INFLUENCE OF LEADERSHIP STYLES ON STRATEGY IMPLEMENTATION AT CO-OPERATIVE BANK OF KENYA

By

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DECLARATION

This research project is my original work and has not been submitted to any other University for examination purpose.

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Declaration by Supervisor

This research project has been submitted with my approval as the University supervisor

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DEDICATION

This project is dedicated to my mother Sara Muthoni Gicugu for her words of wisdom encouragement and support in all my undertakings throughout my life. In the same way you inspire me and support me, this milestone, masters in the discipline of strategic management is as a result of your confidence in me to achieve greater hights in life.

ABSTRACT

Leadership style is a pattern of behaviour designed to integrate organisational and personal interest in pursuit of an objective. The guidance and direction of the leaders, that is, leadership style is important in ensuring that strategies are implemented successfully and desired outcomes are achieved. As the banking industry is characterised by intense rivalry and competition, this study is important in that it highlights the key role that leadership style plays in strategy implementation and how this influence of leadership style on strategy implementation provides a competitive edge to organisations. The objective of this study was to establish the leadership styles at Co-operative Bank of Kenya and to establish the influence of leadership style on strategy implementation at the Co-operative Bank of Kenya. This study adopted a case study research design where the unit of study was Co-operative Bank of Kenya. The research targeted ten senior managers, that is, two regional managers, four heads of departments, two branch managers and two operations managers. These senior managers were targeted as they are knowledgeable in matters of leadership styles adopted and strategy implementation issues and were therefore able to answer all the relevant questions. The study used primary data. The data was collected through an interview guide. The data collected was analysed using content analysis. The key findings of the study were that Co-operative Bank of Kenya predominantly uses participative (democratic) leadership style and transformational leadership style. Another key finding of the study was that leadership styles influence strategy implementation. The implication of the study was that leadership styles are important in strategy implementation and organisations should pay attention to this and incorporate leadership styles as one of the strategies in ensuring strategy implementation. The study recommends that organisations should be aware that transformational and participative leadership styles are important in an organisation and implement these. The study also recommends that organisations should use the various leadership styles characteristics to influence strategy implementation with regard to goal achievement. For further studies, the study should be advanced to include other ingredients that are key to strategy implementation. This study should also be replicated in the manufacturing industry to validate or invalidate the findings. Further research should also be done on the same study but with a different methodology other than case study.

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ABBREVIATIONS

ATM – Automated Teller Machine

CEO – Chief Executive Officer

TQM – Total Quality Management

CHAPTER ONE

INTRODUCTION

1.1   Background of Study

Leadership is conceived as a process where one or more persons influence a group of persons to move in a certain direction. Messick & Krammer (2004) argued that the degree to which the individual exhibits leadership traits depends not only on his characteristics and personal abilities, but also on the characteristics of the situation and environment in which he finds himself. Strategy implementation may be said to consist of securing resources, organizing these resources and directing the use of these resources within and outside the organization (Mintzberg, 1994). Strategy implementation is only successful when it is backed by effective leadership.   House & Mitchell (1984) mentions that effective leaders clearly specify the task, reduce road blocks to task achievement, and increase opportunities for task related satisfaction and improve performance. This clearly shows that leadership style is linked to strategy implementation

A number of theories have been advanced in relation to leadership and specifically leadership styles. These would include trait oriented theories which are based on the idea that leaders are born not made, behavioural theories and contingency-situational theories where there must be appropriate fit between the leader's behaviour, style and the conditions in the situation. A number of theories have also been advanced on strategy implementation.   Mintzberg (1994) mentions that the way in which the strategy is implemented can have a significant impact on whether it will be successful.

Daft (2005) linked leadership theories to strategy implementation by investigating traits or behavior that could improve performance and satisfaction to any or all situations. The extent to which members of the organization contribute in harnessing the resources of an organization equally depends on how well the managers or leaders of the organization understand and adopt appropriate leadership style in performing their roles as managers and leaders. Thus efficiency in resource mobilization, allocation, utilization and enhancement of organizational productivity depends, to a large extent, on leadership styles among other factors. Chuang (2005), explains that the excellent leader not only inspires subordinates' potential to enhance efficiency, but also meets their requirements in the process of achieving the common target of the organization. Fry (2003), states that leadership as a use of leading strategy to offer inspiring motive and to enhance the staff's potential for growth and development in the organization. These theories would clearly show how leadership styles are key to strategy implementation.

The Banking industry is characterized by intense rivalry and competition. In order to compete effectively in this environment, it has become necessary to have strategies that provide competitive advantage and more importantly successful implementation of these strategies. Leadership style has been identified as a key contributor to effective strategy implementation.

1.1.1 Leadership Styles

The concept of leadership style can be defined as the style that a leader adopts in their dealings with those who follow them. Clearly, underlying this is an assumption that there is a ''right'' and a ''wrong'' style. According to the management literature, the appropriate style will depend on a wide variety of criteria, including the relationship between the parties involved, the nature of what needs to be done, and the match or mismatch between the difficulty of the task and the competencies available. (Bartlett & Ghoshal, 1994).   It is now recognized that, to get the best out of people, they need to be led, not just managed as subordinates. They need to feel motivated, committed, and even inspired. Persuasion, not coercion, is required. Status and position are no longer enough. To get the real results required in a highly competitive age, people need to want to give their best, not just be told to do so.

A leader would be effective, if he adopts the right leadership style depending upon the situation. He can be autocrotic which is a leadership style characterized by individual control over all decisions and little input from group members. He may adopt consultative leadership style, especially when subordinates views and suggestions are important in decision-making. He may also follow participative leadership style, especially, when the participation of the subordinates is vital in decision-making (Hartley, J., 2000). Autocratic and hierarchical management systems have given way to much more open and democratic ways of managing. Simultaneously, the reasons why someone should follow someone else's lead have changed markedly.   A much more egalitarian society, increases in employee-empowerment, and the flatter nature of many organizations means that leaders now have to ''win'' followers. With this has come a whole new set of requirements for those who aspire to lead their

organization – or parts of it – to success (Mintzberg, 1994). Nowadays, competitiveness between organizations takes place not just at the level of the products and services they provide, but much more deeply at the level of the competences they possess. And nowhere are those competences more critical than in the style of leadership they have. The qualities, attitudes, beliefs, and behaviors of those whose task it is to bring out the best in their people (Noble, 1999).

Peter Drucker considers leadership as a human characteristic which lifts a man's vision to higher sights; raises and builds his performance to higher standards, and builds man's personality beyond its normal limits. Leadership is an important abstract quality of the leader that sets apart a successful organization from an unsuccessful one. Leadership is, therefore, regarded as the process of influencing the activities of an individual towards goal achievement in a given situation (Drucker, 1992). Peter Drucker clearly shows that leadership influences strategy implementation which is the process that put plans and strategies into action to reach goals.

1.1.2 Strategy Implementation

Strategic Implementation is a process of activating the strategy. It is the sum total of all the activities and choices required for execution of a strategic plan. It is the process by which strategies and policies are put into action through the development of programs, budgets and procedures.

Strategy implementation may be said to consist of securing resources, organizing these resources and directing the use of these resources within and outside the organization (Mintzberg, 1994). Strategy implementation is an internal operations –

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driven activity involving organizing, budgeting, motivating, culture – building, supervising and leading to make the strategy work as intended. Activating a strategy is a process of putting strategy into action. Strategy implementation involves several issues in activating the strategy (Pearce & Robinson, 1996).

The way in which the strategy is implemented can have a significant impact on whether it will be successful. In large companies, those who implement the strategy likely will be different people from those who formulated it. Thus, care must be taken to communicate strategy & the reasoning behind it; otherwise implementation might not succeed if the strategy is misunderstood. In lower level position, managers resist its implementation because they do not understand why the particular strategy was selected.

To effectively direct and control the use of the form's resources, mechanisms such as organisational structure, information systems, leadership styles, assignment of key managers, budgeting, rewards and control systems are essential strategy implementation ingredients (Pearce & Robinson, 2000). Leadership style therefore plays a role in strategy implementation as it is identified as an essential strategy implementation ingredient.

1.1.3 The banking Industry in Kenya

The banking sector in Kenya is governed by the company's Act, the Banking Act and the Central bank Act. The banking sector was liberalised in 1995 and exchange controls lifted. The Central Bank of Kenya is responsible for formulating and implementing monetary policy directed to achieving stability in the general level of prices and fosters the liquidity, solvency and proper functioning of a stable market

based financial system while supporting the economic policy of the Government (Central Bank of Kenya, 2012). As at 31st December 2012, the banking sector comprised of the Central Bank of Kenya, as the regulatory authority, 44 banking institutions (43 Commercial banks and 1 Mortgage finance company), 2 representative offices of foreign banks, 5 Deposit-Taking Microfinance Institutions and 126 Forex Bureaus. 31 of the banking institutions are locally owned while 13 are foreign owned.

Over the last few years, the banking sector in Kenya has continued to grow in assets, deposits, profitability and products offering. The growth has been mainly underpinned by an industry wide branch network expansion strategy both in Kenya and in the East African community region. It has also been underpinned by automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional 'off-the-shelf' banking products. Players in this sector have experienced increased competition over the last few years resulting from increased innovations among the players and new entrants into the market. This industry has also had its fair share of challenges including ATM card skimming, high cost of borrowing, theft cases, frauds and competition from mobile transfer money services.

In order to compete effectively in this environment, and to be able to deal with the challenges and numerous continuous changes, it has become necessary to have strategies that provide competitive advantage and more importantly successful implementation of these strategies. Leadership style, therefore, plays a key role in

successfully strategy implementation in an organization which ensures it stays ahead of its rivals.

1.1.4 Co-operative Bank of Kenya

The Co-operative Bank of Kenya Limited is incorporated in Kenya under the Company's Act and is also licensed to do the business of banking under the Banking Act. The Bank was initially registered under the Co-operative Societies Act at the point of founding in 1965. This status was retained up to and until June 27th 2008 when the Bank's Special General Meeting resolved to incorporate under the Companies Act with a view to complying with the requirements for listing on the Nairobi Stock Exchange (NSE). The Bank went public and was listed on December 22 2008. Shares previously held by the 3,805 co-operatives societies and unions were ring-fenced under Co-op Holdings Co-operative Society Limited which became the strategic investor in the Bank with a 64.56% stake. This bank is a leading and dominant bank with a strong countrywide presence, playing a central role in the co-operative movement and providing relevant and innovative financial services.

The bank serves the banking needs of individuals, small businesses and large corporations, focusing on the needs of co-operative societies in Kenya. Co-operative Bank is a large financial services institution. As of June 2013, it was the third largest financial services provider in Kenya, by asset value, behind Kenya Commercial Bank and Equity Bank. At that time, its total assets were valued at approximately us$ 2.62 billion (KES 225.3 billion), with shareholders' equity in excess of US$250 million (KES 21 billion). At that time, the bank controlled about 8.2% of all bank assets in Kenya.

The leadership of Co-operative Bank of Kenya is well structured. At the top of the structure are the Non Executive Directors except for the Managing Director who is executive. Following the non executive directors of the bank are the senior management executive directors who head the various divisions, that is, finance and administration division, operations division, cooperatives banking division, retail banking division, corporate and institutional banking division, credit management division, human resources division and risk management division. The Bank runs three subsidiary companies, namely: Kingdom Securities Limited, a stock broking firm with the bank holding a controlling 60% stake; Co-op Trust Investment Services Limited, the fund management subsidiary wholly-owned by the bank; and Co-operative Consultancy Services (K) Limited, the corporate finance, financial advisory and capacity-building subsidiary wholly-owned by the bank.

Co-operative Bank of Kenya after its successful completion of its 5 year strategic plan of 2004 launched another corporate strategic plan in 2008 which is in its 6th year. Some of the strategies employed at a corporate level by the bank included retail business growth, through the opening of over 50 new branches during a 4 year period (2009-2012), while optimizing staff levels, hence minimal increment in operation costs. It has also expanded to Southern Sudan which opened its doors in July 2013.

The bank also increased its service channels through ATM network expansion, introduction of new channels such as mobile and internet banking, diversification of services and income through acquisition of a stock brokerage firm: Kingdom securities limited, new product offering including: Asset based financing and mortgage financing. The vision of the bank is to be the leading and dominant Kenyan

bank with a strong countrywide presence, playing a central role in the co-operative movement and providing relevant and innovative financial services to our customers for the optimum benefit of all our stakeholders. Its mission is to offer value-added financial services to its chosen market segments with special emphasis on the co-operative movement through a highly effective network of service points, excellent customer service and a highly motivated team of qualified personnel. To achieve its vision and mission it is important that the bank adopts effective leadership styles to direct and guide its operations.

1.2 Research Problem

Every manager develops a style in managing the activities of an organisation. Such styles vary from leader to leader, from situation to situation, and from organisation to organisation. Leadership style is a pattern of behaviour designed to integrate organisational and personal interest in pursuit of some objective (Kotter, 1996). Strategy formulation is usually done at the corporate level of any organisation while strategy implementation is done by middle and lower level management and staff. The staffs rely heavily on the direction and guidance given by the top management to ensure that strategies are implemented successfully and desired outcomes are achieved. It is evident that there is a very close link between leadership styles adopted and the success or failure of the strategy implementation process (Pearce & Robinson, 1996). Specifically, leadership styles that were characterized by mutual trust and respect for subordinates' ideas and feelings were particularly related to knowledge acquisition attributes.

The banking industry in Kenya is characterized by intense rivalry and competition. In order to compete effectively in this environment, it has become necessary to have an aggressive search and development of strategies that provide competitive advantage as competitors step up both offensive and defensive strategies to protect their competitive advantages. Co-operative Bank of Kenya has been able to protect their competitive advantage, and one of this ways has been through its leadership styles. It is evident that after the 1998 bomb blast which affected the company's head office, this organization started making losses. However, superior performance has been achieved through proper implementation of successful strategies and this is due to the leadership styles used by the organisation's leaders. The success indicators of this turnaround from a loss making organization to a profit making one can be seen through its profitability-it being the 3rd largest bank in Kenya as at June 2013, its expansion-it now boasts 125 branches in Kenya and 1 in southern Sudan, and also its exemplary customer service. Co-operative Bank is a good example that proofs that the ability of an organisation to command competitive advantage depends on the sustainability of the competitive advantage it holds.

Several studies have been conducted on effects of leadership styles on different strategic issues including strategy implementation. Koech (1987) studied effects of leadership styles on motivation of staff in selected secondary schools in Kenya. However, he did not he did not link his study to strategy implementation. Kumar (2010) studied the effect of leadership styles on corporate culture preferences. Kumar concentrated his study on the oil and gas industry and did not discuss issues of strategy implementation. Another study by Politis (2001) studied the relationship of different types of leadership to knowledge management. Findings of his research

showed that leadership styles that involve human interaction and encourage participative decision-making process were positively related to the knowledge management initiatives. Although Politis (2001) did not mention directly the effect of leadership on strategy implementation, he acknowledged the dynamics of leadership in fostering knowledge management initiatives, which centers on the creation of knowledge-sharing culture. Maina (2009) analysed the effects of leadership styles on strategy implementation in the insurance sector. The findings of his study revealed close links between the two but had numerous gaps identified.

These studies did not look at the influence of leadership styles on strategy implementation in the banking sector. This study therefore poses the question: what is the influence of leadership style on strategy implementation?

1.2 Objectives of the Study

The objectives of this study are:

(i) To establish the leadership styles at Co-operative bank of Kenya

(ii) To establish the influence of leadership styles on strategy implementation at the
    Co-operative bank of Kenya.

1.4 Value of the Study

The study is an invaluable theoretical contribution as it add on to the growing literature on leadership styles and strategy implementation. It is also an invaluable

theoretical contribution as it reveals the leadership styles that are key in strategy implementation and how these leadership styles influence strategy implementation.

The study will be important to top management of organisations who are charged with the responsibility of setting goals and will also be important to the management team that ensures strategies are implemented. This is because the study will give an in-depth insight on the appropriate leadership styles to use in their organisations.

The study will also be important to various organisations management team as it will provide the leadership styles characteristics that influence strategy implementation with regard to goal achievement.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the various types of leadership styles and theories of leadership which form the basis of this research proposal. The concepts of strategy and strategy implementation are also discussed. The chapter further focuses on the impact of leadership styles on strategy implementation.

2.2 Theoretical Review of Leadership

The most popular theories of leadership are trait oriented, behavioural, and contingency-situational theories. First, trait theories of leadership are based on the idea that leaders are born, not made, which should mean that they are able to carry out leadership in almost any situation. This used to be a very popular viewpoint. Although a leader's behaviour was still examined, the central focus of the new research was the situation in which researchers were investigating traits or behavior that could improve performance and satisfaction to any or all situations (Daft, 2005). The real root of the matter is that few consistent traits have been reliably identified. Contingency perspectives on leadership are still founded in the notion that some people possess inherent qualities that make them more capable than other people of being leaders, but they acknowledge that these special leadership qualities need to be matched to the specific demands of the situation.

Contingency means that one thing depends on other things; there must be appropriate fit between the leader's behaviour, style and the conditions in the situation. According to those ideas, people who have leadership qualities possess first a realistic understanding of their own leadership skills (Gray, 2004). Gray further stated that it is true that intelligence, self-confidence and a desire for power seem to feature quite often but these might simply be qualities that help people to achieve positions of influence, rather than useful attributes of leaders in themselves. Acknowledgement of these weaknesses in trait theory led to a modified version, known as contingency theory.

In Fielder's Contingency Model leaders can determine whether a situation is favourable to their style. Task-orientated leaders tend to do better in very easy or difficult situation, while person-orientated leaders do best in situations of immediate favourability. The key idea is simple: Match the leader's style with the situation most favorable for his or her success. Fiedler's model presents the leadership situation in terms of three key elements that can be either favorable or unfavorable to a leader: the quality of leader-member relations, task structure, and position power. When subordinates distrust, do not respect, and have little confidence in the leader, leader-member relations are seen to be poor. When subordinates trust, respect, and have confidence in the leader, leader-member relations are considered to be good. Task structure refers to the extent to which tasks performed by the group are defined, involve specific procedures, and have clear, explicit goals (Fiedler, 2000).

Hersey and Blanchard's situational leadership model suggests that the levels of directive and supportive leader behaviour should be used on the level of readiness of

the followers. People low in task readiness, because of little ability or training need a different leadership style than those who are high in readiness and have good ability skills, confidence, and willingness to work. According to this theory, a leader can adopt one of four leadership styles, based on a combination of task and relationship behaviors. The four styles are telling, selling, participating, and delegating. The telling style reflects a high concern for tasks and a low concern for people and relationships, and is a very directive style. The leader gives explicit directions about how tasks should be accomplished. The selling style is based on a high concern for both relationships and tasks. The participating style is characterized by high relationship and low task behavior. The leader shares ideas with followers, encourages participation, and facilitates decision-making. The delegating style reflects a low concern for both tasks and relationships. This leader provides little direction or support because responsibility is turned over to followers (Hersey, 1985).

Robert House developed a contingency model known as House's Path-Goal Model. House's path-goal model indicates that effective leaders clearly specify the task, reduce roadblocks to task achievement, and increase opportunities for task-related satisfaction and improve performance. The leader's responsibility is to increase subordinates' motivation to attain personal and organizational goals.

The leader increases follower motivation by either clarifying the follower's path to the rewards that are available or, increasing the rewards that the follower values and desires. (House & Mitchell,1984)

Path clarification means that the leader works with subordinates to help them identify and learn the behaviors that will lead to successful task accomplishment and

organizational rewards. The specific style of leader behaviour exhibited should be determined by two contingency variables: employee characteristics and task characteristics. It consists of three sets of contingencies, namely, leader style, followers and situation, and the rewards to meet followers' needs. Whereas the Fiedler theory made the assumption that new leaders could take over as situations change, in the path-goal theory, leaders change their behaviors to match the situation.

Similar to the other two contingency models, the path-goal model neglects to provide a single formula for the best way to lead. It stressed that, to be effective, a leader should select the style most appropriate to a particular situation and the followers' needs. When tasks are routine and simple, employees will regard directions as unnecessary. Participative or supportive leadership is likely to increase satisfaction with the leader and with company policies even though the tasks are unsatisfying. In contrast, when tasks are non-routine and complex, directive or achievement leadership is more appropriate than supportive leadership. Participative leadership consults with subordinates about decisions whereas supportive leadership is similar to the consideration or people-orientated leadership. Leadership behaviour is open, friendly, and approachable, and the leader creates a team climate and treats subordinates as equals. Directive leadership behaviour is similar to the initiating structure or task-oriented leadership style. Directive leadership tells subordinates exactly what they are supposed to do (House & Mitchell, 1984).

The Vroom-Jago contingency model focuses specifically on varying degrees of participative leadership, and how each level of participation influences quality and accountability of decisions. This model starts with the idea that a leader faces a

problem that requires a solution. Decisions to solve the problem might be made by a leader alone, or through inclusion of a number of followers. The Vroom-Jago model is much applied, which means that it tells the leader precisely the correct amount of participation by subordinates to use in making a particular decision. The model has three major components: leader participation styles, a set of diagnostic questions with which to analyze a decision situation, and a series of decision rules (Vroom & Jago, 1988).

The leader-participation model provides a set of rules to determine the amount and form of participative decision-making that should be encouraged in certain situations. The model employs five levels of subordinate participation making, ranging from highly autocratic to highly democratic. The model intimates that the effectiveness of a decision is gauged by both its quality and its acceptance. The model contains eights contingency questions and the five leadership styles. Of the five decision styles, starting with the leader making the decision alone (Decide), presenting the problem to subordinates individually for their suggestions, and then making the decision. (Consult Individually), presenting the problem to subordinates as a group, jointly obtaining their ideas and suggestions, then making the decision (Consult Group), sharing the problem with subordinates as a group and acting as a catalyst to help the group arrive at a decision (Facilitate), or delegating the problem and permitting the group to make the decision within prescribed limits (Delegate). (Vroom & Jago, 1988)

The five styles fall along a continuum, and the leader ought to select one depending on the situation. How does a leader decide which of the five decision styles to use?

The appropriate degree of decision participation depends on a number of situational factors, such as the required level of decision quality, the level of leader or subordinate expertise, and the importance of having subordinates commit to the decision. The model suggests that a leader can adopt different leadership styles to meet the demands of different situation. Although they may know they should behave, they may lack the core leadership skills to adapt their behaviour to meet the specific situation (Nahrgang, Morgeson, & Ilies, 2009).

2.3 Leadership Styles

Hellriegel & Slocum (1996) maintain that many now believe that the type of leadership needed by top managers for tomorrow's organizations is what has been labelled transformational. Transformational leadership is leading by motivating; transformational leaders provide extraordinary motivation to followers' ideals and moral values and inspiring them to think about problems in new ways. Transformational leadership influence rests on their ability to aspire others through their words, visions, and actions. In essence, transformational leaders make tomorrows dreams a reality for their followers. According to a web article by (Evans, 2005), to understand transformational leadership, we must differentiate it from transactional leadership.

Transactional leadership is based on the exchange process where the leader administers rewards and sanctions. Either way, the leader and follower agree, explicitly or implicitly, that desired follower behaviors will be rewarded, while undesirable behaviors will draw out punishment. Potential rewards include an increase in salary, promotions, and more benefits. Conversely, penalties may include

pay cuts, demotions, and terminations. It can be seen that this type of leadership is not satisfactory for most situations. Evans (2005) mentions that transformational leadership, on the other hand, is concerned with engaging the hearts and minds of others. It works to help all parties achieve greater motivation, satisfaction and a greater sense of achievement. It requires trust, concern and facilitation rather than direct control. The skills required are concerned with establishing a long-term vision, empowering people to control themselves, coaching, and developing others and challenging the culture to change. In transformational leadership, the power of the leader comes from creating understanding and trust.

In contrast, transactional leadership power is based much more on the notion of hierarchy and position. Transformational leadership is thought to achieve remarkable levels of performance from followers. It engages followers by appealing to their upper level needs and ideals that yield higher levels of follower satisfaction, performance, and organizational commitment in individuals and teams (Bryant, 2003).

The idea of visions is closely linked to charisma because charismatic leaders inspire others with their vision, and a vision uplifts and attracts others. In formulating a vision, it is helpful to gather information from a variety of sources, including intuition, futurists, and group members. Charismatic and transformational leaders communicate their visions, goals, and directives in a colourful, imaginative, and expressive manner. Communication effectiveness allows for management by inspiration (Dubrin, 2004).

Daft (2005) mentions that the focus on transformational leadership is on what the leader accomplishes, rather than on the leaders' personal characteristics and his or her

relationship with group members. Transformational leaders possess the personal characteristics of other effective leaders, especially charismatic leaders. In addition, a compilation of studies suggests seven qualities that are particularly helpful in enabling leaders to bring about transformations. Two key personality factors enhancing their charisma are agreeableness and extroversion, which combine to enhance their interpersonal relationships.

Brown and Harvey (2006) make mention of Dunphy and Stace (1988) in which they have identified a model of large scale strategies based upon three key dimensions: the time frame of the change, long or short; the level of support of the organizational culture; and the degree of discontinuity with the environment. From these three dimensions, four process change strategies have been identified. Participative evolution or incremental strategy is used to keep an organization in fit with its environment in anticipation of changes, when minor adjustments are needed, and when sufficient time is available. Such change is achieved by collaborative means with the support and participation of organization members. Charismatic transformation strategy is used to accomplish radical change in a short time-frame, with support from the organization's culture. Sometimes, visions are brief, compelling and slogan like. Easily communicated to and understood by everyone in the organization Daft (2005). Forced evolution strategy is used to make minor adjustments over longer periods but without the support of the organization's culture.

Dictatorial transformation strategy is used in times of crisis, when a major restructuring is needed that may run counter to the entrenched interest of the internal culture. In these conditions, authoritative direction may be the only option to ensure organizational survival.

2.4 Leadership Styles and Strategy Implementation

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work – implementing it throughout the organization – is even more difficult (Hrebiniak, 2006). A myriad of factors can potentially affect the process by which strategic plans are turned into organizational action. Unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic (Noble, 1999). It is thus not surprising that, after a comprehensive strategy or single strategic decision has been formulated, significant difficulties usually arise during the subsequent implementation process. The best-formulated strategies may fail to produce superior performance for the firm if they are not successfully implemented, as Noble (1999) notes. There is little controversy regarding the labeling of the strategy implementation topic in the sixty articles that we have reviewed.

Sashittal & Wilemon (1996) have pointed out that some terms synonymous with implementation, such as execution, and actualization of goals are often employed in the management literature, but are not frequently used by managers themselves. As far as the terms execution or executing in the strategy context are concerned, most of the 60 articles in our literature review, use strategy implementation as a key word or

as a part of the title and only very few use the term strategy execution. There are no articles differentiating strategy implementation from strategy execution in the 60 articles that we have reviewed, while some authors take strategy execution as an exact synonym of strategy implementation. Hrebiniak (2006) notes that formulating strategy is difficult. Making strategy work – executing or implementing it throughout the organization – is even more difficult. Thompson & Strickland (2003) have stressed that the strategy-implementing/strategy-executing task is the most complicated and time-consuming part of strategic management (Schaap, 2006).

There is no universally accepted definition of "strategy implementation". Nevertheless, we have been able to identify three distinct conceptions of the term: The first approach concentrates on a process perspective and takes strategy implementation as a sequence of carefully planned consecutive steps. The second approach treats strategy implementation as a series of more or less concerted (but often parallel) actions and examines these actions from a behavior perspective.

2.5 Empirical Studies on Leadership Styles and Strategy Implementation

A study by Yang Li, et al., (2008) on factors influencing strategy implementation reviewed the factors that enable or impede effective strategy implementation. It highlighted how strategy implementation has been researched so far – and in which contexts- and how this field may be moved forward. As a result of literature analysis, spanning twenty four years the research finds nine crucial factors for strategy

implementation. In this study leadership style is identified as a key factor in strategy implementation.

Nutt (1986) identified four types of implementation tactics, that is, leadership styles used by managers in making planned changes by profiling 91 case studies: intervention, participation, persuasion, and edict. The objective of the study was to determine the success rate in making planned changes when different implementation tactics were used. The study found a 100 percent success rate when key executives used an intervention tactic, but observed this tactic in less than 20 percent of the cases. Both the persuasion and participation tactics had 75 percent success rates; persuasion had the highest frequency of use, 42 percent, and participation the lowest, 17 percent. Implementation by edict had a 43 percent success rate and a 23 percent frequency of use.

Nutt (1987) explains the four tactics as follows: Intervention refers to strategy adjustments during the implementation stage by introducing new norms and practices. Participation consists of articulating strategic goals and nominating a task force that develops and proposes corresponding implementation options. Persuasion consists of the tactic of using the involved parties to convince employees about the decided course of actions. The main mechanism for implementation in the edicts tactics (that relies on power and is characterized by absence of participation) is the issuing of directives.

Koech (1987) studied the effects of leadership styles on motivation of staff in selected secondary schools in Kenya. The objective of his study was to find out how

leadership styles affected the motivation of staff in different secondary schools. He found out that leadership styles did influence motivation of staff to a great extent. However, he did not link his study to strategy implementation.

Politis (2001) studied the relationship of different types of leadership to knowledge management. The objective of his study was to find out the relationship between different types of leadership styles and knowledge management initiatives. Findings of his research showed that leadership styles that involve human interaction and encourage participative decision making process were positively related to the knowledge management initiatives. His study did not mention directly the effect of leadership style on strategy implementation but acknowledged the dynamics of leadership in fostering knowledge management initiatives, which centers on the creation of knowledge-sharing culture.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology that will be used to carry out the study. It covers the proposed research design, the target population, data collection method and data analysis that will be used during this study.

3.2 Research Design

This study adopted a case study research design where the unit of study was Co-operative Bank of Kenya. The design is most appropriate when detailed, in-depth analysis for a single unit of study is desired.

This method was successfully used by several scholars in carrying out studies on leadership styles in organizations including Rahul Paneliya (2012) who researched on leadership styles at The Shelter Group, a company located in Baltimore, USA.   As Co-operative Bank of Kenya is our unit of study, then case study method will be appropriate.

3.3 Data Collection

The study used primary data. The data was collected through an interview guide. (see appendix 2). The interview guide targeted ten senior level managers of the bank, that

is, two regional managers, four heads of departments, two branch managers and two operations managers. This is because they are knowledgeable in matters of leadership styles adopted and strategy implementation issues and are therefore able to answer all the relevant questions.

The tools were administered using a combination of methods, that is, face to face interviews, telephone interviews and emails. This was necessary in order to improve the response rate and give confidence to the case study

3.4 Data Analysis

The qualitative data collected was analysed using content analysis. Content analysis is a qualitative data analysis technique for making inferences by objectively and systematically identifying specified characteristics of messages.

This analysis was used to ascertain detailed information about the leadership styles that are used at Co-operative Bank. The analsysis was also used to link leadership styles to strategy implementation by showing how leadership style influenced strategy implementation. The results are presented in narrative form.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the data analysis, research findings and interpretations of study under three headings, that is, General Information, Leadership Styles adopted by Co-operative Bank and Influences of Leadership Styles on Strategy Implementation. The study adopted face to face interviews, telephone interviews and email interviews to collect the data from . The research targeted ten senior level managers of Co-operative Bank of Kenya, that is, two regional managers, four heads of departments, two branch managers and two operations managers.

4.2 General Information

The position of the respondents at Co-operative Bank of Kenya was important as it determined whether they were knowledgeable in matters of leadership styles and in strategy implementation issues. The respondents in this interview were The regional Manager, Coast Region whose role is to oversee all the ten coast branches and ensure that they meet their targets, the Corporate Treasurer who heads the treasury department at the coast and whose role is to facilitate forex trade and ensure the branches generate a specified revenue from this forex trade, the Cash Centre Manager who is the cash custodian for 10 branches and facilitates cash movement between the branches, the head of personal banking who oversees the retail credit facilities of the whole bank network, two branch managers who are charged with the responsibility of leading their branch staff, and two operations managers who oversee the operations of

their branches. The respondents were all in a leadership position and were therefore appropriate in ensuring execution of strategy through implementation. They played the crucial role of cascading down the strategies generated by the top management and making the staff aware of the goals of the organisation and providing effective leadership to ensure that these goals are achieved.   It can be observed that the respondents held leadership positions in the organisation and were therefore knowledgeable on leadership styles used in the organisation and also on strategy implementation issues.

The education background of the respondents was also important as it was key in determining whether the respondents understood the concept of leadership style and also the concept of strategy implementation. Five of the respondents were undergraduate degree holders, that is, the Senior Manager Coast Region, the Corporate Treasurer, the Branch Manager-Kenyatta Avenue, the Operations Manager-Kenyatta Avenue and the Cash Centre Manager who also had a CPA-K Certification. Two of the respondents were Masters Degree Holders, that is, The Head-Personal Banking Department and the Operations Manager- Digo Rd. One of the respondents was a Diploma Certificate holder, that is, the Branch Manager-Nyali. It was evident that from the education background of the respondents, they were able to not only understand the concept of leadership styles and strategy implementation but to also employ appropriate leadership styles that would ensure that strategies are implemented. Although, the branch manager for nyali branch did not have a degree, her 22 years of expertise gave her enough experience to be able to understand these concepts.

The years of experience of the respondents at Co-operative Bank of Kenya was also important to show whether the respondents had been in the bank long enough to be aware of the leadership styles used in the organisation and the strategy implementation process. The Head of Personal Banking Department, the Operations Manager – Digo Rd and the Cash Centre Manager all had worked at the bank for 8 years. The Senior Manager - Coast Region had worked for the bank for 19 years while the Branch Manager- Nyali had worked for 23 years. The Corporate Treasurer had worked for 4 years, the Operations Manager-Kenyatta Avenue for 11 eleven years and the Branch Manager – Kenyatta Avenue for 15 years. It can be observed that the respondents had worked at Co-operative Bank of Kenya for an average of 12 years and were therefore in a position to provide quality information on leadership styles used in the organisation and how these have influenced strategy implementation as they were well aware of the operations of the organisation, work processes and other expertise necessary in the organisation.

4.3 Leadership styles adopted by Co-operative Bank

Leadership is a process where an individual exercises influence over others and inspires, motivates and directs their activities to achieve defined goals. Effective leadership increases the firm's ability to meet new challenges. Leadership can also be defined as the ability to influence a group of individuals towards the achievement of a vision or a set of goals (Northouse, 2004). The first objective of this study was to establish the leadership styles at the Co-operative bank.

The findings of the study revealed that the Co-operative Bank of Kenya's vision was made clear to all and the management and employees were expected to be aware of

this. This was evident from the fact that during all forums, the CEO clearly reminded all in attendance what the vision of the organization was, that is, ''to be the leading and dominant Kenyan bank with a strong countrywide presence, playing a central role in the co-operative movement and providing relevant and innovative financial services to our customers for the optimum benefit of all our stakeholders''. It was also evident from the fact that the company's vision was clearly stated in the organisation's intranet where all staff access it and were made aware of it. This was characteristic of transformational leadership style. All the respondents agreed that the culture of Co-operative Bank of Kenya was one that put emphasis on strategy implementation through follow up with quarterly assessments and also through re-emphasis of the plans laid out by the bank to staff at all times during their weekly meetings. This was also a characteristic of transformational leadership style.

The findings of the study also revealed that leaders allowed input from group members where staff were free to contribute their ideas and opinions during customer service meetings, business meetings and managers' forums. It was also revealed that Co-operative Bank of Kenya had a dedicated email address where staff were free to post new ideas. This was characteristic of participative leadership style. Most respondents agreed that most work methods and processes that are technical were dictated by leaders as these processes were in the operating manual which had to be adhered to. This is a characteristic of autocratic leadership. However five respondents emphasized that work methods that were not technical were not dictated by leaders, for example relationship management of customers. All respondents agreed that team members were encouraged to share ideas and opinions through one on one forums with their team leaders, meetings, emails, team building activities

which were held annually, and even in the end of year balance score card where each staff had to mention two ideas that they have shared in the course of the year. These were characteristics of participative (democratic) leadership style.

The respondents indicated that creativity was encouraged and rewarded through annual awards for the best idea in the bank and there were clear bench marks for the selection. An example was cited where the staff who came up with the name 'kingdom securities' for one of the bank's subsidiaries was awarded shs. 100,000/= for his creativity. It was also revealed that creativity was a parameter in the balance score card and marks were awarded for this, which encouraged staff to score points in this area. This was characteristic of participative leadership style. At Co-operative Bank of Kenya, employee potential was recognized, brought out and put to good use. 7 of the respondents were in agreement on this and they explained that this was done through letters of commendation, quarterly appraisals, annual appraisals, specialized training, acting positions, salary increments and staff rotations that encouraged them to work in areas where they had shown potential. This were characteristics of participative leadership style. The respondents also indicated that leaders shared strengths, experiences, skills and knowledge with members of their team through weekly trainings, regional trainings where staff under the same role were brought together and trained on their area of operation and also one on one training where the leader put a staff as his/her understudy. This was characteristic of charismatic leadership style.

The respondents also revealed that rewards and punishment were dependent upon performance where there were benchmarks for performance assessment that were known to every staff at the beginning of the year. Each staff was given their target at the beginning of the year and the expectations were clear. Staff who achieved their targets were awarded through promotions, bonuses, monetary awards, letters of commendation and salary increments. These awards were dependent on the percentage achievement. Staff who were below average received little bonus, warning letters in severe cases, and were put on Perfomance Improvement Plan for six months where their performance was monitored and they wer also assigned a mentor. This were characteristics of transactional leadership style where award is dependent on performance.

Most respondents indicated that lines of communication were kept open by leaders so that followers felt free to share ideas and concerns. The Senior Manager, Coast region indicated that was done through Human Resource Relationship Managers who covered every business unit and visited to get information one on one that may not come out during meetings and forums. Lines of communication were also kept open through open door policy, where the manager's door is never closed and staff were encouraged to walk in and out at will and communicate with their seniors. This characteristics were indicative of transformational leadership style. The respondents also indicated that leaders served as role models by running with the organisation's products and achieving their targets. This then encouraged their subordinates to emulate them. This was indicative of transformational leadership style. From the respondents, the results obtained about the leadership styles at Co-operative Bank of Kenya were mostly characteristics of transformational leadership style and

participative (democratic) leadership style with one scenario bringing out charismatic leadership style and one scenario bringing out autocratic leadership style.

4.4 Influences of Leadership Styles on Strategy Implementation

The second objective of this study was to establish the influences of the leadership styles on the strategy implementation process at the Co-operative bank of Kenya. Several questions were administered to the respondents in order to achieve this objective.

The results obtained revealed that the management through their participative and transformational leadership styles played a significant role in ensuring successful strategy implementation through providing forums for strategy formulation and ownership. They also played a significant role by ensuring that strategies formulated at the top are implemented through them by cascading down the organizational targets to branch and head office departments targets, ensuring these strategies are clear to all, awarding those who achieve their targets, penalizing those who do not achieve their targets and appraising each individual to ensure that their objective, goal and purpose is in tandem with the organisation's objective, goal and purpose.

The respondents revealed that Co-operative Bank of Kenya's leadership established direction through their leadership style through guiding employees in the correct direction by constantly reminding them of the vision of the bank , discussing the direction of the bank through the monthly business units meetings, and cascading

down targets and expectations of the bank at the beginning of the year to ensure that every staff was aware of what is expected of them. It was also revealed by most respondents that Co-operative Bank of Kenya aligned people by creating an environment of cooperation through shared targets that are equal and based on experience, meaning that targets were aligned to staff roles and were therefore appropriate therefore motivating the staff to try and achieve them. Respondents also stated that the leadership developed a culture that encouraged excellent performance through use of the participative leadership style that rewarded excellent performance through promotions, salary increments and bonuses. This in turn had a great influence on the implementation of the set out strategies. The respondents also revealed that Co-operative Bank of Kenya's leadership through their participative and transformational leadership styles, motivated and inspired members of the organization, interacted with subordinates and inspired them towards objectives, offered special awards and held ceremonies to recognize outstanding achievements, and also delegated truly challenging tasks to develop staff. This in turn had an influence on strategy implementation in that due to the incentives, guidance, rewards and awareness of what was expected of them, the employees were thereby able to implement the organisation's strategies.

When asked whether the leadership styles adopted by the company's management had an impact in successful implementation of strategies with regards to profitability, customer service, innovation and expansion, most respondents were in agreement that because of the leadership styles adopted by Co-operative Bank of Kenya, strategies were effectively implemented. An example mentioned was that the CEO's strategy to grow the customer base to 3 million customers was successful due to the fact that, not

only did he expect each and every staff to open five funded accounts every month but he led by example by ensuring that every month he had introduced ten funded accounts. The respondents also mentioned that Co-operative Bank of Kenya had moved from a loss making company to a profit making one, being the third largest bank in the country due to the role that leadership styles had played on strategy implementation.

Results on the overall success in the implementation of strategies by the management indicated that all respondents were in agreement that it was good. This means that, in most cases, they were satisfied with the management's performance. There were however, a number of suggestions put forward by the respondents on what management should do to ensure successful implementation of strategies in future. Some respondents suggested that the management should fast track decision making, involve staff more in crafting of strategies, improve on the yearly bonuses and also provide better rewards for the employees who come up with good ideas.

4.5 Discussion

The study sought to establish the leadership styles at Co-operative Bank of Kenya. The results obtained showed that the leadership styles used at Co-operative Bank of Kenya were transformational leadership styles and participative (democratic) leadership styles. These results are consistent with prior literature where Hellriegel & Slocum (1996) maintain that many now believe that the type of leadership needed by top managers for tomorrow's organization is what has been labeled transformational.

The results are also consistent with the findings of Nutt (1986) who identified participative leadership as one of the leadership styles used by managers in strategy implementation.

The study also sought to establish the influence of leadership styles on strategy implementation at the Co-operative Bank of Kenya. The results obtained showed that the management of Co-operative Bank through their participative and transformational leadership styles played a significant role in ensuring successful strategy implementation through establishing direction, developing a culture that encourages excellent performance and providing forums for strategic formulation and ownership. The study revealed that leadership styles adopted by the company's management had an influence in successful implementation of strategies with regards to profitability, customer service, innovation and expansion. This is consistent with the findings of Nutt (1987) who explains leadership styles as implementation tactics and how these tactics are fundamental in the strategy implementation stage

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the findings of the research are summarized and discussed. The chapter also offers conclusions of the study, highlights recommendations for policy and practice, gives suggestions for further studies, indicates limitations of the study and also gives suggestions for further research.

5.2 Summary

The success of every organization is determined by the match between its strategic responsiveness and strategic aggressiveness and how these are matched to level environmental turbulence. The successful implementation of a company's strategy determines how successful the firm will be in meeting its objectives. This process of implementation requires guidance and direction from a competent leadership.

In summary, the position of the respondents at the Co-operative Bank of Kenya was important as it determined whether they were knowledgeable in matters of leadership styles and in strategy implementation issues. It was observed that the respondents held leadership positions in the organisation and were therefore knowledgeable on leadership styles used in the organisation and also on strategy implementation issues. The education background of the respondents was also important as it was key in determining whether the respondents understood the concept of leadership style and also the concept of strategy implementation. It was evident that from the education

background of the respondents that they were able to understand the concept of leadership styles and strategy implementation as they were well educated.

On leadership styles, the study revealed that Co-perative Bank of Kenya's vision was made clear to all and the management and employees were expected to be aware of this. All respondents agreed that the culture of the organization was one that put emphasis on strategy implementation through follow up which was a characteristic of transformational leadership style. The findings revealed that leaders allow input from group members. These were characteristics of participative leadership style. Most respondents indicated that lines of communication are kept open by leaders so that followers feel free to share ideas and concerns. This characteristics were indicative of transformational leadership style. From the respondents, the results obtained about the leadership styles at Co-operative Bank of Kenya were mostly characteristics of transformational leadership style and participative (democratic) leadership style with one scenario bringing out charismatic leadership style and one scenario bringing out autocratic leadership style.

On the influence of leadership style on strategy implementation, the results obtained revealed that the management at Co-operative Bank of Kenya, through their participative and transformational leadership styles played a significant role in ensuring successful strategy implementation through providing forums for strategy formulation and ownership. The respondents revealed that the company's leadership established direction through their leadership styles. Respondents also stated that the leadership developed a culture that encouraged excellent performance through use of

the participative leadership style that rewarded excellent performance. The study also revealed that leadership styles adopted by the company's management had an impact in successful implementation of strategies with regards to profitability, customer service, innovation and expansion. The respondents also mentioned that Co-operative Bank of Kenya had moved from a loss making company to a profit making one, being the third largest bank in the country due to the role that leadership styles had played on strategy implementation. Results on the overall success in the implementation of strategies by the management indicated that all respondents were in agreement that it was good. From the above, it was evident that leadership style was related to strategy implementation.

5.3 Conclusions

It can be concluded that Co-operative Bank of Kenya has adopted transformational and participative (democratic) leadership styles which is a good competitive strategy that has enabled the organisation to achieve sustainable competitive advantage. The company has been able to improve its performance year after year due to its good leadership.

It can also be concluded that leadership styles do indeed have an influence on strategy implementation, as the evidence clearly showed that the organisation's profitability, customer base, expansion and employee satisfaction, which were the company's strategy implementation indicators , had been greatly influenced by its leadership styles.

However, it was also evident that there was still room for improvement as the respondents suggested that they needed more involvement in the strategy formulation phase, that management should fast track decision making, involve staff more in crafting of strategies, improve on the yearly bonuses and also provide better rewards for the employees who come up with good ideas.

5.4 Recommendations for Policy and Practice

This study will be important to various stakeholders in the banking industry, especially the large banks in Kenya. The study recommends that organisations, in order to obtain a competitive advantage, need to be aware that leadership styles are important in an organisation and specifically transformational and participative leadership styles and these should be implemented in the organisation.

This study also recommends that organisations should use the various leadership styles characteristics of participative and transformational leadership. These characteristics are, among others, establishing direction, developing a culture that encourages excellent performance and providing forums for strategic formulation and ownership. This will in turn greatly influence the strategy implementation process of the organisation with regard with achieving its set goals.

5.5 Limitations of the Study

The study focused solely on leadership style as a key ingredient in successful strategy implementation. To this end, the results do not take into consideration other factors that influence strategy implementation.

The study focused solely on the banking industry, and specifically, Co-operative Bank of Kenya. To this end, the results may only be applicable to service provider firms like banks and hotels and may not be true for manufacturing industries where creativity is limited by strict processes, procedures and work flows.

Another limitation of the study is that it adopted a case study research design. This is limiting as other banks in the industry may have different dynamics that may alter the findings if a different research design like survey was used to establish the influence of leadership style on strategy implementation.

5.6 Suggestions for Further Studies

This study should be advanced further to include other ingredients that are key to strategy implementation in order to establish the degree to which each ingredient influences strategy implementation and also to establish whether other factors play a more influential role in the strategy implementation process.

There is also need to replicate the study in the manufacturing industry in order to validate or invalidate the findings of this study, that is, does leadership styles have an influence on strategy implementation in the manufacturing industry.

This study is a case study. It should be advanced by taking into consideration a number of banks in the banking industry through survey research design in order to establish whether there is a disparity on the influence of leadership style on strategy implementation when a different research design is used.

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APPENDICES

Appendix 1: Letter to the respondents

UNIVERSITY OF NAIROBI
MOMBASA CAMPUS

Telephone: 020-2059161   P.O. Box 99560, 80107
Telegrams: "Varsity", Nairobi   Mombasa, Kenya
Telex: 22095 Varsities

DATE: 9TH OCTOBER 2013

TO WHOM IT MAY CONCERN

The bearer of this letter, **Penina Wambui Ngure** of Registration Number **D61/70320/2008** is a Master of Business Administration (MBA) student of the University of Nairobi, Mombasa Campus.

She is required to submit as part of her coursework assessment a research project report. We would like the student to do her project on *Influence of Leadership Styles on Strategy Implementation at Co-operative Bank of Kenya.* We would, therefore, appreciate if you assist her by allowing her to collect data within your organization for the research.

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

Thank you.
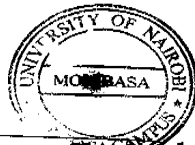
Zephaniah Ogero Nyamoka
Administrative Assistant, School of Business-Mombasa Campus

APPENDIX 2: INTERVIEW GUIDE

INFLUENCES OF LEADERSHIP STYLES ON STRATEGY IMPLEMENTATION AT THE CO-OPERATIVE BANK OF KENYA

PART A: GENERAL INFORMATION

1. What is your position in the company?

2. How many years have you served in the company

3. Which department/ section do you work in?

4. What is your education background?

PART B: LEADERSHIP STYLES

1. Is the vision of the organization made clear to all?

2. Is the culture of the organization one that puts emphasis on strategy implementation?

3. Do leaders allow input from group members?

4. Are all work methods and processes dictated by leaders?

5. Are team members encouraged to share ideas and opinions?

6. Is creativity encouraged and rewarded?

7. Is employee potential recognized?, and is this potential brought out and put to good use?

8. Do leaders share strengths, experiences, skills and knowledge with members of their team?

9. Are rewards and punishment dependent upon perfomance?

10. Are lines of communication kept open by leaders so that the followers feel free to share ideas and concerns?

11. Do leaders serve as role models by leading through example?

PART C: INFLUENCE OF LEADERSHIP STYLES ON STRATEGY IMPLEMENTATION

1. What role has management played in ensuring successful strategy implementation?

2. Does the company's leadership provide the following in ensuring successful strategy implementation.

   a) Establish direction

   b) Align people by creating an environment of cooperation

   c) Develop a culture that encourages excellent perfomance

   d) Motivate and inspire members of the organization

   e) Interact with subordinates and inspire them towards objectives

   f) Offer special awards and hold ceremonies to recognise outstanding achievements by employees.

   g) Delegate truly challenging tasks to develop staff

3. Have the leadership styles adopted by the company's management had an impact on successful implementation of strategies with regards to profitability, customer service, innovation and expansion.

4. How would you rate the overall success in implementation of company strategies by management?

5. What do you think management should do to ensure successful strategy implementation in future?

Thank you very much for your time and co-operation