

**CHALLENGES OF STRATEGY IMPLEMENTATION AT THE
INSTITUTE OF ADVANCED TECHNOLOGY (IAT) KENYA**

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DECLARATION

This project is my original work and has not been presented to any university or institution of higher learning and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

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

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DEDICATION

I dedicate this work to my husband Hillary Mainye and my son Kayden-sam Mainye. Their continuous support, prayers and encouragement were a source of strength during my study.

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LIST OF ABBREVIATIONS

IAT	Institute of Advanced Technology
ICDL	International Computer Driving License
ICT	Information and Communication Technology
EBCL	European Business Competence License
UK	United Kingdom
NCC	National Computing Centre
SPSS	Statistical Package for Social Scientists

ABSTRACT

In a business environment where competition is the order of the day, business entities are coming up with strategies that will give an edge over competitors at a lower cost. However, organizations today face major changes that make strategy implementation difficult and complex than in the past. Therefore it is necessary that an organization comes up with strategies that it can be able to implement and also avail resources that will be able to implement the strategies effectively. The study sought to establish the strategy implementation practices at Institute of Advanced Technology as well as identify the challenges that affect the implementation of strategies in the organization. A case study research design was adopted whereby the researcher interviewed six senior managers at IAT who were involved in the strategic process of the firm. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges. Analysis of the data was done using content analysis. The findings from the study suggest that the IAT faces a number of challenges ranging from; slow decision making process, inadequate resources, cultural interference in some instances, lack of proactive leadership and non involvement of all the stakeholders in strategy implementation. In addition, other challenges included employees not committing themselves to support a new strategic plan from the start to its completion including review and supporting its recommendation, changing the strategy mid-stream to suit their focus. The measures taken to overcome the challenges include training employees on project evaluation and monitoring, involvement of all the stakeholders in strategy formulation and sourcing for additional funding to finalize on incomplete projects. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, and fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The study concludes that strategy implementation at IAT was affected by the structure adopted, culture, communication, the top management, rewards and the resources. The study recommends that strategy formulation and implementation process is very vital for the functioning of any organization and the management of IAT should work to ensure that the challenges which were identified as affecting strategy implementation are tackled in order to ensure that the institution remain competitive in the market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The guiding principles in any strategic management process, whether in the public or private sector, is about understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Gole, 2005). He asserts that the difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges. Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead (Bryson, 2004).

While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is clearly absent. The guiding principles in any strategic management process, is the understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Morgan and Strong, 2003). The difficulty in strategic management is the challenge of laying a foundation for success in the future while

meeting today's challenges. Organizations are dynamic, complex and are gradually changing hence need for competitive strategies. However excellent the strategies developed by organizations to counter the challenges it faces, the major hurdle for success is the effective implementation. In fact, the most elegantly conceived, precisely articulated strategy is virtually worthless unless it is implemented successfully, (Sabatier and Weible, 2007).

Johnson and Scholes (2002) assert that the development and implementation of strategies by an organization or government to chart the future path to be taken will enhance the competitiveness of such firms operating in a competitive environment. However, they observe that many firms develop excellent strategies to counter and adapt to the environmental challenges but suffer a weakness in the implementation of the same strategies. Transforming strategies into action is a far more complex and difficult task. Organizations seem to have problems in strategy implementation: such as weak management roles in implementation, a lack of communication, lacking a commitment and misunderstanding of the strategy, unaligned organizational resources, poor organizational structures and uncontrollable environmental factors (Beer and Eisenstat, 2000). Strategy implementation therefore focuses on the distinct relationship between implementation and other various organizational elements. The strategy implementation process is identified by Sabatier and Weible (2007), as a process being undertaken through a systematic approach and provides a link between strategic consensus and success.

1.1.1 Concept of Strategy

A strategy is a long term plan of action designed to achieve a particular goal, most often “winning” (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated and often practically rehearsed. According to Johnson and Scholes (2002), strategy has to do with how an organization matches its internal and external environment and the management process is concerned with how to maintain, stabilize or change that position. Mintzberg and Quinn (1998) identify four interrelated definitions of strategy as a plan, perspective, pattern and position. As a plan, it is some sort of consciously intended course of action, a guideline to deal with a situation. As a pattern it integrates an organization’s major goals, policies and actions sequences into a cohesive whole. Strategy as a position becomes a mediating force or match between the organizations and its external and internal environments. Strategy as a position looks outside the organization seeking to locate the organization in the external environment and it in a cohesive position.

Johnson and Scholes (2000, p. 12) define strategy as “the direction and scope of an organization over long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations”. He concludes that strategy can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is sometimes known as search for strategic fit. The concept of strategy is therefore built around winning. Strategy helps to achieve success whether in business or otherwise, success in this context refers to the realization of objectives that are desired. Effective

strategy is formulated around four factors. These are, the goals and objectives are simple, consistent and relate to the long term, there is profound understanding of the competitive environment, there is an objective appraisal of the resources available and that there is effective implementation (Hittet *al.*, 2008).

1.1.2 Strategy Implementation

Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various includes various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals (Okumus, 2003). Strategy implementation is defined as ``the process used to implement specific firm policies, programs, and action plans across the organization`` (Harrington, 2004, p.321). Effective strategy implementation and execution relies on maintaining a balance between preventing failures and promoting success simultaneously. When there is a proper alignment between strategy, administrative mechanisms and organizational capabilities, it will be easier to implement and execute the strategy and to achieve the desired objectives (Okumus, 2003).

Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Traditionally, it is

believed that strategy implantation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2001). While strategy formation and implementation are tightly integrated functions, strategy implementation is the most complicated and time-consuming part of strategic management. It cuts across virtually all facets of managing and needs to be initiated from many points inside the organization.

1.1.3 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman and Zeithaml, 1993). As was further observed by David (2003), successful strategy implementation must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues. Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Lepsinger (2006) similarly hold that true leaders have a clear vision and are 100% committed to pursuing it.

Organizations seem to have difficulties in implementing their strategies, however. Researchers have revealed a number of problems in strategy implementation. The reasons for this are varied, but most hinge on the fact that strategy implementation is resource intensive and challenging (Gurowitz, 2007). None the less strategic planning remains a top priority among successful private universities based on the fundamental notion that an effective strategy offers unique opportunities for market differentiation and long-term competitive advantage. Based on this, many public universities are now asking which are the best tools and methodologies to enable effective strategy implementation (Beer and Eisenstat, 2000).

Beer and Eisenstat (2000), there were six fundamental reasons why various strategies developed by firms were not implemented effectively. They identified that employees saw the overall problem being rooted fundamentally in the process of management issues of leadership, teamwork and strategic direction and not in the commitment of people and their functional competencies. Poor quality vertical communication not only hinders strategy communication but also prevents discussions of the barriers themselves. Sterling (2003) identifies challenges to strategy implementation as: unanticipated market changes, effective competitor response to strategy, insufficient resources, failures of buy-in, understanding and communication by those who are supposed to implement, strategy not being timely and unique, lack of strategic focus and poorly conceived strategies.

1.1.4 Technical Colleges in Kenya

Technical colleges in Kenya offer academic and vocational preparation of students for jobs involving applied science and modern technology. It emphasizes the understanding and practical application of basic principles of science and mathematics, rather than the attainment of proficiency in manual skills that is properly the concern of vocational education (education.go.ke). Technical education has the objective of preparing graduates for occupations that are classed above the skilled crafts but below the scientific or engineering professions. People so employed are frequently called technicians. Technical education is distinct from professional education, which places major emphasis upon the theories, understanding, and principles of a wide body of subject matter designed to equip the graduate to practice authoritatively in such fields as science, engineering, law, or medicine.

Technical occupations are vital in a wide range of fields, including agriculture, business administration, computers and data processing, education, environmental and resource management, graphic arts and industrial design, and health and medicine; technical educational curricula are correspondingly specialized over a broad range (education.go.ke). Technical education is typically offered in post-high-school curricula that are two years in length, are not designed to lead to a bachelor's degree, and are offered in a wide variety of institutions, such as technical institutes, junior colleges, vocational schools, and regular colleges and universities. The training industry is rapidly growing and as a result, a number of technical institutions have started. Kenya has been in a position to promote its Education, through the variety Technical colleges that carter

for the Kenyan students. Among the Colleges in Kenya include Institute of Technology, psychology, statistics, business among other fields. Competition is in the rise and all these institutions are aligning their structures so that they can attain a competitive edge and stand out in the competition. Training in Kenya is currently undergoing changes. There has been a call of urgency to expand the capacities for technical colleges and universities so as a great number of qualified students can be absorbed. Under the training industry there include, Universities, Technical colleges, polytechnics, Secondary and primary schools.

1.1.5 Institute of Advanced Technology in Kenya

The Institute of Advanced Technology (IAT) is an ICT and business learning organization in Kenya and the East African Region. It was established in 1991 with its major focus being on professional courses that enable proficient use of ICT to the learner. It has since switched its focus from End User and Professional courses to Career Training and Education to individuals as well as Public and Private corporate organization seeking to develop their personnel. It has also widened its scope from ICT to business courses.

IAT seeks to achieve customer satisfaction and continuously expand its market share. It does this by scanning the environment in order to improve on its services and to fill the gap in the industry by introducing new products. IAT has grown and is well known in the Kenyan ICT and Business job market for producing high quality graduates who are skilled and proficient in their areas of study. It has succeeded in conducting ICT and

Business courses in partnership with distinguished international and local partners which include Maseno University, St' Paul's University, NCC Education (UK), the European Business Competence License (EBCL), International Computers Driving license ICDL among others since 1991 and have gained valuable experience in this area.

1.2 Research Problem

The organization's strategic plan is expected to be a guiding document for the organization; however, poor implementation of the plan can result in it becoming an ineffective document (Pfeffer and Sutton, 2006). It will not matter how good the strategic plan is, what will be important is how to transform the documented strategy to tangible results, a process which will involve effective implementation process. Organizations are often unable to transform existing knowledge into meaningful action, which creates a gap in implementation. Gole (2005) assert that one of the main causes that organizations cite for the knowing-doing gap is that organizations come to the belief that if they just talk about doing something, this very action of discussion will magically lead to execution. It therefore becomes important that an organization gives the implementation phase of its strategic process due importance and allocate adequate resources and time that will enable it achieve the desired objectives.

The Institute of Advanced Studies is one of the pioneer ICT institutions in Kenya that during its initials years has been able to open branches in major towns and partner with local and international universities to offer the same causes in the country. The institution witnessed the impressive growth due to adoption and implementation of

effective strategies. However, in the last 5 years, the institution has faced high level of competition from universities and other tertiary colleges that have emerged to offer the same courses and programs as the one offered by institute of advanced technology. When the same problem is studied keenly, it is evident that the institution has had strategies to counter the challenges in the business market. However, what has been lacking is an effective implementation in the institution. There is need to ensure that the strategies which they have put in place to are fully implemented so that they can have a competitive advantage over other institutions. This therefore calls for the development of good strategies and appropriately realignment of the organizational structure, systems, leadership behavior and human resource policies. It is on this basis that the current study will wish to establish the challenges facing implementation of strategies at the Institute of advanced Technology.

Recent local studies undertaken on the challenges of strategy implementation include; Moeva (2007) researched the challenges facing implementation of strategy for revitalizing agriculture at the Ministry of Agriculture and found out that the major challenges that affected the implementation of strategy for revitalizing agriculture was lack of awareness and ownership of the strategy by the various stakeholders, performance management especially at district and provisional level and resource mobilization. Nyangweso (2009) on the strategy implementation challenges at Cooperative bank who found out that in the case of Co-op bank just like in any other player in the banking industry, implementation of strategies should be fast, consistent and should be adaptable on many fronts simultaneously. Kiprop (2009) researched on

challenges of strategy implementation at the Kenya Wildlife service and identified that a firm should focus on formal organizational structures and control mechanisms of employees while implementing its strategy. Akwara (2010) carried out a research on challenges of strategy implementation at the Ministry of co-operative Development and marketing and his studies revealed that; organization culture, human resource policies, financial resources policies and procedures, information and operating systems and performance incentives were all impediments to strategy implementation. The challenges faced by the educational institutions could be different with other organizations and therefore this study seeks to establish the challenges of strategy implementation at the Institute of Advanced Technology. This problem statement leads to the following question: what are the challenges of strategy implementation at the Institute of Advanced Technology?

1.3 Research Objectives

- 1) To establish the strategy implementation practices employed at the Institute of Advanced Technology
- 2) To establish the challenges of strategy implementation at the Institute of Advanced Technology

1.4 Value of the Study

The study will aid various stakeholders in the country as follows;

The study will be of value to Institute of Advanced Technology since it will help them understand the factors that affect the implementation of its strategies and thus put in place

mechanisms that will ensure that its strategies are implemented. In addition, the study will be an invaluable source of material and information to other technological institutions operating in the country since they will understand the challenges affecting implementation of strategies in the education sector and thus come up with ways of ensuring that its strategies are fully implemented so that they can compete effectively with other firms. Public and private institutions in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them in the professional and training institutions in Kenya.

The government and regulators of the fund will also find invaluable information in how good strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the government sector in implementing their strategies. The policy makers will obtain knowledge of the professional and training institutions and the appropriate factors that affect implementation of strategies in the industry; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector. Future scholars may use the results of this study as a source of reference. For academicians, this study forms the foundation upon which other related and replicated studies can be based on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will review the theoretical underpinning the study, strategy implementation and strategy implementation challenges.

2.2 Theoretical underpinning the study

The institutional theory recognizes the embedment of institutional actors in an environment of formal and informal rules. Institutional theorists suggest that organizational actions and processes are driven by their actors in order to justify and plausibly explain their actions. According to this perspective, strategy implementation are rationally accounted for by organizational actors and rooted in the normative and social context that motivates actors to seek legitimacy (Oliver *et al.*, 2007). Through various cognitive, normative and regulative forces organizations adopt a standardized set of practices (Scott, 2001). In other words, an organization is composed of three pillars: the cultural-cognitive, normative, and regulative elements that together with associated activities and resources provide stability to social life. Companies try to fit in with the norm by adopting strategy implementation that validates them as part of the organizational field. In essence, traditional institutional theory believes that organizational fields become structured by powerful influences among organizations. The adoption of a system such as strategy implementation is highly dependent on the extent to which it is institutionalized by legitimacy. Legitimacy concerns lead organizations to

adopt practices that “conform to the mandate of the institutional environment” (Kraatz and Zajac, 2006).

The resource-based view of a firm has experienced a rapid diffusion throughout strategic management literature (Priem and Butler, 2001). Firm’s aim must be to achieve competitive advantage over its competitors, which it ideally derives from valuable resources that are superior in use, hard to imitate and difficult to substitute. Barney (1991) posits that resources can be classified into three categories: physical capital resources such as plant and equipment, human capital resources such as training relationships and experience, and organizational capital resources, for example, reporting structure, formal/informal planning and controlling. For firm resources to be the source of a sustained competitive advantage, they must pass the valuable, rare, imperfectly imitable, (non-)substitutable) test (Barney 1991). Resources can occur in different forms such as patents, relationships or processes. Barney (1991) further argues that the contrary is applicable for strategic implementation. The strategy implementation can be characterized as a functional competence in that it deals with distributing a firm’s resources to fit the strategic alignment of the firm. Strategic initiatives need to be distributed and executed as dictated by the strategic plan.

2.3 Strategy Implementation

Implementation of strategy is initiated in three interrelated stages which include identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of policies to guide decisions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation – communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Successful strategy implementation will yield the following benefits to an organization: proper utilization of resources with financial and human and thus enhance organizational growth, development of efficient systems that will enhance coordination that would guarantee achievement of organizations goal and set targets, increased organizational impact due to improved organizational performance and sustain its competitiveness, the organization will be able to have a clear focus and direction in its growth path and in the process attract competent and resourceful human resource base (Pearce and Robinson, 2007).

Pearce and Robinson (2007) argue that, to ensure success of the strategy implementation, the strategy must be translated into carefully implemented action this is because the firm strategy is implemented in a changing environment and therefore the need for strategic control during the implementation. Implementing strategy is difficult and without proper implementation, no business strategy can succeed. Implementation of strategy calls for alteration of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process. Strategy implementation focuses on the distinct relationship between

implementation and other various organizational elements. The implementation process is identified as being undertaken through a systematic approach which provides a link between strategic consensus and implementation success, (Sabatier and Weible, 2007).

While there is no "one-size fits-all" approach to strategy implementation management for all organizations, Sabatier and Weible, (2007) posit that there are three basic and irrefutable strategy implementation practices for all kinds of firms. The strategy implementation practices include business integration, user adoption and technical implementation. However, successful implementation of strategies, they suggest that a holistic viewpoint and comprehensive strategy are needed for high impact results and long term success.

Under the business integration stage, this step enables an organization to rethink how it operates its business and can enhance the value of IT. It involves the organization listening to their stakeholders and work with them to identify new ways of solving key business problems and managing their processes (Kazmi, 2002). For example, how the business collaborates internally or with customers after implementation can be much different than before when the communication mode was also different. An organization should foster the concept of the integration as a business tool that is central to the support and growth of the organization's business plan. Identification of a clear, multi-party governance structure to manage the effort through design, implementation, and ongoing improvements will also be needed. At a minimum, the organization should identify an executive champion, steering group, and working group comprising business and technical members (David, 1997). An organization should sell the idea at every meeting,

and at every opportunity. A strategy implementation process can take awhile before one really get traction and there is therefore need to the word out and focus on the benefits-solving stakeholders' most pressing business problems.

According to Grundy (2004), many organizations strategies get sidetracked by focusing too many resources on branding, color schemes, and the like. Instead, he suggests that there is need to amortize the traditional look and feel investment by continuously engaging users throughout production to enhance the interface as they become more adept with the solution. The strategy adopted should be a reflection of organizations customer needs (internal or external) and not a picture of the operating model. An organization should carefully segment ones users, map them to the organization's portfolio of services and products, and design a product to support these relationships. A cross-cutting enterprise taxonomy and information architecture that is independent of organizational boundaries can act as a driver of change to support where the business is headed, not how it currently operates (Chapman, 2004). Communications and change management activities are vital. A lack of communications planning and change management activities (e.g., process redesign, training, etc.) can ruin a technically sound implementation. Remember, if no one uses the solution after it is deployed, you have failed.

A strategy implementation practice is aimed at optimizing the impact of the process. Under this process, an organization is needed to prioritize requirements and deploy functionality in phases.

Cummings and Worley (2005) observe that an organization should not try to build everything at once. Instead, they need to develop the solution using a phased approach that is driven by the demands of the business and not the supply of the organization. Integration with existing tools may fulfill many requirements and combination with other technologies and commercial may be the best option instead of building functionality from scratch.

2.4 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (David, 1997).

2.4.1 Top Management Commitment

Leadership is the key to effective strategy implementation. The role of the chief executive officer is fundamental because a chief executive officer is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The chief executive officer actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a chief executive officer strongly influence a firms' mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones and Hill, 1997). Top management goodwill and

ownership to drive the process is also critical to effective implementation of strategy. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. To this end, he argues, the managers will willingly give their energy and loyalty to the implementation process. In addition the senior managers should abandon the notion that the lower level managers have the same perception of strategy and its underlying rationale and urgency. They must not spare any effort in persuading the other employees in adoption of their ideas.

Implementing a new strategy also requires leaders to have adept managerial relationship. This is important because business leaders and executives must be at the forefront of overcoming disagreements and pockets of doubt. They must also lead their people in building a consensus on how to proceed with the various initiatives included in the strategy being implemented. Strategy implementation leaders must also secure the commitment and cooperation of all concerned parties to get all the implementation pieces in place. The management of the organization provides direction to workers as they pursue a common mission in implementing strategies (Chapman, 2004). The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. This leads to rational leadership styles for those with good leadership qualities and qualifications (Chapman, 2004). A good strategic leader operates without bias, be visionary, self-confident, has empathy and

respect to others and is experienced. Strategy implementation calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues (Chapman, 2004).

Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes, at the same time, a positive signal for all the affected organizational members. To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency (Cummings and Worley, 2005). Instead, they must believe the exact opposite and spare no effort to persuade the employees of their ideas. By changing the way they view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Change is part of the daily life within an organization. The ability to manage change has shown to be a core competency for corporations. A great challenge within strategy implementation is to deal with potential barriers of the affected managers.

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Culture can be inferred from

what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

Johnson and Scholes (2002) note that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf. A company's culture also prevents a company from meeting competitive threats or adapting to changing economic and social environments that a new strategy is designed to overcome. Social processes can also create rigidities if an organization needs to change their strategy. Resistance to change may be "legitimized" by the cultural norms.

2.4.3 Organizational Structure

Successful strategy implementation depends to a large extent on the organizations structure because it is the structure that identifies key activities within the organization and the manner in which they will be coordinated to achieve the strategy formulated. Structure also influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. It is necessary for an organization to rationalize its operational/management structures so as to streamline it to be effective in strategy execution. This would include transfers, mergers, and creation of new departments and divisions for effective management. The organization structure therefore should fit with the intended strategies (Birnbaum, 2000).

Organizations should be structured in such a way that it can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted. Thompson and Strickland (2003) notes that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

2.4.4 Communication and Strategy Implementation

Guffey and Nienhaus (2002) found a strong link between organizational commitment (strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization) and employees' support of the organization's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. The way in which a change is presented to employees is of great influence to their acceptance of it. To deal with this critical situation, an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing the employees' attention on the value of the

selected strategy to be implemented. Therefore, communication plans will provide the appropriate information to market the strategy implementation effectively in order to create and maintain acceptance.

Communication down the organization or across different functions becomes a challenge. Making sure that processes throughout the organization support strategy execution efforts can be problematical in a large organization. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task. The larger the numbers of people involved, the greater the challenge to execute strategy effectively (McCracken, 2002). Birnbaum (2000) indicates that strategy implementation requires the transfer of information from one person to another through specific channels. Communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. In organizational strategy implementation, information flows in all directions; downwards, upwards and laterally (Chapman, 2004). The employees freely communicate their ideas, suggestions, comments and complaints to the management on strategic objectives. These can be done through supervisors, joint consultative committee, suggestion schemes, trade unions or grapevine. Departmental communication is encouraged through inter-departmental meetings, committees and personal consultations. The management of the organization therefore thinks about the communication needs that to be articulated during strategy implementation.

2.4.5 Resource Allocation

Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities

established by annual objectives. Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002). The causes of breakdown in strategy implementation relate to the capabilities, processes and activities that are needed to bring the strategy to life. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. Successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies (Judson, 1991).

The organization need to have sufficient funds and enough time to support the implementation process. True costs include realistic time commitment from staff to achieve a goal, a clear identification of expenses associated with a tactic, or unexpected cost overruns by vendors (Olsen, 2005). Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The budgetary resources should be marched with departmental operations. Effective implementation of any organization's strategic plan depends on rational and equitable resource allocation across the organization. Proper links should be developed between the strategic plan and operational activity at departmental levels in order to necessitate proper implementation of strategies (Birnbaum, 2000). Resource allocation helps strategic managers to coordinate operations and facilitates control of performance. It is important to have a budget for the whole organization or sub-unit.

2.4.6 Reward and Sanctions Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007). According to Thompson *et al.*, (2007) the specific objectives of rewards and punishment are different. Rewards are in principle intended to encourage the type of behaviour which precedes them, while punishment are intended to prevent a repetition of previous behaviour. For the management, the criterion of success for reward policies is that they motivate employees to commit high levels of physical or mental effort towards performing required tasks well. Further, Tigio *et al.*, (2004), observe that rewards should increase the predictability of employees behaviour so that they can be depended upon to carry out the duties requested of them consistently and

to reasonable standards, like opportunities for upgrading or even promotion will tend to increase the predictability among employees who have some ambition if it is apparent that certain types of behaviour enhance the prospect of career development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter introduces the design of the research and the data collection and data analysis technique.

3.2 Research Design

The research design was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. Case studies allow a researcher to collect in-depth information, more depth than in cross-sectional studies with the intention of understanding situations or phenomenon. It also helps to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study. The study was used to identify the strategy implementation practices and challenges at the Institute of Advanced Technology. The reason for this choice is based on the knowledge that case studies are the most appropriate for examining the processes by which events unfold, as well as exploring causal relationships and also they provide a holistic understanding of the phenomena.

3.3 Data Collection

The study used primary data which was collected using an interview guide. An interview guide is a set of questions that the interviewer asks when interviewing. The respondents to be interviewed were six top managers in charge of planning, corporate, human resource management and business development. These are considered to be key

informants for this research. The interviews were semi-structured so that some questions can be omitted or added if some new and useful information come up through the whole procedure, which will be face to face interviews.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study.

Content analysis, as a class of methods at the intersection of the qualitative and quantitative traditions, is used for rigorous exploration of many important but difficult-to-study issues of interest to management researchers (Carley, 2003). This approach is more appropriate for the study because it allows for deep, sense, detailed accounts in changing conditions. Thus the qualitative method is suitable for this research because this research was conducted within the environment where the implementation initiatives occurred.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the strategy implementation practices employed at the Institute of Advanced Technology and also establish the challenges of strategy implementation at the Institute of Advanced Technology. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Demographic Data

The respondents comprised the middle and the top management of Institute of Advanced Technology. In total, the researcher interviewed six respondents out of the eight that had been intended to be interview in the research design. Two of the respondents were not available during the interview. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organizations objectives. As a result the response rate was around 75% and the interview was made possible because all the respondents interviewed had worked in their respective positions for at least 4 years within IAT and other training institutions. All the respondents held managerial position in the institution and therefore considered to be more versed with the subject matter of the study.

Academically, the respondents had all attained university education with three of them having undertaken a master's degree in their respective fields. In addition two of the

interviewees had risen through the ranks in the institution to occupy the present management position over 25 years of employment they had worked. With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Strategy Implementation at IAT

This section of the interview guide sought to establish from the respondents whether they understand the strategic process at the IAT. The section covered question on the strategic process period, persons involved in the organizational strategic process and staff involvement in the strategic process.

On the question of whether the respondents were aware of the organizations strategic, all the respondents answered to the affirmative and indicated that the organizations strategic plans cover a five year period. The uniform answers from the respondents indicated that all of them understand the organizations strategic plan as to the period it covers. The officers involved in the strategic process were diverse. The respondents indicated that the Chief Accountant, Human resource manager and the managing director are the key persons involved in the development of the strategies. Sectional heads as well as staff from the five campuses spread in Mombasa, Kisumu, Nyeri, Eldoret and Kakamega were are involved in the strategy development and implementation. In particular, the involvement of section heads – the smallest unit of organizations management- in the strategic process ensured that the views of all the staff are incorporated in the organizations overall strategies.

The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. At IAT, it was found out that the organization appreciates the role played by employees in process of developing and eventually implementing the strategy. The organizations employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff is involved in the strategy development phase, there will be less level of resistance during the implementation period and this will therefore increase the rate of success. IAT being an IT based firm, the role of information technology in the strategic process was highlighted as contributing greatly in the strategic process. Many of the strategy development process is carried out through the IT interface and it is only during the plan moderation phase that the various section heads meet together under the direction of the manager business development department.

The strategy implementation phase in the organization requires that individual section heads in consultation with all the staff in the sections monitors the activities being undertaken on weekly basis to establish whether the results are in line with the budget expectation. come up with their task that are achievable as well as measurable. This process will facilitate detection of any variance and any unfavorable variance is investigated with the aim of remedying it. The cost, revenue and trainee enrolment forms

some of the key parameters that is investigated. On what factors is considered to affect the success or failure of the strategic implementation in the organization, the respondents pointed that enhanced communication, prudent utilization of the available resources, committed staff, teamwork and partnerships, transparency and accountability, and commitment to meeting deadlines/timelines are some of the key factors that influence the organizations success. The respondents also appreciated that the top leadership of the organization affect the strategy implementation process. They pointed that leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken. It was appreciated that the majority of the organizations strategies requires collaboration with other government agencies and international partners who are concerned with administering examinations, course content and other support. The respondents pointed that in dealing with these external stakeholders, the leadership of the organization are the ones to perform this task.

4.4 Challenges of Strategy Implementation Process at IAT

The objective of the study was to establish the challenges facing strategy implementation at the Institute of Advanced Technology. It was expounded by the respondents that the development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, in many organizations, the implementation phase is faced by a number of challenges. The challenges faced by the

organization in implementing its strategies were categorized into; commitment of the top management to the strategies, organizational culture, structure, management, resources and capacity.

4.4.1 Top Management Commitment

The researcher sought to identify from the respondents if leadership was a challenge that affects the process of strategy implementation in the organization. To this extent the respondents pointed out that indeed the management at IAT was a challenge in the effective implementation of strategies in the organization. They supported this by pointing out the various kinds of challenges faced by the organization that resulted from the leadership side of the organization. First, rigidity and bureaucracy together with the failure to embrace new ideas and innovational technology in business was noted as a challenge. An example was given whereby the institute introduced degree programs in computer science and business courses. However, some of the managers did not embrace the strategy fully and this diversification strategy has not successfully picked up.

In addition, differences in opinion, forced removal of project leadership, disputes in project leadership selection were pointed out as indicators of the existence of leadership and management problems in the implementation of the strategies at IAT. Management resistance to change and new ideas, lack of visionary leadership together with poor leadership skills and knowledge are still additional challenges facing the organisation. Some of these leadership skills were found to be due to a lack of proper training and this could be remedied through the process of training of those in the management positions.

The respondents were in agreement on the measures to be taken in overcoming some of the leadership and management challenges in the organization. They noted that some of these challenges are as a result of poor communication, overworking of some workers due to disproportionate allocation of work. It was recommended a number of ways of addressing these challenges, among them engaging human resource specialists and business units in harmonizing all roles in the project committees, communication of roles and responsibilities at an early state and involvement of middle line managers at the early stages of strategy development because eventually they will be the ones to implement the same projects. The management of the organization was also pointed out to cause ineffective implementation of strategies due to adoption of improper communication channels in the institution. In some cases, it was found that the use of paper works in communication slowed down the phase of communication due to the resultant time lag especially in the organizations units that are based outside the headquarters in Nairobi.

The employee morale and motivation was also noted to be low due to the organizations leadership not coming up with an appropriate reward system to boost the employees' motivation. It was also highlighted that the top leadership has not been keen in cutting deals at the corporate level. Instead, the respondents noted that cases have been noted where the top management have delegated such activities to junior officers who in turn have ended up not being successful in lobbying for such projects because of the nature of complexity involved.

4.4.2 Organizational Culture

On the question posed to the respondents on whether they felt the organization and the management culture established affected the strategy implementation at IAT. It was noted that the organization staff attitude was not in tandem with present day market conditions where ones opportunities are identified, there is need for a fast decision making to capture the same, otherwise the opportunity will be captured by other competitors. The institution has been associating high prices to represent high quality which with the increase in the number of colleges offering similar products might not necessarily be the case. The institution was found to have maintained the high pricing strategy and not being flexible enough to embrace market demands. This culture negatively affected the institution in terms of student enrolment. The speed at which decision making is made was found to be slow in the organization and this is compounded due to the vertical organizational structure that exists presently in the organization. There has been also a high staff turnover in the recent past especially from staff who is handling several of the firm's projects that are being carried out. It was therefore appreciated that such staff turnover results to the rate at which the projects are completed to lag which consequently results to lost opportunities.

A number of senior staff members have been known to doing things in a certain way and whenever new changes are introduced or change of strategy is required to capture a certain opportunity or counter a given threat, the same group will be slow in decision making which in turn will lead to the loss of opportunity. This view is found to be in

tandem with that made by Pearce and Robinson (2007) when they noted that since implementation of strategies will affect in some cases the “way things are done in the organization’, then the employees in the establishment will tend to resist such changes. Thus the implementation strategy should be concerned with the necessary adjustment in order to accommodate the perceived needs of the strategy.

The researcher also wished to get from the respondents how they overcame the challenges posed by the values and beliefs shared by the IAT employees and community at large and still ensure the maintenance of the organization culture. Towards this end, the respondents indicate that the involvement of the all employees in strategy implementation and incorporating their views together with effective communication of the benefits to be derived from the implementation of various strategies was an important step. It is observed that changes in culture be made gradually since changes to how people operate need not be drastic and if made so, the resistance level will be high. This point was in tandem with that of Ohmae (2003) in which he noted that organizational culture is fairly stable and does change fast and consequently in changing the same, the changes should be gradual.

4.4.3 Organizational Structure

The nature of the organizations structure affects the level of communication and implementation of the strategies. The respondents highlighted in the case of IAT, the organization structure is vertical meaning that in cases where the communication need to be hastened, it becomes slowed down due to the many decision makers involved. The respondents on whether the organization structure acts as a hindrance to the

implementation process was varied. Some of the respondents pointed that in some cases the organization structure has remained static instead of evolving with the market demands. They noted that when the company needed to offer new products, there is need for the structure to be realigned to capture effectively the opportunities arising in the market. An example they gave was when the organization identified computer application training market in the government and though the IAT got the contract, they did not delink this opportunity from the normal training department and with the increased workload, it became a challenge to effectively offer the service and this lead to unsatisfactory project results. There was need to establish a dedicated staff that will handle the task without combining with other normal task. Another instance cited was when the institution collaborated with Maseno and St. Pauls Universities to offer degree courses. IAT was found not to have adjusted their structure to easily counter the challenges that come with this collaboration. This has made it difficult for the institution to compete with other universities.

The vertical organization structure that exists presently was noted to be the same one that was put in place when the organization was formed. There is need to change it to reflect the present operating environment in which the stakeholders require prompt guidance and decisions from the management of the institution and which can only be achieved with a much flatter structure to facilitate faster decision making. Like any other corporate organization, it was found that communication comes from the top and this may sometimes come with bureaucratic challenges. The findings are consistent with Ongoya

and Lumallas (2005) who noted that majority of the one person or partnership structures were an impediment to the development and implementation of the strategies.

4.4.4 Communication

There are various means used by organizations to communicate any strategic process information. The selection of the appropriate means of communication will depend on the sector, coverage, sensitivity of the information and also the urgency of the communicating the same. The findings of the study were that communication affects strategy implementation process of the company. It was pointed out that information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. Effective communication is a requirement by ISO hence its mandatory communication for the same to be effective and since the organisation is ISO 14001 certified, it has endeavored to adopt an effective system of communicating the same. They noted that an ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees.

An organization can employ different modes of communication to employees. The mode chosen in the organization depends on the nature, sensitivity, speed required as well as the distance between the sender and receipt. It was found that email, face -to- face, verbally and through the mission and vision charter. It was also found that the organization gives its employees opportunities to share their ideas, facts, opinions and emotions. It was noted that IAT has established an open door policy and competition on

business ideas where various decentralized units of the organization compete to generate different business ideas. The feedback on the progress of the work done is usually passed during the interdepartmental meetings which are held monthly.

4.4.5 Resource Allocation

The respondents agreed unanimously that resource constraints hindered implantation of the organizations projects. They pointed out that Human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. As an IT based company, it was pointed that availability of necessary hardware was in some cases found to be adequate, while modern infrastructure and genuine Software was also identified as limiting resource. A lack of adequate resource was identified as a major inhibitor to the actualization of all the projects, loss of business due to low skill level and in some cases, the staff may not give their all since there may be not enough ownership of projects.

In order to mitigate the challenges to implementation of projects, financial resources, proper planning and prioritizing on the policies is a key factor to consider in order avoiding wastage. It was also pointed out by the respondents that it is important to set aside enough finances for the project while ensuring that staff are motivated and recognized i.e. through reward and appreciation schemes. The staff with adequate training in their roles in strategy implementation is the nerve centre in boosting the organisation competence and qualification to handle demanding tasks. As a result, the respondents noted that when the institution is setting budgets, it ought to incorporate

adequate resources to ensure the realization of the set goals and putting in place mechanism of addressing the issue of resource limitation in their role.

Ineffective coordination and sharing of responsibilities among the staff came out as another factor that affects the success of implementing strategies at IAT. Overlapping of activities during the implementation phase was found to create confusion among the implementers and therefore leading to delays in implementation and unnecessary bureaucracies. In some cases, the respondents also noted that conflicts/mistrust amongst relevant stakeholders and those implementing the strategy have created unnecessary tension between the institution and members stakeholders such as the parents and students. Implementers of the strategies need to be answerable to their actions. However, it was found that in some instances, there has been a lack of accountability within the institution especially for some actions and this becomes a source of discouragement to the other staff members whom by themselves are expected to be accountable. Another challenge that was faced by the organization has been a lack of morale amongst implementers, misinterpretation of the organization strategy, lack of proper reporting and therefore no feedback. Proper monitoring of strategy implementation was also found to be lacking.

4.5 Discussion

Successful implementation of a strategy is as critical and difficult as the strategic choice. A firm needs to consider its resources to be used, human resources requirements, the structure systems and other changes in order to achieve a successful implementation of a project. Competency in implementation and the ability to put ideas into actions can be an

organization's source of competitive advantage. Because the implementers of a strategy in most cases are the lower level staff, the process requires a shift in responsibility from strategist to divisional and functional managers to ensure effective implementation. The findings of the study were that those actively involved in the strategy implementation should also be actively involved in the strategy formulation to ensure ownership of the process. This position is found to be consistent with that David (2003) who observes that the human element of strategic implementation plays a key role in successful implementation and involves both managers and employees of the organization and more particularly the need to incorporate the views of the middle and lower cadre of staff.

Leadership is the key to effective strategy implementation in an organization and this point came out strongly during the research. The respondents pointed that the leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken and seek their support in realization of the same strategies. As Hill and Jones (1997) noted the right managers must also be in the right positions for effective implementation of a new strategy since the top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. To finding was also supported by Thompson (1997) when he observed that a strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

Alghambi (1998) argues that, failure to keep time, poor coordination, and distraction from competing activities, tasks not well defined and inadequate information systems to support strategy implementation as barriers. This same position was found to exist in the organization since the finding from the study was that there existed lack of coordination of various projects and coupled with ineffective communication structure, the performance of the strategy implementation process was not optimal. Beer and Eisenstat (2002) identified six killers to strategy implementation as : top down approach, unclear strategy and conflicting priorities, ineffective top management, poor vertical communication, weak coordination and inadequate down the line leadership skills. Some of these challenges still face IAT.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

In summary, the study shows that the interviewees are aware of the strategic process of the IAT and the challenges that affect the success of its strategy implementation. The organization strategy covers a 5 year period and is clear and concise and can be understood by the staff though the organisation adopts a top-down approach in its strategy development. The study established that the top leadership of the organization affects the strategy implementation process through directing both human and material support towards the strategy implementation process. The organizations' leadership also liaises with other stakeholders outside the organization that will affect the success of the strategies being undertaken. A number of instances were pointed as a case of unsatisfactory leadership qualities including; delegation of meeting to junior officers who are incapable to strike such deals, lack of responsibility with delegation of duty and arbitrary transfers of staff in the middle of implementing projects.

In a competitive and chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization. The culture of the organization was found to be an impediment to strategy implementation as the employees have not embraced the new changes as they are used to doing things in certain ways and this has resulted in the institution maintaining the high pricing strategy and not being flexible enough to embrace market demands, low student enrolment, slow

decision making and staff turnover. IAT organization structure was an impediment to successful implementation of the strategy. The structure creates a perception that strategy implementation is a preserve of the top management especially when there is lack of communication with the rest of the staff.

The study found out that communication in IAT was a challenge to strategy implementation as information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. This ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees. The resources available to the organization was found to be a challenge to implementation of strategy in IAT as human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. This resulted in actualization of all the projects, loss of business due to low skill level and in some cases, staff not giving their all since there may be not enough ownership of projects.

A number of measures were identified that will help in reducing the factors that affect the success of strategy implementation in the IAT. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The strategic process of the IAT was noted to require participatory and

consultative approach. Other respondents suggested to the organization that they should embrace an all inclusive, participatory consultative and informative stakeholder analysis, in strategy implementation to enhance ownership, and finally, embrace public private partnership in resource mobilization.

5.2 Conclusion

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Strategy formulation and implementation process is very vital for the functioning of any organization. From the findings, it was established that the strategy formulation process in the organization follows a top-down approach while implementation process adopts a bottom up approach. These disconnect in the strategy formulation and implementation has in some cases brought about challenges in the success of implementing the set strategies. The organization team consists of qualified team that has been able to steer the projects amid the challenges that come with implementation. This therefore means that for an effective handling of the challenges of implementation, the managers should be empowered through adequate training and development programs to carry such projects. In addition, it is important that the organisation has in place adequate mechanism of incorporating the views of all the stakeholders in the development of the strategies for a successful implementation of the same strategies. Despite the position that the organization has been able to realise success in significant components of its projects, it has there is room for improvement to increase its annual success.

Another important conclusion from the study is that in the present day operating environment, in which the actions of an organization will affect and be affected by stakeholders, it is important that an organizations strategic process be an all inclusive where the junior staff, community and non-governmental organizations views are accommodated for in order to realize reduced resistance during the implementation phase. Further, effective monitoring and evaluation of the strategies during implementation was found to be critical. The organization should be able to put in place measures for tracking down progress and facilitating learning and decision making in a quick manner and therefore increase the chances of achieving the same strategies. In an effort to improve M & E, external consultant will be recommended that will give independent opinions and guidance towards the achievement of the same objectives.

5.3 Recommendation for Policy and Practice

The study established that the top management of IAT was found to be a challenge to successful implementation of strategies in the organization and it therefore recommended that the management should be at the forefront in ensuring that there is effective coordination and sharing of responsibilities in the organization. There should be adequate and regular communication to the employees by the management on the extent of strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of strategy.

The study established that strategy implementation influence the successful achievement of the institution and it is recommended that it would be prudent to include a human

resource audit to assess the capacity of the staff to be involved in implementing the new strategy and give recommendations. The basis of doing this lies on the principle of having the right people on board, then the problem of managing and directing them largely goes away. To improve on human resource management, IAT needs to institute a modern performance management system and train their key staff on administration of the system, review the job descriptions and personnel policies in order to have the workforce motivated.

In order to implement the strategy more efficiently, the measuring system should be developed so that it can better measure the activities which are in accordance with the strategy. Middle managers should bring up strategic issues more when talking with their subordinates. They should go through together with the personnel on what actions and why they are expected to be taken and how these are related to the new strategy. It would also be profitable to offer middle managers opportunities to improve their management and leadership skills and those skills should also be emphasized in the future when choosing new managers.

Results from the present study add to the understanding of a much-debated topic in the field. It contributes to the strategy implementation literature by focusing on challenges faced by organizations in strategy implementation practices. The finding provides an important reference and new insight for practitioners in understanding how strategy implementation is managed through the provision of the foundation of the study. As middle and higher education institutions are incorporated or elevated to offer degree, results from the present study offer some implications for both research and practice. As

for practical implications, the findings from present study offer important insights for executives in formulating effective strategies.

5.4 Limitation of the Study

One of the limitations of this research is the possible biasness on the part of the respondents because for any study making use of an interview guide, there is a possibility that the answers from the respondents for all questions are not true; this study is no exception. Because a personal interview was conducted the questionnaire questions were personally administered and all questions asked were related to the strategy implementation strategies facing IAT and as such, the respondents might not give the correct position for fear of exposing their strategies researcher reserves the right to believe that the responses were true and honest to the extent of the knowledge of the respondent and contain minimum level of biasness.

The second limitation, the number of respondents, was finalized based on the number of the interviewees available. Only six of the respondents were available out of the targeted eight respondents interview guide was carried out on six respondents that were submitted to the respondents and not all of them were received which therefore limited the total number of respondents involved in the research. However, it is assumed that their responses are representative of that what will have been given by the other respondents.

5.5 Recommendation for Further Research

The study confined itself to the Institute of Advanced Technology. This research therefore should be replicated in other educational organizations and the results be compared so as to establish whether there is consistency among the organizations in their strategy implementation process.

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APPENDIX: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To determine the challenges of strategy implementation at the institute of Advanced Technology (IAT) Kenya.

Part A: Demographic Data

1. For how long have you been holding the current position?
2. For how long have you worked in the company?
3. What is the highest level of education you have achieved?

Part B: Strategy Implementation at IAT

4. Does the organization have a strategy? If yes, what duration does the organization strategy cover?
5. What level of employee involvement does the strategy implementation take?
6. What implementation process does your organization strategy take?
7. What measures are taken by the organization to ensure that the actual strategy conform to the planned strategy?
8. Does the organization optimize resources during the implementation phase? How is the same achieved?

Part C: Challenges of Strategy Implementation

A) Top management commitment

- a) Is leadership a challenge to the process of strategy implementation?
- b) What kind of challenges do you face with leadership?

- c) Are the top managers at the forefront in providing leadership in strategy implementation?
- d) How does ineffective coordination and poor sharing of responsibilities affect strategy implementation in the company?
- e) How does the conflict in leadership whereby the directors' vision is not shared by all affect strategy implementation in the company?

B) Organizational culture

- a) Has the organizational culture affected implementation of strategies in the company?
- b) How do the shared beliefs and values that interfere with the needs of the business, its strategy and the people working on the organization's behalf hinder strategy implementation?
- c) Is there a coordinating committee to ensure that all outstanding issues regarding the implementation of the strategy are resolved and that the activities of the various directorates are properly coordinated?

C) Organizational structure

- a) How does the structure in your organization pose a challenge to strategy implementation?
- b) Is the organizational structure of the company aligned with strategies being implemented?
- c) Does the company structure respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted?
- d) Does the structure of the company affect how the objectives and policies will be established and implemented?
- e) How does the company structure affect communication from the management to the employees and vice versa?

D) Communication

- a) Does communication affect strategy implementation strategy in the company?
- b) How often is feedback on strategy implementation communicated to the employees?
- c) What means of communication does the management use to communicate the awareness of change at company?
- d) Is there adequate communication of the strategy and its underlying rationale to all the staff in the company for their understanding and acceptance?
- e) Do the top managers link strategic objectives with the day to day objectives at different organizational levels and locations?
- f) Does the company gives an opportunity to its employees share their ideas, facts, opinions and emotions and above all provides feedback through inter-departmental meetings, committees and personal consultations?

E) Resource allocation

- a) Do you have any resource constraints hindering strategy implementation? If yes, what kind of resources in particular?
- b) In your opinion, were the available resources adequate for strategy implementation?
- c) Does rational and equitable resource allocation across the organization affect effective implementation of any organization's strategic plan?
- d) How does lack of sufficient capabilities, processes and activities that are needed to bring the strategy to life causes breakdown in strategy implementation?

F) Reward and sanctions

- a) Are your reward systems in any way tied to ability to implement strategies? Please explain.
- b) Does the management motivate and reward good performance for individuals and units for effective strategy implementation?
- c) What measures have been taken to ensure that rewards are tied to ability to implement strategies?

**CHALLENGES OF STRATEGY IMPLEMENTATION AT THE
INSTITUTE OF ADVANCED TECHNOLOGY (IAT) KENYA**

MOGENI JESCAH MORAA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENT FOR THE AWARD OF THE MASTER OF
BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

NOVEMBER, 2013

DECLARATION

This project is my original work and has not been presented to any university or institution of higher learning and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

.....

Date

MOGENI JESCAH MORAA

D61/60166/2011

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

Signed.....

Date.....

FLORENCE MUINDI

Lecturer, School of business,

University of Nairobi

DEDICATION

I dedicate this work to my husband Hillary Mainye and my son Kayden-sam Mainye. Their continuous support, prayers and encouragement were a source of strength during my study.

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First, I thank the Almighty God for giving me good health and strength to conduct this research project. Secondly, I wish to thank my supervisors Florence Muindi and Dr. Zack B. Awino, for their guidance and assistance provided in helping me to achieve my educational goals. I cannot forget to thank both the academic and non-academic staff at the University of Nairobi, for their invaluable support in the course of my study. I am also greatly indebted to my student colleagues at the University of Nairobi. Special thanks to my employer Institute of Advanced Technology for allowing me to go through the course and for allowing me to conduct my research project at the head office. I would like to sincerely thank all those who availed their time to be interviewed, thus making it possible to complete my project.

LIST OF ABBREVIATIONS

IAT	Institute of Advanced Technology
ICDL	International Computer Driving License
ICT	Information and Communication Technology
EBCL	European Business Competence License
UK	United Kingdom
NCC	National Computing Centre
SPSS	Statistical Package for Social Scientists

ABSTRACT

In a business environment where competition is the order of the day, business entities are coming up with strategies that will give an edge over competitors at a lower cost. However, organizations today face major changes that make strategy implementation difficult and complex than in the past. Therefore it is necessary that an organization comes up with strategies that it can be able to implement and also avail resources that will be able to implement the strategies effectively. The study sought to establish the strategy implementation practices at Institute of Advanced Technology as well as identify the challenges that affect the implementation of strategies in the organization. A case study research design was adopted whereby the researcher interviewed six senior managers at IAT who were involved in the strategic process of the firm. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges. Analysis of the data was done using content analysis. The findings from the study suggest that the IAT faces a number of challenges ranging from; slow decision making process, inadequate resources, cultural interference in some instances, lack of proactive leadership and non involvement of all the stakeholders in strategy implementation. In addition, other challenges included employees not committing themselves to support a new strategic plan from the start to its completion including review and supporting its recommendation, changing the strategy mid-stream to suit their focus. The measures taken to overcome the challenges include training employees on project evaluation and monitoring, involvement of all the stakeholders in strategy formulation and sourcing for additional funding to finalize on incomplete projects. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, and fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The study concludes that strategy implementation at IAT was affected by the structure adopted, culture, communication, the top management, rewards and the resources. The study recommends that strategy formulation and implementation process is very vital for the functioning of any organization and the management of IAT should work to ensure that the challenges which were identified as affecting strategy implementation are tackled in order to ensure that the institution remain competitive in the market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The guiding principles in any strategic management process, whether in the public or private sector, is about understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Gole, 2005). He asserts that the difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges. Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead (Bryson, 2004).

While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is clearly absent. The guiding principles in any strategic management process, is the understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Morgan and Strong, 2003). The difficulty in strategic management is the challenge of laying a foundation for success in the future while

meeting today's challenges. Organizations are dynamic, complex and are gradually changing hence need for competitive strategies. However excellent the strategies developed by organizations to counter the challenges it faces, the major hurdle for success is the effective implementation. In fact, the most elegantly conceived, precisely articulated strategy is virtually worthless unless it is implemented successfully, (Sabatier and Weible, 2007).

Johnson and Scholes (2002) assert that the development and implementation of strategies by an organization or government to chart the future path to be taken will enhance the competitiveness of such firms operating in a competitive environment. However, they observe that many firms develop excellent strategies to counter and adapt to the environmental challenges but suffer a weakness in the implementation of the same strategies. Transforming strategies into action is a far more complex and difficult task. Organizations seem to have problems in strategy implementation: such as weak management roles in implementation, a lack of communication, lacking a commitment and misunderstanding of the strategy, unaligned organizational resources, poor organizational structures and uncontrollable environmental factors (Beer and Eisenstat, 2000). Strategy implementation therefore focuses on the distinct relationship between implementation and other various organizational elements. The strategy implementation process is identified by Sabatier and Weible (2007), as a process being undertaken through a systematic approach and provides a link between strategic consensus and success.

1.1.1 Concept of Strategy

A strategy is a long term plan of action designed to achieve a particular goal, most often “winning” (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated and often practically rehearsed. According to Johnson and Scholes (2002), strategy has to do with how an organization matches its internal and external environment and the management process is concerned with how to maintain, stabilize or change that position. Mintzberg and Quinn (1998) identify four interrelated definitions of strategy as a plan, perspective, pattern and position. As a plan, it is some sort of consciously intended course of action, a guideline to deal with a situation. As a pattern it integrates an organization’s major goals, policies and actions sequences into a cohesive whole. Strategy as a position becomes a mediating force or match between the organizations and its external and internal environments. Strategy as a position looks outside the organization seeking to locate the organization in the external environment and it in a cohesive position.

Johnson and Scholes (2000, p. 12) define strategy as “the direction and scope of an organization over long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations”. He concludes that strategy can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is sometimes known as search for strategic fit. The concept of strategy is therefore built around winning. Strategy helps to achieve success whether in business or otherwise, success in this context refers to the realization of objectives that are desired. Effective

strategy is formulated around four factors. These are, the goals and objectives are simple, consistent and relate to the long term, there is profound understanding of the competitive environment, there is an objective appraisal of the resources available and that there is effective implementation (Hittet *al.*, 2008).

1.1.2 Strategy Implementation

Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various includes various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals (Okumus, 2003). Strategy implementation is defined as ``the process used to implement specific firm policies, programs, and action plans across the organization`` (Harrington, 2004, p.321). Effective strategy implementation and execution relies on maintaining a balance between preventing failures and promoting success simultaneously. When there is a proper alignment between strategy, administrative mechanisms and organizational capabilities, it will be easier to implement and execute the strategy and to achieve the desired objectives (Okumus, 2003).

Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Traditionally, it is

believed that strategy implantation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2001). While strategy formation and implementation are tightly integrated functions, strategy implementation is the most complicated and time-consuming part of strategic management. It cuts across virtually all facets of managing and needs to be initiated from many points inside the organization.

1.1.3 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman and Zeithaml, 1993). As was further observed by David (2003), successful strategy implementation must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues. Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Lepsinger (2006) similarly hold that true leaders have a clear vision and are 100% committed to pursuing it.

Organizations seem to have difficulties in implementing their strategies, however. Researchers have revealed a number of problems in strategy implementation. The reasons for this are varied, but most hinge on the fact that strategy implementation is resource intensive and challenging (Gurowitz, 2007). None the less strategic planning remains a top priority among successful private universities based on the fundamental notion that an effective strategy offers unique opportunities for market differentiation and long-term competitive advantage. Based on this, many public universities are now asking which are the best tools and methodologies to enable effective strategy implementation (Beer and Eisenstat, 2000).

Beer and Eisenstat (2000), there were six fundamental reasons why various strategies developed by firms were not implemented effectively. They identified that employees saw the overall problem being rooted fundamentally in the process of management issues of leadership, teamwork and strategic direction and not in the commitment of people and their functional competencies. Poor quality vertical communication not only hinders strategy communication but also prevents discussions of the barriers themselves. Sterling (2003) identifies challenges to strategy implementation as: unanticipated market changes, effective competitor response to strategy, insufficient resources, failures of buy-in, understanding and communication by those who are supposed to implement, strategy not being timely and unique, lack of strategic focus and poorly conceived strategies.

1.1.4 Technical Colleges in Kenya

Technical colleges in Kenya offer academic and vocational preparation of students for jobs involving applied science and modern technology. It emphasizes the understanding and practical application of basic principles of science and mathematics, rather than the attainment of proficiency in manual skills that is properly the concern of vocational education (education.go.ke). Technical education has the objective of preparing graduates for occupations that are classed above the skilled crafts but below the scientific or engineering professions. People so employed are frequently called technicians. Technical education is distinct from professional education, which places major emphasis upon the theories, understanding, and principles of a wide body of subject matter designed to equip the graduate to practice authoritatively in such fields as science, engineering, law, or medicine.

Technical occupations are vital in a wide range of fields, including agriculture, business administration, computers and data processing, education, environmental and resource management, graphic arts and industrial design, and health and medicine; technical educational curricula are correspondingly specialized over a broad range (education.go.ke). Technical education is typically offered in post-high-school curricula that are two years in length, are not designed to lead to a bachelor's degree, and are offered in a wide variety of institutions, such as technical institutes, junior colleges, vocational schools, and regular colleges and universities. The training industry is rapidly growing and as a result, a number of technical institutions have started. Kenya has been in a position to promote its Education, through the variety Technical colleges that carter

for the Kenyan students. Among the Colleges in Kenya include Institute of Technology, psychology, statistics, business among other fields. Competition is in the rise and all these institutions are aligning their structures so that they can attain a competitive edge and stand out in the competition. Training in Kenya is currently undergoing changes. There has been a call of urgency to expand the capacities for technical colleges and universities so as a great number of qualified students can be absorbed. Under the training industry there include, Universities, Technical colleges, polytechnics, Secondary and primary schools.

1.1.5 Institute of Advanced Technology in Kenya

The Institute of Advanced Technology (IAT) is an ICT and business learning organization in Kenya and the East African Region. It was established in 1991 with its major focus being on professional courses that enable proficient use of ICT to the learner. It has since switched its focus from End User and Professional courses to Career Training and Education to individuals as well as Public and Private corporate organization seeking to develop their personnel. It has also widened its scope from ICT to business courses.

IAT seeks to achieve customer satisfaction and continuously expand its market share. It does this by scanning the environment in order to improve on its services and to fill the gap in the industry by introducing new products. IAT has grown and is well known in the Kenyan ICT and Business job market for producing high quality graduates who are skilled and proficient in their areas of study. It has succeeded in conducting ICT and

Business courses in partnership with distinguished international and local partners which include Maseno University, St' Paul's University, NCC Education (UK), the European Business Competence License (EBCL), International Computers Driving license ICDL among others since 1991 and have gained valuable experience in this area.

1.2 Research Problem

The organization's strategic plan is expected to be a guiding document for the organization; however, poor implementation of the plan can result in it becoming an ineffective document (Pfeffer and Sutton, 2006). It will not matter how good the strategic plan is, what will be important is how to transform the documented strategy to tangible results, a process which will involve effective implementation process. Organizations are often unable to transform existing knowledge into meaningful action, which creates a gap in implementation. Gole (2005) assert that one of the main causes that organizations cite for the knowing-doing gap is that organizations come to the belief that if they just talk about doing something, this very action of discussion will magically lead to execution. It therefore becomes important that an organization gives the implementation phase of its strategic process due importance and allocate adequate resources and time that will enable it achieve the desired objectives.

The Institute of Advanced Studies is one of the pioneer ICT institutions in Kenya that during its initials years has been able to open branches in major towns and partner with local and international universities to offer the same causes in the country. The institution witnessed the impressive growth due to adoption and implementation of

effective strategies. However, in the last 5 years, the institution has faced high level of competition from universities and other tertiary colleges that have emerged to offer the same courses and programs as the one offered by institute of advanced technology. When the same problem is studied keenly, it is evident that the institution has had strategies to counter the challenges in the business market. However, what has been lacking is an effective implementation in the institution. There is need to ensure that the strategies which they have put in place to are fully implemented so that they can have a competitive advantage over other institutions. This therefore calls for the development of good strategies and appropriately realignment of the organizational structure, systems, leadership behavior and human resource policies. It is on this basis that the current study will wish to establish the challenges facing implementation of strategies at the Institute of advanced Technology.

Recent local studies undertaken on the challenges of strategy implementation include; Moeva (2007) researched the challenges facing implementation of strategy for revitalizing agriculture at the Ministry of Agriculture and found out that the major challenges that affected the implementation of strategy for revitalizing agriculture was lack of awareness and ownership of the strategy by the various stakeholders, performance management especially at district and provisional level and resource mobilization. Nyangweso (2009) on the strategy implementation challenges at Cooperative bank who found out that in the case of Co-op bank just like in any other player in the banking industry, implementation of strategies should be fast, consistent and should be adaptable on many fronts simultaneously. Kiprop (2009) researched on

challenges of strategy implementation at the Kenya Wildlife service and identified that a firm should focus on formal organizational structures and control mechanisms of employees while implementing its strategy. Akwara (2010) carried out a research on challenges of strategy implementation at the Ministry of co-operative Development and marketing and his studies revealed that; organization culture, human resource policies, financial resources policies and procedures, information and operating systems and performance incentives were all impediments to strategy implementation. The challenges faced by the educational institutions could be different with other organizations and therefore this study seeks to establish the challenges of strategy implementation at the Institute of Advanced Technology. This problem statement leads to the following question: what are the challenges of strategy implementation at the Institute of Advanced Technology?

1.3 Research Objectives

- 1) To establish the strategy implementation practices employed at the Institute of Advanced Technology
- 2) To establish the challenges of strategy implementation at the Institute of Advanced Technology

1.4 Value of the Study

The study will aid various stakeholders in the country as follows;

The study will be of value to Institute of Advanced Technology since it will help them understand the factors that affect the implementation of its strategies and thus put in place

mechanisms that will ensure that its strategies are implemented. In addition, the study will be an invaluable source of material and information to other technological institutions operating in the country since they will understand the challenges affecting implementation of strategies in the education sector and thus come up with ways of ensuring that its strategies are fully implemented so that they can compete effectively with other firms. Public and private institutions in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them in the professional and training institutions in Kenya.

The government and regulators of the fund will also find invaluable information in how good strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the government sector in implementing their strategies. The policy makers will obtain knowledge of the professional and training institutions and the appropriate factors that affect implementation of strategies in the industry; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector. Future scholars may use the results of this study as a source of reference. For academicians, this study forms the foundation upon which other related and replicated studies can be based on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will review the theoretical underpinning the study, strategy implementation and strategy implementation challenges.

2.2 Theoretical underpinning the study

The institutional theory recognizes the embedment of institutional actors in an environment of formal and informal rules. Institutional theorists suggest that organizational actions and processes are driven by their actors in order to justify and plausibly explain their actions. According to this perspective, strategy implementation are rationally accounted for by organizational actors and rooted in the normative and social context that motivates actors to seek legitimacy (Oliver *et al.*, 2007). Through various cognitive, normative and regulative forces organizations adopt a standardized set of practices (Scott, 2001). In other words, an organization is composed of three pillars: the cultural-cognitive, normative, and regulative elements that together with associated activities and resources provide stability to social life. Companies try to fit in with the norm by adopting strategy implementation that validates them as part of the organizational field. In essence, traditional institutional theory believes that organizational fields become structured by powerful influences among organizations. The adoption of a system such as strategy implementation is highly dependent on the extent to which it is institutionalized by legitimacy. Legitimacy concerns lead organizations to

adopt practices that “conform to the mandate of the institutional environment” (Kraatz and Zajac, 2006).

The resource-based view of a firm has experienced a rapid diffusion throughout strategic management literature (Priem and Butler, 2001). Firm’s aim must be to achieve competitive advantage over its competitors, which it ideally derives from valuable resources that are superior in use, hard to imitate and difficult to substitute. Barney (1991) posits that resources can be classified into three categories: physical capital resources such as plant and equipment, human capital resources such as training relationships and experience, and organizational capital resources, for example, reporting structure, formal/informal planning and controlling. For firm resources to be the source of a sustained competitive advantage, they must pass the valuable, rare, imperfectly imitable, (non-)substitutable) test (Barney 1991). Resources can occur in different forms such as patents, relationships or processes. Barney (1991) further argues that the contrary is applicable for strategic implementation. The strategy implementation can be characterized as a functional competence in that it deals with distributing a firm’s resources to fit the strategic alignment of the firm. Strategic initiatives need to be distributed and executed as dictated by the strategic plan.

2.3 Strategy Implementation

Implementation of strategy is initiated in three interrelated stages which include identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of policies to guide decisions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation – communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Successful strategy implementation will yield the following benefits to an organization: proper utilization of resources with financial and human and thus enhance organizational growth, development of efficient systems that will enhance coordination that would guarantee achievement of organizations goal and set targets, increased organizational impact due to improved organizational performance and sustain its competitiveness, the organization will be able to have a clear focus and direction in its growth path and in the process attract competent and resourceful human resource base (Pearce and Robinson, 2007).

Pearce and Robinson (2007) argue that, to ensure success of the strategy implementation, the strategy must be translated into carefully implemented action this is because the firm strategy is implemented in a changing environment and therefore the need for strategic control during the implementation. Implementing strategy is difficult and without proper implementation, no business strategy can succeed. Implementation of strategy calls for alteration of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process. Strategy implementation focuses on the distinct relationship between

implementation and other various organizational elements. The implementation process is identified as being undertaken through a systematic approach which provides a link between strategic consensus and implementation success, (Sabatier and Weible, 2007).

While there is no "one-size fits-all" approach to strategy implementation management for all organizations, Sabatier and Weible, (2007) posit that there are three basic and irrefutable strategy implementation practices for all kinds of firms. The strategy implementation practices include business integration, user adoption and technical implementation. However, successful implementation of strategies, they suggest that a holistic viewpoint and comprehensive strategy are needed for high impact results and long term success.

Under the business integration stage, this step enables an organization to rethink how it operates its business and can enhance the value of IT. It involves the organization listening to their stakeholders and work with them to identify new ways of solving key business problems and managing their processes (Kazmi, 2002). For example, how the business collaborates internally or with customers after implementation can be much different than before when the communication mode was also different. An organization should foster the concept of the integration as a business tool that is central to the support and growth of the organization's business plan. Identification of a clear, multi-party governance structure to manage the effort through design, implementation, and ongoing improvements will also be needed. At a minimum, the organization should identify an executive champion, steering group, and working group comprising business and technical members (David, 1997). An organization should sell the idea at every meeting,

and at every opportunity. A strategy implementation process can take awhile before one really get traction and there is therefore need to the word out and focus on the benefits-solving stakeholders' most pressing business problems.

According to Grundy (2004), many organizations strategies get sidetracked by focusing too many resources on branding, color schemes, and the like. Instead, he suggests that there is need to amortize the traditional look and feel investment by continuously engaging users throughout production to enhance the interface as they become more adept with the solution. The strategy adopted should be a reflection of organizations customer needs (internal or external) and not a picture of the operating model. An organization should carefully segment ones users, map them to the organization's portfolio of services and products, and design a product to support these relationships. A cross-cutting enterprise taxonomy and information architecture that is independent of organizational boundaries can act as a driver of change to support where the business is headed, not how it currently operates (Chapman, 2004). Communications and change management activities are vital. A lack of communications planning and change management activities (e.g., process redesign, training, etc.) can ruin a technically sound implementation. Remember, if no one uses the solution after it is deployed, you have failed.

A strategy implementation practice is aimed at optimizing the impact of the process. Under this process, an organization is needed to prioritize requirements and deploy functionality in phases.

Cummings and Worley (2005) observe that an organization should not try to build everything at once. Instead, they need to develop the solution using a phased approach that is driven by the demands of the business and not the supply of the organization. Integration with existing tools may fulfill many requirements and combination with other technologies and commercial may be the best option instead of building functionality from scratch.

2.4 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (David, 1997).

2.4.1 Top Management Commitment

Leadership is the key to effective strategy implementation. The role of the chief executive officer is fundamental because a chief executive officer is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The chief executive officer actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a chief executive officer strongly influence a firms' mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones and Hill, 1997). Top management goodwill and

ownership to drive the process is also critical to effective implementation of strategy. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. To this end, he argues, the managers will willingly give their energy and loyalty to the implementation process. In addition the senior managers should abandon the notion that the lower level managers have the same perception of strategy and its underlying rationale and urgency. They must not spare any effort in persuading the other employees in adoption of their ideas.

Implementing a new strategy also requires leaders to have adept managerial relationship. This is important because business leaders and executives must be at the forefront of overcoming disagreements and pockets of doubt. They must also lead their people in building a consensus on how to proceed with the various initiatives included in the strategy being implemented. Strategy implementation leaders must also secure the commitment and cooperation of all concerned parties to get all the implementation pieces in place. The management of the organization provides direction to workers as they pursue a common mission in implementing strategies (Chapman, 2004). The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. This leads to rational leadership styles for those with good leadership qualities and qualifications (Chapman, 2004). A good strategic leader operates without bias, be visionary, self-confident, has empathy and

respect to others and is experienced. Strategy implementation calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues (Chapman, 2004).

Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes, at the same time, a positive signal for all the affected organizational members. To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency (Cummings and Worley, 2005). Instead, they must believe the exact opposite and spare no effort to persuade the employees of their ideas. By changing the way they view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Change is part of the daily life within an organization. The ability to manage change has shown to be a core competency for corporations. A great challenge within strategy implementation is to deal with potential barriers of the affected managers.

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Culture can be inferred from

what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

Johnson and Scholes (2002) note that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf. A company's culture also prevents a company from meeting competitive threats or adapting to changing economic and social environments that a new strategy is designed to overcome. Social processes can also create rigidities if an organization needs to change their strategy. Resistance to change may be "legitimized" by the cultural norms.

2.4.3 Organizational Structure

Successful strategy implementation depends to a large extent on the organizations structure because it is the structure that identifies key activities within the organization and the manner in which they will be coordinated to achieve the strategy formulated. Structure also influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. It is necessary for an organization to rationalize its operational/management structures so as to streamline it to be effective in strategy execution. This would include transfers, mergers, and creation of new departments and divisions for effective management. The organization structure therefore should fit with the intended strategies (Birnbaum, 2000).

Organizations should be structured in such a way that it can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted. Thompson and Strickland (2003) notes that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

2.4.4 Communication and Strategy Implementation

Guffey and Nienhaus (2002) found a strong link between organizational commitment (strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization) and employees' support of the organization's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. The way in which a change is presented to employees is of great influence to their acceptance of it. To deal with this critical situation, an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing the employees' attention on the value of the

selected strategy to be implemented. Therefore, communication plans will provide the appropriate information to market the strategy implementation effectively in order to create and maintain acceptance.

Communication down the organization or across different functions becomes a challenge. Making sure that processes throughout the organization support strategy execution efforts can be problematical in a large organization. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task. The larger the numbers of people involved, the greater the challenge to execute strategy effectively (McCracken, 2002). Birnbaum (2000) indicates that strategy implementation requires the transfer of information from one person to another through specific channels. Communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. In organizational strategy implementation, information flows in all directions; downwards, upwards and laterally (Chapman, 2004). The employees freely communicate their ideas, suggestions, comments and complaints to the management on strategic objectives. These can be done through supervisors, joint consultative committee, suggestion schemes, trade unions or grapevine. Departmental communication is encouraged through inter-departmental meetings, committees and personal consultations. The management of the organization therefore thinks about the communication needs that to be articulated during strategy implementation.

2.4.5 Resource Allocation

Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities

established by annual objectives. Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002). The causes of breakdown in strategy implementation relate to the capabilities, processes and activities that are needed to bring the strategy to life. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. Successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies (Judson, 1991).

The organization need to have sufficient funds and enough time to support the implementation process. True costs include realistic time commitment from staff to achieve a goal, a clear identification of expenses associated with a tactic, or unexpected cost overruns by vendors (Olsen, 2005). Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The budgetary resources should be marched with departmental operations. Effective implementation of any organization's strategic plan depends on rational and equitable resource allocation across the organization. Proper links should be developed between the strategic plan and operational activity at departmental levels in order to necessitate proper implementation of strategies (Birnbaum, 2000). Resource allocation helps strategic managers to coordinate operations and facilitates control of performance. It is important to have a budget for the whole organization or sub-unit.

2.4.6 Reward and Sanctions Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007). According to Thompson *et al.*, (2007) the specific objectives of rewards and punishment are different. Rewards are in principle intended to encourage the type of behaviour which precedes them, while punishment are intended to prevent a repetition of previous behaviour. For the management, the criterion of success for reward policies is that they motivate employees to commit high levels of physical or mental effort towards performing required tasks well. Further, Tigio *et al.*, (2004), observe that rewards should increase the predictability of employees behaviour so that they can be depended upon to carry out the duties requested of them consistently and

to reasonable standards, like opportunities for upgrading or even promotion will tend to increase the predictability among employees who have some ambition if it is apparent that certain types of behaviour enhance the prospect of career development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter introduces the design of the research and the data collection and data analysis technique.

3.2 Research Design

The research design was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. Case studies allow a researcher to collect in-depth information, more depth than in cross-sectional studies with the intention of understanding situations or phenomenon. It also helps to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study. The study was used to identify the strategy implementation practices and challenges at the Institute of Advanced Technology. The reason for this choice is based on the knowledge that case studies are the most appropriate for examining the processes by which events unfold, as well as exploring causal relationships and also they provide a holistic understanding of the phenomena.

3.3 Data Collection

The study used primary data which was collected using an interview guide. An interview guide is a set of questions that the interviewer asks when interviewing. The respondents to be interviewed were six top managers in charge of planning, corporate, human resource management and business development. These are considered to be key

informants for this research. The interviews were semi-structured so that some questions can be omitted or added if some new and useful information come up through the whole procedure, which will be face to face interviews.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study.

Content analysis, as a class of methods at the intersection of the qualitative and quantitative traditions, is used for rigorous exploration of many important but difficult-to-study issues of interest to management researchers (Carley, 2003). This approach is more appropriate for the study because it allows for deep, sense, detailed accounts in changing conditions. Thus the qualitative method is suitable for this research because this research was conducted within the environment where the implementation initiatives occurred.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the strategy implementation practices employed at the Institute of Advanced Technology and also establish the challenges of strategy implementation at the Institute of Advanced Technology. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Demographic Data

The respondents comprised the middle and the top management of Institute of Advanced Technology. In total, the researcher interviewed six respondents out of the eight that had been intended to be interviewed in the research design. Two of the respondents were not available during the interview. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organization's objectives. As a result the response rate was around 75% and the interview was made possible because all the respondents interviewed had worked in their respective positions for at least 4 years within IAT and other training institutions. All the respondents held managerial positions in the institution and therefore considered to be more versed with the subject matter of the study.

Academically, the respondents had all attained university education with three of them having undertaken a master's degree in their respective fields. In addition two of the

interviewees had risen through the ranks in the institution to occupy the present management position over 25 years of employment they had worked. With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Strategy Implementation at IAT

This section of the interview guide sought to establish from the respondents whether they understand the strategic process at the IAT. The section covered question on the strategic process period, persons involved in the organizational strategic process and staff involvement in the strategic process.

On the question of whether the respondents were aware of the organizations strategic, all the respondents answered to the affirmative and indicated that the organizations strategic plans cover a five year period. The uniform answers from the respondents indicated that all of them understand the organizations strategic plan as to the period it covers. The officers involved in the strategic process were diverse. The respondents indicated that the Chief Accountant, Human resource manager and the managing director are the key persons involved in the development of the strategies. Sectional heads as well as staff from the five campuses spread in Mombasa, Kisumu, Nyeri, Eldoret and Kakamega were are involved in the strategy development and implementation. In particular, the involvement of section heads – the smallest unit of organizations management- in the strategic process ensured that the views of all the staff are incorporated in the organizations overall strategies.

The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. At IAT, it was found out that the organization appreciates the role played by employees in process of developing and eventually implementing the strategy. The organizations employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff is involved in the strategy development phase, there will be less level of resistance during the implementation period and this will therefore increase the rate of success. IAT being an IT based firm, the role of information technology in the strategic process was highlighted as contributing greatly in the strategic process. Many of the strategy development process is carried out through the IT interface and it is only during the plan moderation phase that the various section heads meet together under the direction of the manager business development department.

The strategy implementation phase in the organization requires that individual section heads in consultation with all the staff in the sections monitors the activities being undertaken on weekly basis to establish whether the results are in line with the budget expectation. come up with their task that are achievable as well as measurable. This process will facilitate detection of any variance and any unfavorable variance is investigated with the aim of remedying it. The cost, revenue and trainee enrolment forms

some of the key parameters that is investigated. On what factors is considered to affect the success or failure of the strategic implementation in the organization, the respondents pointed that enhanced communication, prudent utilization of the available resources, committed staff, teamwork and partnerships, transparency and accountability, and commitment to meeting deadlines/timelines are some of the key factors that influence the organizations success. The respondents also appreciated that the top leadership of the organization affect the strategy implementation process. They pointed that leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken. It was appreciated that the majority of the organizations strategies requires collaboration with other government agencies and international partners who are concerned with administering examinations, course content and other support. The respondents pointed that in dealing with these external stakeholders, the leadership of the organization are the ones to perform this task.

4.4 Challenges of Strategy Implementation Process at IAT

The objective of the study was to establish the challenges facing strategy implementation at the Institute of Advanced Technology. It was expounded by the respondents that the development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, in many organizations, the implementation phase is faced by a number of challenges. The challenges faced by the

organization in implementing its strategies were categorized into; commitment of the top management to the strategies, organizational culture, structure, management, resources and capacity.

4.4.1 Top Management Commitment

The researcher sought to identify from the respondents if leadership was a challenge that affects the process of strategy implementation in the organization. To this extent the respondents pointed out that indeed the management at IAT was a challenge in the effective implementation of strategies in the organization. They supported this by pointing out the various kinds of challenges faced by the organization that resulted from the leadership side of the organization. First, rigidity and bureaucracy together with the failure to embrace new ideas and innovational technology in business was noted as a challenge. An example was given whereby the institute introduced degree programs in computer science and business courses. However, some of the managers did not embrace the strategy fully and this diversification strategy has not successfully picked up.

In addition, differences in opinion, forced removal of project leadership, disputes in project leadership selection were pointed out as indicators of the existence of leadership and management problems in the implementation of the strategies at IAT. Management resistance to change and new ideas, lack of visionary leadership together with poor leadership skills and knowledge are still additional challenges facing the organisation. Some of these leadership skills were found to be due to a lack of proper training and this could be remedied through the process of training of those in the management positions.

The respondents were in agreement on the measures to be taken in overcoming some of the leadership and management challenges in the organization. They noted that some of these challenges are as a result of poor communication, overworking of some workers due to disproportionate allocation of work. It was recommended a number of ways of addressing these challenges, among them engaging human resource specialists and business units in harmonizing all roles in the project committees, communication of roles and responsibilities at an early state and involvement of middle line managers at the early stages of strategy development because eventually they will be the ones to implement the same projects. The management of the organization was also pointed out to cause ineffective implementation of strategies due to adoption of improper communication channels in the institution. In some cases, it was found that the use of paper works in communication slowed down the phase of communication due to the resultant time lag especially in the organizations units that are based outside the headquarters in Nairobi.

The employee morale and motivation was also noted to be low due to the organizations leadership not coming up with an appropriate reward system to boost the employees' motivation. It was also highlighted that the top leadership has not been keen in cutting deals at the corporate level. Instead, the respondents noted that cases have been noted where the top management have delegated such activities to junior officers who in turn have ended up not being successful in lobbying for such projects because of the nature of complexity involved.

4.4.2 Organizational Culture

On the question posed to the respondents on whether they felt the organization and the management culture established affected the strategy implementation at IAT. It was noted that the organization staff attitude was not in tandem with present day market conditions where ones opportunities are identified, there is need for a fast decision making to capture the same, otherwise the opportunity will be captured by other competitors. The institution has been associating high prices to represent high quality which with the increase in the number of colleges offering similar products might not necessarily be the case. The institution was found to have maintained the high pricing strategy and not being flexible enough to embrace market demands. This culture negatively affected the institution in terms of student enrolment. The speed at which decision making is made was found to be slow in the organization and this is compounded due to the vertical organizational structure that exists presently in the organization. There has been also a high staff turnover in the recent past especially from staff who is handling several of the firm's projects that are being carried out. It was therefore appreciated that such staff turnover results to the rate at which the projects are completed to lag which consequently results to lost opportunities.

A number of senior staff members have been known to doing things in a certain way and whenever new changes are introduced or change of strategy is required to capture a certain opportunity or counter a given threat, the same group will be slow in decision making which in turn will lead to the loss of opportunity. This view is found to be in

tandem with that made by Pearce and Robinson (2007) when they noted that since implementation of strategies will affect in some cases the “way things are done in the organization’, then the employees in the establishment will tend to resist such changes. Thus the implementation strategy should be concerned with the necessary adjustment in order to accommodate the perceived needs of the strategy.

The researcher also wished to get from the respondents how they overcame the challenges posed by the values and beliefs shared by the IAT employees and community at large and still ensure the maintenance of the organization culture. Towards this end, the respondents indicate that the involvement of the all employees in strategy implementation and incorporating their views together with effective communication of the benefits to be derived from the implementation of various strategies was an important step. It is observed that changes in culture be made gradually since changes to how people operate need not be drastic and if made so, the resistance level will be high. This point was in tandem with that of Ohmae (2003) in which he noted that organizational culture is fairly stable and does change fast and consequently in changing the same, the changes should be gradual.

4.4.3 Organizational Structure

The nature of the organizations structure affects the level of communication and implementation of the strategies. The respondents highlighted in the case of IAT, the organization structure is vertical meaning that in cases where the communication need to be hastened, it becomes slowed down due to the many decision makers involved. The respondents on whether the organization structure acts as a hindrance to the

implementation process was varied. Some of the respondents pointed that in some cases the organization structure has remained static instead of evolving with the market demands. They noted that when the company needed to offer new products, there is need for the structure to be realigned to capture effectively the opportunities arising in the market. An example they gave was when the organization identified computer application training market in the government and though the IAT got the contract, they did not delink this opportunity from the normal training department and with the increased workload, it became a challenge to effectively offer the service and this lead to unsatisfactory project results. There was need to establish a dedicated staff that will handle the task without combining with other normal task. Another instance cited was when the institution collaborated with Maseno and St. Pauls Universities to offer degree courses. IAT was found not to have adjusted their structure to easily counter the challenges that come with this collaboration. This has made it difficult for the institution to compete with other universities.

The vertical organization structure that exists presently was noted to be the same one that was put in place when the organization was formed. There is need to change it to reflect the present operating environment in which the stakeholders require prompt guidance and decisions from the management of the institution and which can only be achieved with a much flatter structure to facilitate faster decision making. Like any other corporate organization, it was found that communication comes from the top and this may sometimes come with bureaucratic challenges. The findings are consistent with Ongoya

and Lumallas (2005) who noted that majority of the one person or partnership structures were an impediment to the development and implementation of the strategies.

4.4.4 Communication

There are various means used by organizations to communicate any strategic process information. The selection of the appropriate means of communication will depend on the sector, coverage, sensitivity of the information and also the urgency of the communicating the same. The findings of the study were that communication affects strategy implementation process of the company. It was pointed out that information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. Effective communication is a requirement by ISO hence its mandatory communication for the same to be effective and since the organisation is ISO 14001 certified, it has endeavored to adopt an effective system of communicating the same. They noted that an ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees.

An organization can employ different modes of communication to employees. The mode chosen in the organization depends on the nature, sensitivity, speed required as well as the distance between the sender and receipt. It was found that email, face -to- face, verbally and through the mission and vision charter. It was also found that the organization gives its employees opportunities to share their ideas, facts, opinions and emotions. It was noted that IAT has established an open door policy and competition on

business ideas where various decentralized units of the organization compete to generate different business ideas. The feedback on the progress of the work done is usually passed during the interdepartmental meetings which are held monthly.

4.4.5 Resource Allocation

The respondents agreed unanimously that resource constraints hindered implantation of the organizations projects. They pointed out that Human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. As an IT based company, it was pointed that availability of necessary hardware was in some cases found to be adequate, while modern infrastructure and genuine Software was also identified as limiting resource. A lack of adequate resource was identified as a major inhibitor to the actualization of all the projects, loss of business due to low skill level and in some cases, the staff may not give their all since there may be not enough ownership of projects.

In order to mitigate the challenges to implementation of projects, financial resources, proper planning and prioritizing on the policies is a key factor to consider in order avoiding wastage. It was also pointed out by the respondents that it is important to set aside enough finances for the project while ensuring that staff are motivated and recognized i.e. through reward and appreciation schemes. The staff with adequate training in their roles in strategy implementation is the nerve centre in boosting the organisation competence and qualification to handle demanding tasks. As a result, the respondents noted that when the institution is setting budgets, it ought to incorporate

adequate resources to ensure the realization of the set goals and putting in place mechanism of addressing the issue of resource limitation in their role.

Ineffective coordination and sharing of responsibilities among the staff came out as another factor that affects the success of implementing strategies at IAT. Overlapping of activities during the implementation phase was found to create confusion among the implementers and therefore leading to delays in implementation and unnecessary bureaucracies. In some cases, the respondents also noted that conflicts/mistrust amongst relevant stakeholders and those implementing the strategy have created unnecessary tension between the institution and members stakeholders such as the parents and students. Implementers of the strategies need to be answerable to their actions. However, it was found that in some instances, there has been a lack of accountability within the institution especially for some actions and this becomes a source of discouragement to the other staff members whom by themselves are expected to be accountable. Another challenge that was faced by the organization has been a lack of morale amongst implementers, misinterpretation of the organization strategy, lack of proper reporting and therefore no feedback. Proper monitoring of strategy implementation was also found to be lacking.

4.5 Discussion

Successful implementation of a strategy is as critical and difficult as the strategic choice. A firm needs to consider its resources to be used, human resources requirements, the structure systems and other changes in order to achieve a successful implementation of a project. Competency in implementation and the ability to put ideas into actions can be an

organization's source of competitive advantage. Because the implementers of a strategy in most cases are the lower level staff, the process requires a shift in responsibility from strategist to divisional and functional managers to ensure effective implementation. The findings of the study were that those actively involved in the strategy implementation should also be actively involved in the strategy formulation to ensure ownership of the process. This position is found to be consistent with that David (2003) who observes that the human element of strategic implementation plays a key role in successful implementation and involves both managers and employees of the organization and more particularly the need to incorporate the views of the middle and lower cadre of staff.

Leadership is the key to effective strategy implementation in an organization and this point came out strongly during the research. The respondents pointed that the leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken and seek their support in realization of the same strategies. As Hill and Jones (1997) noted the right managers must also be in the right positions for effective implementation of a new strategy since the top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. To finding was also supported by Thompson (1997) when he observed that a strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

Alghambi (1998) argues that, failure to keep time, poor coordination, and distraction from competing activities, tasks not well defined and inadequate information systems to support strategy implementation as barriers. This same position was found to exist in the organization since the finding from the study was that there existed lack of coordination of various projects and coupled with ineffective communication structure, the performance of the strategy implementation process was not optimal. Beer and Eisenstat (2002) identified six killers to strategy implementation as : top down approach, unclear strategy and conflicting priorities, ineffective top management, poor vertical communication, weak coordination and inadequate down the line leadership skills. Some of these challenges still face IAT.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

In summary, the study shows that the interviewees are aware of the strategic process of the IAT and the challenges that affect the success of its strategy implementation. The organization strategy covers a 5 year period and is clear and concise and can be understood by the staff though the organisation adopts a top-down approach in its strategy development. The study established that the top leadership of the organization affects the strategy implementation process through directing both human and material support towards the strategy implementation process. The organizations' leadership also liaises with other stakeholders outside the organization that will affect the success of the strategies being undertaken. A number of instances were pointed as a case of unsatisfactory leadership qualities including; delegation of meeting to junior officers who are incapable to strike such deals, lack of responsibility with delegation of duty and arbitrary transfers of staff in the middle of implementing projects.

In a competitive and chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization. The culture of the organization was found to be an impediment to strategy implementation as the employees have not embraced the new changes as they are used to doing things in certain ways and this has resulted in the institution maintaining the high pricing strategy and not being flexible enough to embrace market demands, low student enrolment, slow

decision making and staff turnover. IAT organization structure was an impediment to successful implementation of the strategy. The structure creates a perception that strategy implementation is a preserve of the top management especially when there is lack of communication with the rest of the staff.

The study found out that communication in IAT was a challenge to strategy implementation as information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. This ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees. The resources available to the organization was found to be a challenge to implementation of strategy in IAT as human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. This resulted in actualization of all the projects, loss of business due to low skill level and in some cases, staff not giving their all since there may be not enough ownership of projects.

A number of measures were identified that will help in reducing the factors that affect the success of strategy implementation in the IAT. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The strategic process of the IAT was noted to require participatory and

consultative approach. Other respondents suggested to the organization that they should embrace an all inclusive, participatory consultative and informative stakeholder analysis, in strategy implementation to enhance ownership, and finally, embrace public private partnership in resource mobilization.

5.2 Conclusion

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Strategy formulation and implementation process is very vital for the functioning of any organization. From the findings, it was established that the strategy formulation process in the organization follows a top-down approach while implementation process adopts a bottom up approach. These disconnect in the strategy formulation and implementation has in some cases brought about challenges in the success of implementing the set strategies. The organization team consists of qualified team that has been able to steer the projects amid the challenges that come with implementation. This therefore means that for an effective handling of the challenges of implementation, the managers should be empowered through adequate training and development programs to carry such projects. In addition, it is important that the organisation has in place adequate mechanism of incorporating the views of all the stakeholders in the development of the strategies for a successful implementation of the same strategies. Despite the position that the organization has been able to realise success in significant components of its projects, it has there is room for improvement to increase its annual success.

Another important conclusion from the study is that in the present day operating environment, in which the actions of an organization will affect and be affected by stakeholders, it is important that an organizations strategic process be an all inclusive where the junior staff, community and non-governmental organizations views are accommodated for in order to realize reduced resistance during the implementation phase. Further, effective monitoring and evaluation of the strategies during implementation was found to be critical. The organization should be able to put in place measures for tracking down progress and facilitating learning and decision making in a quick manner and therefore increase the chances of achieving the same strategies. In an effort to improve M & E, external consultant will be recommended that will give independent opinions and guidance towards the achievement of the same objectives.

5.3 Recommendation for Policy and Practice

The study established that the top management of IAT was found to be a challenge to successful implementation of strategies in the organization and it therefore recommended that the management should be at the forefront in ensuring that there is effective coordination and sharing of responsibilities in the organization. There should be adequate and regular communication to the employees by the management on the extent of strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of strategy.

The study established that strategy implementation influence the successful achievement of the institution and it is recommended that it would be prudent to include a human

resource audit to assess the capacity of the staff to be involved in implementing the new strategy and give recommendations. The basis of doing this lies on the principle of having the right people on board, then the problem of managing and directing them largely goes away. To improve on human resource management, IAT needs to institute a modern performance management system and train their key staff on administration of the system, review the job descriptions and personnel policies in order to have the workforce motivated.

In order to implement the strategy more efficiently, the measuring system should be developed so that it can better measure the activities which are in accordance with the strategy. Middle managers should bring up strategic issues more when talking with their subordinates. They should go through together with the personnel on what actions and why they are expected to be taken and how these are related to the new strategy. It would also be profitable to offer middle managers opportunities to improve their management and leadership skills and those skills should also be emphasized in the future when choosing new managers.

Results from the present study add to the understanding of a much-debated topic in the field. It contributes to the strategy implementation literature by focusing on challenges faced by organizations in strategy implementation practices. The finding provides an important reference and new insight for practitioners in understanding how strategy implementation is managed through the provision of the foundation of the study. As middle and higher education institutions are incorporated or elevated to offer degree, results from the present study offer some implications for both research and practice. As

for practical implications, the findings from present study offer important insights for executives in formulating effective strategies.

5.4 Limitation of the Study

One of the limitations of this research is the possible biasness on the part of the respondents because for any study making use of an interview guide, there is a possibility that the answers from the respondents for all questions are not true; this study is no exception. Because a personal interview was conducted the questionnaire questions were personally administered and all questions asked were related to the strategy implementation strategies facing IAT and as such, the respondents might not give the correct position for fear of exposing their strategies researcher reserves the right to believe that the responses were true and honest to the extent of the knowledge of the respondent and contain minimum level of biasness.

The second limitation, the number of respondents, was finalized based on the number of the interviewees available. Only six of the respondents were available out of the targeted eight respondents interview guide was carried out on six respondents that were submitted to the respondents and not all of them were received which therefore limited the total number of respondents involved in the research. However, it is assumed that their responses are representative of that what will have been given by the other respondents.

5.5 Recommendation for Further Research

The study confined itself to the Institute of Advanced Technology. This research therefore should be replicated in other educational organizations and the results be compared so as to establish whether there is consistency among the organizations in their strategy implementation process.

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APPENDIX: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To determine the challenges of strategy implementation at the institute of Advanced Technology (IAT) Kenya.

Part A: Demographic Data

1. For how long have you been holding the current position?
2. For how long have you worked in the company?
3. What is the highest level of education you have achieved?

Part B: Strategy Implementation at IAT

4. Does the organization have a strategy? If yes, what duration does the organization strategy cover?
5. What level of employee involvement does the strategy implementation take?
6. What implementation process does your organization strategy take?
7. What measures are taken by the organization to ensure that the actual strategy conform to the planned strategy?
8. Does the organization optimize resources during the implementation phase? How is the same achieved?

Part C: Challenges of Strategy Implementation

A) Top management commitment

- a) Is leadership a challenge to the process of strategy implementation?
- b) What kind of challenges do you face with leadership?

- c) Are the top managers at the forefront in providing leadership in strategy implementation?
- d) How does ineffective coordination and poor sharing of responsibilities affect strategy implementation in the company?
- e) How does the conflict in leadership whereby the directors' vision is not shared by all affect strategy implementation in the company?

B) Organizational culture

- a) Has the organizational culture affected implementation of strategies in the company?
- b) How do the shared beliefs and values that interfere with the needs of the business, its strategy and the people working on the organization's behalf hinder strategy implementation?
- c) Is there a coordinating committee to ensure that all outstanding issues regarding the implementation of the strategy are resolved and that the activities of the various directorates are properly coordinated?

C) Organizational structure

- a) How does the structure in your organization pose a challenge to strategy implementation?
- b) Is the organizational structure of the company aligned with strategies being implemented?
- c) Does the company structure respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted?
- d) Does the structure of the company affect how the objectives and policies will be established and implemented?
- e) How does the company structure affect communication from the management to the employees and vice versa?

D) Communication

- a) Does communication affect strategy implementation strategy in the company?
- b) How often is feedback on strategy implementation communicated to the employees?
- c) What means of communication does the management use to communicate the awareness of change at company?
- d) Is there adequate communication of the strategy and its underlying rationale to all the staff in the company for their understanding and acceptance?
- e) Do the top managers link strategic objectives with the day to day objectives at different organizational levels and locations?
- f) Does the company gives an opportunity to its employees share their ideas, facts, opinions and emotions and above all provides feedback through inter-departmental meetings, committees and personal consultations?

E) Resource allocation

- a) Do you have any resource constraints hindering strategy implementation? If yes, what kind of resources in particular?
- b) In your opinion, were the available resources adequate for strategy implementation?
- c) Does rational and equitable resource allocation across the organization affect effective implementation of any organization's strategic plan?
- d) How does lack of sufficient capabilities, processes and activities that are needed to bring the strategy to life causes breakdown in strategy implementation?

F) Reward and sanctions

- a) Are your reward systems in any way tied to ability to implement strategies? Please explain.
- b) Does the management motivate and reward good performance for individuals and units for effective strategy implementation?
- c) What measures have been taken to ensure that rewards are tied to ability to implement strategies?

**CHALLENGES OF STRATEGY IMPLEMENTATION AT THE
INSTITUTE OF ADVANCED TECHNOLOGY (IAT) KENYA**

MOGENI JESCAH MORAA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENT FOR THE AWARD OF THE MASTER OF
BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

NOVEMBER, 2013

DECLARATION

This project is my original work and has not been presented to any university or institution of higher learning and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

.....

Date

MOGENI JESCAH MORAA

D61/60166/2011

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

Signed.....

Date.....

FLORENCE MUINDI

Lecturer, School of business,

University of Nairobi

DEDICATION

I dedicate this work to my husband Hillary Mainye and my son Kayden-sam Mainye. Their continuous support, prayers and encouragement were a source of strength during my study.

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First, I thank the Almighty God for giving me good health and strength to conduct this research project. Secondly, I wish to thank my supervisors Florence Muindi and Dr. Zack B. Awino, for their guidance and assistance provided in helping me to achieve my educational goals. I cannot forget to thank both the academic and non-academic staff at the University of Nairobi, for their invaluable support in the course of my study. I am also greatly indebted to my student colleagues at the University of Nairobi. Special thanks to my employer Institute of Advanced Technology for allowing me to go through the course and for allowing me to conduct my research project at the head office. I would like to sincerely thank all those who availed their time to be interviewed, thus making it possible to complete my project.

LIST OF ABBREVIATIONS

IAT	Institute of Advanced Technology
ICDL	International Computer Driving License
ICT	Information and Communication Technology
EBCL	European Business Competence License
UK	United Kingdom
NCC	National Computing Centre
SPSS	Statistical Package for Social Scientists

ABSTRACT

In a business environment where competition is the order of the day, business entities are coming up with strategies that will give an edge over competitors at a lower cost. However, organizations today face major changes that make strategy implementation difficult and complex than in the past. Therefore it is necessary that an organization comes up with strategies that it can be able to implement and also avail resources that will be able to implement the strategies effectively. The study sought to establish the strategy implementation practices at Institute of Advanced Technology as well as identify the challenges that affect the implementation of strategies in the organization. A case study research design was adopted whereby the researcher interviewed six senior managers at IAT who were involved in the strategic process of the firm. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges. Analysis of the data was done using content analysis. The findings from the study suggest that the IAT faces a number of challenges ranging from; slow decision making process, inadequate resources, cultural interference in some instances, lack of proactive leadership and non involvement of all the stakeholders in strategy implementation. In addition, other challenges included employees not committing themselves to support a new strategic plan from the start to its completion including review and supporting its recommendation, changing the strategy mid-stream to suit their focus. The measures taken to overcome the challenges include training employees on project evaluation and monitoring, involvement of all the stakeholders in strategy formulation and sourcing for additional funding to finalize on incomplete projects. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, and fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The study concludes that strategy implementation at IAT was affected by the structure adopted, culture, communication, the top management, rewards and the resources. The study recommends that strategy formulation and implementation process is very vital for the functioning of any organization and the management of IAT should work to ensure that the challenges which were identified as affecting strategy implementation are tackled in order to ensure that the institution remain competitive in the market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The guiding principles in any strategic management process, whether in the public or private sector, is about understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Gole, 2005). He asserts that the difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges. Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead (Bryson, 2004).

While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is clearly absent. The guiding principles in any strategic management process, is the understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Morgan and Strong, 2003). The difficulty in strategic management is the challenge of laying a foundation for success in the future while

meeting today's challenges. Organizations are dynamic, complex and are gradually changing hence need for competitive strategies. However excellent the strategies developed by organizations to counter the challenges it faces, the major hurdle for success is the effective implementation. In fact, the most elegantly conceived, precisely articulated strategy is virtually worthless unless it is implemented successfully, (Sabatier and Weible, 2007).

Johnson and Scholes (2002) assert that the development and implementation of strategies by an organization or government to chart the future path to be taken will enhance the competitiveness of such firms operating in a competitive environment. However, they observe that many firms develop excellent strategies to counter and adapt to the environmental challenges but suffer a weakness in the implementation of the same strategies. Transforming strategies into action is a far more complex and difficult task. Organizations seem to have problems in strategy implementation: such as weak management roles in implementation, a lack of communication, lacking a commitment and misunderstanding of the strategy, unaligned organizational resources, poor organizational structures and uncontrollable environmental factors (Beer and Eisenstat, 2000). Strategy implementation therefore focuses on the distinct relationship between implementation and other various organizational elements. The strategy implementation process is identified by Sabatier and Weible (2007), as a process being undertaken through a systematic approach and provides a link between strategic consensus and success.

1.1.1 Concept of Strategy

A strategy is a long term plan of action designed to achieve a particular goal, most often “winning” (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated and often practically rehearsed. According to Johnson and Scholes (2002), strategy has to do with how an organization matches its internal and external environment and the management process is concerned with how to maintain, stabilize or change that position. Mintzberg and Quinn (1998) identify four interrelated definitions of strategy as a plan, perspective, pattern and position. As a plan, it is some sort of consciously intended course of action, a guideline to deal with a situation. As a pattern it integrates an organization’s major goals, policies and actions sequences into a cohesive whole. Strategy as a position becomes a mediating force or match between the organizations and its external and internal environments. Strategy as a position looks outside the organization seeking to locate the organization in the external environment and it in a cohesive position.

Johnson and Scholes (2000, p. 12) define strategy as “the direction and scope of an organization over long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations”. He concludes that strategy can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is sometimes known as search for strategic fit. The concept of strategy is therefore built around winning. Strategy helps to achieve success whether in business or otherwise, success in this context refers to the realization of objectives that are desired. Effective

strategy is formulated around four factors. These are, the goals and objectives are simple, consistent and relate to the long term, there is profound understanding of the competitive environment, there is an objective appraisal of the resources available and that there is effective implementation (Hittet *al.*, 2008).

1.1.2 Strategy Implementation

Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various includes various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals (Okumus, 2003). Strategy implementation is defined as ``the process used to implement specific firm policies, programs, and action plans across the organization`` (Harrington, 2004, p.321). Effective strategy implementation and execution relies on maintaining a balance between preventing failures and promoting success simultaneously. When there is a proper alignment between strategy, administrative mechanisms and organizational capabilities, it will be easier to implement and execute the strategy and to achieve the desired objectives (Okumus, 2003).

Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Traditionally, it is

believed that strategy implantation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2001). While strategy formation and implementation are tightly integrated functions, strategy implementation is the most complicated and time-consuming part of strategic management. It cuts across virtually all facets of managing and needs to be initiated from many points inside the organization.

1.1.3 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman and Zeithaml, 1993). As was further observed by David (2003), successful strategy implementation must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues. Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Lepsinger (2006) similarly hold that true leaders have a clear vision and are 100% committed to pursuing it.

Organizations seem to have difficulties in implementing their strategies, however. Researchers have revealed a number of problems in strategy implementation. The reasons for this are varied, but most hinge on the fact that strategy implementation is resource intensive and challenging (Gurowitz, 2007). None the less strategic planning remains a top priority among successful private universities based on the fundamental notion that an effective strategy offers unique opportunities for market differentiation and long-term competitive advantage. Based on this, many public universities are now asking which are the best tools and methodologies to enable effective strategy implementation (Beer and Eisenstat, 2000).

Beer and Eisenstat (2000), there were six fundamental reasons why various strategies developed by firms were not implemented effectively. They identified that employees saw the overall problem being rooted fundamentally in the process of management issues of leadership, teamwork and strategic direction and not in the commitment of people and their functional competencies. Poor quality vertical communication not only hinders strategy communication but also prevents discussions of the barriers themselves. Sterling (2003) identifies challenges to strategy implementation as: unanticipated market changes, effective competitor response to strategy, insufficient resources, failures of buy-in, understanding and communication by those who are supposed to implement, strategy not being timely and unique, lack of strategic focus and poorly conceived strategies.

1.1.4 Technical Colleges in Kenya

Technical colleges in Kenya offer academic and vocational preparation of students for jobs involving applied science and modern technology. It emphasizes the understanding and practical application of basic principles of science and mathematics, rather than the attainment of proficiency in manual skills that is properly the concern of vocational education (education.go.ke). Technical education has the objective of preparing graduates for occupations that are classed above the skilled crafts but below the scientific or engineering professions. People so employed are frequently called technicians. Technical education is distinct from professional education, which places major emphasis upon the theories, understanding, and principles of a wide body of subject matter designed to equip the graduate to practice authoritatively in such fields as science, engineering, law, or medicine.

Technical occupations are vital in a wide range of fields, including agriculture, business administration, computers and data processing, education, environmental and resource management, graphic arts and industrial design, and health and medicine; technical educational curricula are correspondingly specialized over a broad range (education.go.ke). Technical education is typically offered in post-high-school curricula that are two years in length, are not designed to lead to a bachelor's degree, and are offered in a wide variety of institutions, such as technical institutes, junior colleges, vocational schools, and regular colleges and universities. The training industry is rapidly growing and as a result, a number of technical institutions have started. Kenya has been in a position to promote its Education, through the variety Technical colleges that carter

for the Kenyan students. Among the Colleges in Kenya include Institute of Technology, psychology, statistics, business among other fields. Competition is in the rise and all these institutions are aligning their structures so that they can attain a competitive edge and stand out in the competition. Training in Kenya is currently undergoing changes. There has been a call of urgency to expand the capacities for technical colleges and universities so as a great number of qualified students can be absorbed. Under the training industry there include, Universities, Technical colleges, polytechnics, Secondary and primary schools.

1.1.5 Institute of Advanced Technology in Kenya

The Institute of Advanced Technology (IAT) is an ICT and business learning organization in Kenya and the East African Region. It was established in 1991 with its major focus being on professional courses that enable proficient use of ICT to the learner. It has since switched its focus from End User and Professional courses to Career Training and Education to individuals as well as Public and Private corporate organization seeking to develop their personnel. It has also widened its scope from ICT to business courses.

IAT seeks to achieve customer satisfaction and continuously expand its market share. It does this by scanning the environment in order to improve on its services and to fill the gap in the industry by introducing new products. IAT has grown and is well known in the Kenyan ICT and Business job market for producing high quality graduates who are skilled and proficient in their areas of study. It has succeeded in conducting ICT and

Business courses in partnership with distinguished international and local partners which include Maseno University, St' Paul's University, NCC Education (UK), the European Business Competence License (EBCL), International Computers Driving license ICDL among others since 1991 and have gained valuable experience in this area.

1.2 Research Problem

The organization's strategic plan is expected to be a guiding document for the organization; however, poor implementation of the plan can result in it becoming an ineffective document (Pfeffer and Sutton, 2006). It will not matter how good the strategic plan is, what will be important is how to transform the documented strategy to tangible results, a process which will involve effective implementation process. Organizations are often unable to transform existing knowledge into meaningful action, which creates a gap in implementation. Gole (2005) assert that one of the main causes that organizations cite for the knowing-doing gap is that organizations come to the belief that if they just talk about doing something, this very action of discussion will magically lead to execution. It therefore becomes important that an organization gives the implementation phase of its strategic process due importance and allocate adequate resources and time that will enable it achieve the desired objectives.

The Institute of Advanced Studies is one of the pioneer ICT institutions in Kenya that during its initials years has been able to open branches in major towns and partner with local and international universities to offer the same causes in the country. The institution witnessed the impressive growth due to adoption and implementation of

effective strategies. However, in the last 5 years, the institution has faced high level of competition from universities and other tertiary colleges that have emerged to offer the same courses and programs has the one offered by institute of advanced technology. When the same problem is studied keenly, it is evident that the institution has had strategies to counter the challenges in the business market. However, what has been lacking is an effective implementation in the institution. There is need to ensure that the strategies which they have put in place to are fully implemented so that they can have a competitive advantage over other institutions. This therefore calls for the development of good strategies and appropriately realignment of the organizational structure, systems, leadership behavior and human resource policies. It is on this basis that the current study will wish to establish the challenges facing implementation of strategies at the Institute of advanced Technology.

Recent local studies undertaken on the challenges of strategy implementation include; Moeva (2007) researched the challenges facing implementation of strategy for revitalizing agriculture at the Ministry of Agriculture and found out that the major challenges that affected the implementation of strategy for revitalizing agriculture was lack of awareness and ownership of the strategy by the various stakeholders, performance management especially at district and provisional level and resource mobilization. Nyangweso (2009) on the strategy implementation challenges at Cooperative bank who found out that in the case of Co-op bank just like in any other player in the banking industry, implementation of strategies should be fast, consistent and should be adaptable on many fronts simultaneously. Kiprop (2009) researched on

challenges of strategy implementation at the Kenya Wildlife service and identified that a firm should focus on formal organizational structures and control mechanisms of employees while implementing its strategy. Akwara (2010) carried out a research on challenges of strategy implementation at the Ministry of co-operative Development and marketing and his studies revealed that; organization culture, human resource policies, financial resources policies and procedures, information and operating systems and performance incentives were all impediments to strategy implementation. The challenges faced by the educational institutions could be different with other organizations and therefore this study seeks to establish the challenges of strategy implementation at the Institute of Advanced Technology. This problem statement leads to the following question: what are the challenges of strategy implementation at the Institute of Advanced Technology?

1.3 Research Objectives

- 1) To establish the strategy implementation practices employed at the Institute of Advanced Technology
- 2) To establish the challenges of strategy implementation at the Institute of Advanced Technology

1.4 Value of the Study

The study will aid various stakeholders in the country as follows;

The study will be of value to Institute of Advanced Technology since it will help them understand the factors that affect the implementation of its strategies and thus put in place

mechanisms that will ensure that its strategies are implemented. In addition, the study will be an invaluable source of material and information to other technological institutions operating in the country since they will understand the challenges affecting implementation of strategies in the education sector and thus come up with ways of ensuring that its strategies are fully implemented so that they can compete effectively with other firms. Public and private institutions in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them in the professional and training institutions in Kenya.

The government and regulators of the fund will also find invaluable information in how good strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the government sector in implementing their strategies. The policy makers will obtain knowledge of the professional and training institutions and the appropriate factors that affect implementation of strategies in the industry; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector. Future scholars may use the results of this study as a source of reference. For academicians, this study forms the foundation upon which other related and replicated studies can be based on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will review the theoretical underpinning the study, strategy implementation and strategy implementation challenges.

2.2 Theoretical underpinning the study

The institutional theory recognizes the embedment of institutional actors in an environment of formal and informal rules. Institutional theorists suggest that organizational actions and processes are driven by their actors in order to justify and plausibly explain their actions. According to this perspective, strategy implementation are rationally accounted for by organizational actors and rooted in the normative and social context that motivates actors to seek legitimacy (Oliver *et al.*, 2007). Through various cognitive, normative and regulative forces organizations adopt a standardized set of practices (Scott, 2001). In other words, an organization is composed of three pillars: the cultural-cognitive, normative, and regulative elements that together with associated activities and resources provide stability to social life. Companies try to fit in with the norm by adopting strategy implementation that validates them as part of the organizational field. In essence, traditional institutional theory believes that organizational fields become structured by powerful influences among organizations. The adoption of a system such as strategy implementation is highly dependent on the extent to which it is institutionalized by legitimacy. Legitimacy concerns lead organizations to

adopt practices that “conform to the mandate of the institutional environment” (Kraatz and Zajac, 2006).

The resource-based view of a firm has experienced a rapid diffusion throughout strategic management literature (Priem and Butler, 2001). Firm’s aim must be to achieve competitive advantage over its competitors, which it ideally derives from valuable resources that are superior in use, hard to imitate and difficult to substitute. Barney (1991) posits that resources can be classified into three categories: physical capital resources such as plant and equipment, human capital resources such as training relationships and experience, and organizational capital resources, for example, reporting structure, formal/informal planning and controlling. For firm resources to be the source of a sustained competitive advantage, they must pass the valuable, rare, imperfectly imitable, (non-)substitutable) test (Barney 1991). Resources can occur in different forms such as patents, relationships or processes. Barney (1991) further argues that the contrary is applicable for strategic implementation. The strategy implementation can be characterized as a functional competence in that it deals with distributing a firm’s resources to fit the strategic alignment of the firm. Strategic initiatives need to be distributed and executed as dictated by the strategic plan.

2.3 Strategy Implementation

Implementation of strategy is initiated in three interrelated stages which include identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of policies to guide decisions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation – communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Successful strategy implementation will yield the following benefits to an organization: proper utilization of resources with financial and human and thus enhance organizational growth, development of efficient systems that will enhance coordination that would guarantee achievement of organizations goal and set targets, increased organizational impact due to improved organizational performance and sustain its competitiveness, the organization will be able to have a clear focus and direction in its growth path and in the process attract competent and resourceful human resource base (Pearce and Robinson, 2007).

Pearce and Robinson (2007) argue that, to ensure success of the strategy implementation, the strategy must be translated into carefully implemented action this is because the firm strategy is implemented in a changing environment and therefore the need for strategic control during the implementation. Implementing strategy is difficult and without proper implementation, no business strategy can succeed. Implementation of strategy calls for alteration of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process. Strategy implementation focuses on the distinct relationship between

implementation and other various organizational elements. The implementation process is identified as being undertaken through a systematic approach which provides a link between strategic consensus and implementation success, (Sabatier and Weible, 2007).

While there is no "one-size fits-all" approach to strategy implementation management for all organizations, Sabatier and Weible, (2007) posit that there are three basic and irrefutable strategy implementation practices for all kinds of firms. The strategy implementation practices include business integration, user adoption and technical implementation. However, successful implementation of strategies, they suggest that a holistic viewpoint and comprehensive strategy are needed for high impact results and long term success.

Under the business integration stage, this step enables an organization to rethink how it operates its business and can enhance the value of IT. It involves the organization listening to their stakeholders and work with them to identify new ways of solving key business problems and managing their processes (Kazmi, 2002). For example, how the business collaborates internally or with customers after implementation can be much different than before when the communication mode was also different. An organization should foster the concept of the integration as a business tool that is central to the support and growth of the organization's business plan. Identification of a clear, multi-party governance structure to manage the effort through design, implementation, and ongoing improvements will also be needed. At a minimum, the organization should identify an executive champion, steering group, and working group comprising business and technical members (David, 1997). An organization should sell the idea at every meeting,

and at every opportunity. A strategy implementation process can take awhile before one really get traction and there is therefore need to the word out and focus on the benefits-solving stakeholders' most pressing business problems.

According to Grundy (2004), many organizations strategies get sidetracked by focusing too many resources on branding, color schemes, and the like. Instead, he suggests that there is need to amortize the traditional look and feel investment by continuously engaging users throughout production to enhance the interface as they become more adept with the solution. The strategy adopted should be a reflection of organizations customer needs (internal or external) and not a picture of the operating model. An organization should carefully segment ones users, map them to the organization's portfolio of services and products, and design a product to support these relationships. A cross-cutting enterprise taxonomy and information architecture that is independent of organizational boundaries can act as a driver of change to support where the business is headed, not how it currently operates (Chapman, 2004). Communications and change management activities are vital. A lack of communications planning and change management activities (e.g., process redesign, training, etc.) can ruin a technically sound implementation. Remember, if no one uses the solution after it is deployed, you have failed.

A strategy implementation practice is aimed at optimizing the impact of the process. Under this process, an organization is needed to prioritize requirements and deploy functionality in phases.

Cummings and Worley (2005) observe that an organization should not try to build everything at once. Instead, they need to develop the solution using a phased approach that is driven by the demands of the business and not the supply of the organization. Integration with existing tools may fulfill many requirements and combination with other technologies and commercial may be the best option instead of building functionality from scratch.

2.4 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (David, 1997).

2.4.1 Top Management Commitment

Leadership is the key to effective strategy implementation. The role of the chief executive officer is fundamental because a chief executive officer is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The chief executive officer actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a chief executive officer strongly influence a firms' mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones and Hill, 1997). Top management goodwill and

ownership to drive the process is also critical to effective implementation of strategy. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. To this end, he argues, the managers will willingly give their energy and loyalty to the implementation process. In addition the senior managers should abandon the notion that the lower level managers have the same perception of strategy and its underlying rationale and urgency. They must not spare any effort in persuading the other employees in adoption of their ideas.

Implementing a new strategy also requires leaders to have adept managerial relationship. This is important because business leaders and executives must be at the forefront of overcoming disagreements and pockets of doubt. They must also lead their people in building a consensus on how to proceed with the various initiatives included in the strategy being implemented. Strategy implementation leaders must also secure the commitment and cooperation of all concerned parties to get all the implementation pieces in place. The management of the organization provides direction to workers as they pursue a common mission in implementing strategies (Chapman, 2004). The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. This leads to rational leadership styles for those with good leadership qualities and qualifications (Chapman, 2004). A good strategic leader operates without bias, be visionary, self-confident, has empathy and

respect to others and is experienced. Strategy implementation calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues (Chapman, 2004).

Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes, at the same time, a positive signal for all the affected organizational members. To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency (Cummings and Worley, 2005). Instead, they must believe the exact opposite and spare no effort to persuade the employees of their ideas. By changing the way they view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Change is part of the daily life within an organization. The ability to manage change has shown to be a core competency for corporations. A great challenge within strategy implementation is to deal with potential barriers of the affected managers.

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Culture can be inferred from

what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

Johnson and Scholes (2002) note that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf. A company's culture also prevents a company from meeting competitive threats or adapting to changing economic and social environments that a new strategy is designed to overcome. Social processes can also create rigidities if an organization needs to change their strategy. Resistance to change may be "legitimized" by the cultural norms.

2.4.3 Organizational Structure

Successful strategy implementation depends to a large extent on the organizations structure because it is the structure that identifies key activities within the organization and the manner in which they will be coordinated to achieve the strategy formulated. Structure also influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. It is necessary for an organization to rationalize its operational/management structures so as to streamline it to be effective in strategy execution. This would include transfers, mergers, and creation of new departments and divisions for effective management. The organization structure therefore should fit with the intended strategies (Birnbaum, 2000).

Organizations should be structured in such a way that it can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted. Thompson and Strickland (2003) notes that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

2.4.4 Communication and Strategy Implementation

Guffey and Nienhaus (2002) found a strong link between organizational commitment (strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization) and employees' support of the organization's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. The way in which a change is presented to employees is of great influence to their acceptance of it. To deal with this critical situation, an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing the employees' attention on the value of the

selected strategy to be implemented. Therefore, communication plans will provide the appropriate information to market the strategy implementation effectively in order to create and maintain acceptance.

Communication down the organization or across different functions becomes a challenge. Making sure that processes throughout the organization support strategy execution efforts can be problematical in a large organization. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task. The larger the numbers of people involved, the greater the challenge to execute strategy effectively (McCracken, 2002). Birnbaum (2000) indicates that strategy implementation requires the transfer of information from one person to another through specific channels. Communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. In organizational strategy implementation, information flows in all directions; downwards, upwards and laterally (Chapman, 2004). The employees freely communicate their ideas, suggestions, comments and complaints to the management on strategic objectives. These can be done through supervisors, joint consultative committee, suggestion schemes, trade unions or grapevine. Departmental communication is encouraged through inter-departmental meetings, committees and personal consultations. The management of the organization therefore thinks about the communication needs that to be articulated during strategy implementation.

2.4.5 Resource Allocation

Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities

established by annual objectives. Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002). The causes of breakdown in strategy implementation relate to the capabilities, processes and activities that are needed to bring the strategy to life. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. Successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies (Judson, 1991).

The organization need to have sufficient funds and enough time to support the implementation process. True costs include realistic time commitment from staff to achieve a goal, a clear identification of expenses associated with a tactic, or unexpected cost overruns by vendors (Olsen, 2005). Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The budgetary resources should be marched with departmental operations. Effective implementation of any organization's strategic plan depends on rational and equitable resource allocation across the organization. Proper links should be developed between the strategic plan and operational activity at departmental levels in order to necessitate proper implementation of strategies (Birnbaum, 2000). Resource allocation helps strategic managers to coordinate operations and facilitates control of performance. It is important to have a budget for the whole organization or sub-unit.

2.4.6 Reward and Sanctions Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007). According to Thompson *et al.*, (2007) the specific objectives of rewards and punishment are different. Rewards are in principle intended to encourage the type of behaviour which precedes them, while punishment are intended to prevent a repetition of previous behaviour. For the management, the criterion of success for reward policies is that they motivate employees to commit high levels of physical or mental effort towards performing required tasks well. Further, Tigio *et al.*, (2004), observe that rewards should increase the predictability of employees behaviour so that they can be depended upon to carry out the duties requested of them consistently and

to reasonable standards, like opportunities for upgrading or even promotion will tend to increase the predictability among employees who have some ambition if it is apparent that certain types of behaviour enhance the prospect of career development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter introduces the design of the research and the data collection and data analysis technique.

3.2 Research Design

The research design was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. Case studies allow a researcher to collect in-depth information, more depth than in cross-sectional studies with the intention of understanding situations or phenomenon. It also helps to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study. The study was used to identify the strategy implementation practices and challenges at the Institute of Advanced Technology. The reason for this choice is based on the knowledge that case studies are the most appropriate for examining the processes by which events unfold, as well as exploring causal relationships and also they provide a holistic understanding of the phenomena.

3.3 Data Collection

The study used primary data which was collected using an interview guide. An interview guide is a set of questions that the interviewer asks when interviewing. The respondents to be interviewed were six top managers in charge of planning, corporate, human resource management and business development. These are considered to be key

informants for this research. The interviews were semi-structured so that some questions can be omitted or added if some new and useful information come up through the whole procedure, which will be face to face interviews.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study.

Content analysis, as a class of methods at the intersection of the qualitative and quantitative traditions, is used for rigorous exploration of many important but difficult-to-study issues of interest to management researchers (Carley, 2003). This approach is more appropriate for the study because it allows for deep, sense, detailed accounts in changing conditions. Thus the qualitative method is suitable for this research because this research was conducted within the environment where the implementation initiatives occurred.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the strategy implementation practices employed at the Institute of Advanced Technology and also establish the challenges of strategy implementation at the Institute of Advanced Technology. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Demographic Data

The respondents comprised the middle and the top management of Institute of Advanced Technology. In total, the researcher interviewed six respondents out of the eight that had been intended to be interviewed in the research design. Two of the respondents were not available during the interview. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organization's objectives. As a result the response rate was around 75% and the interview was made possible because all the respondents interviewed had worked in their respective positions for at least 4 years within IAT and other training institutions. All the respondents held managerial positions in the institution and therefore considered to be more versed with the subject matter of the study.

Academically, the respondents had all attained university education with three of them having undertaken a master's degree in their respective fields. In addition two of the

interviewees had risen through the ranks in the institution to occupy the present management position over 25 years of employment they had worked. With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Strategy Implementation at IAT

This section of the interview guide sought to establish from the respondents whether they understand the strategic process at the IAT. The section covered question on the strategic process period, persons involved in the organizational strategic process and staff involvement in the strategic process.

On the question of whether the respondents were aware of the organizations strategic, all the respondents answered to the affirmative and indicated that the organizations strategic plans cover a five year period. The uniform answers from the respondents indicated that all of them understand the organizations strategic plan as to the period it covers. The officers involved in the strategic process were diverse. The respondents indicated that the Chief Accountant, Human resource manager and the managing director are the key persons involved in the development of the strategies. Sectional heads as well as staff from the five campuses spread in Mombasa, Kisumu, Nyeri, Eldoret and Kakamega were are involved in the strategy development and implementation. In particular, the involvement of section heads – the smallest unit of organizations management- in the strategic process ensured that the views of all the staff are incorporated in the organizations overall strategies.

The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. At IAT, it was found out that the organization appreciates the role played by employees in process of developing and eventually implementing the strategy. The organizations employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff is involved in the strategy development phase, there will be less level of resistance during the implementation period and this will therefore increase the rate of success. IAT being an IT based firm, the role of information technology in the strategic process was highlighted as contributing greatly in the strategic process. Many of the strategy development process is carried out through the IT interface and it is only during the plan moderation phase that the various section heads meet together under the direction of the manager business development department.

The strategy implementation phase in the organization requires that individual section heads in consultation with all the staff in the sections monitors the activities being undertaken on weekly basis to establish whether the results are in line with the budget expectation. come up with their task that are achievable as well as measurable. This process will facilitate detection of any variance and any unfavorable variance is investigated with the aim of remedying it. The cost, revenue and trainee enrolment forms

some of the key parameters that is investigated. On what factors is considered to affect the success or failure of the strategic implementation in the organization, the respondents pointed that enhanced communication, prudent utilization of the available resources, committed staff, teamwork and partnerships, transparency and accountability, and commitment to meeting deadlines/timelines are some of the key factors that influence the organizations success. The respondents also appreciated that the top leadership of the organization affect the strategy implementation process. They pointed that leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken. It was appreciated that the majority of the organizations strategies requires collaboration with other government agencies and international partners who are concerned with administering examinations, course content and other support. The respondents pointed that in dealing with these external stakeholders, the leadership of the organization are the ones to perform this task.

4.4 Challenges of Strategy Implementation Process at IAT

The objective of the study was to establish the challenges facing strategy implementation at the Institute of Advanced Technology. It was expounded by the respondents that the development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, in many organizations, the implementation phase is faced by a number of challenges. The challenges faced by the

organization in implementing its strategies were categorized into; commitment of the top management to the strategies, organizational culture, structure, management, resources and capacity.

4.4.1 Top Management Commitment

The researcher sought to identify from the respondents if leadership was a challenge that affects the process of strategy implementation in the organization. To this extent the respondents pointed out that indeed the management at IAT was a challenge in the effective implementation of strategies in the organization. They supported this by pointing out the various kinds of challenges faced by the organization that resulted from the leadership side of the organization. First, rigidity and bureaucracy together with the failure to embrace new ideas and innovational technology in business was noted as a challenge. An example was given whereby the institute introduced degree programs in computer science and business courses. However, some of the managers did not embrace the strategy fully and this diversification strategy has not successfully picked up.

In addition, differences in opinion, forced removal of project leadership, disputes in project leadership selection were pointed out as indicators of the existence of leadership and management problems in the implementation of the strategies at IAT. Management resistance to change and new ideas, lack of visionary leadership together with poor leadership skills and knowledge are still additional challenges facing the organisation. Some of these leadership skills were found to be due to a lack of proper training and this could be remedied through the process of training of those in the management positions.

The respondents were in agreement on the measures to be taken in overcoming some of the leadership and management challenges in the organization. They noted that some of these challenges are as a result of poor communication, overworking of some workers due to disproportionate allocation of work. It was recommended a number of ways of addressing these challenges, among them engaging human resource specialists and business units in harmonizing all roles in the project committees, communication of roles and responsibilities at an early state and involvement of middle line managers at the early stages of strategy development because eventually they will be the ones to implement the same projects. The management of the organization was also pointed out to cause ineffective implementation of strategies due to adoption of improper communication channels in the institution. In some cases, it was found that the use of paper works in communication slowed down the phase of communication due to the resultant time lag especially in the organizations units that are based outside the headquarters in Nairobi.

The employee morale and motivation was also noted to be low due to the organizations leadership not coming up with an appropriate reward system to boost the employees' motivation. It was also highlighted that the top leadership has not been keen in cutting deals at the corporate level. Instead, the respondents noted that cases have been noted where the top management have delegated such activities to junior officers who in turn have ended up not being successful in lobbying for such projects because of the nature of complexity involved.

4.4.2 Organizational Culture

On the question posed to the respondents on whether they felt the organization and the management culture established affected the strategy implementation at IAT. It was noted that the organization staff attitude was not in tandem with present day market conditions where ones opportunities are identified, there is need for a fast decision making to capture the same, otherwise the opportunity will be captured by other competitors. The institution has been associating high prices to represent high quality which with the increase in the number of colleges offering similar products might not necessarily be the case. The institution was found to have maintained the high pricing strategy and not being flexible enough to embrace market demands. This culture negatively affected the institution in terms of student enrolment. The speed at which decision making is made was found to be slow in the organization and this is compounded due to the vertical organizational structure that exists presently in the organization. There has been also a high staff turnover in the recent past especially from staff who is handling several of the firm's projects that are being carried out. It was therefore appreciated that such staff turnover results to the rate at which the projects are completed to lag which consequently results to lost opportunities.

A number of senior staff members have been known to doing things in a certain way and whenever new changes are introduced or change of strategy is required to capture a certain opportunity or counter a given threat, the same group will be slow in decision making which in turn will lead to the loss of opportunity. This view is found to be in

tandem with that made by Pearce and Robinson (2007) when they noted that since implementation of strategies will affect in some cases the “way things are done in the organization’, then the employees in the establishment will tend to resist such changes. Thus the implementation strategy should be concerned with the necessary adjustment in order to accommodate the perceived needs of the strategy.

The researcher also wished to get from the respondents how they overcame the challenges posed by the values and beliefs shared by the IAT employees and community at large and still ensure the maintenance of the organization culture. Towards this end, the respondents indicate that the involvement of the all employees in strategy implementation and incorporating their views together with effective communication of the benefits to be derived from the implementation of various strategies was an important step. It is observed that changes in culture be made gradually since changes to how people operate need not be drastic and if made so, the resistance level will be high. This point was in tandem with that of Ohmae (2003) in which he noted that organizational culture is fairly stable and does change fast and consequently in changing the same, the changes should be gradual.

4.4.3 Organizational Structure

The nature of the organizations structure affects the level of communication and implementation of the strategies. The respondents highlighted in the case of IAT, the organization structure is vertical meaning that in cases where the communication need to be hastened, it becomes slowed down due to the many decision makers involved. The respondents on whether the organization structure acts as a hindrance to the

implementation process was varied. Some of the respondents pointed that in some cases the organization structure has remained static instead of evolving with the market demands. They noted that when the company needed to offer new products, there is need for the structure to be realigned to capture effectively the opportunities arising in the market. An example they gave was when the organization identified computer application training market in the government and though the IAT got the contract, they did not delink this opportunity from the normal training department and with the increased workload, it became a challenge to effectively offer the service and this lead to unsatisfactory project results. There was need to establish a dedicated staff that will handle the task without combining with other normal task. Another instance cited was when the institution collaborated with Maseno and St. Pauls Universities to offer degree courses. IAT was found not to have adjusted their structure to easily counter the challenges that come with this collaboration. This has made it difficult for the institution to compete with other universities.

The vertical organization structure that exists presently was noted to be the same one that was put in place when the organization was formed. There is need to change it to reflect the present operating environment in which the stakeholders require prompt guidance and decisions from the management of the institution and which can only be achieved with a much flatter structure to facilitate faster decision making. Like any other corporate organization, it was found that communication comes from the top and this may sometimes come with bureaucratic challenges. The findings are consistent with Ongoya

and Lumallas (2005) who noted that majority of the one person or partnership structures were an impediment to the development and implementation of the strategies.

4.4.4 Communication

There are various means used by organizations to communicate any strategic process information. The selection of the appropriate means of communication will depend on the sector, coverage, sensitivity of the information and also the urgency of the communicating the same. The findings of the study were that communication affects strategy implementation process of the company. It was pointed out that information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. Effective communication is a requirement by ISO hence its mandatory communication for the same to be effective and since the organisation is ISO 14001 certified, it has endeavored to adopt an effective system of communicating the same. They noted that an ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees.

An organization can employ different modes of communication to employees. The mode chosen in the organization depends on the nature, sensitivity, speed required as well as the distance between the sender and receipt. It was found that email, face -to- face, verbally and through the mission and vision charter. It was also found that the organization gives its employees opportunities to share their ideas, facts, opinions and emotions. It was noted that IAT has established an open door policy and competition on

business ideas where various decentralized units of the organization compete to generate different business ideas. The feedback on the progress of the work done is usually passed during the interdepartmental meetings which are held monthly.

4.4.5 Resource Allocation

The respondents agreed unanimously that resource constraints hindered implantation of the organizations projects. They pointed out that Human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. As an IT based company, it was pointed that availability of necessary hardware was in some cases found to be adequate, while modern infrastructure and genuine Software was also identified as limiting resource. A lack of adequate resource was identified as a major inhibitor to the actualization of all the projects, loss of business due to low skill level and in some cases, the staff may not give their all since there may be not enough ownership of projects.

In order to mitigate the challenges to implementation of projects, financial resources, proper planning and prioritizing on the policies is a key factor to consider in order avoiding wastage. It was also pointed out by the respondents that it is important to set aside enough finances for the project while ensuring that staff are motivated and recognized i.e. through reward and appreciation schemes. The staff with adequate training in their roles in strategy implementation is the nerve centre in boosting the organisation competence and qualification to handle demanding tasks. As a result, the respondents noted that when the institution is setting budgets, it ought to incorporate

adequate resources to ensure the realization of the set goals and putting in place mechanism of addressing the issue of resource limitation in their role.

Ineffective coordination and sharing of responsibilities among the staff came out as another factor that affects the success of implementing strategies at IAT. Overlapping of activities during the implementation phase was found to create confusion among the implementers and therefore leading to delays in implementation and unnecessary bureaucracies. In some cases, the respondents also noted that conflicts/mistrust amongst relevant stakeholders and those implementing the strategy have created unnecessary tension between the institution and members stakeholders such as the parents and students. Implementers of the strategies need to be answerable to their actions. However, it was found that in some instances, there has been a lack of accountability within the institution especially for some actions and this becomes a source of discouragement to the other staff members whom by themselves are expected to be accountable. Another challenge that was faced by the organization has been a lack of morale amongst implementers, misinterpretation of the organization strategy, lack of proper reporting and therefore no feedback. Proper monitoring of strategy implementation was also found to be lacking.

4.5 Discussion

Successful implementation of a strategy is as critical and difficult as the strategic choice. A firm needs to consider its resources to be used, human resources requirements, the structure systems and other changes in order to achieve a successful implementation of a project. Competency in implementation and the ability to put ideas into actions can be an

organization's source of competitive advantage. Because the implementers of a strategy in most cases are the lower level staff, the process requires a shift in responsibility from strategist to divisional and functional managers to ensure effective implementation. The findings of the study were that those actively involved in the strategy implementation should also be actively involved in the strategy formulation to ensure ownership of the process. This position is found to be consistent with that David (2003) who observes that the human element of strategic implementation plays a key role in successful implementation and involves both managers and employees of the organization and more particularly the need to incorporate the views of the middle and lower cadre of staff.

Leadership is the key to effective strategy implementation in an organization and this point came out strongly during the research. The respondents pointed that the leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken and seek their support in realization of the same strategies. As Hill and Jones (1997) noted the right managers must also be in the right positions for effective implementation of a new strategy since the top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. To finding was also supported by Thompson (1997) when he observed that a strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

Alghambi (1998) argues that, failure to keep time, poor coordination, and distraction from competing activities, tasks not well defined and inadequate information systems to support strategy implementation as barriers. This same position was found to exist in the organization since the finding from the study was that there existed lack of coordination of various projects and coupled with ineffective communication structure, the performance of the strategy implementation process was not optimal. Beer and Eisenstat (2002) identified six killers to strategy implementation as : top down approach, unclear strategy and conflicting priorities, ineffective top management, poor vertical communication, weak coordination and inadequate down the line leadership skills. Some of these challenges still face IAT.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

In summary, the study shows that the interviewees are aware of the strategic process of the IAT and the challenges that affect the success of its strategy implementation. The organization strategy covers a 5 year period and is clear and concise and can be understood by the staff though the organisation adopts a top-down approach in its strategy development. The study established that the top leadership of the organization affects the strategy implementation process through directing both human and material support towards the strategy implementation process. The organizations' leadership also liaises with other stakeholders outside the organization that will affect the success of the strategies being undertaken. A number of instances were pointed as a case of unsatisfactory leadership qualities including; delegation of meeting to junior officers who are incapable to strike such deals, lack of responsibility with delegation of duty and arbitrary transfers of staff in the middle of implementing projects.

In a competitive and chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization. The culture of the organization was found to be an impediment to strategy implementation as the employees have not embraced the new changes as they are used to doing things in certain ways and this has resulted in the institution maintaining the high pricing strategy and not being flexible enough to embrace market demands, low student enrolment, slow

decision making and staff turnover. IAT organization structure was an impediment to successful implementation of the strategy. The structure creates a perception that strategy implementation is a preserve of the top management especially when there is lack of communication with the rest of the staff.

The study found out that communication in IAT was a challenge to strategy implementation as information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. This ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees. The resources available to the organization was found to be a challenge to implementation of strategy in IAT as human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. This resulted in actualization of all the projects, loss of business due to low skill level and in some cases, staff not giving their all since there may be not enough ownership of projects.

A number of measures were identified that will help in reducing the factors that affect the success of strategy implementation in the IAT. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The strategic process of the IAT was noted to require participatory and

consultative approach. Other respondents suggested to the organization that they should embrace an all inclusive, participatory consultative and informative stakeholder analysis, in strategy implementation to enhance ownership, and finally, embrace public private partnership in resource mobilization.

5.2 Conclusion

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Strategy formulation and implementation process is very vital for the functioning of any organization. From the findings, it was established that the strategy formulation process in the organization follows a top-down approach while implementation process adopts a bottom up approach. These disconnect in the strategy formulation and implementation has in some cases brought about challenges in the success of implementing the set strategies. The organization team consists of qualified team that has been able to steer the projects amid the challenges that come with implementation. This therefore means that for an effective handling of the challenges of implementation, the managers should be empowered through adequate training and development programs to carry such projects. In addition, it is important that the organisation has in place adequate mechanism of incorporating the views of all the stakeholders in the development of the strategies for a successful implementation of the same strategies. Despite the position that the organization has been able to realise success in significant components of its projects, it has there is room for improvement to increase its annual success.

Another important conclusion from the study is that in the present day operating environment, in which the actions of an organization will affect and be affected by stakeholders, it is important that an organizations strategic process be an all inclusive where the junior staff, community and non-governmental organizations views are accommodated for in order to realize reduced resistance during the implementation phase. Further, effective monitoring and evaluation of the strategies during implementation was found to be critical. The organization should be able to put in place measures for tracking down progress and facilitating learning and decision making in a quick manner and therefore increase the chances of achieving the same strategies. In an effort to improve M & E, external consultant will be recommended that will give independent opinions and guidance towards the achievement of the same objectives.

5.3 Recommendation for Policy and Practice

The study established that the top management of IAT was found to be a challenge to successful implementation of strategies in the organization and it therefore recommended that the management should be at the forefront in ensuring that there is effective coordination and sharing of responsibilities in the organization. There should be adequate and regular communication to the employees by the management on the extent of strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of strategy.

The study established that strategy implementation influence the successful achievement of the institution and it is recommended that it would be prudent to include a human

resource audit to assess the capacity of the staff to be involved in implementing the new strategy and give recommendations. The basis of doing this lies on the principle of having the right people on board, then the problem of managing and directing them largely goes away. To improve on human resource management, IAT needs to institute a modern performance management system and train their key staff on administration of the system, review the job descriptions and personnel policies in order to have the workforce motivated.

In order to implement the strategy more efficiently, the measuring system should be developed so that it can better measure the activities which are in accordance with the strategy. Middle managers should bring up strategic issues more when talking with their subordinates. They should go through together with the personnel on what actions and why they are expected to be taken and how these are related to the new strategy. It would also be profitable to offer middle managers opportunities to improve their management and leadership skills and those skills should also be emphasized in the future when choosing new managers.

Results from the present study add to the understanding of a much-debated topic in the field. It contributes to the strategy implementation literature by focusing on challenges faced by organizations in strategy implementation practices. The finding provides an important reference and new insight for practitioners in understanding how strategy implementation is managed through the provision of the foundation of the study. As middle and higher education institutions are incorporated or elevated to offer degree, results from the present study offer some implications for both research and practice. As

for practical implications, the findings from present study offer important insights for executives in formulating effective strategies.

5.4 Limitation of the Study

One of the limitations of this research is the possible biasness on the part of the respondents because for any study making use of an interview guide, there is a possibility that the answers from the respondents for all questions are not true; this study is no exception. Because a personal interview was conducted the questionnaire questions were personally administered and all questions asked were related to the strategy implementation strategies facing IAT and as such, the respondents might not give the correct position for fear of exposing their strategies researcher reserves the right to believe that the responses were true and honest to the extent of the knowledge of the respondent and contain minimum level of biasness.

The second limitation, the number of respondents, was finalized based on the number of the interviewees available. Only six of the respondents were available out of the targeted eight respondents interview guide was carried out on six respondents that were submitted to the respondents and not all of them were received which therefore limited the total number of respondents involved in the research. However, it is assumed that their responses are representative of that what will have been given by the other respondents.

5.5 Recommendation for Further Research

The study confined itself to the Institute of Advanced Technology. This research therefore should be replicated in other educational organizations and the results be compared so as to establish whether there is consistency among the organizations in their strategy implementation process.

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APPENDIX: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To determine the challenges of strategy implementation at the institute of Advanced Technology (IAT) Kenya.

Part A: Demographic Data

1. For how long have you been holding the current position?
2. For how long have you worked in the company?
3. What is the highest level of education you have achieved?

Part B: Strategy Implementation at IAT

4. Does the organization have a strategy? If yes, what duration does the organization strategy cover?
5. What level of employee involvement does the strategy implementation take?
6. What implementation process does your organization strategy take?
7. What measures are taken by the organization to ensure that the actual strategy conform to the planned strategy?
8. Does the organization optimize resources during the implementation phase? How is the same achieved?

Part C: Challenges of Strategy Implementation

A) Top management commitment

- a) Is leadership a challenge to the process of strategy implementation?
- b) What kind of challenges do you face with leadership?

- c) Are the top managers at the forefront in providing leadership in strategy implementation?
- d) How does ineffective coordination and poor sharing of responsibilities affect strategy implementation in the company?
- e) How does the conflict in leadership whereby the directors' vision is not shared by all affect strategy implementation in the company?

B) Organizational culture

- a) Has the organizational culture affected implementation of strategies in the company?
- b) How do the shared beliefs and values that interfere with the needs of the business, its strategy and the people working on the organization's behalf hinder strategy implementation?
- c) Is there a coordinating committee to ensure that all outstanding issues regarding the implementation of the strategy are resolved and that the activities of the various directorates are properly coordinated?

C) Organizational structure

- a) How does the structure in your organization pose a challenge to strategy implementation?
- b) Is the organizational structure of the company aligned with strategies being implemented?
- c) Does the company structure respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted?
- d) Does the structure of the company affect how the objectives and policies will be established and implemented?
- e) How does the company structure affect communication from the management to the employees and vice versa?

D) Communication

- a) Does communication affect strategy implementation strategy in the company?
- b) How often is feedback on strategy implementation communicated to the employees?
- c) What means of communication does the management use to communicate the awareness of change at company?
- d) Is there adequate communication of the strategy and its underlying rationale to all the staff in the company for their understanding and acceptance?
- e) Do the top managers link strategic objectives with the day to day objectives at different organizational levels and locations?
- f) Does the company gives an opportunity to its employees share their ideas, facts, opinions and emotions and above all provides feedback through inter-departmental meetings, committees and personal consultations?

E) Resource allocation

- a) Do you have any resource constraints hindering strategy implementation? If yes, what kind of resources in particular?
- b) In your opinion, were the available resources adequate for strategy implementation?
- c) Does rational and equitable resource allocation across the organization affect effective implementation of any organization's strategic plan?
- d) How does lack of sufficient capabilities, processes and activities that are needed to bring the strategy to life causes breakdown in strategy implementation?

F) Reward and sanctions

- a) Are your reward systems in any way tied to ability to implement strategies? Please explain.
- b) Does the management motivate and reward good performance for individuals and units for effective strategy implementation?
- c) What measures have been taken to ensure that rewards are tied to ability to implement strategies?

**CHALLENGES OF STRATEGY IMPLEMENTATION AT THE
INSTITUTE OF ADVANCED TECHNOLOGY (IAT) KENYA**

MOGENI JESCAH MORAA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENT FOR THE AWARD OF THE MASTER OF
BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

NOVEMBER, 2013

DECLARATION

This project is my original work and has not been presented to any university or institution of higher learning and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

.....

Date

MOGENI JESCAH MORAA

D61/60166/2011

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

Signed.....

Date.....

FLORENCE MUINDI

Lecturer, School of business,

University of Nairobi

DEDICATION

I dedicate this work to my husband Hillary Mainye and my son Kayden-sam Mainye. Their continuous support, prayers and encouragement were a source of strength during my study.

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LIST OF ABBREVIATIONS

IAT	Institute of Advanced Technology
ICDL	International Computer Driving License
ICT	Information and Communication Technology
EBCL	European Business Competence License
UK	United Kingdom
NCC	National Computing Centre
SPSS	Statistical Package for Social Scientists

ABSTRACT

In a business environment where competition is the order of the day, business entities are coming up with strategies that will give an edge over competitors at a lower cost. However, organizations today face major changes that make strategy implementation difficult and complex than in the past. Therefore it is necessary that an organization comes up with strategies that it can be able to implement and also avail resources that will be able to implement the strategies effectively. The study sought to establish the strategy implementation practices at Institute of Advanced Technology as well as identify the challenges that affect the implementation of strategies in the organization. A case study research design was adopted whereby the researcher interviewed six senior managers at IAT who were involved in the strategic process of the firm. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges. Analysis of the data was done using content analysis. The findings from the study suggest that the IAT faces a number of challenges ranging from; slow decision making process, inadequate resources, cultural interference in some instances, lack of proactive leadership and non involvement of all the stakeholders in strategy implementation. In addition, other challenges included employees not committing themselves to support a new strategic plan from the start to its completion including review and supporting its recommendation, changing the strategy mid-stream to suit their focus. The measures taken to overcome the challenges include training employees on project evaluation and monitoring, involvement of all the stakeholders in strategy formulation and sourcing for additional funding to finalize on incomplete projects. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, and fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The study concludes that strategy implementation at IAT was affected by the structure adopted, culture, communication, the top management, rewards and the resources. The study recommends that strategy formulation and implementation process is very vital for the functioning of any organization and the management of IAT should work to ensure that the challenges which were identified as affecting strategy implementation are tackled in order to ensure that the institution remain competitive in the market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The guiding principles in any strategic management process, whether in the public or private sector, is about understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Gole, 2005). He asserts that the difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges. Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead (Bryson, 2004).

While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is clearly absent. The guiding principles in any strategic management process, is the understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Morgan and Strong, 2003). The difficulty in strategic management is the challenge of laying a foundation for success in the future while

meeting today's challenges. Organizations are dynamic, complex and are gradually changing hence need for competitive strategies. However excellent the strategies developed by organizations to counter the challenges it faces, the major hurdle for success is the effective implementation. In fact, the most elegantly conceived, precisely articulated strategy is virtually worthless unless it is implemented successfully, (Sabatier and Weible, 2007).

Johnson and Scholes (2002) assert that the development and implementation of strategies by an organization or government to chart the future path to be taken will enhance the competitiveness of such firms operating in a competitive environment. However, they observe that many firms develop excellent strategies to counter and adapt to the environmental challenges but suffer a weakness in the implementation of the same strategies. Transforming strategies into action is a far more complex and difficult task. Organizations seem to have problems in strategy implementation: such as weak management roles in implementation, a lack of communication, lacking a commitment and misunderstanding of the strategy, unaligned organizational resources, poor organizational structures and uncontrollable environmental factors (Beer and Eisenstat, 2000). Strategy implementation therefore focuses on the distinct relationship between implementation and other various organizational elements. The strategy implementation process is identified by Sabatier and Weible (2007), as a process being undertaken through a systematic approach and provides a link between strategic consensus and success.

1.1.1 Concept of Strategy

A strategy is a long term plan of action designed to achieve a particular goal, most often “winning” (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated and often practically rehearsed. According to Johnson and Scholes (2002), strategy has to do with how an organization matches its internal and external environment and the management process is concerned with how to maintain, stabilize or change that position. Mintzberg and Quinn (1998) identify four interrelated definitions of strategy as a plan, perspective, pattern and position. As a plan, it is some sort of consciously intended course of action, a guideline to deal with a situation. As a pattern it integrates an organization’s major goals, policies and actions sequences into a cohesive whole. Strategy as a position becomes a mediating force or match between the organizations and its external and internal environments. Strategy as a position looks outside the organization seeking to locate the organization in the external environment and it in a cohesive position.

Johnson and Scholes (2000, p. 12) define strategy as “the direction and scope of an organization over long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations”. He concludes that strategy can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is sometimes known as search for strategic fit. The concept of strategy is therefore built around winning. Strategy helps to achieve success whether in business or otherwise, success in this context refers to the realization of objectives that are desired. Effective

strategy is formulated around four factors. These are, the goals and objectives are simple, consistent and relate to the long term, there is profound understanding of the competitive environment, there is an objective appraisal of the resources available and that there is effective implementation (Hittet *al.*, 2008).

1.1.2 Strategy Implementation

Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various includes various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals (Okumus, 2003). Strategy implementation is defined as ``the process used to implement specific firm policies, programs, and action plans across the organization`` (Harrington, 2004, p.321). Effective strategy implementation and execution relies on maintaining a balance between preventing failures and promoting success simultaneously. When there is a proper alignment between strategy, administrative mechanisms and organizational capabilities, it will be easier to implement and execute the strategy and to achieve the desired objectives (Okumus, 2003).

Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Traditionally, it is

believed that strategy implantation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2001). While strategy formation and implementation are tightly integrated functions, strategy implementation is the most complicated and time-consuming part of strategic management. It cuts across virtually all facets of managing and needs to be initiated from many points inside the organization.

1.1.3 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman and Zeithaml, 1993). As was further observed by David (2003), successful strategy implementation must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues. Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Lepsinger (2006) similarly hold that true leaders have a clear vision and are 100% committed to pursuing it.

Organizations seem to have difficulties in implementing their strategies, however. Researchers have revealed a number of problems in strategy implementation. The reasons for this are varied, but most hinge on the fact that strategy implementation is resource intensive and challenging (Gurowitz, 2007). None the less strategic planning remains a top priority among successful private universities based on the fundamental notion that an effective strategy offers unique opportunities for market differentiation and long-term competitive advantage. Based on this, many public universities are now asking which are the best tools and methodologies to enable effective strategy implementation (Beer and Eisenstat, 2000).

Beer and Eisenstat (2000), there were six fundamental reasons why various strategies developed by firms were not implemented effectively. They identified that employees saw the overall problem being rooted fundamentally in the process of management issues of leadership, teamwork and strategic direction and not in the commitment of people and their functional competencies. Poor quality vertical communication not only hinders strategy communication but also prevents discussions of the barriers themselves. Sterling (2003) identifies challenges to strategy implementation as: unanticipated market changes, effective competitor response to strategy, insufficient resources, failures of buy-in, understanding and communication by those who are supposed to implement, strategy not being timely and unique, lack of strategic focus and poorly conceived strategies.

1.1.4 Technical Colleges in Kenya

Technical colleges in Kenya offer academic and vocational preparation of students for jobs involving applied science and modern technology. It emphasizes the understanding and practical application of basic principles of science and mathematics, rather than the attainment of proficiency in manual skills that is properly the concern of vocational education (education.go.ke). Technical education has the objective of preparing graduates for occupations that are classed above the skilled crafts but below the scientific or engineering professions. People so employed are frequently called technicians. Technical education is distinct from professional education, which places major emphasis upon the theories, understanding, and principles of a wide body of subject matter designed to equip the graduate to practice authoritatively in such fields as science, engineering, law, or medicine.

Technical occupations are vital in a wide range of fields, including agriculture, business administration, computers and data processing, education, environmental and resource management, graphic arts and industrial design, and health and medicine; technical educational curricula are correspondingly specialized over a broad range (education.go.ke). Technical education is typically offered in post-high-school curricula that are two years in length, are not designed to lead to a bachelor's degree, and are offered in a wide variety of institutions, such as technical institutes, junior colleges, vocational schools, and regular colleges and universities. The training industry is rapidly growing and as a result, a number of technical institutions have started. Kenya has been in a position to promote its Education, through the variety Technical colleges that carter

for the Kenyan students. Among the Colleges in Kenya include Institute of Technology, psychology, statistics, business among other fields. Competition is in the rise and all these institutions are aligning their structures so that they can attain a competitive edge and stand out in the competition. Training in Kenya is currently undergoing changes. There has been a call of urgency to expand the capacities for technical colleges and universities so as a great number of qualified students can be absorbed. Under the training industry there include, Universities, Technical colleges, polytechnics, Secondary and primary schools.

1.1.5 Institute of Advanced Technology in Kenya

The Institute of Advanced Technology (IAT) is an ICT and business learning organization in Kenya and the East African Region. It was established in 1991 with its major focus being on professional courses that enable proficient use of ICT to the learner. It has since switched its focus from End User and Professional courses to Career Training and Education to individuals as well as Public and Private corporate organization seeking to develop their personnel. It has also widened its scope from ICT to business courses.

IAT seeks to achieve customer satisfaction and continuously expand its market share. It does this by scanning the environment in order to improve on its services and to fill the gap in the industry by introducing new products. IAT has grown and is well known in the Kenyan ICT and Business job market for producing high quality graduates who are skilled and proficient in their areas of study. It has succeeded in conducting ICT and

Business courses in partnership with distinguished international and local partners which include Maseno University, St' Paul's University, NCC Education (UK), the European Business Competence License (EBCL), International Computers Driving license ICDL among others since 1991 and have gained valuable experience in this area.

1.2 Research Problem

The organization's strategic plan is expected to be a guiding document for the organization; however, poor implementation of the plan can result in it becoming an ineffective document (Pfeffer and Sutton, 2006). It will not matter how good the strategic plan is, what will be important is how to transform the documented strategy to tangible results, a process which will involve effective implementation process. Organizations are often unable to transform existing knowledge into meaningful action, which creates a gap in implementation. Gole (2005) assert that one of the main causes that organizations cite for the knowing-doing gap is that organizations come to the belief that if they just talk about doing something, this very action of discussion will magically lead to execution. It therefore becomes important that an organization gives the implementation phase of its strategic process due importance and allocate adequate resources and time that will enable it achieve the desired objectives.

The Institute of Advanced Studies is one of the pioneer ICT institutions in Kenya that during its initials years has been able to open branches in major towns and partner with local and international universities to offer the same causes in the country. The institution witnessed the impressive growth due to adoption and implementation of

effective strategies. However, in the last 5 years, the institution has faced high level of competition from universities and other tertiary colleges that have emerged to offer the same courses and programs has the one offered by institute of advanced technology. When the same problem is studied keenly, it is evident that the institution has had strategies to counter the challenges in the business market. However, what has been lacking is an effective implementation in the institution. There is need to ensure that the strategies which they have put in place to are fully implemented so that they can have a competitive advantage over other institutions. This therefore calls for the development of good strategies and appropriately realignment of the organizational structure, systems, leadership behavior and human resource policies. It is on this basis that the current study will wish to establish the challenges facing implementation of strategies at the Institute of advanced Technology.

Recent local studies undertaken on the challenges of strategy implementation include; Moeva (2007) researched the challenges facing implementation of strategy for revitalizing agriculture at the Ministry of Agriculture and found out that the major challenges that affected the implementation of strategy for revitalizing agriculture was lack of awareness and ownership of the strategy by the various stakeholders, performance management especially at district and provisional level and resource mobilization. Nyangweso (2009) on the strategy implementation challenges at Cooperative bank who found out that in the case of Co-op bank just like in any other player in the banking industry, implementation of strategies should be fast, consistent and should be adaptable on many fronts simultaneously. Kiprop (2009) researched on

challenges of strategy implementation at the Kenya Wildlife service and identified that a firm should focus on formal organizational structures and control mechanisms of employees while implementing its strategy. Akwara (2010) carried out a research on challenges of strategy implementation at the Ministry of co-operative Development and marketing and his studies revealed that; organization culture, human resource policies, financial resources policies and procedures, information and operating systems and performance incentives were all impediments to strategy implementation. The challenges faced by the educational institutions could be different with other organizations and therefore this study seeks to establish the challenges of strategy implementation at the Institute of Advanced Technology. This problem statement leads to the following question: what are the challenges of strategy implementation at the Institute of Advanced Technology?

1.3 Research Objectives

- 1) To establish the strategy implementation practices employed at the Institute of Advanced Technology
- 2) To establish the challenges of strategy implementation at the Institute of Advanced Technology

1.4 Value of the Study

The study will aid various stakeholders in the country as follows;

The study will be of value to Institute of Advanced Technology since it will help them understand the factors that affect the implementation of its strategies and thus put in place

mechanisms that will ensure that its strategies are implemented. In addition, the study will be an invaluable source of material and information to other technological institutions operating in the country since they will understand the challenges affecting implementation of strategies in the education sector and thus come up with ways of ensuring that its strategies are fully implemented so that they can compete effectively with other firms. Public and private institutions in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them in the professional and training institutions in Kenya.

The government and regulators of the fund will also find invaluable information in how good strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the government sector in implementing their strategies. The policy makers will obtain knowledge of the professional and training institutions and the appropriate factors that affect implementation of strategies in the industry; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector. Future scholars may use the results of this study as a source of reference. For academicians, this study forms the foundation upon which other related and replicated studies can be based on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will review the theoretical underpinning the study, strategy implementation and strategy implementation challenges.

2.2 Theoretical underpinning the study

The institutional theory recognizes the embedment of institutional actors in an environment of formal and informal rules. Institutional theorists suggest that organizational actions and processes are driven by their actors in order to justify and plausibly explain their actions. According to this perspective, strategy implementation are rationally accounted for by organizational actors and rooted in the normative and social context that motivates actors to seek legitimacy (Oliver *et al.*, 2007). Through various cognitive, normative and regulative forces organizations adopt a standardized set of practices (Scott, 2001). In other words, an organization is composed of three pillars: the cultural-cognitive, normative, and regulative elements that together with associated activities and resources provide stability to social life. Companies try to fit in with the norm by adopting strategy implementation that validates them as part of the organizational field. In essence, traditional institutional theory believes that organizational fields become structured by powerful influences among organizations. The adoption of a system such as strategy implementation is highly dependent on the extent to which it is institutionalized by legitimacy. Legitimacy concerns lead organizations to

adopt practices that “conform to the mandate of the institutional environment” (Kraatz and Zajac, 2006).

The resource-based view of a firm has experienced a rapid diffusion throughout strategic management literature (Priem and Butler, 2001). Firm’s aim must be to achieve competitive advantage over its competitors, which it ideally derives from valuable resources that are superior in use, hard to imitate and difficult to substitute. Barney (1991) posits that resources can be classified into three categories: physical capital resources such as plant and equipment, human capital resources such as training relationships and experience, and organizational capital resources, for example, reporting structure, formal/informal planning and controlling. For firm resources to be the source of a sustained competitive advantage, they must pass the valuable, rare, imperfectly imitable, (non-)substitutable) test (Barney 1991). Resources can occur in different forms such as patents, relationships or processes. Barney (1991) further argues that the contrary is applicable for strategic implementation. The strategy implementation can be characterized as a functional competence in that it deals with distributing a firm’s resources to fit the strategic alignment of the firm. Strategic initiatives need to be distributed and executed as dictated by the strategic plan.

2.3 Strategy Implementation

Implementation of strategy is initiated in three interrelated stages which include identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of policies to guide decisions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation – communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Successful strategy implementation will yield the following benefits to an organization: proper utilization of resources with financial and human and thus enhance organizational growth, development of efficient systems that will enhance coordination that would guarantee achievement of organizations goal and set targets, increased organizational impact due to improved organizational performance and sustain its competitiveness, the organization will be able to have a clear focus and direction in its growth path and in the process attract competent and resourceful human resource base (Pearce and Robinson, 2007).

Pearce and Robinson (2007) argue that, to ensure success of the strategy implementation, the strategy must be translated into carefully implemented action this is because the firm strategy is implemented in a changing environment and therefore the need for strategic control during the implementation. Implementing strategy is difficult and without proper implementation, no business strategy can succeed. Implementation of strategy calls for alteration of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process. Strategy implementation focuses on the distinct relationship between

implementation and other various organizational elements. The implementation process is identified as being undertaken through a systematic approach which provides a link between strategic consensus and implementation success, (Sabatier and Weible, 2007).

While there is no "one-size fits-all" approach to strategy implementation management for all organizations, Sabatier and Weible, (2007) posit that there are three basic and irrefutable strategy implementation practices for all kinds of firms. The strategy implementation practices include business integration, user adoption and technical implementation. However, successful implementation of strategies, they suggest that a holistic viewpoint and comprehensive strategy are needed for high impact results and long term success.

Under the business integration stage, this step enables an organization to rethink how it operates its business and can enhance the value of IT. It involves the organization listening to their stakeholders and work with them to identify new ways of solving key business problems and managing their processes (Kazmi, 2002). For example, how the business collaborates internally or with customers after implementation can be much different than before when the communication mode was also different. An organization should foster the concept of the integration as a business tool that is central to the support and growth of the organization's business plan. Identification of a clear, multi-party governance structure to manage the effort through design, implementation, and ongoing improvements will also be needed. At a minimum, the organization should identify an executive champion, steering group, and working group comprising business and technical members (David, 1997). An organization should sell the idea at every meeting,

and at every opportunity. A strategy implementation process can take awhile before one really get traction and there is therefore need to the word out and focus on the benefits-solving stakeholders' most pressing business problems.

According to Grundy (2004), many organizations strategies get sidetracked by focusing too many resources on branding, color schemes, and the like. Instead, he suggests that there is need to amortize the traditional look and feel investment by continuously engaging users throughout production to enhance the interface as they become more adept with the solution. The strategy adopted should be a reflection of organizations customer needs (internal or external) and not a picture of the operating model. An organization should carefully segment ones users, map them to the organization's portfolio of services and products, and design a product to support these relationships. A cross-cutting enterprise taxonomy and information architecture that is independent of organizational boundaries can act as a driver of change to support where the business is headed, not how it currently operates (Chapman, 2004). Communications and change management activities are vital. A lack of communications planning and change management activities (e.g., process redesign, training, etc.) can ruin a technically sound implementation. Remember, if no one uses the solution after it is deployed, you have failed.

A strategy implementation practice is aimed at optimizing the impact of the process. Under this process, an organization is needed to prioritize requirements and deploy functionality in phases.

Cummings and Worley (2005) observe that an organization should not try to build everything at once. Instead, they need to develop the solution using a phased approach that is driven by the demands of the business and not the supply of the organization. Integration with existing tools may fulfill many requirements and combination with other technologies and commercial may be the best option instead of building functionality from scratch.

2.4 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (David, 1997).

2.4.1 Top Management Commitment

Leadership is the key to effective strategy implementation. The role of the chief executive officer is fundamental because a chief executive officer is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The chief executive officer actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a chief executive officer strongly influence a firms' mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones and Hill, 1997). Top management goodwill and

ownership to drive the process is also critical to effective implementation of strategy. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. To this end, he argues, the managers will willingly give their energy and loyalty to the implementation process. In addition the senior managers should abandon the notion that the lower level managers have the same perception of strategy and its underlying rationale and urgency. They must not spare any effort in persuading the other employees in adoption of their ideas.

Implementing a new strategy also requires leaders to have adept managerial relationship. This is important because business leaders and executives must be at the forefront of overcoming disagreements and pockets of doubt. They must also lead their people in building a consensus on how to proceed with the various initiatives included in the strategy being implemented. Strategy implementation leaders must also secure the commitment and cooperation of all concerned parties to get all the implementation pieces in place. The management of the organization provides direction to workers as they pursue a common mission in implementing strategies (Chapman, 2004). The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. This leads to rational leadership styles for those with good leadership qualities and qualifications (Chapman, 2004). A good strategic leader operates without bias, be visionary, self-confident, has empathy and

respect to others and is experienced. Strategy implementation calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues (Chapman, 2004).

Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes, at the same time, a positive signal for all the affected organizational members. To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency (Cummings and Worley, 2005). Instead, they must believe the exact opposite and spare no effort to persuade the employees of their ideas. By changing the way they view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Change is part of the daily life within an organization. The ability to manage change has shown to be a core competency for corporations. A great challenge within strategy implementation is to deal with potential barriers of the affected managers.

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Culture can be inferred from

what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

Johnson and Scholes (2002) note that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf. A company's culture also prevents a company from meeting competitive threats or adapting to changing economic and social environments that a new strategy is designed to overcome. Social processes can also create rigidities if an organization needs to change their strategy. Resistance to change may be "legitimized" by the cultural norms.

2.4.3 Organizational Structure

Successful strategy implementation depends to a large extent on the organizations structure because it is the structure that identifies key activities within the organization and the manner in which they will be coordinated to achieve the strategy formulated. Structure also influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. It is necessary for an organization to rationalize its operational/management structures so as to streamline it to be effective in strategy execution. This would include transfers, mergers, and creation of new departments and divisions for effective management. The organization structure therefore should fit with the intended strategies (Birnbaum, 2000).

Organizations should be structured in such a way that it can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted. Thompson and Strickland (2003) notes that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

2.4.4 Communication and Strategy Implementation

Guffey and Nienhaus (2002) found a strong link between organizational commitment (strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization) and employees' support of the organization's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. The way in which a change is presented to employees is of great influence to their acceptance of it. To deal with this critical situation, an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing the employees' attention on the value of the

selected strategy to be implemented. Therefore, communication plans will provide the appropriate information to market the strategy implementation effectively in order to create and maintain acceptance.

Communication down the organization or across different functions becomes a challenge. Making sure that processes throughout the organization support strategy execution efforts can be problematical in a large organization. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task. The larger the numbers of people involved, the greater the challenge to execute strategy effectively (McCracken, 2002). Birnbaum (2000) indicates that strategy implementation requires the transfer of information from one person to another through specific channels. Communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. In organizational strategy implementation, information flows in all directions; downwards, upwards and laterally (Chapman, 2004). The employees freely communicate their ideas, suggestions, comments and complaints to the management on strategic objectives. These can be done through supervisors, joint consultative committee, suggestion schemes, trade unions or grapevine. Departmental communication is encouraged through inter-departmental meetings, committees and personal consultations. The management of the organization therefore thinks about the communication needs that to be articulated during strategy implementation.

2.4.5 Resource Allocation

Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities

established by annual objectives. Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002). The causes of breakdown in strategy implementation relate to the capabilities, processes and activities that are needed to bring the strategy to life. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. Successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies (Judson, 1991).

The organization need to have sufficient funds and enough time to support the implementation process. True costs include realistic time commitment from staff to achieve a goal, a clear identification of expenses associated with a tactic, or unexpected cost overruns by vendors (Olsen, 2005). Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The budgetary resources should be marched with departmental operations. Effective implementation of any organization's strategic plan depends on rational and equitable resource allocation across the organization. Proper links should be developed between the strategic plan and operational activity at departmental levels in order to necessitate proper implementation of strategies (Birnbaum, 2000). Resource allocation helps strategic managers to coordinate operations and facilitates control of performance. It is important to have a budget for the whole organization or sub-unit.

2.4.6 Reward and Sanctions Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007). According to Thompson *et al.*, (2007) the specific objectives of rewards and punishment are different. Rewards are in principle intended to encourage the type of behaviour which precedes them, while punishment are intended to prevent a repetition of previous behaviour. For the management, the criterion of success for reward policies is that they motivate employees to commit high levels of physical or mental effort towards performing required tasks well. Further, Tigio *et al.*, (2004), observe that rewards should increase the predictability of employees behaviour so that they can be depended upon to carry out the duties requested of them consistently and

to reasonable standards, like opportunities for upgrading or even promotion will tend to increase the predictability among employees who have some ambition if it is apparent that certain types of behaviour enhance the prospect of career development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter introduces the design of the research and the data collection and data analysis technique.

3.2 Research Design

The research design was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. Case studies allow a researcher to collect in-depth information, more depth than in cross-sectional studies with the intention of understanding situations or phenomenon. It also helps to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study. The study was used to identify the strategy implementation practices and challenges at the Institute of Advanced Technology. The reason for this choice is based on the knowledge that case studies are the most appropriate for examining the processes by which events unfold, as well as exploring causal relationships and also they provide a holistic understanding of the phenomena.

3.3 Data Collection

The study used primary data which was collected using an interview guide. An interview guide is a set of questions that the interviewer asks when interviewing. The respondents to be interviewed were six top managers in charge of planning, corporate, human resource management and business development. These are considered to be key

informants for this research. The interviews were semi-structured so that some questions can be omitted or added if some new and useful information come up through the whole procedure, which will be face to face interviews.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study.

Content analysis, as a class of methods at the intersection of the qualitative and quantitative traditions, is used for rigorous exploration of many important but difficult-to-study issues of interest to management researchers (Carley, 2003). This approach is more appropriate for the study because it allows for deep, sense, detailed accounts in changing conditions. Thus the qualitative method is suitable for this research because this research was conducted within the environment where the implementation initiatives occurred.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the strategy implementation practices employed at the Institute of Advanced Technology and also establish the challenges of strategy implementation at the Institute of Advanced Technology. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Demographic Data

The respondents comprised the middle and the top management of Institute of Advanced Technology. In total, the researcher interviewed six respondents out of the eight that had been intended to be interviewed in the research design. Two of the respondents were not available during the interview. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organization's objectives. As a result the response rate was around 75% and the interview was made possible because all the respondents interviewed had worked in their respective positions for at least 4 years within IAT and other training institutions. All the respondents held managerial positions in the institution and therefore considered to be more versed with the subject matter of the study.

Academically, the respondents had all attained university education with three of them having undertaken a master's degree in their respective fields. In addition two of the

interviewees had risen through the ranks in the institution to occupy the present management position over 25 years of employment they had worked. With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Strategy Implementation at IAT

This section of the interview guide sought to establish from the respondents whether they understand the strategic process at the IAT. The section covered question on the strategic process period, persons involved in the organizational strategic process and staff involvement in the strategic process.

On the question of whether the respondents were aware of the organizations strategic, all the respondents answered to the affirmative and indicated that the organizations strategic plans cover a five year period. The uniform answers from the respondents indicated that all of them understand the organizations strategic plan as to the period it covers. The officers involved in the strategic process were diverse. The respondents indicated that the Chief Accountant, Human resource manager and the managing director are the key persons involved in the development of the strategies. Sectional heads as well as staff from the five campuses spread in Mombasa, Kisumu, Nyeri, Eldoret and Kakamega were are involved in the strategy development and implementation. In particular, the involvement of section heads – the smallest unit of organizations management- in the strategic process ensured that the views of all the staff are incorporated in the organizations overall strategies.

The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. At IAT, it was found out that the organization appreciates the role played by employees in process of developing and eventually implementing the strategy. The organizations employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff is involved in the strategy development phase, there will be less level of resistance during the implementation period and this will therefore increase the rate of success. IAT being an IT based firm, the role of information technology in the strategic process was highlighted as contributing greatly in the strategic process. Many of the strategy development process is carried out through the IT interface and it is only during the plan moderation phase that the various section heads meet together under the direction of the manager business development department.

The strategy implementation phase in the organization requires that individual section heads in consultation with all the staff in the sections monitors the activities being undertaken on weekly basis to establish whether the results are in line with the budget expectation. come up with their task that are achievable as well as measurable. This process will facilitate detection of any variance and any unfavorable variance is investigated with the aim of remedying it. The cost, revenue and trainee enrolment forms

some of the key parameters that is investigated. On what factors is considered to affect the success or failure of the strategic implementation in the organization, the respondents pointed that enhanced communication, prudent utilization of the available resources, committed staff, teamwork and partnerships, transparency and accountability, and commitment to meeting deadlines/timelines are some of the key factors that influence the organizations success. The respondents also appreciated that the top leadership of the organization affect the strategy implementation process. They pointed that leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken. It was appreciated that the majority of the organizations strategies requires collaboration with other government agencies and international partners who are concerned with administering examinations, course content and other support. The respondents pointed that in dealing with these external stakeholders, the leadership of the organization are the ones to perform this task.

4.4 Challenges of Strategy Implementation Process at IAT

The objective of the study was to establish the challenges facing strategy implementation at the Institute of Advanced Technology. It was expounded by the respondents that the development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, in many organizations, the implementation phase is faced by a number of challenges. The challenges faced by the

organization in implementing its strategies were categorized into; commitment of the top management to the strategies, organizational culture, structure, management, resources and capacity.

4.4.1 Top Management Commitment

The researcher sought to identify from the respondents if leadership was a challenge that affects the process of strategy implementation in the organization. To this extent the respondents pointed out that indeed the management at IAT was a challenge in the effective implementation of strategies in the organization. They supported this by pointing out the various kinds of challenges faced by the organization that resulted from the leadership side of the organization. First, rigidity and bureaucracy together with the failure to embrace new ideas and innovational technology in business was noted as a challenge. An example was given whereby the institute introduced degree programs in computer science and business courses. However, some of the managers did not embrace the strategy fully and this diversification strategy has not successfully picked up.

In addition, differences in opinion, forced removal of project leadership, disputes in project leadership selection were pointed out as indicators of the existence of leadership and management problems in the implementation of the strategies at IAT. Management resistance to change and new ideas, lack of visionary leadership together with poor leadership skills and knowledge are still additional challenges facing the organisation. Some of these leadership skills were found to be due to a lack of proper training and this could be remedied through the process of training of those in the management positions.

The respondents were in agreement on the measures to be taken in overcoming some of the leadership and management challenges in the organization. They noted that some of these challenges are as a result of poor communication, overworking of some workers due to disproportionate allocation of work. It was recommended a number of ways of addressing these challenges, among them engaging human resource specialists and business units in harmonizing all roles in the project committees, communication of roles and responsibilities at an early state and involvement of middle line managers at the early stages of strategy development because eventually they will be the ones to implement the same projects. The management of the organization was also pointed out to cause ineffective implementation of strategies due to adoption of improper communication channels in the institution. In some cases, it was found that the use of paper works in communication slowed down the phase of communication due to the resultant time lag especially in the organizations units that are based outside the headquarters in Nairobi.

The employee morale and motivation was also noted to be low due to the organizations leadership not coming up with an appropriate reward system to boost the employees' motivation. It was also highlighted that the top leadership has not been keen in cutting deals at the corporate level. Instead, the respondents noted that cases have been noted where the top management have delegated such activities to junior officers who in turn have ended up not being successful in lobbying for such projects because of the nature of complexity involved.

4.4.2 Organizational Culture

On the question posed to the respondents on whether they felt the organization and the management culture established affected the strategy implementation at IAT. It was noted that the organization staff attitude was not in tandem with present day market conditions where ones opportunities are identified, there is need for a fast decision making to capture the same, otherwise the opportunity will be captured by other competitors. The institution has been associating high prices to represent high quality which with the increase in the number of colleges offering similar products might not necessarily be the case. The institution was found to have maintained the high pricing strategy and not being flexible enough to embrace market demands. This culture negatively affected the institution in terms of student enrolment. The speed at which decision making is made was found to be slow in the organization and this is compounded due to the vertical organizational structure that exists presently in the organization. There has been also a high staff turnover in the recent past especially from staff who is handling several of the firm's projects that are being carried out. It was therefore appreciated that such staff turnover results to the rate at which the projects are completed to lag which consequently results to lost opportunities.

A number of senior staff members have been known to doing things in a certain way and whenever new changes are introduced or change of strategy is required to capture a certain opportunity or counter a given threat, the same group will be slow in decision making which in turn will lead to the loss of opportunity. This view is found to be in

tandem with that made by Pearce and Robinson (2007) when they noted that since implementation of strategies will affect in some cases the “way things are done in the organization’, then the employees in the establishment will tend to resist such changes. Thus the implementation strategy should be concerned with the necessary adjustment in order to accommodate the perceived needs of the strategy.

The researcher also wished to get from the respondents how they overcame the challenges posed by the values and beliefs shared by the IAT employees and community at large and still ensure the maintenance of the organization culture. Towards this end, the respondents indicate that the involvement of the all employees in strategy implementation and incorporating their views together with effective communication of the benefits to be derived from the implementation of various strategies was an important step. It is observed that changes in culture be made gradually since changes to how people operate need not be drastic and if made so, the resistance level will be high. This point was in tandem with that of Ohmae (2003) in which he noted that organizational culture is fairly stable and does change fast and consequently in changing the same, the changes should be gradual.

4.4.3 Organizational Structure

The nature of the organizations structure affects the level of communication and implementation of the strategies. The respondents highlighted in the case of IAT, the organization structure is vertical meaning that in cases where the communication need to be hastened, it becomes slowed down due to the many decision makers involved. The respondents on whether the organization structure acts as a hindrance to the

implementation process was varied. Some of the respondents pointed that in some cases the organization structure has remained static instead of evolving with the market demands. They noted that when the company needed to offer new products, there is need for the structure to be realigned to capture effectively the opportunities arising in the market. An example they gave was when the organization identified computer application training market in the government and though the IAT got the contract, they did not delink this opportunity from the normal training department and with the increased workload, it became a challenge to effectively offer the service and this lead to unsatisfactory project results. There was need to establish a dedicated staff that will handle the task without combining with other normal task. Another instance cited was when the institution collaborated with Maseno and St. Pauls Universities to offer degree courses. IAT was found not to have adjusted their structure to easily counter the challenges that come with this collaboration. This has made it difficult for the institution to compete with other universities.

The vertical organization structure that exists presently was noted to be the same one that was put in place when the organization was formed. There is need to change it to reflect the present operating environment in which the stakeholders require prompt guidance and decisions from the management of the institution and which can only be achieved with a much flatter structure to facilitate faster decision making. Like any other corporate organization, it was found that communication comes from the top and this may sometimes come with bureaucratic challenges. The findings are consistent with Ongoya

and Lumallas (2005) who noted that majority of the one person or partnership structures were an impediment to the development and implementation of the strategies.

4.4.4 Communication

There are various means used by organizations to communicate any strategic process information. The selection of the appropriate means of communication will depend on the sector, coverage, sensitivity of the information and also the urgency of the communicating the same. The findings of the study were that communication affects strategy implementation process of the company. It was pointed out that information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. Effective communication is a requirement by ISO hence its mandatory communication for the same to be effective and since the organisation is ISO 14001 certified, it has endeavored to adopt an effective system of communicating the same. They noted that an ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees.

An organization can employ different modes of communication to employees. The mode chosen in the organization depends on the nature, sensitivity, speed required as well as the distance between the sender and receipt. It was found that email, face -to- face, verbally and through the mission and vision charter. It was also found that the organization gives its employees opportunities to share their ideas, facts, opinions and emotions. It was noted that IAT has established an open door policy and competition on

business ideas where various decentralized units of the organization compete to generate different business ideas. The feedback on the progress of the work done is usually passed during the interdepartmental meetings which are held monthly.

4.4.5 Resource Allocation

The respondents agreed unanimously that resource constraints hindered implantation of the organizations projects. They pointed out that Human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. As an IT based company, it was pointed that availability of necessary hardware was in some cases found to be adequate, while modern infrastructure and genuine Software was also identified as limiting resource. A lack of adequate resource was identified as a major inhibitor to the actualization of all the projects, loss of business due to low skill level and in some cases, the staff may not give their all since there may be not enough ownership of projects.

In order to mitigate the challenges to implementation of projects, financial resources, proper planning and prioritizing on the policies is a key factor to consider in order avoiding wastage. It was also pointed out by the respondents that it is important to set aside enough finances for the project while ensuring that staff are motivated and recognized i.e. through reward and appreciation schemes. The staff with adequate training in their roles in strategy implementation is the nerve centre in boosting the organisation competence and qualification to handle demanding tasks. As a result, the respondents noted that when the institution is setting budgets, it ought to incorporate

adequate resources to ensure the realization of the set goals and putting in place mechanism of addressing the issue of resource limitation in their role.

Ineffective coordination and sharing of responsibilities among the staff came out as another factor that affects the success of implementing strategies at IAT. Overlapping of activities during the implementation phase was found to create confusion among the implementers and therefore leading to delays in implementation and unnecessary bureaucracies. In some cases, the respondents also noted that conflicts/mistrust amongst relevant stakeholders and those implementing the strategy have created unnecessary tension between the institution and members stakeholders such as the parents and students. Implementers of the strategies need to be answerable to their actions. However, it was found that in some instances, there has been a lack of accountability within the institution especially for some actions and this becomes a source of discouragement to the other staff members whom by themselves are expected to be accountable. Another challenge that was faced by the organization has been a lack of morale amongst implementers, misinterpretation of the organization strategy, lack of proper reporting and therefore no feedback. Proper monitoring of strategy implementation was also found to be lacking.

4.5 Discussion

Successful implementation of a strategy is as critical and difficult as the strategic choice. A firm needs to consider its resources to be used, human resources requirements, the structure systems and other changes in order to achieve a successful implementation of a project. Competency in implementation and the ability to put ideas into actions can be an

organization's source of competitive advantage. Because the implementers of a strategy in most cases are the lower level staff, the process requires a shift in responsibility from strategist to divisional and functional managers to ensure effective implementation. The findings of the study were that those actively involved in the strategy implementation should also be actively involved in the strategy formulation to ensure ownership of the process. This position is found to be consistent with that David (2003) who observes that the human element of strategic implementation plays a key role in successful implementation and involves both managers and employees of the organization and more particularly the need to incorporate the views of the middle and lower cadre of staff.

Leadership is the key to effective strategy implementation in an organization and this point came out strongly during the research. The respondents pointed that the leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken and seek their support in realization of the same strategies. As Hill and Jones (1997) noted the right managers must also be in the right positions for effective implementation of a new strategy since the top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. To finding was also supported by Thompson (1997) when he observed that a strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

Alghambi (1998) argues that, failure to keep time, poor coordination, and distraction from competing activities, tasks not well defined and inadequate information systems to support strategy implementation as barriers. This same position was found to exist in the organization since the finding from the study was that there existed lack of coordination of various projects and coupled with ineffective communication structure, the performance of the strategy implementation process was not optimal. Beer and Eisenstat (2002) identified six killers to strategy implementation as : top down approach, unclear strategy and conflicting priorities, ineffective top management, poor vertical communication, weak coordination and inadequate down the line leadership skills. Some of these challenges still face IAT.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

In summary, the study shows that the interviewees are aware of the strategic process of the IAT and the challenges that affect the success of its strategy implementation. The organization strategy covers a 5 year period and is clear and concise and can be understood by the staff though the organisation adopts a top-down approach in its strategy development. The study established that the top leadership of the organization affects the strategy implementation process through directing both human and material support towards the strategy implementation process. The organizations' leadership also liaises with other stakeholders outside the organization that will affect the success of the strategies being undertaken. A number of instances were pointed as a case of unsatisfactory leadership qualities including; delegation of meeting to junior officers who are incapable to strike such deals, lack of responsibility with delegation of duty and arbitrary transfers of staff in the middle of implementing projects.

In a competitive and chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization. The culture of the organization was found to be an impediment to strategy implementation as the employees have not embraced the new changes as they are used to doing things in certain ways and this has resulted in the institution maintaining the high pricing strategy and not being flexible enough to embrace market demands, low student enrolment, slow

decision making and staff turnover. IAT organization structure was an impediment to successful implementation of the strategy. The structure creates a perception that strategy implementation is a preserve of the top management especially when there is lack of communication with the rest of the staff.

The study found out that communication in IAT was a challenge to strategy implementation as information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. This ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees. The resources available to the organization was found to be a challenge to implementation of strategy in IAT as human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. This resulted in actualization of all the projects, loss of business due to low skill level and in some cases, staff not giving their all since there may be not enough ownership of projects.

A number of measures were identified that will help in reducing the factors that affect the success of strategy implementation in the IAT. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The strategic process of the IAT was noted to require participatory and

consultative approach. Other respondents suggested to the organization that they should embrace an all inclusive, participatory consultative and informative stakeholder analysis, in strategy implementation to enhance ownership, and finally, embrace public private partnership in resource mobilization.

5.2 Conclusion

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Strategy formulation and implementation process is very vital for the functioning of any organization. From the findings, it was established that the strategy formulation process in the organization follows a top-down approach while implementation process adopts a bottom up approach. These disconnect in the strategy formulation and implementation has in some cases brought about challenges in the success of implementing the set strategies. The organization team consists of qualified team that has been able to steer the projects amid the challenges that come with implementation. This therefore means that for an effective handling of the challenges of implementation, the managers should be empowered through adequate training and development programs to carry such projects. In addition, it is important that the organisation has in place adequate mechanism of incorporating the views of all the stakeholders in the development of the strategies for a successful implementation of the same strategies. Despite the position that the organization has been able to realise success in significant components of its projects, it has there is room for improvement to increase its annual success.

Another important conclusion from the study is that in the present day operating environment, in which the actions of an organization will affect and be affected by stakeholders, it is important that an organizations strategic process be an all inclusive where the junior staff, community and non-governmental organizations views are accommodated for in order to realize reduced resistance during the implementation phase. Further, effective monitoring and evaluation of the strategies during implementation was found to be critical. The organization should be able to put in place measures for tracking down progress and facilitating learning and decision making in a quick manner and therefore increase the chances of achieving the same strategies. In an effort to improve M & E, external consultant will be recommended that will give independent opinions and guidance towards the achievement of the same objectives.

5.3 Recommendation for Policy and Practice

The study established that the top management of IAT was found to be a challenge to successful implementation of strategies in the organization and it therefore recommended that the management should be at the forefront in ensuring that there is effective coordination and sharing of responsibilities in the organization. There should be adequate and regular communication to the employees by the management on the extent of strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of strategy.

The study established that strategy implementation influence the successful achievement of the institution and it is recommended that it would be prudent to include a human

resource audit to assess the capacity of the staff to be involved in implementing the new strategy and give recommendations. The basis of doing this lies on the principle of having the right people on board, then the problem of managing and directing them largely goes away. To improve on human resource management, IAT needs to institute a modern performance management system and train their key staff on administration of the system, review the job descriptions and personnel policies in order to have the workforce motivated.

In order to implement the strategy more efficiently, the measuring system should be developed so that it can better measure the activities which are in accordance with the strategy. Middle managers should bring up strategic issues more when talking with their subordinates. They should go through together with the personnel on what actions and why they are expected to be taken and how these are related to the new strategy. It would also be profitable to offer middle managers opportunities to improve their management and leadership skills and those skills should also be emphasized in the future when choosing new managers.

Results from the present study add to the understanding of a much-debated topic in the field. It contributes to the strategy implementation literature by focusing on challenges faced by organizations in strategy implementation practices. The finding provides an important reference and new insight for practitioners in understanding how strategy implementation is managed through the provision of the foundation of the study. As middle and higher education institutions are incorporated or elevated to offer degree, results from the present study offer some implications for both research and practice. As

for practical implications, the findings from present study offer important insights for executives in formulating effective strategies.

5.4 Limitation of the Study

One of the limitations of this research is the possible biasness on the part of the respondents because for any study making use of an interview guide, there is a possibility that the answers from the respondents for all questions are not true; this study is no exception. Because a personal interview was conducted the questionnaire questions were personally administered and all questions asked were related to the strategy implementation strategies facing IAT and as such, the respondents might not give the correct position for fear of exposing their strategies researcher reserves the right to believe that the responses were true and honest to the extent of the knowledge of the respondent and contain minimum level of biasness.

The second limitation, the number of respondents, was finalized based on the number of the interviewees available. Only six of the respondents were available out of the targeted eight respondents interview guide was carried out on six respondents that were submitted to the respondents and not all of them were received which therefore limited the total number of respondents involved in the research. However, it is assumed that their responses are representative of that what will have been given by the other respondents.

5.5 Recommendation for Further Research

The study confined itself to the Institute of Advanced Technology. This research therefore should be replicated in other educational organizations and the results be compared so as to establish whether there is consistency among the organizations in their strategy implementation process.

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APPENDIX: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To determine the challenges of strategy implementation at the institute of Advanced Technology (IAT) Kenya.

Part A: Demographic Data

1. For how long have you been holding the current position?
2. For how long have you worked in the company?
3. What is the highest level of education you have achieved?

Part B: Strategy Implementation at IAT

4. Does the organization have a strategy? If yes, what duration does the organization strategy cover?
5. What level of employee involvement does the strategy implementation take?
6. What implementation process does your organization strategy take?
7. What measures are taken by the organization to ensure that the actual strategy conform to the planned strategy?
8. Does the organization optimize resources during the implementation phase? How is the same achieved?

Part C: Challenges of Strategy Implementation

A) Top management commitment

- a) Is leadership a challenge to the process of strategy implementation?
- b) What kind of challenges do you face with leadership?

- c) Are the top managers at the forefront in providing leadership in strategy implementation?
- d) How does ineffective coordination and poor sharing of responsibilities affect strategy implementation in the company?
- e) How does the conflict in leadership whereby the directors' vision is not shared by all affect strategy implementation in the company?

B) Organizational culture

- a) Has the organizational culture affected implementation of strategies in the company?
- b) How do the shared beliefs and values that interfere with the needs of the business, its strategy and the people working on the organization's behalf hinder strategy implementation?
- c) Is there a coordinating committee to ensure that all outstanding issues regarding the implementation of the strategy are resolved and that the activities of the various directorates are properly coordinated?

C) Organizational structure

- a) How does the structure in your organization pose a challenge to strategy implementation?
- b) Is the organizational structure of the company aligned with strategies being implemented?
- c) Does the company structure respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted?
- d) Does the structure of the company affect how the objectives and policies will be established and implemented?
- e) How does the company structure affect communication from the management to the employees and vice versa?

D) Communication

- a) Does communication affect strategy implementation strategy in the company?
- b) How often is feedback on strategy implementation communicated to the employees?
- c) What means of communication does the management use to communicate the awareness of change at company?
- d) Is there adequate communication of the strategy and its underlying rationale to all the staff in the company for their understanding and acceptance?
- e) Do the top managers link strategic objectives with the day to day objectives at different organizational levels and locations?
- f) Does the company gives an opportunity to its employees share their ideas, facts, opinions and emotions and above all provides feedback through inter-departmental meetings, committees and personal consultations?

E) Resource allocation

- a) Do you have any resource constraints hindering strategy implementation? If yes, what kind of resources in particular?
- b) In your opinion, were the available resources adequate for strategy implementation?
- c) Does rational and equitable resource allocation across the organization affect effective implementation of any organization's strategic plan?
- d) How does lack of sufficient capabilities, processes and activities that are needed to bring the strategy to life causes breakdown in strategy implementation?

F) Reward and sanctions

- a) Are your reward systems in any way tied to ability to implement strategies? Please explain.
- b) Does the management motivate and reward good performance for individuals and units for effective strategy implementation?
- c) What measures have been taken to ensure that rewards are tied to ability to implement strategies?

**CHALLENGES OF STRATEGY IMPLEMENTATION AT THE
INSTITUTE OF ADVANCED TECHNOLOGY (IAT) KENYA**

MOGENI JESCAH MORAA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENT FOR THE AWARD OF THE MASTER OF
BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

NOVEMBER, 2013

DECLARATION

This project is my original work and has not been presented to any university or institution of higher learning and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

.....

Date

MOGENI JESCAH MORAA

D61/60166/2011

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

Signed.....

Date.....

FLORENCE MUINDI

Lecturer, School of business,

University of Nairobi

DEDICATION

I dedicate this work to my husband Hillary Mainye and my son Kayden-sam Mainye. Their continuous support, prayers and encouragement were a source of strength during my study.

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LIST OF ABBREVIATIONS

IAT	Institute of Advanced Technology
ICDL	International Computer Driving License
ICT	Information and Communication Technology
EBCL	European Business Competence License
UK	United Kingdom
NCC	National Computing Centre
SPSS	Statistical Package for Social Scientists

ABSTRACT

In a business environment where competition is the order of the day, business entities are coming up with strategies that will give an edge over competitors at a lower cost. However, organizations today face major changes that make strategy implementation difficult and complex than in the past. Therefore it is necessary that an organization comes up with strategies that it can be able to implement and also avail resources that will be able to implement the strategies effectively. The study sought to establish the strategy implementation practices at Institute of Advanced Technology as well as identify the challenges that affect the implementation of strategies in the organization. A case study research design was adopted whereby the researcher interviewed six senior managers at IAT who were involved in the strategic process of the firm. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges. Analysis of the data was done using content analysis. The findings from the study suggest that the IAT faces a number of challenges ranging from; slow decision making process, inadequate resources, cultural interference in some instances, lack of proactive leadership and non involvement of all the stakeholders in strategy implementation. In addition, other challenges included employees not committing themselves to support a new strategic plan from the start to its completion including review and supporting its recommendation, changing the strategy mid-stream to suit their focus. The measures taken to overcome the challenges include training employees on project evaluation and monitoring, involvement of all the stakeholders in strategy formulation and sourcing for additional funding to finalize on incomplete projects. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, and fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The study concludes that strategy implementation at IAT was affected by the structure adopted, culture, communication, the top management, rewards and the resources. The study recommends that strategy formulation and implementation process is very vital for the functioning of any organization and the management of IAT should work to ensure that the challenges which were identified as affecting strategy implementation are tackled in order to ensure that the institution remain competitive in the market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The guiding principles in any strategic management process, whether in the public or private sector, is about understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Gole, 2005). He asserts that the difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges. Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead (Bryson, 2004).

While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is clearly absent. The guiding principles in any strategic management process, is the understanding what changes are needed, how to implement and manage these changes, and how to create a roadmap for sustaining improvements that lead to better performance (Morgan and Strong, 2003). The difficulty in strategic management is the challenge of laying a foundation for success in the future while

meeting today's challenges. Organizations are dynamic, complex and are gradually changing hence need for competitive strategies. However excellent the strategies developed by organizations to counter the challenges it faces, the major hurdle for success is the effective implementation. In fact, the most elegantly conceived, precisely articulated strategy is virtually worthless unless it is implemented successfully, (Sabatier and Weible, 2007).

Johnson and Scholes (2002) assert that the development and implementation of strategies by an organization or government to chart the future path to be taken will enhance the competitiveness of such firms operating in a competitive environment. However, they observe that many firms develop excellent strategies to counter and adapt to the environmental challenges but suffer a weakness in the implementation of the same strategies. Transforming strategies into action is a far more complex and difficult task. Organizations seem to have problems in strategy implementation: such as weak management roles in implementation, a lack of communication, lacking a commitment and misunderstanding of the strategy, unaligned organizational resources, poor organizational structures and uncontrollable environmental factors (Beer and Eisenstat, 2000). Strategy implementation therefore focuses on the distinct relationship between implementation and other various organizational elements. The strategy implementation process is identified by Sabatier and Weible (2007), as a process being undertaken through a systematic approach and provides a link between strategic consensus and success.

1.1.1 Concept of Strategy

A strategy is a long term plan of action designed to achieve a particular goal, most often “winning” (Thompson et al, 2007). Strategy is differentiated from tactics or immediate actions with resources at hand by its nature of being extensively premeditated and often practically rehearsed. According to Johnson and Scholes (2002), strategy has to do with how an organization matches its internal and external environment and the management process is concerned with how to maintain, stabilize or change that position. Mintzberg and Quinn (1998) identify four interrelated definitions of strategy as a plan, perspective, pattern and position. As a plan, it is some sort of consciously intended course of action, a guideline to deal with a situation. As a pattern it integrates an organization’s major goals, policies and actions sequences into a cohesive whole. Strategy as a position becomes a mediating force or match between the organizations and its external and internal environments. Strategy as a position looks outside the organization seeking to locate the organization in the external environment and it in a cohesive position.

Johnson and Scholes (2000, p. 12) define strategy as “the direction and scope of an organization over long term, which achieves advantage for the organization through its configuration of resources within a changing environment and to fulfill stakeholder expectations”. He concludes that strategy can be seen as the matching of the resources and activities of an organization to the environment in which it operates. This is sometimes known as search for strategic fit. The concept of strategy is therefore built around winning. Strategy helps to achieve success whether in business or otherwise, success in this context refers to the realization of objectives that are desired. Effective

strategy is formulated around four factors. These are, the goals and objectives are simple, consistent and relate to the long term, there is profound understanding of the competitive environment, there is an objective appraisal of the resources available and that there is effective implementation (Hittet *al.*, 2008).

1.1.2 Strategy Implementation

Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various includes various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals (Okumus, 2003). Strategy implementation is defined as ``the process used to implement specific firm policies, programs, and action plans across the organization`` (Harrington, 2004, p.321). Effective strategy implementation and execution relies on maintaining a balance between preventing failures and promoting success simultaneously. When there is a proper alignment between strategy, administrative mechanisms and organizational capabilities, it will be easier to implement and execute the strategy and to achieve the desired objectives (Okumus, 2003).

Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Traditionally, it is

believed that strategy implantation and execution is less glamorous than strategy formulation, and that anyone can implement and execute a well-formulated strategy. Therefore, implementation and execution has attracted much less attention than strategy formulation or strategic planning (Bigler, 2001). While strategy formation and implementation are tightly integrated functions, strategy implementation is the most complicated and time-consuming part of strategic management. It cuts across virtually all facets of managing and needs to be initiated from many points inside the organization.

1.1.3 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman and Zeithaml, 1993). As was further observed by David (2003), successful strategy implementation must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues. Lippitti (2007) observe that strategy may fail to achieve expected results especially when the strategy execution is flawed. The failure to execute is a major concern of executives because it limits organizational growth, adaptability and competitiveness. Executives are not judged by the brilliance of their strategy, but by their ability to implement it. The challenge is how to close the gap between strategy and actual results. Lepsinger (2006) similarly hold that true leaders have a clear vision and are 100% committed to pursuing it.

Organizations seem to have difficulties in implementing their strategies, however. Researchers have revealed a number of problems in strategy implementation. The reasons for this are varied, but most hinge on the fact that strategy implementation is resource intensive and challenging (Gurowitz, 2007). None the less strategic planning remains a top priority among successful private universities based on the fundamental notion that an effective strategy offers unique opportunities for market differentiation and long-term competitive advantage. Based on this, many public universities are now asking which are the best tools and methodologies to enable effective strategy implementation (Beer and Eisenstat, 2000).

Beer and Eisenstat (2000), there were six fundamental reasons why various strategies developed by firms were not implemented effectively. They identified that employees saw the overall problem being rooted fundamentally in the process of management issues of leadership, teamwork and strategic direction and not in the commitment of people and their functional competencies. Poor quality vertical communication not only hinders strategy communication but also prevents discussions of the barriers themselves. Sterling (2003) identifies challenges to strategy implementation as: unanticipated market changes, effective competitor response to strategy, insufficient resources, failures of buy-in, understanding and communication by those who are supposed to implement, strategy not being timely and unique, lack of strategic focus and poorly conceived strategies.

1.1.4 Technical Colleges in Kenya

Technical colleges in Kenya offer academic and vocational preparation of students for jobs involving applied science and modern technology. It emphasizes the understanding and practical application of basic principles of science and mathematics, rather than the attainment of proficiency in manual skills that is properly the concern of vocational education (education.go.ke). Technical education has the objective of preparing graduates for occupations that are classed above the skilled crafts but below the scientific or engineering professions. People so employed are frequently called technicians. Technical education is distinct from professional education, which places major emphasis upon the theories, understanding, and principles of a wide body of subject matter designed to equip the graduate to practice authoritatively in such fields as science, engineering, law, or medicine.

Technical occupations are vital in a wide range of fields, including agriculture, business administration, computers and data processing, education, environmental and resource management, graphic arts and industrial design, and health and medicine; technical educational curricula are correspondingly specialized over a broad range (education.go.ke). Technical education is typically offered in post-high-school curricula that are two years in length, are not designed to lead to a bachelor's degree, and are offered in a wide variety of institutions, such as technical institutes, junior colleges, vocational schools, and regular colleges and universities. The training industry is rapidly growing and as a result, a number of technical institutions have started. Kenya has been in a position to promote its Education, through the variety Technical colleges that carter

for the Kenyan students. Among the Colleges in Kenya include Institute of Technology, psychology, statistics, business among other fields. Competition is in the rise and all these institutions are aligning their structures so that they can attain a competitive edge and stand out in the competition. Training in Kenya is currently undergoing changes. There has been a call of urgency to expand the capacities for technical colleges and universities so as a great number of qualified students can be absorbed. Under the training industry there include, Universities, Technical colleges, polytechnics, Secondary and primary schools.

1.1.5 Institute of Advanced Technology in Kenya

The Institute of Advanced Technology (IAT) is an ICT and business learning organization in Kenya and the East African Region. It was established in 1991 with its major focus being on professional courses that enable proficient use of ICT to the learner. It has since switched its focus from End User and Professional courses to Career Training and Education to individuals as well as Public and Private corporate organization seeking to develop their personnel. It has also widened its scope from ICT to business courses.

IAT seeks to achieve customer satisfaction and continuously expand its market share. It does this by scanning the environment in order to improve on its services and to fill the gap in the industry by introducing new products. IAT has grown and is well known in the Kenyan ICT and Business job market for producing high quality graduates who are skilled and proficient in their areas of study. It has succeeded in conducting ICT and

Business courses in partnership with distinguished international and local partners which include Maseno University, St' Paul's University, NCC Education (UK), the European Business Competence License (EBCL), International Computers Driving license ICDL among others since 1991 and have gained valuable experience in this area.

1.2 Research Problem

The organization's strategic plan is expected to be a guiding document for the organization; however, poor implementation of the plan can result in it becoming an ineffective document (Pfeffer and Sutton, 2006). It will not matter how good the strategic plan is, what will be important is how to transform the documented strategy to tangible results, a process which will involve effective implementation process. Organizations are often unable to transform existing knowledge into meaningful action, which creates a gap in implementation. Gole (2005) assert that one of the main causes that organizations cite for the knowing-doing gap is that organizations come to the belief that if they just talk about doing something, this very action of discussion will magically lead to execution. It therefore becomes important that an organization gives the implementation phase of its strategic process due importance and allocate adequate resources and time that will enable it achieve the desired objectives.

The Institute of Advanced Studies is one of the pioneer ICT institutions in Kenya that during its initials years has been able to open branches in major towns and partner with local and international universities to offer the same causes in the country. The institution witnessed the impressive growth due to adoption and implementation of

effective strategies. However, in the last 5 years, the institution has faced high level of competition from universities and other tertiary colleges that have emerged to offer the same courses and programs as the one offered by institute of advanced technology. When the same problem is studied keenly, it is evident that the institution has had strategies to counter the challenges in the business market. However, what has been lacking is an effective implementation in the institution. There is need to ensure that the strategies which they have put in place to are fully implemented so that they can have a competitive advantage over other institutions. This therefore calls for the development of good strategies and appropriately realignment of the organizational structure, systems, leadership behavior and human resource policies. It is on this basis that the current study will wish to establish the challenges facing implementation of strategies at the Institute of advanced Technology.

Recent local studies undertaken on the challenges of strategy implementation include; Moeva (2007) researched the challenges facing implementation of strategy for revitalizing agriculture at the Ministry of Agriculture and found out that the major challenges that affected the implementation of strategy for revitalizing agriculture was lack of awareness and ownership of the strategy by the various stakeholders, performance management especially at district and provisional level and resource mobilization. Nyangweso (2009) on the strategy implementation challenges at Cooperative bank who found out that in the case of Co-op bank just like in any other player in the banking industry, implementation of strategies should be fast, consistent and should be adaptable on many fronts simultaneously. Kiprop (2009) researched on

challenges of strategy implementation at the Kenya Wildlife service and identified that a firm should focus on formal organizational structures and control mechanisms of employees while implementing its strategy. Akwara (2010) carried out a research on challenges of strategy implementation at the Ministry of co-operative Development and marketing and his studies revealed that; organization culture, human resource policies, financial resources policies and procedures, information and operating systems and performance incentives were all impediments to strategy implementation. The challenges faced by the educational institutions could be different with other organizations and therefore this study seeks to establish the challenges of strategy implementation at the Institute of Advanced Technology. This problem statement leads to the following question: what are the challenges of strategy implementation at the Institute of Advanced Technology?

1.3 Research Objectives

- 1) To establish the strategy implementation practices employed at the Institute of Advanced Technology
- 2) To establish the challenges of strategy implementation at the Institute of Advanced Technology

1.4 Value of the Study

The study will aid various stakeholders in the country as follows;

The study will be of value to Institute of Advanced Technology since it will help them understand the factors that affect the implementation of its strategies and thus put in place

mechanisms that will ensure that its strategies are implemented. In addition, the study will be an invaluable source of material and information to other technological institutions operating in the country since they will understand the challenges affecting implementation of strategies in the education sector and thus come up with ways of ensuring that its strategies are fully implemented so that they can compete effectively with other firms. Public and private institutions in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them in the professional and training institutions in Kenya.

The government and regulators of the fund will also find invaluable information in how good strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the government sector in implementing their strategies. The policy makers will obtain knowledge of the professional and training institutions and the appropriate factors that affect implementation of strategies in the industry; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector. Future scholars may use the results of this study as a source of reference. For academicians, this study forms the foundation upon which other related and replicated studies can be based on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will review the theoretical underpinning the study, strategy implementation and strategy implementation challenges.

2.2 Theoretical underpinning the study

The institutional theory recognizes the embedment of institutional actors in an environment of formal and informal rules. Institutional theorists suggest that organizational actions and processes are driven by their actors in order to justify and plausibly explain their actions. According to this perspective, strategy implementation are rationally accounted for by organizational actors and rooted in the normative and social context that motivates actors to seek legitimacy (Oliver *et al.*, 2007). Through various cognitive, normative and regulative forces organizations adopt a standardized set of practices (Scott, 2001). In other words, an organization is composed of three pillars: the cultural-cognitive, normative, and regulative elements that together with associated activities and resources provide stability to social life. Companies try to fit in with the norm by adopting strategy implementation that validates them as part of the organizational field. In essence, traditional institutional theory believes that organizational fields become structured by powerful influences among organizations. The adoption of a system such as strategy implementation is highly dependent on the extent to which it is institutionalized by legitimacy. Legitimacy concerns lead organizations to

adopt practices that “conform to the mandate of the institutional environment” (Kraatz and Zajac, 2006).

The resource-based view of a firm has experienced a rapid diffusion throughout strategic management literature (Priem and Butler, 2001). Firm’s aim must be to achieve competitive advantage over its competitors, which it ideally derives from valuable resources that are superior in use, hard to imitate and difficult to substitute. Barney (1991) posits that resources can be classified into three categories: physical capital resources such as plant and equipment, human capital resources such as training relationships and experience, and organizational capital resources, for example, reporting structure, formal/informal planning and controlling. For firm resources to be the source of a sustained competitive advantage, they must pass the valuable, rare, imperfectly imitable, (non-)substitutable) test (Barney 1991). Resources can occur in different forms such as patents, relationships or processes. Barney (1991) further argues that the contrary is applicable for strategic implementation. The strategy implementation can be characterized as a functional competence in that it deals with distributing a firm’s resources to fit the strategic alignment of the firm. Strategic initiatives need to be distributed and executed as dictated by the strategic plan.

2.3 Strategy Implementation

Implementation of strategy is initiated in three interrelated stages which include identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of policies to guide decisions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. The components of strategy implementation – communication, interpretation, adoption and action are not necessarily successive and they cannot be detached from one another. Successful strategy implementation will yield the following benefits to an organization: proper utilization of resources with financial and human and thus enhance organizational growth, development of efficient systems that will enhance coordination that would guarantee achievement of organizations goal and set targets, increased organizational impact due to improved organizational performance and sustain its competitiveness, the organization will be able to have a clear focus and direction in its growth path and in the process attract competent and resourceful human resource base (Pearce and Robinson, 2007).

Pearce and Robinson (2007) argue that, to ensure success of the strategy implementation, the strategy must be translated into carefully implemented action this is because the firm strategy is implemented in a changing environment and therefore the need for strategic control during the implementation. Implementing strategy is difficult and without proper implementation, no business strategy can succeed. Implementation of strategy calls for alteration of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process. Strategy implementation focuses on the distinct relationship between

implementation and other various organizational elements. The implementation process is identified as being undertaken through a systematic approach which provides a link between strategic consensus and implementation success, (Sabatier and Weible, 2007).

While there is no "one-size fits-all" approach to strategy implementation management for all organizations, Sabatier and Weible, (2007) posit that there are three basic and irrefutable strategy implementation practices for all kinds of firms. The strategy implementation practices include business integration, user adoption and technical implementation. However, successful implementation of strategies, they suggest that a holistic viewpoint and comprehensive strategy are needed for high impact results and long term success.

Under the business integration stage, this step enables an organization to rethink how it operates its business and can enhance the value of IT. It involves the organization listening to their stakeholders and work with them to identify new ways of solving key business problems and managing their processes (Kazmi, 2002). For example, how the business collaborates internally or with customers after implementation can be much different than before when the communication mode was also different. An organization should foster the concept of the integration as a business tool that is central to the support and growth of the organization's business plan. Identification of a clear, multi-party governance structure to manage the effort through design, implementation, and ongoing improvements will also be needed. At a minimum, the organization should identify an executive champion, steering group, and working group comprising business and technical members (David, 1997). An organization should sell the idea at every meeting,

and at every opportunity. A strategy implementation process can take awhile before one really get traction and there is therefore need to the word out and focus on the benefits-solving stakeholders' most pressing business problems.

According to Grundy (2004), many organizations strategies get sidetracked by focusing too many resources on branding, color schemes, and the like. Instead, he suggests that there is need to amortize the traditional look and feel investment by continuously engaging users throughout production to enhance the interface as they become more adept with the solution. The strategy adopted should be a reflection of organizations customer needs (internal or external) and not a picture of the operating model. An organization should carefully segment ones users, map them to the organization's portfolio of services and products, and design a product to support these relationships. A cross-cutting enterprise taxonomy and information architecture that is independent of organizational boundaries can act as a driver of change to support where the business is headed, not how it currently operates (Chapman, 2004). Communications and change management activities are vital. A lack of communications planning and change management activities (e.g., process redesign, training, etc.) can ruin a technically sound implementation. Remember, if no one uses the solution after it is deployed, you have failed.

A strategy implementation practice is aimed at optimizing the impact of the process. Under this process, an organization is needed to prioritize requirements and deploy functionality in phases.

Cummings and Worley (2005) observe that an organization should not try to build everything at once. Instead, they need to develop the solution using a phased approach that is driven by the demands of the business and not the supply of the organization. Integration with existing tools may fulfill many requirements and combination with other technologies and commercial may be the best option instead of building functionality from scratch.

2.4 Challenges of Strategy Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (David, 1997).

2.4.1 Top Management Commitment

Leadership is the key to effective strategy implementation. The role of the chief executive officer is fundamental because a chief executive officer is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The chief executive officer actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a chief executive officer strongly influence a firms' mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones and Hill, 1997). Top management goodwill and

ownership to drive the process is also critical to effective implementation of strategy. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. To this end, he argues, the managers will willingly give their energy and loyalty to the implementation process. In addition the senior managers should abandon the notion that the lower level managers have the same perception of strategy and its underlying rationale and urgency. They must not spare any effort in persuading the other employees in adoption of their ideas.

Implementing a new strategy also requires leaders to have adept managerial relationship. This is important because business leaders and executives must be at the forefront of overcoming disagreements and pockets of doubt. They must also lead their people in building a consensus on how to proceed with the various initiatives included in the strategy being implemented. Strategy implementation leaders must also secure the commitment and cooperation of all concerned parties to get all the implementation pieces in place. The management of the organization provides direction to workers as they pursue a common mission in implementing strategies (Chapman, 2004). The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. This leads to rational leadership styles for those with good leadership qualities and qualifications (Chapman, 2004). A good strategic leader operates without bias, be visionary, self-confident, has empathy and

respect to others and is experienced. Strategy implementation calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues (Chapman, 2004).

Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes, at the same time, a positive signal for all the affected organizational members. To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency (Cummings and Worley, 2005). Instead, they must believe the exact opposite and spare no effort to persuade the employees of their ideas. By changing the way they view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Change is part of the daily life within an organization. The ability to manage change has shown to be a core competency for corporations. A great challenge within strategy implementation is to deal with potential barriers of the affected managers.

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Culture can be inferred from

what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

Johnson and Scholes (2002) note that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf. A company's culture also prevents a company from meeting competitive threats or adapting to changing economic and social environments that a new strategy is designed to overcome. Social processes can also create rigidities if an organization needs to change their strategy. Resistance to change may be "legitimized" by the cultural norms.

2.4.3 Organizational Structure

Successful strategy implementation depends to a large extent on the organizations structure because it is the structure that identifies key activities within the organization and the manner in which they will be coordinated to achieve the strategy formulated. Structure also influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. It is necessary for an organization to rationalize its operational/management structures so as to streamline it to be effective in strategy execution. This would include transfers, mergers, and creation of new departments and divisions for effective management. The organization structure therefore should fit with the intended strategies (Birnbaum, 2000).

Organizations should be structured in such a way that it can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted. Thompson and Strickland (2003) notes that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

2.4.4 Communication and Strategy Implementation

Guffey and Nienhaus (2002) found a strong link between organizational commitment (strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization) and employees' support of the organization's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important particularly when reaching out beyond the group directly involved in the development of the strategic plan. It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. The way in which a change is presented to employees is of great influence to their acceptance of it. To deal with this critical situation, an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing the employees' attention on the value of the

selected strategy to be implemented. Therefore, communication plans will provide the appropriate information to market the strategy implementation effectively in order to create and maintain acceptance.

Communication down the organization or across different functions becomes a challenge. Making sure that processes throughout the organization support strategy execution efforts can be problematical in a large organization. Linking strategic objectives with the day to day objectives at different organizational levels and locations becomes a challenging task. The larger the numbers of people involved, the greater the challenge to execute strategy effectively (McCracken, 2002). Birnbaum (2000) indicates that strategy implementation requires the transfer of information from one person to another through specific channels. Communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. In organizational strategy implementation, information flows in all directions; downwards, upwards and laterally (Chapman, 2004). The employees freely communicate their ideas, suggestions, comments and complaints to the management on strategic objectives. These can be done through supervisors, joint consultative committee, suggestion schemes, trade unions or grapevine. Departmental communication is encouraged through inter-departmental meetings, committees and personal consultations. The management of the organization therefore thinks about the communication needs that to be articulated during strategy implementation.

2.4.5 Resource Allocation

Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities

established by annual objectives. Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002). The causes of breakdown in strategy implementation relate to the capabilities, processes and activities that are needed to bring the strategy to life. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. Successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies (Judson, 1991).

The organization need to have sufficient funds and enough time to support the implementation process. True costs include realistic time commitment from staff to achieve a goal, a clear identification of expenses associated with a tactic, or unexpected cost overruns by vendors (Olsen, 2005). Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The budgetary resources should be marched with departmental operations. Effective implementation of any organization's strategic plan depends on rational and equitable resource allocation across the organization. Proper links should be developed between the strategic plan and operational activity at departmental levels in order to necessitate proper implementation of strategies (Birnbaum, 2000). Resource allocation helps strategic managers to coordinate operations and facilitates control of performance. It is important to have a budget for the whole organization or sub-unit.

2.4.6 Reward and Sanctions Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007). According to Thompson *et al.*, (2007) the specific objectives of rewards and punishment are different. Rewards are in principle intended to encourage the type of behaviour which precedes them, while punishment are intended to prevent a repetition of previous behaviour. For the management, the criterion of success for reward policies is that they motivate employees to commit high levels of physical or mental effort towards performing required tasks well. Further, Tigio *et al.*, (2004), observe that rewards should increase the predictability of employees behaviour so that they can be depended upon to carry out the duties requested of them consistently and

to reasonable standards, like opportunities for upgrading or even promotion will tend to increase the predictability among employees who have some ambition if it is apparent that certain types of behaviour enhance the prospect of career development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter introduces the design of the research and the data collection and data analysis technique.

3.2 Research Design

The research design was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. Case studies allow a researcher to collect in-depth information, more depth than in cross-sectional studies with the intention of understanding situations or phenomenon. It also helps to reveal the multiplicity of factors, which have interacted to produce the unique character of the entity that is subject of study. The study was used to identify the strategy implementation practices and challenges at the Institute of Advanced Technology. The reason for this choice is based on the knowledge that case studies are the most appropriate for examining the processes by which events unfold, as well as exploring causal relationships and also they provide a holistic understanding of the phenomena.

3.3 Data Collection

The study used primary data which was collected using an interview guide. An interview guide is a set of questions that the interviewer asks when interviewing. The respondents to be interviewed were six top managers in charge of planning, corporate, human resource management and business development. These are considered to be key

informants for this research. The interviews were semi-structured so that some questions can be omitted or added if some new and useful information come up through the whole procedure, which will be face to face interviews.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study.

Content analysis, as a class of methods at the intersection of the qualitative and quantitative traditions, is used for rigorous exploration of many important but difficult-to-study issues of interest to management researchers (Carley, 2003). This approach is more appropriate for the study because it allows for deep, sense, detailed accounts in changing conditions. Thus the qualitative method is suitable for this research because this research was conducted within the environment where the implementation initiatives occurred.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the strategy implementation practices employed at the Institute of Advanced Technology and also establish the challenges of strategy implementation at the Institute of Advanced Technology. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Demographic Data

The respondents comprised the middle and the top management of Institute of Advanced Technology. In total, the researcher interviewed six respondents out of the eight that had been intended to be interview in the research design. Two of the respondents were not available during the interview. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organizations objectives. As a result the response rate was around 75% and the interview was made possible because all the respondents interviewed had worked in their respective positions for at least 4 years within IAT and other training institutions. All the respondents held managerial position in the institution and therefore considered to be more versed with the subject matter of the study.

Academically, the respondents had all attained university education with three of them having undertaken a master's degree in their respective fields. In addition two of the

interviewees had risen through the ranks in the institution to occupy the present management position over 25 years of employment they had worked. With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Strategy Implementation at IAT

This section of the interview guide sought to establish from the respondents whether they understand the strategic process at the IAT. The section covered question on the strategic process period, persons involved in the organizational strategic process and staff involvement in the strategic process.

On the question of whether the respondents were aware of the organizations strategic, all the respondents answered to the affirmative and indicated that the organizations strategic plans cover a five year period. The uniform answers from the respondents indicated that all of them understand the organizations strategic plan as to the period it covers. The officers involved in the strategic process were diverse. The respondents indicated that the Chief Accountant, Human resource manager and the managing director are the key persons involved in the development of the strategies. Sectional heads as well as staff from the five campuses spread in Mombasa, Kisumu, Nyeri, Eldoret and Kakamega were are involved in the strategy development and implementation. In particular, the involvement of section heads – the smallest unit of organizations management- in the strategic process ensured that the views of all the staff are incorporated in the organizations overall strategies.

The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. At IAT, it was found out that the organization appreciates the role played by employees in process of developing and eventually implementing the strategy. The organizations employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff is involved in the strategy development phase, there will be less level of resistance during the implementation period and this will therefore increase the rate of success. IAT being an IT based firm, the role of information technology in the strategic process was highlighted as contributing greatly in the strategic process. Many of the strategy development process is carried out through the IT interface and it is only during the plan moderation phase that the various section heads meet together under the direction of the manager business development department.

The strategy implementation phase in the organization requires that individual section heads in consultation with all the staff in the sections monitors the activities being undertaken on weekly basis to establish whether the results are in line with the budget expectation. come up with their task that are achievable as well as measurable. This process will facilitate detection of any variance and any unfavorable variance is investigated with the aim of remedying it. The cost, revenue and trainee enrolment forms

some of the key parameters that is investigated. On what factors is considered to affect the success or failure of the strategic implementation in the organization, the respondents pointed that enhanced communication, prudent utilization of the available resources, committed staff, teamwork and partnerships, transparency and accountability, and commitment to meeting deadlines/timelines are some of the key factors that influence the organizations success. The respondents also appreciated that the top leadership of the organization affect the strategy implementation process. They pointed that leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken. It was appreciated that the majority of the organizations strategies requires collaboration with other government agencies and international partners who are concerned with administering examinations, course content and other support. The respondents pointed that in dealing with these external stakeholders, the leadership of the organization are the ones to perform this task.

4.4 Challenges of Strategy Implementation Process at IAT

The objective of the study was to establish the challenges facing strategy implementation at the Institute of Advanced Technology. It was expounded by the respondents that the development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, in many organizations, the implementation phase is faced by a number of challenges. The challenges faced by the

organization in implementing its strategies were categorized into; commitment of the top management to the strategies, organizational culture, structure, management, resources and capacity.

4.4.1 Top Management Commitment

The researcher sought to identify from the respondents if leadership was a challenge that affects the process of strategy implementation in the organization. To this extent the respondents pointed out that indeed the management at IAT was a challenge in the effective implementation of strategies in the organization. They supported this by pointing out the various kinds of challenges faced by the organization that resulted from the leadership side of the organization. First, rigidity and bureaucracy together with the failure to embrace new ideas and innovational technology in business was noted as a challenge. An example was given whereby the institute introduced degree programs in computer science and business courses. However, some of the managers did not embrace the strategy fully and this diversification strategy has not successfully picked up.

In addition, differences in opinion, forced removal of project leadership, disputes in project leadership selection were pointed out as indicators of the existence of leadership and management problems in the implementation of the strategies at IAT. Management resistance to change and new ideas, lack of visionary leadership together with poor leadership skills and knowledge are still additional challenges facing the organisation. Some of these leadership skills were found to be due to a lack of proper training and this could be remedied through the process of training of those in the management positions.

The respondents were in agreement on the measures to be taken in overcoming some of the leadership and management challenges in the organization. They noted that some of these challenges are as a result of poor communication, overworking of some workers due to disproportionate allocation of work. It was recommended a number of ways of addressing these challenges, among them engaging human resource specialists and business units in harmonizing all roles in the project committees, communication of roles and responsibilities at an early state and involvement of middle line managers at the early stages of strategy development because eventually they will be the ones to implement the same projects. The management of the organization was also pointed out to cause ineffective implementation of strategies due to adoption of improper communication channels in the institution. In some cases, it was found that the use of paper works in communication slowed down the phase of communication due to the resultant time lag especially in the organizations units that are based outside the headquarters in Nairobi.

The employee morale and motivation was also noted to be low due to the organizations leadership not coming up with an appropriate reward system to boost the employees' motivation. It was also highlighted that the top leadership has not been keen in cutting deals at the corporate level. Instead, the respondents noted that cases have been noted where the top management have delegated such activities to junior officers who in turn have ended up not being successful in lobbying for such projects because of the nature of complexity involved.

4.4.2 Organizational Culture

On the question posed to the respondents on whether they felt the organization and the management culture established affected the strategy implementation at IAT. It was noted that the organization staff attitude was not in tandem with present day market conditions where ones opportunities are identified, there is need for a fast decision making to capture the same, otherwise the opportunity will be captured by other competitors. The institution has been associating high prices to represent high quality which with the increase in the number of colleges offering similar products might not necessarily be the case. The institution was found to have maintained the high pricing strategy and not being flexible enough to embrace market demands. This culture negatively affected the institution in terms of student enrolment. The speed at which decision making is made was found to be slow in the organization and this is compounded due to the vertical organizational structure that exists presently in the organization. There has been also a high staff turnover in the recent past especially from staff who is handling several of the firm's projects that are being carried out. It was therefore appreciated that such staff turnover results to the rate at which the projects are completed to lag which consequently results to lost opportunities.

A number of senior staff members have been known to doing things in a certain way and whenever new changes are introduced or change of strategy is required to capture a certain opportunity or counter a given threat, the same group will be slow in decision making which in turn will lead to the loss of opportunity. This view is found to be in

tandem with that made by Pearce and Robinson (2007) when they noted that since implementation of strategies will affect in some cases the “way things are done in the organization’, then the employees in the establishment will tend to resist such changes. Thus the implementation strategy should be concerned with the necessary adjustment in order to accommodate the perceived needs of the strategy.

The researcher also wished to get from the respondents how they overcame the challenges posed by the values and beliefs shared by the IAT employees and community at large and still ensure the maintenance of the organization culture. Towards this end, the respondents indicate that the involvement of the all employees in strategy implementation and incorporating their views together with effective communication of the benefits to be derived from the implementation of various strategies was an important step. It is observed that changes in culture be made gradually since changes to how people operate need not be drastic and if made so, the resistance level will be high. This point was in tandem with that of Ohmae (2003) in which he noted that organizational culture is fairly stable and does change fast and consequently in changing the same, the changes should be gradual.

4.4.3 Organizational Structure

The nature of the organizations structure affects the level of communication and implementation of the strategies. The respondents highlighted in the case of IAT, the organization structure is vertical meaning that in cases where the communication need to be hastened, it becomes slowed down due to the many decision makers involved. The respondents on whether the organization structure acts as a hindrance to the

implementation process was varied. Some of the respondents pointed that in some cases the organization structure has remained static instead of evolving with the market demands. They noted that when the company needed to offer new products, there is need for the structure to be realigned to capture effectively the opportunities arising in the market. An example they gave was when the organization identified computer application training market in the government and though the IAT got the contract, they did not delink this opportunity from the normal training department and with the increased workload, it became a challenge to effectively offer the service and this lead to unsatisfactory project results. There was need to establish a dedicated staff that will handle the task without combining with other normal task. Another instance cited was when the institution collaborated with Maseno and St. Pauls Universities to offer degree courses. IAT was found not to have adjusted their structure to easily counter the challenges that come with this collaboration. This has made it difficult for the institution to compete with other universities.

The vertical organization structure that exists presently was noted to be the same one that was put in place when the organization was formed. There is need to change it to reflect the present operating environment in which the stakeholders require prompt guidance and decisions from the management of the institution and which can only be achieved with a much flatter structure to facilitate faster decision making. Like any other corporate organization, it was found that communication comes from the top and this may sometimes come with bureaucratic challenges. The findings are consistent with Ongoya

and Lumallas (2005) who noted that majority of the one person or partnership structures were an impediment to the development and implementation of the strategies.

4.4.4 Communication

There are various means used by organizations to communicate any strategic process information. The selection of the appropriate means of communication will depend on the sector, coverage, sensitivity of the information and also the urgency of the communicating the same. The findings of the study were that communication affects strategy implementation process of the company. It was pointed out that information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. Effective communication is a requirement by ISO hence its mandatory communication for the same to be effective and since the organisation is ISO 14001 certified, it has endeavored to adopt an effective system of communicating the same. They noted that an ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees.

An organization can employ different modes of communication to employees. The mode chosen in the organization depends on the nature, sensitivity, speed required as well as the distance between the sender and receipt. It was found that email, face -to- face, verbally and through the mission and vision charter. It was also found that the organization gives its employees opportunities to share their ideas, facts, opinions and emotions. It was noted that IAT has established an open door policy and competition on

business ideas where various decentralized units of the organization compete to generate different business ideas. The feedback on the progress of the work done is usually passed during the interdepartmental meetings which are held monthly.

4.4.5 Resource Allocation

The respondents agreed unanimously that resource constraints hindered implantation of the organizations projects. They pointed out that Human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. As an IT based company, it was pointed that availability of necessary hardware was in some cases found to be adequate, while modern infrastructure and genuine Software was also identified as limiting resource. A lack of adequate resource was identified as a major inhibitor to the actualization of all the projects, loss of business due to low skill level and in some cases, the staff may not give their all since there may be not enough ownership of projects.

In order to mitigate the challenges to implementation of projects, financial resources, proper planning and prioritizing on the policies is a key factor to consider in order avoiding wastage. It was also pointed out by the respondents that it is important to set aside enough finances for the project while ensuring that staff are motivated and recognized i.e. through reward and appreciation schemes. The staff with adequate training in their roles in strategy implementation is the nerve centre in boosting the organisation competence and qualification to handle demanding tasks. As a result, the respondents noted that when the institution is setting budgets, it ought to incorporate

adequate resources to ensure the realization of the set goals and putting in place mechanism of addressing the issue of resource limitation in their role.

Ineffective coordination and sharing of responsibilities among the staff came out as another factor that affects the success of implementing strategies at IAT. Overlapping of activities during the implementation phase was found to create confusion among the implementers and therefore leading to delays in implementation and unnecessary bureaucracies. In some cases, the respondents also noted that conflicts/mistrust amongst relevant stakeholders and those implementing the strategy have created unnecessary tension between the institution and members stakeholders such as the parents and students. Implementers of the strategies need to be answerable to their actions. However, it was found that in some instances, there has been a lack of accountability within the institution especially for some actions and this becomes a source of discouragement to the other staff members whom by themselves are expected to be accountable. Another challenge that was faced by the organization has been a lack of morale amongst implementers, misinterpretation of the organization strategy, lack of proper reporting and therefore no feedback. Proper monitoring of strategy implementation was also found to be lacking.

4.5 Discussion

Successful implementation of a strategy is as critical and difficult as the strategic choice. A firm needs to consider its resources to be used, human resources requirements, the structure systems and other changes in order to achieve a successful implementation of a project. Competency in implementation and the ability to put ideas into actions can be an

organization's source of competitive advantage. Because the implementers of a strategy in most cases are the lower level staff, the process requires a shift in responsibility from strategist to divisional and functional managers to ensure effective implementation. The findings of the study were that those actively involved in the strategy implementation should also be actively involved in the strategy formulation to ensure ownership of the process. This position is found to be consistent with that David (2003) who observes that the human element of strategic implementation plays a key role in successful implementation and involves both managers and employees of the organization and more particularly the need to incorporate the views of the middle and lower cadre of staff.

Leadership is the key to effective strategy implementation in an organization and this point came out strongly during the research. The respondents pointed that the leadership of the firm should support the process through directing both human and material support towards the strategy implementation process. The leadership should also liaise with other stakeholders outside the organization that will affect the success of the strategies being undertaken and seek their support in realization of the same strategies. As Hill and Jones (1997) noted the right managers must also be in the right positions for effective implementation of a new strategy since the top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. To finding was also supported by Thompson (1997) when he observed that a strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

Alghambi (1998) argues that, failure to keep time, poor coordination, and distraction from competing activities, tasks not well defined and inadequate information systems to support strategy implementation as barriers. This same position was found to exist in the organization since the finding from the study was that there existed lack of coordination of various projects and coupled with ineffective communication structure, the performance of the strategy implementation process was not optimal. Beer and Eisenstat (2002) identified six killers to strategy implementation as : top down approach, unclear strategy and conflicting priorities, ineffective top management, poor vertical communication, weak coordination and inadequate down the line leadership skills. Some of these challenges still face IAT.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

In summary, the study shows that the interviewees are aware of the strategic process of the IAT and the challenges that affect the success of its strategy implementation. The organization strategy covers a 5 year period and is clear and concise and can be understood by the staff though the organisation adopts a top-down approach in its strategy development. The study established that the top leadership of the organization affects the strategy implementation process through directing both human and material support towards the strategy implementation process. The organizations' leadership also liaises with other stakeholders outside the organization that will affect the success of the strategies being undertaken. A number of instances were pointed as a case of unsatisfactory leadership qualities including; delegation of meeting to junior officers who are incapable to strike such deals, lack of responsibility with delegation of duty and arbitrary transfers of staff in the middle of implementing projects.

In a competitive and chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization. The culture of the organization was found to be an impediment to strategy implementation as the employees have not embraced the new changes as they are used to doing things in certain ways and this has resulted in the institution maintaining the high pricing strategy and not being flexible enough to embrace market demands, low student enrolment, slow

decision making and staff turnover. IAT organization structure was an impediment to successful implementation of the strategy. The structure creates a perception that strategy implementation is a preserve of the top management especially when there is lack of communication with the rest of the staff.

The study found out that communication in IAT was a challenge to strategy implementation as information has to be passed from top to bottom since development and evaluation of the strategies occurs at the top level of the management and there is need therefore for passing the same to the middle and lower levels of the employees. This ineffective communication causes confusion and people pulling in opposite direction especially if adoption of a particular strategy results in uncertainty on the job security status of the employees. The resources available to the organization was found to be a challenge to implementation of strategy in IAT as human resource capacity in terms of qualifications, competence and numbers was a major constraint while financial limitations made some of the projects not to be completed in time. This resulted in actualization of all the projects, loss of business due to low skill level and in some cases, staff not giving their all since there may be not enough ownership of projects.

A number of measures were identified that will help in reducing the factors that affect the success of strategy implementation in the IAT. Some of the measures suggested included the need to align the organization culture to its strategy, motivation of staff to enhance performance, accountability of the leaders, fast communication of the strategy and team work was identified as yet another measure to be undertaken by the organization. The strategic process of the IAT was noted to require participatory and

consultative approach. Other respondents suggested to the organization that they should embrace an all inclusive, participatory consultative and informative stakeholder analysis, in strategy implementation to enhance ownership, and finally, embrace public private partnership in resource mobilization.

5.2 Conclusion

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Strategy formulation and implementation process is very vital for the functioning of any organization. From the findings, it was established that the strategy formulation process in the organization follows a top-down approach while implementation process adopts a bottom up approach. These disconnect in the strategy formulation and implementation has in some cases brought about challenges in the success of implementing the set strategies. The organization team consists of qualified team that has been able to steer the projects amid the challenges that come with implementation. This therefore means that for an effective handling of the challenges of implementation, the managers should be empowered through adequate training and development programs to carry such projects. In addition, it is important that the organisation has in place adequate mechanism of incorporating the views of all the stakeholders in the development of the strategies for a successful implementation of the same strategies. Despite the position that the organization has been able to realise success in significant components of its projects, it has there is room for improvement to increase its annual success.

Another important conclusion from the study is that in the present day operating environment, in which the actions of an organization will affect and be affected by stakeholders, it is important that an organizations strategic process be an all inclusive where the junior staff, community and non-governmental organizations views are accommodated for in order to realize reduced resistance during the implementation phase. Further, effective monitoring and evaluation of the strategies during implementation was found to be critical. The organization should be able to put in place measures for tracking down progress and facilitating learning and decision making in a quick manner and therefore increase the chances of achieving the same strategies. In an effort to improve M & E, external consultant will be recommended that will give independent opinions and guidance towards the achievement of the same objectives.

5.3 Recommendation for Policy and Practice

The study established that the top management of IAT was found to be a challenge to successful implementation of strategies in the organization and it therefore recommended that the management should be at the forefront in ensuring that there is effective coordination and sharing of responsibilities in the organization. There should be adequate and regular communication to the employees by the management on the extent of strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of strategy.

The study established that strategy implementation influence the successful achievement of the institution and it is recommended that it would be prudent to include a human

resource audit to assess the capacity of the staff to be involved in implementing the new strategy and give recommendations. The basis of doing this lies on the principle of having the right people on board, then the problem of managing and directing them largely goes away. To improve on human resource management, IAT needs to institute a modern performance management system and train their key staff on administration of the system, review the job descriptions and personnel policies in order to have the workforce motivated.

In order to implement the strategy more efficiently, the measuring system should be developed so that it can better measure the activities which are in accordance with the strategy. Middle managers should bring up strategic issues more when talking with their subordinates. They should go through together with the personnel on what actions and why they are expected to be taken and how these are related to the new strategy. It would also be profitable to offer middle managers opportunities to improve their management and leadership skills and those skills should also be emphasized in the future when choosing new managers.

Results from the present study add to the understanding of a much-debated topic in the field. It contributes to the strategy implementation literature by focusing on challenges faced by organizations in strategy implementation practices. The finding provides an important reference and new insight for practitioners in understanding how strategy implementation is managed through the provision of the foundation of the study. As middle and higher education institutions are incorporated or elevated to offer degree, results from the present study offer some implications for both research and practice. As

for practical implications, the findings from present study offer important insights for executives in formulating effective strategies.

5.4 Limitation of the Study

One of the limitations of this research is the possible biasness on the part of the respondents because for any study making use of an interview guide, there is a possibility that the answers from the respondents for all questions are not true; this study is no exception. Because a personal interview was conducted the questionnaire questions were personally administered and all questions asked were related to the strategy implementation strategies facing IAT and as such, the respondents might not give the correct position for fear of exposing their strategies researcher reserves the right to believe that the responses were true and honest to the extent of the knowledge of the respondent and contain minimum level of biasness.

The second limitation, the number of respondents, was finalized based on the number of the interviewees available. Only six of the respondents were available out of the targeted eight respondents interview guide was carried out on six respondents that were submitted to the respondents and not all of them were received which therefore limited the total number of respondents involved in the research. However, it is assumed that their responses are representative of that what will have been given by the other respondents.

5.5 Recommendation for Further Research

The study confined itself to the Institute of Advanced Technology. This research therefore should be replicated in other educational organizations and the results be compared so as to establish whether there is consistency among the organizations in their strategy implementation process.

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APPENDIX: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To determine the challenges of strategy implementation at the institute of Advanced Technology (IAT) Kenya.

Part A: Demographic Data

1. For how long have you been holding the current position?
2. For how long have you worked in the company?
3. What is the highest level of education you have achieved?

Part B: Strategy Implementation at IAT

4. Does the organization have a strategy? If yes, what duration does the organization strategy cover?
5. What level of employee involvement does the strategy implementation take?
6. What implementation process does your organization strategy take?
7. What measures are taken by the organization to ensure that the actual strategy conform to the planned strategy?
8. Does the organization optimize resources during the implementation phase? How is the same achieved?

Part C: Challenges of Strategy Implementation

A) Top management commitment

- a) Is leadership a challenge to the process of strategy implementation?
- b) What kind of challenges do you face with leadership?

- c) Are the top managers at the forefront in providing leadership in strategy implementation?
- d) How does ineffective coordination and poor sharing of responsibilities affect strategy implementation in the company?
- e) How does the conflict in leadership whereby the directors' vision is not shared by all affect strategy implementation in the company?

B) Organizational culture

- a) Has the organizational culture affected implementation of strategies in the company?
- b) How do the shared beliefs and values that interfere with the needs of the business, its strategy and the people working on the organization's behalf hinder strategy implementation?
- c) Is there a coordinating committee to ensure that all outstanding issues regarding the implementation of the strategy are resolved and that the activities of the various directorates are properly coordinated?

C) Organizational structure

- a) How does the structure in your organization pose a challenge to strategy implementation?
- b) Is the organizational structure of the company aligned with strategies being implemented?
- c) Does the company structure respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted?
- d) Does the structure of the company affect how the objectives and policies will be established and implemented?
- e) How does the company structure affect communication from the management to the employees and vice versa?

D) Communication

- a) Does communication affect strategy implementation strategy in the company?
- b) How often is feedback on strategy implementation communicated to the employees?
- c) What means of communication does the management use to communicate the awareness of change at company?
- d) Is there adequate communication of the strategy and its underlying rationale to all the staff in the company for their understanding and acceptance?
- e) Do the top managers link strategic objectives with the day to day objectives at different organizational levels and locations?
- f) Does the company gives an opportunity to its employees share their ideas, facts, opinions and emotions and above all provides feedback through inter-departmental meetings, committees and personal consultations?

E) Resource allocation

- a) Do you have any resource constraints hindering strategy implementation? If yes, what kind of resources in particular?
- b) In your opinion, were the available resources adequate for strategy implementation?
- c) Does rational and equitable resource allocation across the organization affect effective implementation of any organization's strategic plan?
- d) How does lack of sufficient capabilities, processes and activities that are needed to bring the strategy to life causes breakdown in strategy implementation?

F) Reward and sanctions

- a) Are your reward systems in any way tied to ability to implement strategies? Please explain.
- b) Does the management motivate and reward good performance for individuals and units for effective strategy implementation?
- c) What measures have been taken to ensure that rewards are tied to ability to implement strategies?