

Strategy Evaluation and its challenges at Kenya Civil

Aviation Authority

By

Robert M. Nguni

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DECLARATION

The Management Research Project is my original work and to the best of my knowledge it has not been submitted for award of Degree in any other university

Signature.....

ROBERT MULINGA NGUNI

Date.....

REG NO: D61/70103/2007

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

Signature.....Date.....

ZACK B. AWINO, PhD

LECTURER

DEPARTMENT OF BUSINESS MANAGEMENT

SCHOOL OF BUSINESS

COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

UNIVERSITY OF NAIROBI

DEDICATION

I dedicate this work to the almighty God who I owe everything I am, and all that I have. God, you are always ever-loving. Next I dedicate it to immediate family for their unwavering love and understanding, my extended family and friends who have been very close and supportive of me throughout the period of my study at the University of Nairobi.

May God bless you all and see you through your own various successes too.

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LIST OF ABBREVIATIONS AND ACRONYMS

ANS -Air Navigation Services

DCA -Directorate of Civil Aviation

DG -Director General

EAC -East African Community

EADCA-East African Directorate of Civil Aviation

EASA -East African School of Aviation

ICAO -International Civil Aviation Authority

KAA -Kenya airports Authority

KCAA -Kenya Civil Aviation Authority

KQ -Kenya Airways

ABSTRACT

Strategy evaluation is the process of determining whether the chosen strategy is achieving the organization's objectives. All strategies are subject to future modification because internal and external factors are constantly changing. The activities involved in strategy evaluation are: reviewing internal and external factors that are the basis for current strategies, measuring performance, and taking corrective actions. The study focused on the strategy evaluation at KCAA and the challenges that affect the process. The study justification arose from the fact that no other study has been conducted in the aviation industry and none on strategy evaluation at KCAA. The study limited the scope to the current strategic plan 2005 – 2010. The strategic plan was the first strategic to be drawn since KCAA was formed in 2002. The study established that an attempt in being made to carry out strategy evaluation at KCAA. Three main methods are employed. These are use of performance contracting and benchmarking. Performance contracting is a government requirement and not a KCAA deliberate effort to evaluate and control the strategic plan. The study recommends the use of a balanced score and as a way of evaluating strategies in addition to the government backed performance contracting. It also recommends Management By Objectives (MBO) to be employed since there is potential KCAA can excel in it. Strengthen benchmarking practices has also been recommended. The study established that the authority face challenges in the process of strategy evaluation. These challenges are; incompleteness of quarterly and annual reports, lateness in reporting, government interference, high staff turnover, lack of motivation, changing priorities, lack of finances, bureaucracies, lack of smart objectives in some strategies, among others. Data for this study was conducted through personalized interviews with top managers at KCAA. The report for this study is presented in five chapters. Chapter one deals with introducing the concept and context

as well as the purpose of the study. Chapter two gives the literature review while chapter three explains how the research was designed. Chapter four gives the findings and their interpretation. Chapter five gives recommendations, in-depth analysis and puts forwards the limitation of the study and suggestions for future research.

Key words: Strategy, Strategy Evaluation, Challenges of Strategy Evaluation, Kenya Civil Aviation authority

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Strategy formulation and implementation are core management functions (Thompson & Strickland, 1989). Among all the varied things that managers have to deal with and act upon, few affect an organization's performance more lastingly than do the task of charting an organization's future course, figuring out what strategic moves and approaches to undertake, and then executing orchestrating the execution of the chosen strategy as close to perfection as managerially possible. How good the management performs strategy formulation and strategy implementation determines to a great extent its managerial potential. According to Thompson & Strickland (1989), good strategy and good implementation are the most trustworthy proof of good management.

Strategy evaluation is the last stage the five-stage strategic decision-making sequence (Witte, 1972). According to Howe (1986), strategy evaluation is by any means one of the most vital phases in the decision making process. Barnat (1998) sees strategy implementation and strategy formulation processes as closely interrelated, but their direction being determined by the outcome of strategy evaluation and control. He says that the desired results of an organization are established during the strategy formulation process, operationalized during implementation, but controlled through evaluation.

Implementation consists of the issues involved in putting the formulated strategy to work. It is necessary to spell out more precisely how the strategic choice will come to be. No strategy, no matter how brilliantly formulated and implemented, will succeed if not clearly evaluated.

Traditionally, organizations begin strategy formulation by carefully specifying their mission, goals, and objectives, and then they engage in *SWOT* analysis to choose appropriate strategies.

Mintzberg (1994) suggests that the traditional way of thinking about strategy evaluation focuses only on deliberate strategies. Mintzberg claims that some organizations begin implementing strategies before they clearly articulate mission, goals, or objectives. In this case strategy implementation actually precedes strategy formulation. He says that evaluating such strategies can be complicated.

The basic premise of strategic management is that the chosen strategy will achieve the organization's mission and objectives (Barnat, 1998). A firm's successive strategies are greatly affected by its past history and often take shape through experimentation and ad hoc refinement of current plans, a process *James Quinn* has termed "logical incrementalism". The reexamination of past assumptions, the comparison of actual results with earlier hypotheses has become common features of strategic management (Barnat, 1998).

According to Thompson & Strickland (1992), Strategy evaluation helps managers to constantly evaluate performance, monitor the situation, and decide how well things are going. This gives feedback that helps the management of the organization make the decisions about altering the organization's long-term direction. The evaluation of an organization's strategy may lead to management redefining the business, raising or lowering performance objectives, modifying the strategy or improving strategy execution (Thompson & Strickland, 1992).

1.1.1 Strategy evaluation

The final stage in strategic management is strategy evaluation and control. All strategies are subject to future modification because internal and external factors are constantly changing (Barnat, 1998). In the strategy evaluation and control process, managers determine whether the chosen strategy is achieving the organization's objectives. According to Barnat (1998), the fundamental strategy evaluation and control activities are: reviewing internal and external factors that are the bases for current strategies, measuring performance, and taking corrective actions. The traditional approach to control a strategy is to match results against set standards (Pearce & Robinson, 2002). However, Pearson and Robinson argue that, although this approach has its place, it is inappropriate as a means of controlling strategy. The full execution of a strategy often takes five or more years, during which many changes occur which have major ramifications for the strategy's ultimate success (Pearce & Robinson, 2002).

According to Pearce & Robinson (2002), managers responsible for the success of the strategy concerned about two set of questions: One of the questions is: Are we moving in the proper direction? Are key things falling into place? Are our assumptions about major trends and changes correct? Are we doing the critical things that need to be done? Should we adjust or abort the strategy? Then secondly, How are we performing? Are objectives and schedules being met? Are costs, revenues and cash flows matching projections? Do we need to make operational changes? These questions are mandatory for any management of an organization.

Management cannot assume that everything will go on without need to of a checkpoint. It is this checkpoint in strategy evaluation that brings the idea of strategy evaluation. It is strategic evaluation and control, if well designed, that will answer these questions.

Strategy can neither be formulated nor adjusted to changing circumstances without a process of strategy evaluation (Rumelt, 2000). Whether performed by an individual or as part of an organizational review

procedure, strategy evaluation forms an essential step in the process of guiding an enterprise (Rumelt, 2000).

1.1.2 Challenges of strategy evaluation

In 2005, Joseph Bower and Clark Gilbert, Professors of Business Administration at Harvard Business School recently said, "One of the criticisms we would have of some of our colleagues who have studied strategy (and some consultants who advice on strategy) is that they assume that once you design strategy it gets executed. They don't look inside the process and realize that it's much more complicated." (Bower, J. L., & Clark G, 2005). It is therefore evident that the strategy should be continually reviewed and controlled and should not be taken as a one off exercise.

According to Rumelt (2002), however it is accomplished; the products of a business strategy evaluation are answers to these three questions: 1) Are the objectives of the business appropriate? 2) Are the major policies and plans appropriate? 3) Do the results obtained to date confirm or refute critical assumptions on which the strategy rests?

Devising adequate answers to these questions is neither simple nor straightforward. Pearce & Robinson (2002), quoting Navitz & Newman (1982), said "The evaluation of strategy can be characterized as a form of *steering control*". Usually a lot of time lapses between the initial strategy implementation and the actual achievement of the intended results. During that time, investments are made and numerous projects and actions are undertaken to implement the strategy. Also, during that time, changes are taking place in both the environmental situation and the firm's internal situation (Pearce & Robinson, 2002). Strategic evaluation and controls are therefore necessary to steer the organization through these developments and changes.

1.1.3 Kenya Civil Aviation Authority

Civil aviation is one of two major categories of flying, representing all non-military aviation, both private and commercial. Most of the countries in the world are members of the International Civil Aviation Organization (ICAO) and work together to establish common standards and recommended practices for civil aviation through that agency.

Civil aviation includes two major categories. The first category is Scheduled air transport, including all passenger and cargo flights operating on regularly-scheduled routes and the other category is general aviation (GA), including all other civil flights, private or commercial

Although scheduled air transport is the larger operation in terms of passenger numbers, GA is larger in the number of flights (and flight hours, in the U.S.) In the U.S., GA carries 166 million passengers each year, more than any individual airline, though less than all the airlines combined.

The Convention on International Civil Aviation (the *Chicago Convention*) was originally established in 1944: it states that signatories should collectively work to harmonize and standardize the use of airspace for safety, efficiency and regularity of air transport. All the States signatory to the Chicago Convention, now 188, are obliged to implement the Standards and Recommended Practices (SARPs) of the Convention.

Each signatory country has a Civil Aviation Authority (CAA) (such as the KCAA in Kenya) to oversee the areas of civil aviation which includes; Personnel Licensing dealing regulating the basic training and issuance of licenses and certificates, Flight Operations which deals with carrying out safety oversight of commercial operators. The other area is Airworthiness which deals with issuing certificates of registration and certificates of airworthiness to civil aircraft, and overseeing the safety of maintenance organizations. Another important area of civil aviation is

Aerodromes an area that designs and constructs aerodrome facilities, while Air Traffic Services deals with managing the traffic inside of a country's airspace.

(http://wikipedia.org/wiki/Civil_aviation).

Already, in the early years of aviation (before World War I) people with foresight had realized that the advent of the airplane added a new dimension to transport which could no longer be contained within strictly national confines. It was for this reason that, on the invitation of France, the first important conference on an international air law code was convened in Paris in 1910. This conference was attended by 18 European States and a number of basic principles governing aviation were laid down.

Needless to say that the technical developments in aviation arising out of World War I created a completely new situation at the end of the hostilities, especially with regard to the safe and rapid transport of goods and persons over prolonged distances. However, the war had also shown the ugly potential of aviation and it had therefore become much more evident that this new, and now greatly advanced means of transport required international attention.

For obvious reasons, the treatment of aviation matters was a subject at the Paris Peace Conference of 1919 and it was therefore entrusted to a special Aeronautical Commission, which had its origin in the Inter-Allied Aviation Committee created in 1917. At the same time, civil air transport enterprises were created in many European States and in North America, some of which were already engaged in international operations (Paris-London, Paris-Brussels). Also in 1919, two British airmen, Alcock and Brown, made the first West-East crossing of the North Atlantic from Newfoundland to Ireland and the "R-34", a British dirigible made a round trip flight from Scotland to New York and back.

It was events like these which incited a number of young aviators to propose that the international collaboration in aviation matters which had been born out of military necessity during and immediately after World War I should not end with the end of hostilities but should now be turned to peaceful ends, i.e. the development of post-war civil aviation because they believed that aviation had to be international or not at all. This proposal was formally taken up by France and submitted to the other principal Allied powers who received it favorably. This action then resulted in the drawing up of the International Air Convention, which was signed by 26 of the 32 Allied and Associated powers represented at the Paris Peace Conference and was ultimately ratified by 38 States. This Convention consisted of 43 articles that dealt with all technical, operational and organizational aspects of civil aviation and also foresaw the creation of an International Commission for Air Navigation (ICAN) to monitor developments in civil aviation and to propose measures to States to keep abreast of developments. It should be noted that this Convention took over all the principles that had already been formulated by the Conference that had been held in 1910 in Paris.

To assist the Commission, it was agreed to establish a small permanent Secretariat under the direction of a General Secretary. In December 1922 this Secretariat assumed its duties with Mr. Albert Roper from France as General Secretary and it was located in Paris, where it remained throughout its existence. In fact, it should be noted that Mr. Roper also became the first Secretary General of ICAO and the European Office of ICAO in Paris, on its foundation, took over the offices of the ICAN Secretariat and remained there for its first 19 years until August 1965 (60 bis avenue d'Iéna). This seems to demonstrate certain continuity, at least as far as organizational measures in international civil aviation are concerned.

The years between the two World Wars were marked by a continuous growth of civil aviation in both the technical and the commercial fields, even though flying was not yet opened to the masses but remained a rather exclusive means of personal transport. It is needless to say that the aviation made during World War II not only resulted in horror and human tragedies but that its utilization also significantly advanced the technical and operational possibilities of air transport in a world which had finally found peace again. In fact, for the first time large numbers of people and goods had been transported over long distances and ground facilities had been developed to permit this in an orderly and expeditious manner. It was for this reason that, in 1943, the US initiated studies of post-war civil aviation problems which, once more, confirmed the belief that they either were to be tackled on an international scale or it would not be possible to use it as one of the principal elements in the economic development of the world and the first available means to start "healing the wounds of war" as President Roosevelt put it.

(http://www.icao.int/cgi/goto_m.pl?icao/en/hist/history01.htm).

The civil aviation industry in Kenya has two main types of players. The first one is the airline operators who deal with air transport, both for passengers and cargo. The second type of players is the aviation training schools, which deal with training in aviation related courses. Kenya has a very competitive aviation industry with many companies diversifying their services to embrace more customer-focused products. The government is tasked with the responsibility of regulating all the players, so that the Kenya civil aviation industry runs smoothly, and in conformation to international standards and agreements. All the players are the customers of the government-owned regulating entity. The government provides them with services like supervision, licensing, inspection, examinations, advisory services, and so on. All the services are mandatory for the operators to operate and are charged at a fee. Apart from regulating organizations, the

government also regulates individuals working in the aviation industry. These include pilots, captains, engineers, flight attendants, air traffic controllers, flight operators, ground operators, and so on. The task of civil aviation regulation is vested in the Kenya Civil Aviation Industry

1.1.4 Kenya Civil Aviation Industry

Kenya's civil aviation history dates back to years immediately after the second world war, when the colonial government established the East African Directorate of Civil Aviation (EADCA). With the collapse of the EAC in June 1977, the East African states founded their own civil aviation agencies. Consequently, the Kenya Directorate of Civil Aviation (DCA) was established on 16th December 1977. The DCA was established to control, regulate and ensure orderly development of the Civil Aviation industry in Kenya. It operated as a Government Department within the Ministry of Power and Communications, later the Ministry of Transport and Communications. The International Civil Aviation Organization (ICAO) required that all member states operate autonomous institutions to regulate their national aviation systems. This therefore gave birth to KCAA. The Kenya Civil Aviation Authority is therefore a State Corporation established through an Act of Parliament, the Civil Aviation (Amendment) Act (Cap 394) of 24th October 2002. It succeeded the Directorate of Civil Aviation (DCA) which was a department within the Ministry of the then Transport and Communication, which was split into Ministry of Transport and Ministry of Communication. The Kenya Civil Aviation Authority (KCAA) is a corporate body managed by an eleven-man Board of Directors, including the Executive Director General. The board members are appointed by the Minister of Transport. The Authority's broad key functions are to regulate the aviation industry in Kenya and to provide air navigation services within Kenya's Flight Information region (FIR). The Authority also offers training for aviation personnel through the East African School of Aviation. Its vision is to be the

model of excellence in global civil aviation standards and practices while the mission is to develop, regulate and manage a safe, efficient and effective civil aviation system in Kenya. The core values of KCAA are customer satisfaction, commitment to safety and security, fairness and equity, commitment to staff, creative and innovativeness and corporate social responsibility. In the KCAA's endeavor to follow this vision, it is implementing the 2005/2010 strategic plan. (<http://www.kcaa.or.ke/>).

1.2 Statement of the problem

KCAA is a public state corporation. There has been several studies conducted in strategic management in the public sector, mainly centering on strategic formulation and implementation and challenges associated with the same. There are only few studies aimed at strategic evaluation. In 2006, Mwangi looked at the application of balanced score card in strategy implementation at the KRA. In this study, Mwangi was specific on the balanced score card as a model of strategy evaluation, but did not look at other models. In 2004, Kipkore looked at the evaluation of public utility projects at the Eldoret international airport. Nyaguthii (2008) looked at strategy evaluation and control among dairy processing firms in Kenya. The only study in civil aviation industry in Kenya was done by Mbugua in 2009, who conducted a study on the Challenges of strategy implementation at the Kenya Civil Aviation Authority. So there is ready knowledge from Mbugua's study about strategy implementation and challenges at KCAA. However, no known study has been done on strategy evaluation and its challenges in Kenya Civil Aviation Authority. KCAA is implementing its current strategy and nobody has studied about how the authority is going about evaluating the strategy and what challenges are being

faced, if any. The question therefore is how is strategy evaluation being done at KCAA and what challenges are being faced in the process?

1.3 Objectives of the study

The main objectives of this study include:-To identify the challenges in the process of evaluating the 2005/2010 strategic plan at KCAA;

The specific objectives are:

- i) To understand the challenges that the authority is facing in evaluating the strategy.
- ii) To understand how the authority has been evaluating the strategy

1.4 Value of the study

There are numerous models employed in strategy evaluation. These models come with different challenges for different organizations. Understanding how KCAA is carrying out strategy evaluation and the challenges faced is critical for management of organizations in the aviation sector and beyond as it would help them understand possible models they can use in strategy evaluation. The results of the study would also propose solutions to the challenges faced in strategy evaluation, which would be applicable to other organizations in dealing with challenges in strategy evaluation. KCAA being a government corporate organization, the results of the study would also be beneficial to senior management of other government corporations and authorities as it would help them understand the possible methods they can use to carry out strategy evaluation and the challenges associated with strategy evaluation in their organizations. On the other hand, the study will add to the pool of knowledge in the aviation industry as well as provide future researchers and scholars with suggestions and basis for further research.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Strategic or institutional management is the conduct of drafting, implementing and evaluating cross-functional decisions that will enable an organization to achieve its long-term objectives (David, 1989). It is the process of specifying the organization's mission, vision and objectives, developing policies and plans, often in terms of projects and programs, which are designed to achieve these objectives, and then allocating resources to implement the policies and plans, projects and programs. A balanced scorecard is often used to evaluate the overall performance of the business and its progress towards objectives. Strategic management is a level of managerial activity and provides overall direction to the organization.

2.2 Strategic Management Process

According to Thompson & Strickland (1993), the strategy making and strategy implementing function of managers consists of five interrelated components. The first and initial stage is the developing a vision and mission statement. A mission statement is a formal short written statement of the purpose of a company or organization. According to Thompson & Strickland (1993), the managements answer to this question begins carving out a meaningful direction for the organization to take and establishing and organizational identity. This leads to developing of the organization's mission and vision. The mission statement should guide the actions of the organization, spell out its overall goal, provide a sense of direction, and guide decision-making. It provides "the framework or context within which the company's strategies are formulated."(Hill & Jones, 2008).On the other hand, a Vision statement outlines what the

organization wants to be, or how it wants the world in which it operates to be. It concentrates on the future. It is a source of inspiration. It provides clear decision-making criteria. The second step in the strategic management process is the setting the objectives

Guided by the business vision, the firm's leaders can define measurable financial and strategic objectives. The third step is the crafting of the strategy. According to Thompson & Strickland (1993), this is the main part of the strategic management process and involves such sub-processes as macroeconomic analysis, Industry analysis (microeconomic analysis), SWOT Analysis, Industry Types Analysis, game theory, environmental scanning, and many others. The fourth stage is the implementation of the strategy. Successful companies align their key management processes for effective strategy execution. Many of these companies have now sustained their focus on strategy execution by establishing a new corporate-level unit (Kaplan & Norton, 2005). The last step according to Thompson & Strickland (1993) is strategy Evaluation and Control

2.3 Strategy Evaluation

Strategy can neither be formulated nor adjusted to changing circumstances without a process of strategy evaluation. Whether performed by an individual or as part of an organizational review procedure, strategy evaluation forms an essential step in the process of guiding an enterprise (Rumelt, 2000).

2.3.1 Rumelt's 4 criteria strategy evaluation model

For many executives strategy evaluation is simply an appraisal of how well a business performs. Has it grown? Is the profit rate normal or better? If the answers to these questions are affirmative, it is argued that the firm's strategy must be sound (Rumelt, 2000). Despite its

unassailable simplicity, this line of reasoning misses the whole point of strategy—that the critical factors determining the quality of long-term results are often not directly observable or simply measured, and that by the time strategic opportunities or threats do directly affect operating results, it may well be too late for an effective response. Thus, strategy evaluation is an attempt to look beyond the obvious facts regarding the short-term health of a business and appraise instead those more fundamental factors and trends that govern success in the chosen field of endeavor (Rumelt, 2000). Rumelt (2000) proposed the following 4-criteria model.

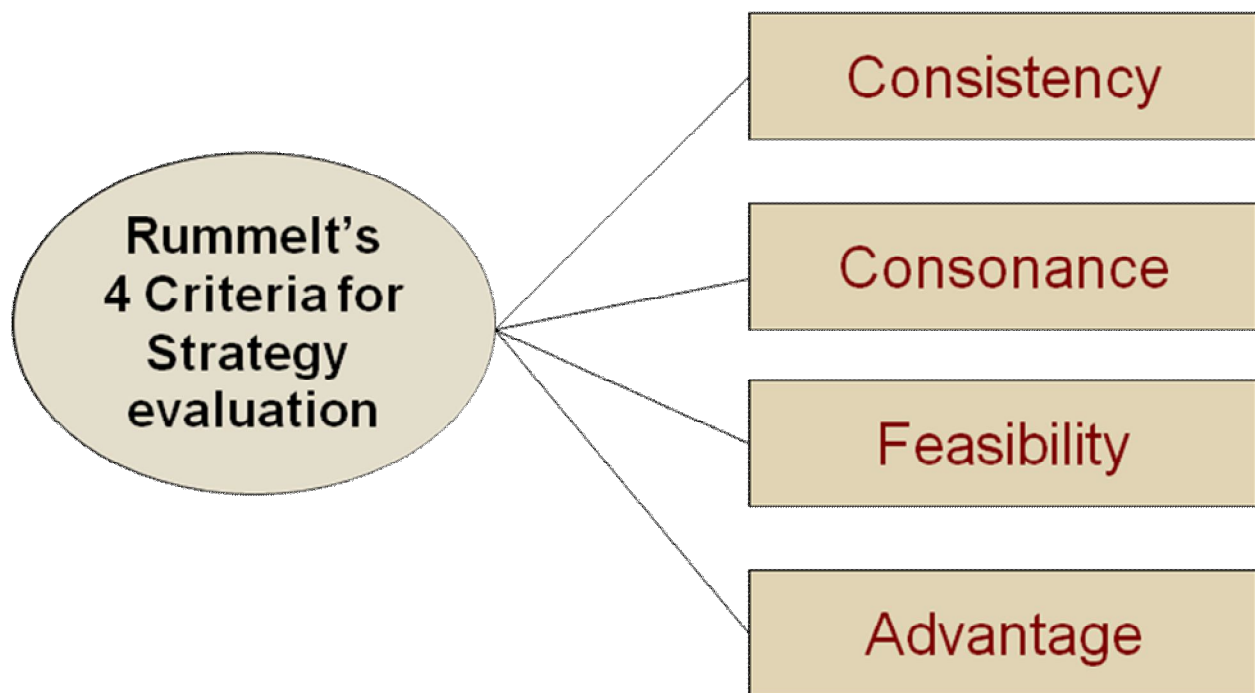


Figure 1: Rumelt 4-criteria model

Source: www.anderson.ucla.edu

According to Rumelt, strategy should not present inconsistent goals and policies. There is inconsistency when there is persistence of issues-based (not personality-based) conflicts, success for one department means failure for another and policy problems are frequently referred to the top for resolution. He further proposed a need for strategies to examine sets of trends rather than a single trend. This means that there is need for a holistic view (internal and external

environments) of the strategy. There should neither be overtaxing of resources nor creation of unsolvable sub-problems. The strategy should be able to be done with the given or available resources. Competitive advantage should also be evident such that there is creation or maintenance of competitive advantage. If the implemented strategy doesn't create a competitive advantage then what's the point?

2.3.2 Balanced Scorecard

Kaplan and Norton (1992) introduced balanced scorecard as a performance measurement tool for the first time. Till now many changes have been made to the physical design, application and the design processes used to implement the tool, that have enhanced the utility of balanced scorecard as a strategic management tool (Kaplan & Norton, 2001). The ending purpose of BSC is to provide the key success factors for the managers and aligning the performance with the overall strategy of the organization. Kaplan and Norton (2001) claim that BSC could provide the managers, an organization leading tool for achievement in future competitiveness (Amaratunga & Baldry, 2000).

Some scholars knew BSC as strategic performance management system that translates the strategic goals of organization to its related performance measures (Bremser & White, 2000). The purpose of BSC is to implement organization goals and vision in practice. This model assumes the goals and strategies by translating the organizational goals to key success factors in the BSC four perspectives, as a center of organizational performance control system (Kaplan & Norton, 1996).

The BSC according to Kaplan and Norton has four measurement perspectives, which are summarized as follows (Figure 1). They include financial perspective, customer perspective, internal process perspective and learning and growth perspective.

Organizations which use this model, customize it with their own processes and environment, therefore there is no necessity in applying the four perspective of BSC or they could affix another perspective to BSC, according to their needs (Kaplan & Norton, 1996).

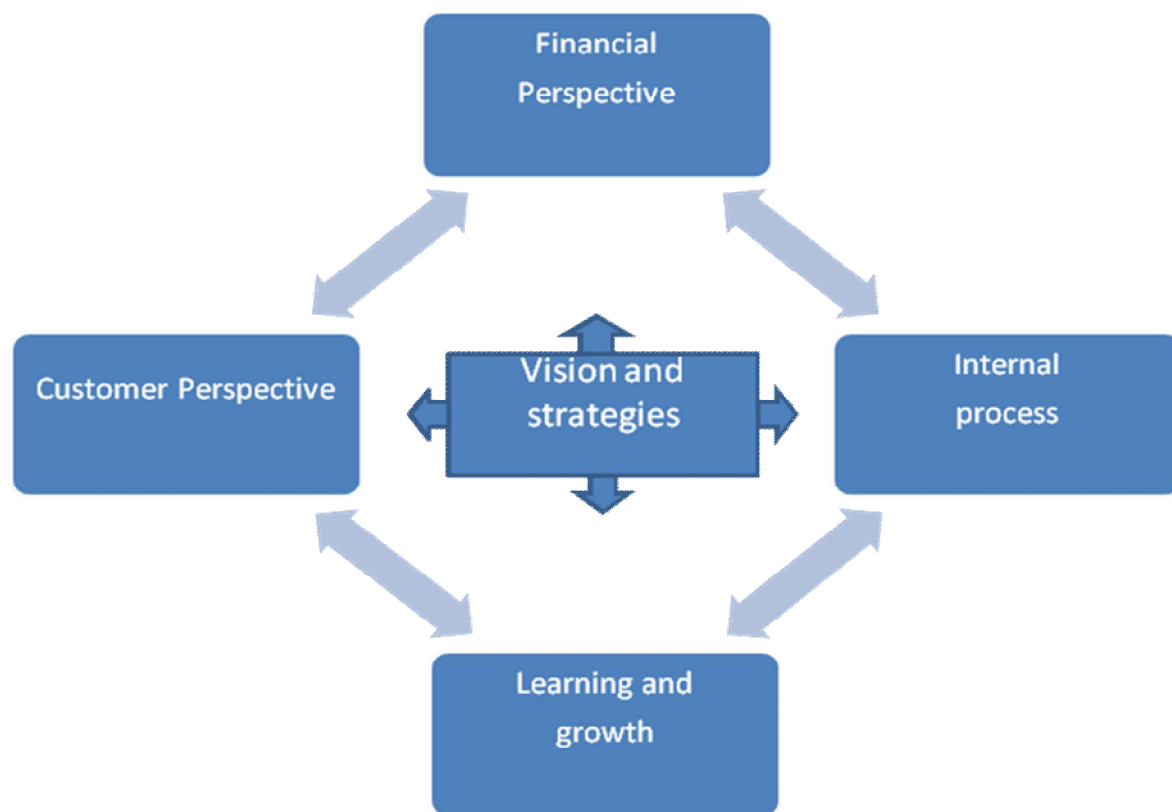


Figure 2: Perspectives of the balanced scorecard.

Source: Kaplan & Norton (1996).Using the balanced scorecard as a strategic management system. Harvard Business Review: page 78.

BSC is effectively used in manufacturing, service and governmental organizations. In spite of BSC usages in industry sector being well documented, very little research has been reported

regarding the adaptation or application of the BSC in the education sector (Karathanos, 2005). Amaratunga and Baldry used BSC in measurement of higher education sector, performance, then they confirmed the relation between performance measurement and performance quality based on BSC model (Amaratunga & Baldry, 2000). Delker (2003) developed a BSC model for the California State University in his thesis in order to get the Master of Business Administration Degree. In this thesis the BSC measures for university appraisal were evolved and implemented (Delker, 2003).

Cullen et al. (2003) proposed the use of BSC in support to underscore the essence of performance management instead of performance measurement. Sutherland (2000) reported that the Rossier School of Education at the University of Southern California adopted the balanced scorecard approach to assess its academic program and planning process (Karathanos, 2005).

Chen et al.(2006) in their study, have focused on the use of the BSC to establish an evaluation system for the performance of Chin-Min Institute of Technology (CMIT).They have developed BSC as strategic management tool for HEIs in Taiwan.

Umashankar and Dutta (2007) used the balanced scorecard concept and discuss in what way it should be applied to higher education programs/institutions in the Indian context (Umashankar & Dutta, 2007). Papenhausen & Einstein (2006) used the BSC in Management faculty of the University of Massachusetts-Dartmouth. The purpose of the survey was to show how the Balanced Scorecard approach, a performance management system, could be implemented at a college of business.Cullen et al. (2003) developed the BSC model for management and business administration faculty of Mid Ranking UK University (Kettunen, 2006). The Balance score card, according to David (2007), is applied using the table described in index I. the decisions are made using the Strategy-Evaluation Assessment Matrix shown in index II.

The balanced scorecard has been heralded as one of the most significant developments in management accounting (Atkinson et al. 1997). A recent study by Bain & Company indicates that 57 percent of firms worldwide use the balanced scorecard, including 75 percent of large firms and 64 percent of firms in North America (Rigby & Bilodeau 2005). Further, greater scorecard usage is associated with improved performance, regardless of firm size and product life cycle (Hoque & James, 2000).

Early writings on the balanced scorecard focused on the ability of multiple measures to provide a more balanced perspective of firms' performance (Kaplan and Norton 1992). Under this view, the four scorecard categories (financial, customer, internal processes, and learning and growth) keep managers from focusing solely on financial performance measures. Kaplan and Norton (1992) also emphasizes balance between internal and external measures, between outcome measures and drivers of success, and between objective and subjective measures of performance.

More recently, scorecard proponents have shifted their emphasis from balance to the strategy, arguing that the scorecard serves as a tool for defining strategic objectives and communicating them throughout the organization, identifying initiatives to achieve those objectives, and evaluating whether those objectives have been achieved (Kaplan & Norton 2000, 2001; Niven 2002; Buytendijk et al. 2004). Scorecards are tied to strategy through the "strategy map" (Kaplan and Norton 2000), also called a "value driver map" (Ittner and Larcker 2003). Strategy maps translate expected results into testable hypotheses to enhance "strategic learning," the process of using the strategically aligned scorecard measures as a way of measuring the success of strategy (Kaplan and Norton 2001). If linkages in the hypothesized causal chain of performance prove spurious, the scorecard, or the strategy that drives it, can be adjusted.

Balanced-scorecard implementation issues have also received increased emphasis in recent years (e.g., see Niven (2002) and Kaplan and Norton (2006)). Viewed narrowly, scorecard implementation involves (among other things) the selection of measures, the collection of scorecard-related data, the formatting of scorecard reports, and the dissemination of scorecard information. When the scorecard is viewed as a tool for defining, executing, and measuring strategy, scorecard implementation also involves the allocation of decision rights regarding strategy selection and plans for achieving those strategic objectives. Kaplan and Norton (1996a) recommend that scorecard development be a joint effort of unit managers and upper management. Cokins (2005) suggests that manager involvement in scorecard implementation generates “buy-in and ownership of the scorecard and key performance indicators.”

David (2007) identified a number of challenges associated with Strategy Evaluation. One of the challenges is the increase in environment’s complexity thus making it difficult to keep in pace with the changes in the business environment. The other challenge is the inability to predict the future with accuracy, thus it is possible to make incorrect predictions, which may result in altering otherwise sound strategies. Increasing number of variables is also a challenge since every time there are new measurements that have to be done and everytime data collection tools have to be re-modified. The other challenge is the rate of obsolescence of plans. Plans become obsolete with passage of time. Domestic and global events also affect the implementation of the balanced scorecard. The other challenge is the decreasing time span for planning certainty.

2.3.3 Benchmarking

Benchmarking is the process of comparing the business processes and performance metrics including cost, cycle time, productivity, or quality to another that is widely considered to be an industry standard benchmark or best practice; it involves management identifying the best firms in the industry and then comparing the performance standards including quality-of these businesses with those of their own business. Essentially, benchmarking provides a snapshot of the performance of your business and helps you understand where you are in relation to a particular standard. The result is often a business case and "Burning Platform" for making changes to make improvements. The term benchmarking was first used by cobblers to measure people's feet for shoes. They would place someone's foot on a "bench" and mark it out to make the pattern for the shoes. Benchmarking is most used to measure performance using a specific indicator (cost per unit of measure, productivity per unit of measure, cycle time of x per unit of measure or defects per unit of measure) resulting in a metric of performance that is then compared to others.

Also referred to as "best practice benchmarking" or "process benchmarking", it is a process used in management and particularly strategic management, in which organizations evaluate various aspects of their processes in relation to best practice companies' processes, usually within a peer group defined for the purposes of comparison. This then allows organizations to develop plans on how to make improvements or adapt specific best practices, usually with the aim of increasing some aspect of performance. Benchmarking may be a one-off event, but is often treated as a continuous process in which organizations continually seek to improve their practices.

There is no single benchmarking process that has been universally adopted. The wide appeal and acceptance of benchmarking has led to various benchmarking methodologies emerging. The first book on benchmarking, written by Kaiser Associates in 1998 offered a 7-step approach. Robert Camp (who wrote one of the earliest books on benchmarking in 1989) developed a 12-stage approach to benchmarking.

According to Camp (1989), the 12 stage methodology consisted of 1) Select subject ahead; 2) Define the process 3) Identify potential partners 4) Identify data sources 5) Collect data and select partners 6) Determine the gap 7) Establish process differences 8) Target future performance 9) Communicate 10) Adjust goal 11) Implement 12) Review/recalibrate.

The following is an example of a typical benchmarking methodology, according to Kaiser Associates (1988):

First of all, identify your problem areas. Because benchmarking can be applied to any business process or function, a range of research techniques may be required. They include: informal conversations with customers, employees, or suppliers; exploratory research techniques such as focus groups; or in-depth marketing research, quantitative research, surveys, questionnaires, re-engineering analysis, process mapping, quality control variance reports, or financial ratio analysis. Before embarking on comparison with other organizations it is essential that you know your own organization's function, processes; base lining performance provides a point against which improvement effort can be measured. The next step is to identify other industries that have similar processes. For instance if one were interested in improving hand offs in addiction treatment he/she would try to identify other fields that also have hand off challenges. These could include air traffic control, cell phone switching between towers, transfer of patients from

surgery to recovery rooms. Next, identify organizations that are leaders in these areas. Look for the very best in any industry and in any country. Consult customers, suppliers, financial analysts, trade associations, and magazines to determine which companies are worthy of study. After this, survey companies for measures and practices. Companies target specific business processes using detailed surveys of measures and practices used to identify business process alternatives and leading companies. Surveys are typically masked to protect confidential data by neutral associations and consultants.

After the survey, visit the "best practice" companies to identify leading edge practices. Companies typically agree to mutually exchange information beneficial to all parties in a benchmarking group and share the results within the group. The ultimate stage is then to implement new and improved business practices and strategies. Take the leading edge practices and develop implementation plans which include identification of specific opportunities, funding the project and selling the ideas to the organization for the purpose of gaining demonstrated value from the process. This will include adjusting existing strategies to reflect what the "best practice companies are doing.

Benchmarking poses several challenges to the organization. One of the challenges is the cost involved in relation to travels and accommodation, as the benchmarking team has to travel to where these "best practice companies" are situated. The other challenge is in relation to time. Members of the benchmarking team will be investing time in researching problems, finding exceptional companies to study, visits, and implementation. This will take them away from their regular tasks for part of each day so additional staff might be required. Benchmarking Database costs is also another challenge (Kaiser Associates, 1988). Organizations that institutionalize benchmarking into their daily procedures find it is useful to create and maintain a database of

best practices and the companies associated with each best practice now. In the process of identifying the organizations to benchmarking, some may not cooperate and as such there may be difficult in getting data from these firms (Camp, 1989). The cost of benchmarking can substantially be reduced through utilizing the many internet resources that have sprung up over the last few years. These aim to capture benchmarks and best practices from organizations, business sectors and countries to make the benchmarking process much quicker and cheaper.

2.3.4 Business process reengineering

Business Process Reengineering (BPR) is a management practice that aims to improve the efficiency of the business process. The key to BPR is for organizations to look at their business processes from a "clean slate" perspective and determine how they can best construct these processes to improve how they conduct business. Reengineering is a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, speed, and service. BPR combines a strategy of promoting business innovation with a strategy of making major improvements to business processes so that a company can become a much stronger and more successful competitor in the marketplace. Re-engineering is the basis for many recent developments in management. The cross-functional team, for example, has become popular because of the desire to re-engineer separate functional tasks into complete cross-functional processes. Also, many recent management information systems developments aim to integrate a wide number of business functions. Enterprise resource planning, supply chain management, knowledge management systems, groupware and collaborative systems, Human Resource Management Systems and customer relationship management systems all owe a debt to re-engineering theory. Business Process Reengineering is also known as Business Process Redesign, Business Transformation, or Business Process Change Management. Business process

reengineering (BPR) began as a private sector technique to help organizations fundamentally rethink how they do their work in order to dramatically improve customer service, cut operational costs, and become world-class competitors. A key stimulus for reengineering has been the continuing development and deployment of sophisticated information systems and networks. Leading organizations are becoming bolder in using this technology to support innovative business processes, rather than refining current ways of doing work (United States General Accounting Office, 1997).

Within the framework of this basic assessment of mission and goals, reengineering focuses on the organization's business processes—the steps and procedures that govern how resources are used to create products and services that meet the needs of particular customers or markets. As a structured ordering of work steps across time and place, a business process can be decomposed into specific activities, measured, modeled, and improved. It can also be completely redesigned or eliminated altogether. Reengineering identifies, analyzes, and redesigns an organization's core business processes with the aim of achieving dramatic improvements in critical performance measures, such as cost, quality, service, and speed (United States General Accounting Office, 1997). Reengineering recognizes that an organization's business processes are usually fragmented into sub processes and tasks that are carried out by several specialized functional areas within the organization. Often, no one is responsible for the overall performance of the entire process. Reengineering maintains that optimizing the performance of sub processes can result in some benefits, but cannot yield dramatic improvements if the process itself is fundamentally inefficient and outmoded. For that reason, reengineering focuses on redesigning the process as a whole in order to achieve the greatest possible benefits to the organization and their customers. This drive for realizing dramatic improvements by fundamentally rethinking

how the organization's work should be done distinguishes reengineering from process improvement efforts that focus on functional or incremental improvement (United States General Accounting Office, 1997). Information technology (IT) has historically played an important role in the reengineering concept. It is considered by some as a major enabler for new forms of working and collaborating within an organization and across organizational borders.

Although the labels and steps differ slightly, the early methodologies that were rooted in IT-centric BPR solutions share many of the same basic principles and elements. The outline depicted in index III is one such model, based on the PRLC (Process Reengineering Life Cycle) approach developed according to Guha et al (1993). The diagram shows a simplified schematic outline of using a business process approach, exemplified for pharmaceutical R&D. It includes structural organization with functional units, introduction of New Product Development as cross-functional process and re-structuring and streamlining activities, removal of non-value adding tasks. Benefiting from lessons learned from the early adopters, some BPR practitioners advocated a change in emphasis to a customer-centric, as opposed to an IT-centric, methodology. One such methodology, that also incorporated a Risk and Impact Assessment to account for the impact that BPR can have on jobs and operations, was described by Roberts (1994). Roberts also stressed the use of change management tools to proactively address resistance to change a factor linked to the demise of many reengineering initiatives that looked good on the drawing board.

Some items to use on a process analysis checklist are: Reduce handoffs, Centralize data, Reduce delays, free resources faster, Combine similar activities. Also within the management consulting industry, a significant number of methodological approaches have been developed, most notable by Simon Kai in his doctoral thesis, by studying several organizations. Davenport and Short

(1990) prescribe a five-step approach to BPR. The first process is to develop the business Vision and process objectives. BPR is driven by a business vision which implies specific business objectives such as Cost Reduction, Time Reduction, Output Quality improvement, QWL/Learning/Empowerment. The next process is to identify the processes to be redesigned. Most firms use the *High- Impact* approach which focuses on the most important processes or those that conflict most with the business vision. Lesser number of firms use the *exhaustive* approach that attempts to identify all the processes within an organization and then prioritize them in order of redesign urgency. The third step according to Davenport is to understand and measure the existing processes. This will aid in avoiding the repeating of old mistakes and for providing a baseline for future improvements. The next step is to identify IT levers. This awareness of IT capabilities can and should influence process design. The last step is to design and build a prototype of the new process. The actual design should not be viewed as the end of the BPR process. Rather, it should be viewed as a prototype, with successive iterations. The metaphor of prototype aligns the BPR approach with quick delivery of results, and the involvement and satisfaction of customers.

2.3.5 Management by objectives (MBO)

Management by Objectives (MBO) is a process of agreeing upon objectives within an organization so that management and employees agree to the objectives and understand what they are in the organization. The term "management by objectives" was first popularized by Peter Drucker in his 1954 book 'The Practice of Management'. The essence of MBO is participative goal setting, choosing course of actions and decision making. An important part of the MBO is the measurement and the comparison of the employee's actual performance with the standards set. Ideally, when employees themselves have been involved with the goal setting and the choosing the course of action to be followed by them, they are more likely to fulfill their responsibilities.

According to Drucker managers should avoid 'the activity trap', getting so involved in their day to day activities that they forget their main purpose or objective. One of the concepts of MBO was that instead of just a few top-managers, all managers of a firm should participate in the strategic planning process, in order to improve the implementability of the plan (Drucker, 1954). Another concept of MBO was that managers should implement a range of performance systems, designed to help the organization stay on the right track (Drucker, 1954). Clearly, Management by Objectives can thus be seen as a predecessor of Value Based Management!

MBO principles are: Cascading of organizational goals and objectives, Specific objectives for each member, Participative decision making, explicit time period, and performance evaluation and feedback. Management by objectives also introduced the SMART method for checking the validity of the Objectives, which should be 'SMART' (Specific, Measurable, Achievable, Realistic, and Time-related). In the 90s, Peter Drucker put the significance of this organization management method into perspective, when he said: "It's just another tool. It is not the great cure

for management inefficiency... MBO works if you know the objectives, 90% of the time you don't." The principle behind Management by Objectives (MBO) is to create empowered employees who have clarity of the roles and responsibilities expected from them, understand their objectives to be achieved and thus help in the achievement of organizational as well as personal goals. MBO has some important features and advantages. One of them is motivation – Involving employees in the whole process of goal setting and increasing employee empowerment increases employee job satisfaction and commitment. The other feature is better communication and Coordination – Frequent reviews and interactions between superiors and subordinates helps to maintain harmonious relationships within the enterprise and also solve many problems faced during the period. The other one is clarity of goals. Well to be supposed if yet this management by objectives has certain advantages as well as disadvantages, it is a virtual technique for effective management and it takes around 5 years to get MBO yielding results.

There are several limitations to the assumptive base underlying the impact of managing by objectives. One of them is that it over-emphasizes the setting of goals over the working of a plan as a driver of outcomes. It underemphasizes the importance of the environment or context in which the goals are set. That context includes everything from the availability and quality of resources, to relative buy-in by leadership and stake-holders. As an example of the influence of management buy-in as a contextual influencer, in a 1991 comprehensive review of thirty years of research on the impact of Management by Objectives, Robert Rodgers and John Hunter concluded that companies whose CEOs demonstrated high commitment to MBO showed, on average, a 56% gain in productivity. Companies with CEOs who showed low commitment only saw a 6% gain in productivity (<http://www.jstor.org/cookieabsent.html>). Companies evaluated their employees by comparing them with the "ideal" employee. Trait appraisal only looks at what

employees *should be*, not at what they *should do* (Cannie, 1979). It also did not address the importance of successfully responding to obstacles and constraints as essential to reaching a goal. The model didn't adequately cope with the obstacles of defects in resources, planning and methodology. It also did not address the increasing burden of managing the information organization challenge and the impact of a rapidly changing environment, which could alter the landscape enough to make yesterday's goals and action plans irrelevant to the present (<http://www.managepro.com/mbotopm.html>).

When this approach is not properly set, agreed and managed by organizations, in self-centered thinking employees, it may trigger an unethical behavior of distorting the system of results and financial figures to falsely achieve targets that were set in a short-term, narrow, bottom-line fashion (Castellano et al, 2004). The use of MBO needs to be carefully aligned with the culture of the organization. While MBO is not as fashionable as it was before the 'empowerment' fad, it still has its place in management today. The key difference is that rather than 'set' objectives from a cascade process, objectives are discussed and agreed, based upon a more strategic picture being available to employees. Engagement of employees in the objective setting process is seen as a strategic advantage by many. A saying around MBO and CSF's - "What gets measured gets done"(Behn, 2003) - is perhaps the most famous aphorism of performance measurement; therefore, to avoid potential problems SMART and SMARTER objectives need to be agreed upon in the true sense rather than set

2.3.6 Continuous Improvement Process (CIP)

Continuous Improvement Process (CIP or CI) is an ongoing effort to improve products, services or processes. These efforts can seek "incremental" improvement over time or "breakthrough" improvement all at once (<http://www.asq.org>). Delivery (customer valued) processes are constantly evaluated and improved in the light of their efficiency, effectiveness and flexibility.

Some see it as a meta-process for most management systems (Business Process Management, Quality Management, and Project Management). W. Edwards Deming, saw it as part of the 'system' whereby feedback from the process and customer were evaluated against organizational goals. The fact that it can be called a management process does not mean that it needs to be executed by 'management' merely that it makes decisions about the implementation of the delivery process and the design of the delivery process itself.

Some successful implementations use the approach known as Kaizen (the translation of kai (“change”) zen (“good”) is “improvement”). This method became famous by the book of Masaaki Imai “Kaizen: The Key to Japan's Competitive Success.” The core principle of CIP is the (self) reflection of processes (Feedback). The purpose of CIP is the identification, reduction, and elimination of suboptimal processes (Efficiency). The emphasis of CIP is on incremental, continuous steps rather than giant leaps (Evolution). The elements above are the more tactical elements of CIP. The more strategic elements include deciding how to increase the value of the delivery process output to the customer (Effectiveness) and how much flexibility is valuable in the process to meet changing needs (Imai, 1997)

2.4 Empirical studies

There have been a number of studies conducted on strategy evaluation. In 2006, Mwangi looked at the application of balanced score card in strategy evaluation at the Kenya Revenue Authority. In this study, Mwangi was specific on the balanced score card as a model of strategy evaluation, but did not look at other models. In 2004, Kipkore looked at the evaluation of public utility projects at the Eldoret international airport. Holland (2000) carried out a study on strategy evaluation and management procedures in the management of fishery industry in South Africa and Newzealand. In 2007, Hinga conducted a study on strategy evaluation at the World Health Organization's Somali office. Nyaguthii (2008) looked at strategy evaluation and control among dairy processing firms in Kenya. In 2005, Athieno conducted a study on monitoring & evaluation of social marketing campaigns against the spread of HIV/AIDS by non-Governmental organizations in Kenya.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the approach that was used to gather the data that was used to achieve the solutions to the objectives of the study. It outlines how the research was designed, how data was collected, and analyzed to come up with the findings, interpretations and conclusions of the study. Since its inception, KCAA has had two strategic plans. The study covered the 2005/2010 strategic plan at the Kenya Civil Aviation Authority. The study looked at the how KCAA is evaluating the 2005.2010 strategic plan and what challenges it has been facing in doing so.

3.2 Research design

The research was conducted via a case study. A case study allows a researcher to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study (Yin, 2009). This means that case studies place more emphasis on a full contextual analysis of fewer event or conditions. Case studies also provide the benefit to observe and record non-verbal as well as verbal behavior (Cooper & Schindler, 2003). The role of strategy implementation and evaluation is vested in the heads of various departments of the Kenya Civil Aviation Authority. There are 17 departments grouped across 4 directorates. Twelve (12) heads of the departments from all the directorates were interviewed using the interview guide annexed in appendix IV

3.3 Data collection

Both primary and secondary data was collected. Primary data was collected through personal interviews. An interview guide (Appendix IV) was used to guide the interviewer in collecting the data from the respondents. The guide has both closed and open ended questions. Structured interviews are best suited for engaging in respondent or focus group studies in which it would be beneficial to compare/contrast participant responses in order to answer a research question (Lindlof & Taylor, 2002).

Although KCAA has operations throughout the country, all stations outside headquarters are linked to departments at the headquarters and it is in headquarters where strategies are managed, resources allocated and the general management rooted from. The target group was the officers in the positions of the Director General, Directors and managers. There is one Director General, 4 Directors and 17 Managers, bringing the total number of potential interviewees to 22. However, two director positions are vacant. Data was collected from one director and eleven (11) managers. These are the officers who are responsible for seeing the strategic plan implemented in their own departments. They were capable for providing the information necessary for this study. Secondary data was also collected from the KCAA's strategic plan.

3.4 Data analysis

The data collected for this study was qualitative. Content analysis was used for the data analysis. The qualitative method investigates the why and how of decision making, not just what, where, when (Denzin & Lincoln, 2005). Therefore the data that was collected from the respondents was compared and contrasted to get the deeper insight about how strategy evaluation is conducted at KCAA and the associated challenges.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

There are four directorates in Kenya civil aviation authority. Data was collected from 12 officers, 3 from each directorate. The officers were identified based on their role within the department and also based on their involvement in the KCAA's strategic management process. All of the interviewed officers held the position of manager, or acting manager. It was found out that there is a separate department (planning department) that is charged with the responsibility of overseeing the strategic management process at KCAA. The department liaises with the other entire department to ensure the strategic process is in line with the organization's mandate. Data was mainly collected through personalized interviews and emphasis was put on questions relating to strategy evaluation.

4.2 Strategic management process

The study found out that the civil aviation industry worldwide is governed and controlled by the international civil aviation organization (ICAO). ICAO is a united nations agency that was established in 1944 to oversee the development and regulation of civil aviation in the world. Kenya is a member of ICAO. In one of the resolutions in the mid 80's ICAO encouraged all governments to establish autonomous entities to operate national civil aviation systems. Through an act of parliament, Kenya civil aviation authority was established on 24th October 2002, when the act creating got presidential assent.

KCAA was mandated with overseeing a safe, economical and efficient civil aviation system in Kenya. In the recent past civil aviation industry has been found out to contribute a great deal towards economic growth as well as social integration. There has been increased reliability on air transport both for goods and people. One further development, efficiency and safety, as well as economic aspects have been seen as paramount for the world to harness the benefits of the civil aviation industry. All civil aviation authorities worldwide have therefore developed blueprints aimed at attaining optimum levels of these 3 aspects. In response to this, KCAA undertook to develop and implement a five year (2005-2010) strategic plan. A copy of the plan was obtained and this provided a lot of the secondary data that was used for the purpose of this study.

4.3 Respondents experience

All the managers interviewed for this study have worked with KCAA for at least ten (10) years. They demonstrated a thorough understanding of KCAA's background and inception. All of them have worked for KCAA's predecessor, the Directorates of civil aviation, and moved into KCAA after it was formed in 2004. This means that they could very well articulate the mandate as well as mission and vision of the authority. The study found out that the managers interviewed were knowledgeable about the strategic management process of KCCA's 2005/2010 strategic plan. It was established that all the managers interviewed have been actively involved in directing the organization to achieving its goals. They are all members of the authority's management committee, which means that they have direct access to the top management of the organization. Their proximity to top management meant that they are able to influence decision making that affect the overall direction of the organization, and as such they provided information that was very useful to this study.

4.4 Strategy formulation

The strategic formulation process of KCAA was very elaborates as found out in this study. It was a bottom-up process that started within the departments. All the respondents stated clearly how the process was conducted and it turned out that a unanimous approach that was employed. First, there were brainstorming sessions within the departments to establish what people's aspirations and goals were. Those discussions were held within the context of the authority's mandate, and position in the industry. In so doing, departmental leads were able to consolidate their proposed departmental targets and goals. This meant that the strategic management process started within the lowest ranked staff, hence making the strategic plan well rooted within the implementers.

After the departments consolidated their goals and what they wanted to achieve, a strategy steering committee was formed. This committee comprised of all the other directors and the managers of the various departments and divisions. A consultant from the private sector was hired, who brought the much needed technical assistant and experience in the drafting of the strategic plan. The strategy steering committee, with technical assistance from the consultant, consolidated a draft strategic plan that also reflected the overall goals of the organization from the standpoint of the shareholder (government), the customers, and the industry. This drafting process was done through a series of workshop, some held within the organizations premises which others were held outside to reduce distractions and enhance concentration and efficiency. The process entailed envisioning (coming up with vision and mission statements), setting the broader objectives and identifying department (functional) vision, missions and objectives.

The third step entailed sharing the draft document within the organization so that people could critic it and provide suggestions for inclusions, omissions and enhancements. The steering committee consolidated the views gathered from the draft discussion window and incorporated them and drafted another version of the strategic plan. After the draft was ratified by management, it was forwarded to the board of directors for discussion. These discussion lead to further improvements of the draft until a final version was ready for approval by the board. The board's approval was a rubberstamp that the draft had then become the authority's 2005/2010 strategic plan. It was then presented for the next phase, which was implementation and resource allocation.

4.5 Communication

Internal communication around the strategic plan was done in a number of ways. One of the ways was through letters. Letters were written to members of staff sensitizing them on the need to focus on the strategic plan and to urge people to be informed, involved as well as inform and involve others. It was noted that at the end of 2004 and beginning of 2005, there was no effective information and communication technology (ICT) department, the use of emails as a form of communication was therefore limited. This was because the internal network was very poor, and there was no internal mail server to facilitate this. Another form of communication employed then was the use of internal memorandum (memo). These were written asking stakeholders to attend meetings and giving updates on the strategic management process. The study found out that although half of the respondents thought the communication around the strategic plan was adequate, it was far much challenging in the face of failure of the authority to establish an ICT department, 2 years after KCAA had already been

established. Communication through letters and memos was satisfactory for areas around Nairobi, Mombasa and Kisumu, but it was very challenging for remote areas like Wajir, Poror (Marsabit) and Lokichoggio. Although it was true that some of those areas never managed to get these letters and memo's the effect was found to be insignificant since those areas are only served by very few officers.

Other forms of communication employed were progress reports. The strategy steering committee produced periodic updates on the strategic planning process. The reports were distributed to the departments and stations, and were available in case anybody needed to access them. Periodic meetings were also done within the respective departments so that the departmental heads could update their subordinates on the progress of the strategic plan. Communication also entailed sensitizing people on the mission and vision of the organization. The mission and vision statements as well as core values were also communicated through posters pinned at strategic places like wall, offices, notice boards, and so on. Clearly, it is evident enough to note that the communication mode employed by the authority was outdated and it would have been better to establish a reliable and more effective communication channel before embarking on the strategic plan. Such a thought would have made communication quicker and faster.

4.6 Broad objectives of the strategic plan

The authority's 2005/2010 strategic plan had ten (10) broad objectives. Four of these objectives related to safety, security, air transport and environment. One of them was to develop and sustain safety oversight capabilities in accordance with the Convention on International Civil Aviation, ICAO standards and recommended practices. The second objective was to develop and sustain aviation security oversight in accordance with the Convention on International Civil Aviation,

ICAO Standards and recommended practices and the national security requirements. The third objective was to develop and sustain oversight capability on environmental protection in accordance with the Convention on International Civil Aviation, ICAO Standards and recommended practices and the national environmental protection requirements. The last objective in this category was to develop and sustain an effective air transport regulatory regime and facilitate a channel of communication between consumers and the service providers.

Relating to ANS, the objective was to achieve operational and technical reliability, availability and integrity of ANS systems to enhance safety and efficient operation of flights. As far as the human resource is concerned the authority was to acquire, develop and maintain a highly motivated and globally competitive human capital base. The other objective relating to institutional strengthening was to strengthen KCAA's institutional Capacity. The authority also planned to undertake legislative reforms by having in place a more effective and efficient legal framework to facilitate fulfilment of the KCAA mandate. Financially, the main aim was to widen the revenue base, optimise revenue collection and manage costs to support and sustain the KCAA mandate. The other objective was to transform EASA into an international centre of excellence in aviation training, based on competitiveness, sustainability and entrepreneurial culture. The last major objective relating to regional cooperation was to contribute to the strengthening of the co-operation of the partner states in the region in improving aviation systems.

4.7 Strategy evaluation

The study found out that since the strategy was operationalised in early 2005, there have been efforts to monitor and evaluate its implementation. The planning department has acted as a

coordinating hub for the strategy evaluation process. Monitoring is done quarterly and evaluation is conducted annually. The process of evaluation is twofold; one of them is evaluation while the other is control. The planning departments worked hand in hand with the departments as well as the strategy steering committee to carry out the evaluation. The result of the evaluation was answers to the questions; is the authority moving in the proper direction? Is the authority doing the critical things that need to be done? What needs to be adjusted? How is the authority performing? Are objectives and schedules being met? The answers to those questions gave information on what control needed to be introduced.

The study found out that the departmental and global objectives were agreed upon at the beginning of the strategic planning process. Evaluation therefore has been bottom up process, just like the strategic planning itself. This section describes the various methods employed by the organization in strategy evaluation and describing in detail how each technique has been employed.

4.7.1 Benchmarking

The study established that the authority carried out benchmarking exercises throughout the implementation and evaluation process. All the respondents interviewed were aware that benchmarking practices have been employed by the authority in its endeavor to steer the strategy in the right direction. The authority has conducted benchmarking exercises both locally and internationally. From the local scene, the study found out that the authority had identified key aviation industry leaders. Some members of the strategy steering committee visited these organizations to establish what strategies they have put in place, and how their processes are structured. The results of these benchmarking exercises acted as business cases for making

improvements to the strategic plan. Among the organizations that KCAA benchmarked with locally included; KQ and KAA. Most of the interviewed respondents understood the principle of benchmarking, that the organization to benchmark with be an industry standard benchmark or best practice. That is why organizations that were considered inferior to KCAA were not included in the benchmarking schedule.

The study was also informed that international benchmarking has been employed by the authority in its effort to align its strategy and processes with other like organizations around the world. As already stated, KCAA is the Kenya's civil aviation regulator. This means that like organization internationally are civil aviation regulators of other countries. Those that the authority has benchmarked with are South Africa, France, Brazil and Egypt. Although Uganda and Tanzania civil aviation authorities are not considered very advanced, some respondents reported that they benchmarked with them on some processes. Other respondents said that there is little that Kenya could learn from Uganda and Tanzania as far as civil aviation processes are concerned. In the process of benchmarking, the study found out that the authority would identify the problematic areas and processes. These could include areas where targets and objectives are not being met. The next process would then be to identify organizations that have similar processes, and which are leaders in these areas. After that the authority would visit that organization to identify the leading edge practices. They would get to know how best they do these processes and what they do to achieve the goals associated with these processes. These improved processes are then incorporated in the annual evaluation of the strategic plan. Some of the respondents reported that they have had to alter their annual targets after conducting these benchmarking practices. When asked whether they felt benchmarking was a positive practice, majority of the respondents answered in the affirmative, although some cautioned against

relying too much on it and benchmarking with organizations that are not industry leaders. It was also established that benchmarking has had positive impact in the strategic plan under study. Respondents said they have been able to meet their targets after revising some of the actions plans after carrying out the benchmarking practices. These include some areas like flight operations, engineering, air transport and others.

4.7.2 Performance contract

As earlier stated in the literature review, most organizations measure performance by use of the balanced scorecard. Many organizations have made tremendous changes to the original balanced scorecard advanced by Norton and Kaplan. The study found out that KCCA uses balanced score card during strategy evaluation. However the study noted that the scorecard used was completely different. The respondents gave the ease of use and ease of adaptation as the reason for adopting this form of scorecard. The other reason is that it is a regulation by the government that all government offices and agencies adopt this kind of performance measurement tool. The tool is called performance contract and it measures performance by comparing targets with actual output. A closer look at the performance contract, also known as PC, showed that it borrowed heavily from the balanced scorecard. The government of Kenya introduced performance contracting in 2003/2004 to increase accountability and efficiency in public service. Technocrats within the government used the balanced scorecard to come on with a uniform performance measurement tool for all public servants. Kenya civil aviation took advantage of this tool and employed it in the evaluation of the first strategic plan ever strategic plan. KCAA uses performance contract to unearth key success factors for the management and align performance with the overall strategy of the organization. As stated earlier, department agree on objectives before the strategic plan is done. At the beginning of every year the Director General

signs a performance contract with the board of governors of KCAA. This contract has targets for the year broken down into quarterly targets. The objectives, targets, assumptions and action plans borrow heavily from the strategic plan. At the same time, the departmental heads sign a performance contract with the Director General. These performance contracts have departmental strategic plans, which are in turn cascaded from the main strategic plan. The departmental heads are responsible for ensuring that the targets are met. Also, at the beginning of the years, all sectional heads within the departments sign performance contracts with the head of the department. The objectives and targets of the sections within a department borrow heavily from the departmental strategic plan.

From these findings, it is clear that at KCAA, strategic planning is a bottom up process, while the strategy operationalization is a top bottom process. It also follows up that strategy evaluation is a bottom-up process. This is because at the end of every quarter, sectional heads provide quarterly performance reports to the departmental heads. These reports show what objectives the sections had for the quarter. They also depict the actions, targets, actual performance, discrepancy and remarks to explain discrepancies if any. After all the sectional quarterly reports are received by the departmental head, they are consolidated and the departmental head, together with sectional heads, prepare the departmental quarterly reports. Those reports further get consolidated to make the authority's quarterly report. It was noted that the report structure is the same across the section, department, directorate and the authority report.

The purpose of these quarterly reports is to monitor implementation progress and to provide important ingredient for the annual strategy evaluation. At the end of every year since the strategy implementation kicked off in 2005, the planning department has been coordinating the annual strategy evaluation. The Manager Planning consolidates all the annual reports from

the various departments and together with strategy steering committee, consolidate the report into one organizational annual report. It is from this report that the strategic steering committee sits down and evaluate the performance of the various departments, the targets against the actual and most importantly the reason for failure to meet targets. The respondents interviewed said that reasons for failure to meet targets are very critical since they form basis for strategy adjustments or control.

In the process of evaluation, three major things could happen; one is that the targets could be lowered or timelines extended. This means that what was to be achieved in say 6 months could be allocated more time to take a year. It also means financial targets could be lowered, project implementation periods be extended human resource training periods be extended and so on. The second thing that could happen is the adjustment of some of the actions and processes. The respondents said they have had to change some of the action plans in order to achieve some objectives. This meant changing the way some activities are done. This has resulted to achieving targets that were earlier unachievable. The third option is to remove some strategies from the strategic plan. During evaluation, the evaluators would notice that some strategic initiative were failing completely and no matter what could be done, they would remain unachieved in the period 2005 to 2010. This could be due to changed organizational goals, government instructions, lack of resources, and so on. The result of all these efforts is the revised strategic plan, which revises some strategic initiatives, targets, objectives or even remove some completely from the strategic plan. This process is done for the departmental strategic plan. The authority is consistently carrying out strategic evaluation every year. The respondents agreed that the PC is a user friendly tool that portrays real performance measurement techniques to aid in performance measurement. They said that the tool gives the implementers a better

understanding of the strategic plan. The other benefits given by the respondents that the PC comes with are: the ease of use, the fact that one doesn't need to keep referring to the strategic plan since all is clear in the PC, it can be used as a tool of work, it is good for self appraisal and it is good tool for inducting new staff members.

4.8 Challenges of Strategy Evaluation

All the respondents interviewed pointed out to a number of challenges that they face in the process of strategy evaluation. One of the issues has to do with commitment. It was found out that there is less commitment from staff members to strategy evaluation. This is portrayed by the lateness in submitting the quarterly reports and other documents needed for evaluation. Another challenge cited is lack of finances especially for workshops and benchmarking exercises. There is also the issue of capacity. Some of the people tasked with the responsibility of strategy evaluation are not competent in it.

High turnover is also another challenge. Some respondents agreed that staff turnover meant that there was no continuity. Another challenge that was observed is where strategic initiatives were never implemented at all. It is very difficult to evaluate a target that was never attempted. The reason behind failure to attempt some strategies was that in some cases resources were never allocated, there were break downs, problems resulting from vendor contracts and so on.

Bureaucracy in procurement was also cited as another challenge in strategy evaluation. Some activities that should have been done in a certain quarter have had to be pushed forward many times as the procurement of the materials for the same keeps dragging. Another challenge that the respondents pointed to was incompleteness in the quarterly reports. Some people submitted

incomplete reports that were not providing all the needed information to carry out efficient evaluation.

Apart from lateness, it was also noted that some people were not bringing their reports in the right format. The reports are normally submitted in a certain format. Others were using their own format thus making it hard for the evaluation team to match them to the other reports. Most of those interviewed said that lateness in submitting the reports was also hampering strategy evaluation. Some departments normally submit their quarterly reports way past the agreed deadlines. The study also found out that there is normally an abrupt change in priorities. These changes are occasioned by emergencies or government directives. These too affect strategy evaluation since they have to be added to the strategic plan. Another challenge that was also observed is the fact that some of the targets cannot be easily measured. Some financial targets may be hard to measure hence not easy to tell whether the target has been achieved or not and whether control on those strategic initiatives is necessary or not.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter discusses the general view and perspective of strategy evaluation at KCAA and the challenges faced and the implication of these on the general management of the authority.

5.2 Summary

5.2.1 Application of Performance Contracting at Kenya Civil Aviation Authority

Performance contracting was introduced by the Kenya government and entrenched in the Economic Recovery Strategy for Wealth and Employment (2003 – 2007). The process of performance contracting commenced with the establishment of a performance contracts steering committee in August 2003 and the issue of legal notice No. 93, The state corporations (performance contracting) Regulations, 2004 in August 2004. The initial performance contracts were introduced in 16 pilot state corporations, which signed contract on 1st October 2004 and 16th December 2004 respectively. The civil service together with all state corporations signed performance contracts by 30th June 2005. KCAA, being a state corporation, also signed theirs. The rationale behind performance contracts is that the parties agree on the results, how they will be measured.

Although an effort towards strategy evaluation in the form of performance contract, it may not be sufficient since the PC may not fully serve the objectives of strategy evaluation. The targets in the performance are drawn from the strategic plan. The performance contract is uniform in nature across all government ministries and state corporations. It is therefore evident that another form of strategy evaluation like the balanced score and is needed. As much as state corporations and in particular KCAA must sign performance contract with the government, there should be an independent method of evaluating KCAA's own strategy which is different from the government's strategy. Again, performance contracting is a routine process which KCAA must undertake. Using it as a strategy evaluation tool might be ineffective in the long run since employees might not take it seriously. This is because they may just be taking it as a government project rather than KCAA's project. Some of the staff do not take the process seriously. That is portrayed by the lateness and incompleteness of the quarterly reports.

Strategy formulation was well done, but there has been a disconnect in strategy implementation. This has greatly affected strategy evaluation. Strategy implementation requires resources and has timelines. When one plans to accomplish certain strategic initiatives within a specific time and not allocate resources to it, it is most certainly that those objectives will not be met. Such a strategy will be difficult to evaluate since no implementation actually took place. Some of the strategies that were put in place in the 2005-2010 strategic plan were never implemented because of lack of resources. It is therefore prudent to assure the planners that the resources will be availed before the strategic plan is drawn. This will make sure that strategies whose required resources will not be availed will not be included in the strategic plan. This could be done by way of negotiations prior to starting the strategic planning process. The management should also make sure that structures are in place to support the strategy implementation. For example, there

were some ICT automation strategies that were included in the 2005 - 2010 strategic plan yet there was no ICT department in place. Strategy evaluation is as equally important as strategic formulation or strategic implementation. Senior Management should therefore be in the frontline as far as strategy evaluation is concerned. It was noted that people are not very motivated to conduct strategy evaluation. There is less motivation to prepare and submit the quarterly reports. If senior management was more involved, this trend could be reversed and strategy evaluation would be more objective than just a routine. Management could take advantage of the good working relationship that exists between the various departments. It was noted that it is very easy to coordinate the collaborate between departments. This will make it easy to access shared data and to exchange information between departments. Strategy evaluation needs a lot of coordination since targets must be explained, achievements must be shared, reasons for non-attainment explained, and so on.

5.2.2 Management by Objectives

From the way the performance contract is designed, it is meant to embrace the principle of management by objectives. As earlier stated in the literature review, management by objectives (MBO) is the process of agreeing upon objectives within an organization so that management and employees agree to the objectives and understand what they are in the organization. This is what happens in performance contracting and is basically what is happening at KCAA. The employees and management first agree on the objectives, goals and targets before they sign the performance contracts. There has been increased levels of performance since the performance contracting started. However, a closer inquest revealed that many respondents did not realize that management by objectives was being applied. If management taught employees about this management tool, and the benefits that come with it, it would be easy for the employees to fulfill

their responsibilities. It will also be likely possible that employees will be motivated to carry out evaluation of their own strategic areas without feeling like they are being over-supervised or monitored or pressured to deliver. Subordinates have a higher commitment to objectives that they set themselves than those imposed on them by their managers. Managers can also ensure that objectives of the subordinates are linked to the organization's objectives.

When management by objectives is well aligned with the culture of KCAA and the authority's strategic picture, it will be rather easy to conduct strategy evaluation. KCAA should make sure that the objectives advanced are specific measurable achievable, realistic and time bound (SMART). This is not the case with the current strategy. Some respondents said that they experience challenges in evaluation some strategies since the targets are not measurable. Setting up smart objectives not only makes it easy to achieve them, but also to evaluate and adjust in the course of the strategic period.

5.2.3 Embracing of Technology

The study found out that lack of an ICT department in place was initially to blame for communication hurdles. The department has already been set up, but has not yet achieved the automation of most processes. Many processes at KCAA are still manual including finance, procurement, human resources, licensing, air transport, and so on. It is important to note that efforts at automating these processes have been going on for more than 2 years yet nothing has been accomplished. Targets have been moved many times and still cannot be achieved.

ICT is a key department within any organization. Many organizations rely on ICT to achieve many objectives. Other departments will need to employ and embrace technology in order to achieve their objectives. It is clear that many processes need automation so that strategic goals

can be met. There is need to revive a computerization steering committee that was established some years back but it is no longer functional. This steering committee will be responsible for managing ICT automation projects. The result of the company wide automation will be increased leverage of attainment of strategic initiatives. When these objectives are being met, it will be easy and motivating to carry out strategic evaluation. However if major processes are till manual, it will be hard to evaluate strategies that required automation to be done.

There are also issues with managing vendor contracts. Some of the systems have been delivered and the vendors paid but they have never been put into use. An example is like billing system, procurement and finance system, licensing system and Air transport system. The examination system is one system that has changed the way KCAA conducts administration and making of aviation examinations. This system has been successfully implemented during the period 2005 - 2010 and it has positively contributed to the attainment of the strategic objectives in the examinations division. Management should make use of the lessons learned from the implementation of the examinations system and use this to fast-track the implementation of the other stalled systems.

Since the beginning of the year there has not been an ICT manager. Although KCCA is in the process of hiring one, it is taking rather long. This means that for that time there is no one driving forward the ICT strategies and no one acting in that capacity. Most companies both in private and public sector invest a lot of resources in information and communication technology. The benefits are rather evident. Other departments rely a lot on ICT for communication, achieving their targets in efficiency, maintenance of their equipment and so on. KCAA should do the same by hiring more ICT specialists.

5.2.4 Overcoming Challenges of Strategy Evaluation

The challenges faced in the evaluation and control of the KCAA strategy is within the authority's control. The only prerequisite is that proper procedures and structures need to be put in place. The challenges as earlier noted and as established in the findings, are both internal and external. However, overcoming such challenges will be purely an internal effort.

In most strategic management practices in organizations, restructuring is normally a key aspect in operationalization of the strategy. A structure that is supportive of strategy should be put in place. The current KCAA structure was put in place way before the strategy was formulated or even implemented. This structure was never aligned with the strategy. The current structure is merely based on functional areas of KCAA on which it is mandated. Consequently, a structure that is supportive of strategy is not in place. Even in this current structure, there are numerous positions that have not been filled up. In the process there is a mix up of the organization. With the appropriate structure in place, challenges like lateness in reporting and lack of commitment could be overcome. Restructuring will also enhance inter-departmental coordination. Coordination is necessary for a successful strategy evaluation and control. The current structure has hampered cooperation and hindered the completion of orders in due time and within limits of resources and budgets.

Restructuring the organization should be motivated by the desire to facilitate working relationships between the various entities in the organization and to improve the working efficiency within the organizational units. Currently, it is difficult to monitor processes since there is no clear set order and control. Current functional units are staffed with qualified personnel and training is being conducted successfully or it has improved, but that will only lead to operational efficiencies within those functional units. But this has not guaranteed

communication and productive collaboration between the departments within the organization. This has made the organization slow and inflexible. That is why it takes long to implement projects and to make decisions on what needs to be done.

In human resource context turnover or labour turnover is the rate at which an employer gains and loses employees. Since its inception KCAA has experienced high staff turnover and that has still persisted even to the time of this study. This has led to departments changing or shifting positions and directions during the strategic period 2005-2010. Everyone who comes afresh comes with his or her own idea. Induction has to be conducted every time a new person comes. It is even made worse by the fact that turnover is also persistent in the management categories. In some departments where there is low staffing and the head leaves the organization, there is normally nobody to induct that head of department. High turnover rates of skilled professionals has brought serious consequences. These losses are in form of human capital such as skills, training and knowledge. Again most of these professionals leave critical strategic projects unaccomplished. This has led to the organization failing to achieve certain strategic objectives as well as incurring replacement costs. High turnover often means that employees are unhappy with the work or compensation, but it can also indicate unsafe or unhealthy conditions, or that too few employees give satisfactory performance (due to unrealistic expectations or poor candidate screening. Other causes may have been ...with job scope, conflict within management or lack of support within the staff. Whatever the case it is KCAA needs to address the issue of high turnover since this has affected strategy evaluation.

5.3 Limitations of the Study

The major limitation to this study was difficulty in getting adequate time to engage the respondents. The interviewees were busy most of the time since they are senior managers with many responsibilities. As a result, the researcher was not able to get into depth on some of the issues as the interview. The other major limitation is that the study was conducted towards the end of the strategic period under study and it was possible that the respondents could have forgotten some of the things that happened at the beginning, say five years ago. The study would have best be conducted half way through the five year strategic period. Although all the respondents have worked in the organization for a long time, some were in those positions for a limited period of time hence could not give information pertaining to the entire strategic period. They could only give information based on the time period of their leadership.

5.4 Recommendations for further study

The study only focused on strategy evaluation. The information gotten from this study was very useful in understanding how KCAA has been carrying out strategy evaluation and what challenges they have come across. The researcher proposes studies to be carried out in other phases like strategy formulation and find out how it is done and what challenges come with. This study could also be replicated in the next strategic period (2011/2015) to find out if the findings still hold or if there are challenges. The researcher further proposes the study to be conducted across all state corporations to establish if and how they do strategy evaluation and what challenges they come across.

5.5 Implication on policy and practice

The results of this study underscore the importance of KCAA to have clear guidelines on how to conduct strategy evaluation. It is clear that if the GOK had not introduced mandatory performance contracting, there may not be any form of strategy evaluation at KCAA. Everybody at KCAA should be sensitized on the importance of strategy evaluation. More resources in terms of human capital, funds and time should be allocated to strategy evaluation. There should also be more stakeholder consultations during strategy formulation so that implementation and subsequent evaluation can be made easier.

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APPENDICES

Appendix I: BSC recording sheet

Area of Objectives	Measure or Target	Time Expectation	Primary Responsibility
Customers			
1			
2			
Managers/Employees			
1			
2			
Operations/Processes			
1			
2			
Community/Social Responsibility			
1			
2			
Business Ethics/Natural Environment			
1			
2			
Financial			
1			
2			

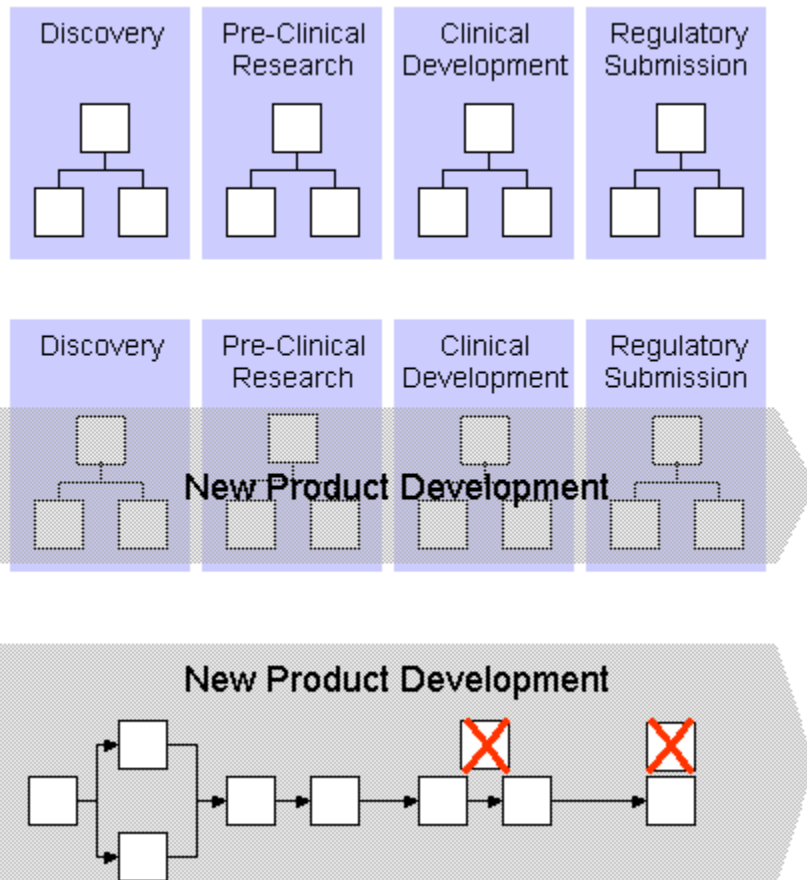
Source : F. David (2007)

Appendix II: Balanced scorecard decision matrix

Have major changes occurred in the firm's internal strategic position?	Have major changes occurred in the firm's external strategic position?	Has the firm progressed satisfactorily toward achieving its stated objectives?	Result
No	No	No	Corrective actions
Yes	Yes	Yes	Corrective actions
Yes	Yes	No	Corrective actions
Yes	No	Yes	Corrective actions
Yes	No	No	Corrective actions
No	Yes	Yes	Corrective actions
No	Yes	No	Corrective actions
No	No	Yes	Continue course

Source : F. David (2007)

Appendix III: Business process re-engineering Life cycle



Source: Guha et al (1993)

Appendix IV: Interview Guide

1) Managerial Level

Director General ()

Director ()

Manager ()

2) How many years have you worked in the organization?

0-5 ()

5-10 ()

10-15 ()

15-20 ()

>20 ()

3) Are you aware that there exists a strategic plan in the organization?

Yes ()

No ()

4) If yes, how much were you involved in the formulation of the strategic plan (1 for great extent, 5 for least extent)

1	2	3	4	5
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5) How was the strategy formulation done?

6) Who were involved in the strategic formulation process? Was it done by people from within or it was done by consultants

7) What are the broad objectives of the strategic plan 2005/2010?

8) What roles does your department play in achieving these objectives

- 9) How was the communication around the strategic plan done? Was it adequate?
- 10) How much does the current organizational structure support the implementation of the current strategy?
- 11) Has your organization developed a set of key performance indicators or some other form of accountability to track the success of strategic initiatives? How was this done?
- 12) Discuss your organization's ongoing evaluation practices as it relates to strategic initiatives. Is it done? How is it done?
- 13) How does your organization's go about identifying corrective action when strategic initiatives are failing or could be improved
- 14) What is your organization's response time, after they acknowledge that a strategic initiative is failing
- 15) How do you go about evaluating strategies in your department?
- 16) What attitude do your subordinates have in evaluating strategies? How much are they committed to it? What challenges do you face as a department in evaluating strategies?
- 17) What is the level of coordination between your department and others in evaluating your strategic plans? How easy/hard is it to collaborate in this internally?
- 18) Does the organization do benchmarking of strategies with other organizations in the aviation industry in Kenya or other countries?
- 19) Are there services that were earlier tasked to your department but have since been outsourced to allow you to concentrate on your core business areas? Give some examples.
- 20) What is your association's effectiveness at evaluating the impact of changes subsequent to initial strategy formulation

- 21) Who are involved in the strategy evaluation? How much are they involved?
- 22) What methods are employed in the strategic evaluation process?
- 23) Have there been sufficient resources allocated to strategy evaluation?
- 24) What challenges are associated with the methods you use to evaluate the strategic initiatives? How do you go about overcoming them?
- 25) What is your general comment on the KCAA strategic plan 2005/2010 (in its formulation, implementation and evaluation)?