very Supportive  Moderately supportive  Less supportive  Not at all
   Supportive

55
Organizational structure ( ) ( ) ( ) ( ) ( )
Organizational policies ( ) ( ) ( ) ( ) ( )
Reward system ( ) ( ) ( ) ( ) ( )
Recruitment process ( ) ( ) ( ) ( ) ( )
Financial resources ( ) ( ) ( ) ( ) ( )

10) How often is the strategy implementation process monitored?

After every 2 years ( )
Yearly ( )
Monthly ( )
Any other period. Please specify...............................................................

PART C- Strategy Implementation Challenges

Organizations today face various challenges in their pursuit to implement strategies. In your view, how do you rate the level in which these challenges affect the implementation of the slum up-grading project? Please tick the number on the right of each statement (1 for the least affected, and 5 for the extremely affected).

1. Implementation took more time than was originally allocated. (1) (2) (3) (4) (5)
2. Major obstacles surfaced during implementation that had not been identified beforehand. (1) (2) (3) (4) 5)
3. There was inadequate communication of the strategy to the staff. (1) (2) (3) (4) (5)
4. Capabilities of employees involved were not adequate.

5. Slow acceptability of the new strategy by stakeholders.

6. Resources made available were inadequate.

7. Monitoring, planning, coordination, and sharing of responsibilities was not well-defined.

8. There was lack of focus and ability on the new strategy.

9. Competing activities and crises distracted attention from implementing the decisions.

10. Uncontrollable factors in the external environment had adverse impact on implementation.

11. Inadequate training to the staff.

12. Unsupportive organization culture.

13. Inadequate coordination of implementation activities.

14. Leadership and direction provided by department/programme managers were not adequate.

15. Information systems used to monitor implementation were not adequate.

16. Key formulators of the strategic decisions did not play an active enough role in implementation.

17. Wrong organizational structure.

18. Advocates and supporters of the strategic decisions left during implementation.

Thank you for your cooperation.
DATE: 31st October 2007

TO WHOM IT MAY CONCERN

The bearer of this letter, Kariuki, Simon Wandjiru,

Registration No: 8611P8402103

is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

J.T. KARIUKI
CO-ORDINATOR, MBA PROGRAM