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DEDICATION

This research document is dedicated to my parents Mr. and Mrs Weda who have devoted themselves tirelessly to ensure that all their children have been educated.
ABSTRACT

Strategic management entails measures taken by managers to enhance organizational performance. In strategic management, managers establish an organization's long-term direction, set specific performance objectives, develop strategies to achieve these objectives in the light of all the relevant internal and external circumstances, and undertake to execute the chosen action plans. Strategic management involves analysis of both present and future environments. The organizational internal strengths are deployed to take advantage of external opportunities and enhance performance.

This was a case study whose objective was to establish the strategic management practices at the Kenya Civil Aviation Authority. KCAA is a state corporation under the Ministry of Transport, responsible for the civil aviation industry in Kenya. KCAA is the regulator of the civil aviation industry and provider of air navigation services in Kenya.

The study used both primary and secondary data for the study. The primary data was obtained through in-depth interviews with top management who comprised the chief planning officer, the human resource manager, the manager engineering services, the manager air navigation services and the senior planning officer while secondary data was obtained from utility articles of the Kenya Civil Aviation Authority. The qualitative data obtained was analyzed using content analysis to present the findings of the study.

The findings revealed that there was formulation of vision and mission statements, environmental scanning, and evidence of a strategic plan roadmap, objective setting and monitoring of strategy implementation. The implication is that many strategic management concepts and techniques can be adopted in the public sector and in not for profit organizations.

The limitation in the research study stemmed from beauracracy due to several approvals that had to be made for authorization to conduct research. There was time limitation due to respondents' busy work schedules and a lot of time was also required for content analysis.

The study recommends that the management at Kenya Civil Aviation Authority should fully induct its employees on the importance of the organizational strategic plan,
formulate and implement formal succession plans in all its departments, accord equal priorities to both strategy formulation and strategy implementation and conduct regular monitoring and evaluation of strategic plans. The study also recommends further research on factors affecting strategic management at Kenya Civil Aviation Authority, the effectiveness of the 2005-2010 strategic plans at Kenya Civil Aviation Authority and the development process of the Kenya Civil Aviation Authority’s strategic plans.
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### ABBREVIATIONS AND ACRONYMS

<table>
<thead>
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<th>Description</th>
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<tbody>
<tr>
<td>D.C.A</td>
<td>Directorate of Civil Aviation</td>
</tr>
<tr>
<td>E.A.C</td>
<td>East African Community</td>
</tr>
<tr>
<td>E.A.D.C.A</td>
<td>East African Directorate of Civil Aviation</td>
</tr>
<tr>
<td>I.C.A.O</td>
<td>International Civil Aviation Organization</td>
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<tr>
<td>I.A.T.A</td>
<td>International Air Transport Association</td>
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<tr>
<td>J.K.I.A</td>
<td>Jomo Kenyatta International Airport</td>
</tr>
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<td>K.C.A.A</td>
<td>Kenya Civil Aviation Authority</td>
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<td>N.G.Os</td>
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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

The environment in which organizations operate is constantly changing with different factors influencing the organizations. Since the turn of the millennium, the general business environment has become more volatile, unpredictable and very competitive. Coping with the increasingly competitive environment has called on firms to rethink their marketing strategies (Pearce and Robinson, 2007). The days when firms could simply wait for clients to beat a path to their door are long gone. Organizations must realize that their services and products, regardless of how good they are, simply do not sell themselves (Kotler, 2001).

Strategy refers to the machinery of the resources and activities of an organization to the environment in which it operates (Johnson and Scholes 2002). According to Ansoff and McDonnell (1990), it is through Strategic management that a firm will be able to position and relate itself to the environment to ensure its continued success and also secure itself from surprises brought about by the changing environment. He further argues that this can be done by firstly, positioning of the firm through strategy and capability planning in its rightful competitiveness, and secondly, use of real time response through issue management and thirdly, systematic management of resistance during strategic implementation.

Strategic management is a field that deals with the major intended and emergent initiatives taken by general managers on behalf of owners, involving utilization of resources, to enhance the performance of firms in their external environments (Nag et al., 2007). Strategic management involves examining both present and future environments, formulating the organizations objectives, implementing and controlling decisions focused on achieving these objectives in the present and future environments. In strategic management a firm’s internal strengths are deployed to take advantage of external opportunities and minimize external threats and problems (Adeleke, Ogundele and Oyenuga, 2008). Thompson and Strickland (2003) noted that in strategic management, managers establish an organization's long-term direction, set specific performance
objectives, develop strategies to achieve these objectives in the light of all the relevant internal and external circumstances, and undertake to execute the chosen action plans.

1.1.1 Strategic Management

The scope of strategic management is greater than that of any one area of operational management. Strategic management is concerned with complexity arising out of ambiguous and non routine situations with organization wide rather than operation specific implications. This is a major challenge for managers who are used to managing on a day to day basis the resources they control. The manager who aspires to manage or influence strategy needs to develop a capability to take an overview to conceive of the whole rather than just parts of the situation facing an organization. (Johnson, Scholes and Whittington, 2005)

According to Wheelen and Hunger (2008), strategic management is that set of managerial decisions and actions that determine the long run performance of a corporation. It includes environmental scanning (both external and internal), strategy formulation (strategic or long range planning), strategy implementation and evaluation and control. The study of strategic management therefore emphasizes the monitoring and evaluation of external opportunities and threats in light of a corporation’s weaknesses and strengths. Originally called business policy, strategic management incorporates such topics as strategic planning, environmental scanning and industry analysis.

Strategic management is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company’s objective (Pearce and Robinson, 1997) Organizations can reap several benefits from appropriately practicing strategic management. Firstly, It guides managements’ decision towards superior performance through establishing competitive strategy (Grant ,2000). The second benefit is seen financially as an effective strategic management system increases profitability (Certo and Peter,1988).

Strategic management systems provide consistency of actions and clear objectives and direction for employees; therefore boosting their commitment for the sake of the sacred objective for achieving corporate strategy (Thompson & Martin 2005). Research has shown that organizations that engage in strategic management generally outperform those
that do not (Thompson, & Martin 2005). The attainment of an appropriate match or fit between an organization’s environment and its strategy, structure and processes has positive effects on the organizations performance. Management is sensitive to the context in which it is practiced. However, there is no one best fit strategic management practice.

1.1.2 Overview of the Aviation Industry in Kenya

It is no doubt that Kenya is a regional aviation hub as aircrafts from Tanzania, Uganda, Burundi, Rwanda, Democratic Republic of Congo, Sudan and Somalia all look to Kenya for consultation on aircraft fleet management, maintenance as well as aircraft needs. The only exception in the region is Ethiopia which has a mature aviation industry with a national carrier in operation for over 60 years, and is only rivaled in Africa by South Africa, Egypt and Morocco.

The industry is capable of handling maintenance needs of airlines to local and international standards. The national carrier is doing well and over the last decade it has expanded its fleet to now over 23 aircraft adding new Boeing 737,777 and more lately Embraer 190 to one of the youngest airline aircraft fleet in Africa. Currently with a workforce of over 4000 employees and annual profits of KES 3 Billion while managing an escalating fuel bill, it is no doubt flying the Kenyan flag high.

The outlook for the aviation industry now reeling from high fuel prices is bleak as the economic crisis gloom spills into 2011. Gains made from restructuring and greater fuel efficiency in recent years have been eroded as the industry continues to ail making the period the worst in almost 50 years. Forecasts by the Geneva - based International Air Transport Association (IATA) indicate that Airlines are likely to earn less this year than in 2010, as higher fuel costs outweigh a predicted rise in passenger numbers. IATA has predicted earnings of USD 9.1bn in 2011, down from USD 15.1bn in 2010. However, it is predicted there would be 3.3 billion air passengers by 2014, IATA predicts that 45% will come from the emerging economies of Asia. In addition, IATA said that Asia had already overtaken North America as the largest aviation market and that it would account for 30% of air traffic by 2014 while North America is forecast to slip by 23%
1.1.3 The Kenya Civil Aviation Authority

The History of Kenya's Civil Aviation dates back to the period after the Second World War. The colonial governments administering Kenya, Uganda, Tanganyika and Zanzibar under the umbrella of the East African High Commission formed the East African Directorate of Civil Aviation (EADCA). The Directorate was responsible for the regulation of the industry and the provision of Air Navigation Services and other technical services necessary for the orderly operation and growth of air transport.

The East African States continued to operate within a common civil aviation service framework until the collapse of the union. With the collapse of the EAC in June 1977, the East African states founded their own civil aviation agencies. Consequently, the Kenya Directorate of Civil Aviation (DCA) was established on 16th December 1977. The DCA was established to control, regulate and ensure orderly development of the Civil Aviation industry in Kenya.

The Government of Kenya, aware of the global trends in the aviation industry, recognized the need to de-link the DCA from the mainstream civil service. This recognition was in line with an International Civil Aviation Organization (ICAO) resolution, which encouraged States to establish autonomous entities to operate national civil aviation systems. The Government in its determination to pursue the de-linking plan of the aviation system initiated the Sypher Mueller Study of 1993 and the Directorate of Personnel Management (Nyamunga 1996).

The Studies recommended various approaches for consideration as de-linking strategies. A Cabinet paper on de-linking DCA was prepared and approved in July 1997. Thereafter, the relevant legal documents were prepared and subsequently enacted by Parliament. On 24th October 2002 the Act received Presidential assent and became effective the same date thus establishing the KCAA as an autonomous corporate body to take over the functions of the DCA and the Licensing of Air Services.
1.2 Research Problem

All organizations the world over interact with both the remote environment (economic, social, cultural and technological factors) and the operating environment that encompass competitors, creditors, customers, suppliers and labor markets (Pearce and Robinson, 2004). These factors coupled with globalization phenomenon, pose great challenges to all organizations and business enterprises. All organizations are therefore prompted to adopt strategic management to ensure their survival and development of a competitive edge over their competitors. Strategic management practices differ from one organization to another depending on the prevailing environment that the organization finds itself in. There is no one best strategic management formulae. K.C.A.A faces challenges such as lack of satisfaction from customers especially on issues such as air accident investigation, handling of flight delays and cancellations and uncertainties about future business risks. For K.C.A.A to be flexible enough to respond to these environmental challenges, Its’ management have the responsibility to provide vision and direction, plan and implement strategies that can safeguard its future.

Several studies on strategic management practices have been conducted in Kenya. Aosa, (1992) conducted an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. Njenga (2006) conducted a study on strategic management practices at the Mater hospital and found out that there is formulation of vision and mission statements, environmental scanning and formulation of annual business plans. Ndambuki (2006) conducted a study to determine strategic management practices adopted by small and medium enterprises in Westlands division, Nairobi. He established that small and medium enterprises have adopted strategic management practices in order to facilitate efficient management and achieve better performance. Kariuki (2008) studied Strategic management practices at the Karen Hospital. He found out that Karen hospital has a clearly stated vision and mission statement, is very keen on its’ corporate social responsibility, regularly performs environmental scanning and has clearly defined strategic objectives. Amakoye (2010) studied strategic Management practices at the Maseno Mission Hospital and established that Maseno Mission Hospital had a clearly stated vision and mission statement and had also formulated its strategic plan through the assistance of an external consultant. Ligare (2010) conducted a survey to determine the extent to which strategic management is
being practiced by state corporations in Kenya. He found out that state corporations had well defined corporate plans besides taking cognizance of the benefits of strategic management.

Due to contextual and managerial differences among the above organizations, issues in strategic management practices gained from these previous studies may not be assumed to explain strategic management practices at the K.C.A.A. Which strategic management practices have been adopted at the Kenya Civil Aviation Authority?

1.3 Research Objective

To establish the strategic management practices at the Kenya Civil Aviation Authority.

1.4 Value of the Study

Policy makers such as the government and ICAO may find the study invaluable in the implementation of policies aimed at achieving better results in the public organizations. The policy makers may also obtain knowledge of the strategy implementation dynamics and the responses that are appropriate and specific for both governmental and non-governmental organizations, they may therefore obtain guidance from this study in designing appropriate policies that could ensure the effective implementation of strategic management initiatives.

The study may assist the management of KCAA to address the shortcomings in its service delivery; challenges experienced in the implementation of strategies, and provide guidance in the up scaling of its activities for enhanced service delivery. It may be important to management practitioners because it will give an indication of how successful strategic management initiatives in place are and also give recommendations on how to make improvements in the weak areas.

Finally it may also be useful to scholars and academicians. It may provide information and theory to potential and current scholars on strategic management practices in various organizations and those who wish to use the findings as a basis for further research on strategic management both in the public and private sector.
CHAPTER TWO: LITERATURE REVIEW

2.1 The Concept of Strategy

According to Strickland et al (2007), a company’s strategy is managements’ action plan for running the business and conducting operations. The crafting of a strategy represents a managerial commitment to pursue a particular set of actions in growing the business, attracting and pleasing customers, competing successfully, conducting operations and improving the company’s financial and market performance. (Johnson and Scholes, 2008), define strategy as the search for strategic fit with the business environment. This could require major resource changes for an organization in the future. According to Mintzberg et al (2006), the word strategy has long been used implicitly in different ways even if it has traditionally been defined in only one. Explicit recognition of multiple definitions can help people to maneuver through this difficult field. Accordingly, strategy can be seen as a plan, play, pattern, position and perspective.

A strategy of a corporation forms a comprehensive modern plan that states how the organization will achieve its mission and objectives, it maximizes competitive advantage and minimizes competitive disadvantage (Wheelen and Hunger, 2008). Grundy (1995) proposes that strategy is about getting from where you are now to a place where it is worthwhile being. Strategy is also about getting there through competitive advantage, with least difficulty and in least time. According to Bateman and Zeithmal (1993), a strategy is a pattern of actions and resource allocations designed to achieve the goals of the organization. Some organizations may implement strategies that change or influence the external environment. The strategy an organization implements should be directed toward building strengths in areas that satisfy the wants and needs of consumers and other key actors in the organizations’ external environment.

Within an organization, there are different types of strategy (Johnson and Scholes, 2008). Corporate level strategy is concerned with the overall scope of an organization and how value will be added to the different parts (business units) of the organization. This could include issues of geographical coverage, diversity of products/services of business units, and how resources are to be allocated between different parts of the organizations.
The second level can be thought of as business level strategy which is about how to compete successfully in particular markets or how to provide best value services in the public services. This concerns which products or services should be developed in which markets and how advantage over competitors can be achieved in order to achieve the objectives of the organization. Perhaps long term profitability or market share growth.

The third level of strategy is at the operating end of the organization. These strategies are called operational strategies, which are concerned with how the component parts of an organization deliver effectively the corporate and business level strategies in terms of resources, processes and people.

2.2 Strategic Management

The evolution of strategic thinking and the move from strategic planning to more of an emphasis on strategic management has contributed to the heterogeneous nature of strategic thought. For example, the strategy process has been criticized by researchers such as Stacey (2003), in that rational analysis and thinking tends to dominate the process at the expense of creativity and innovation. The rational approach to strategy is based on implicit assumptions concerning predictability, measurability and control in business. Although the relevant literature shows a continuing rift between rational and generative or more expansive strategic planning, it is recognized that elements of each approach are present in many organizations strategic processes and that each such element has an important role to play. Thus, although rational planning is sometimes seen as narrow and inward looking, it has a place in the design and implementation of strategy (David Pollard & Sabine Hotho 2006).

The external business environment and industry structures are prone to a high degree of change. Globalization, demographic changes, changes in social structure and economic-related activities has changed dramatically in the past decade and this level of change is set to continue. Added to these trends are the problems associated with producing or delivering services into an increasingly complex marketplace (David Pollard & Sabine Hotho, 2006). Such notions of accelerating change and increasing complexity have resulted in increasingly skeptical comment on the appropriateness of the rational approach to strategy (Stacey 2003). It is often argued that in the face of increasing organizational dynamics and complexities, the rational approach is limiting as it remains
more focused on the present and past successes whereas, due to constant changes being experienced in the business environment, what has succeeded in the past and what succeeds at the present may not be appropriate for the future.

Miller (1998) argues that a general strategic management perspective requires that all risk factors exposing the firm be considered, such as, competition, sourcing, customers, demand conditions, etc. The risk management perspective should be extended well beyond a focus on foreign exchange and other price risks in the financial markets. Furthermore, it can be important to improve risk management capabilities relating to firm specific strategic exposures because many stakeholders are unable to diversify investments that are geared specifically to cater to the firm, e.g. buyer and supplier relationships, business partnerships, management and employment contracts, etc. (Miller, 1998).

Since competitive exposures often require strategic responses that are unique to the firm, there is a limit to how far traded financial derivatives can accomplish this task. Financial derivatives exist for many fairly standardized and hence tradable asset classes, but do not extend to firm specific competitive factors including environmental contingencies in technology, sourcing, distribution, etc. To deal with these risk factors, a firm may try to invest in the creation of real options that can enhance the firm’s ability to respond to competitive risk exposures. Hence, strategic risk management can be extended to include a real options perspective where firms are able to develop opportunities and claims on the future that can be evaluated based on assumptions about the underlying risk factors (Leiblein, 2003).

The strategic management process can be divided into three main areas of activity which include strategic formulation, strategic implementation and strategic evaluation (Thompson and Martin 2005). Strategic formulation includes the setting of the mission, goals and objectives for the organization, the analysis of the external environment as it affects the organization, together with its internal resources and the choice of strategic alternatives. Assessment of stakeholder power and the impact of the organization’s culture on strategic decision-making are also important areas for analysis. Strategic choice is based on factors such as what is desirable for the organization, what it is
feasible for it to achieve with the available resources and competences and what is the desirability of potential strategies.

Strategic implementation is concerned with carrying out of the chosen strategy for the organization that is, putting the strategy into practice. Strategic implementation always involves a degree of change and the effective management of change can significantly affect the successful implementation of the desired strategy (Alexander, 1985). Strategy implementation is one of the components of strategic management and refers to a set of decisions and actions that result in the formulation and implementation of long term plans designed to achieve organizational objectives (Pearce and Robinson, 2007). Implementation process might involve changes within the overall culture, structure and/or management system of the organization. Its purpose is to complete the transition from strategic planning to strategic management by incorporating adopted strategies throughout the relevant system (Bryson, 1995).

Strategy implementation includes consideration of who will be responsible for strategy implementation; the most suitable organizational structure that will support the implementation of strategy; the need to adapt the systems used to manage the organizations (Johnson and Scholes, 2003); their key tasks to be carried out and desirable changes in the resource mix of the organization as well as the mandate of each department in the organization and the information systems to be put in place to monitor progress and resource planning (Pearce and Robinson, 2001). Implementation may also take into account the need for retaining the workforce and management of change (Johnson and Scholes, 2003).

A brilliant strategy that cannot be implemented creates no real value. Effective implementation begins during strategy formulation when questions of “how to do it” should be considered in parallel with “what to do”. Effective implementation results when organization resources and actions are tied to strategic priorities, when key success factors are identified and performance measures and reporting are aligned. Implementation strategy is largely an administrative activity and successful implementation depends on working through others, organizing, motivating, culture building and creating strong fits between strategy and how the organization does things (Thompson and Strickland, 1989).
Transforming strategies into action is a far more complex and difficult task. Implementing strategy is a tough, more time consuming challenge than crafting strategy. It entails converting the strategic plan into action then into results. Similarly, it is more difficult to do something (strategy implementation) than to say you are going to do it (strategy formulation). Implementation therefore does not automatically follow strategy formulation; it exhibits its own resistance that can invalidate the planning efforts (Ansoff and McDonnell, 1990). Implementation is successful if the company achieves its strategic objectives and targeted levels of financial performance. What makes it too demanding is the wide sweep of managerial activities that have to be attended to, the many ways managers can tackle each activity, the skill that it takes to get a variety of initiatives launched and moving and the resistance to change that has to be overcome (Thompson and Strickland, 1989). The key decision makers should therefore pay regular attention to the implementation process in order to focus attention on any difficulties and on how to address them.

According to Okumus (2001) there continues to be a lack of framework for strategy implementation both in literature and in practice and identified key variables that are important for the success of strategy implementation. These are strategy formulation, environmental uncertainty, organizational structure, organizational culture, operational planning, communication, resource allocation, people, control and outcome.

Pettigrew (1987) suggests that there should be continuous monitoring of both the internal and external environment of the organization. Employees should know that they are seen as valuable and they should feel that the organization trusts them. He further argues that there should be effective leadership within the organization that creates the right climate for change by coordinating activities, steering and setting the agenda for the right vision and values. There should also be an overall coherence of the strategy. This means that the strategy should be consistent with clearly set goals, constant with its environment, provide a competitive edge and be feasible.

2.3 Strategic Management Practices

Johnson and Scholes (2008) conceptualize a model of the elements of strategic management. The elements are: The strategic position, strategic choice and strategy into action. Each part has a variety of elements associated with it. The three phases can be
further broken down into the following sub phases: defining the vision and mission, situational analysis, strategic analysis and choice, strategy implementation and strategy evaluation. A firm or business unit develops strategies, programs and the like, it often must go back to correct or revise decisions made earlier in the process (Wheeler and Hunger, 2008). The function of strategic management is to align the internal operation of the organization, including the allocation of human, physical and financial resources, to achieve optimal interactions with the external environment (Rowe et al, 1994).

Figure 1: A Model of the Elements of Strategic Management

2.3.1 Definition of Vision and Mission

A vision describes the route a company intends to take in developing and strengthening its business. It lays out the company’s strategic course in preparing for the future. A clearly articulated strategic vision communicates management’s aspirations to stakeholders and helps steer the energies of company personnel in a common direction (Thompson et al, 2007). According to Hill and Jones (2001), the vision of a company is...
what the company is trying to achieve over the medium to long term as formally declared in its mission statement. In practice, the terms vision and mission are used interchangeably. A vision of strategic intent is the desired future state of the organization. It is an aspiration around which a strategist might seek to focus the attention and energies of members of the organization (Johnson et al, 2008).

The mission of a company is the unique purpose that sets it apart from other companies of its type and identifies the scope of its operations. It describes the company's products, market and technological areas of emphasis in a way that reflects the values and priorities of the strategic decision makers (Pearce and Robinson, 1991). According to Wheelen and Hunger (2008), an organization's mission is the purpose for the organizations existence. It tells what the company is providing to society. It may also include firms' value and philosophy about how it does business and treat its employees.

A clear vision of what the organization could accomplish or become helps people understand the purpose, objectives and priorities of the organization. The vision also helps guide the actions and decisions of each member of the organization. The success of a vision depends on how well it is communicated to people. The vision should be communicated at every available opportunity and in a variety of ways. Meeting with people directly to explain the vision and answer questions about it is probably more effective than less interactive forms of communication for example letters or email messages, newsletters, articles, television, news conferences, videotaped speeches (Yukl, 2009).

2.3.2 Situational Analysis

All companies operate in a macro environment shaped by influences emanating from the economy at large, population demographics, societal values and lifestyles, government legislation and regulations, technological factors and industry competitive arena in which the company operates. Strategically relevant influences coming from the outer ring of the macro environment can sometimes have a high impact on a company’s business situation and have a high impact on a company’s direction and strategy. As company managers scan the external environment, they must be alert for potentially important outer ring developments, assess their impact and influence and adapt the company’s direction and strategy as needed (Pearce and Robinson, 2007).
SWOT (strengths, weaknesses, opportunities and threats) analysis is a technique employed by managers to create a quick overview of a company’s strategic situation through the various dimensions of strengths, weaknesses, opportunities and threats. Strengths are resources, skills, or other advantage relative to competitors and the needs of the markets a firm serves or expects to serve. It gives the firm competitive distinction. Weaknesses are limitations or deficiency in resource, skills or capabilities that seriously impedes a firms’ effective performance. Opportunities are major favorable situations in a firm’s environment. Threats are key impediments to the firms current or desired position – SWOT analysis should summarize the key issues from the business environment and the strategic capability of an organization that are most likely to impact on strategy development (Johnson et al, 2008).

PESTEL framework is also used as a tool to understand the business environment. (Political, economic, social, technological, environmental and legal) and assess the potential impact of these influences on the organization.
The five forces framework developed by Porter, identifies the forces that affect the level of competition in an organizations' industry. Competition depends on five forces: The threat of new entrants, the existence of substitute products and services, and the bargaining power of suppliers, the bargaining power of customers or buyers and existing rivalry within the industry.

2.3.3 Strategy analysis and choice

Strategic analysis and choice involve understanding the underlying bases for future strategy at both the business units and corporate levels and the options of developing strategy in terms of both the directions in which strategy might move and the methods of development.

According to Wheelen and Hunger (2008), strategic choice is the evaluation of alternative strategies and selection of the best alternative. There is mounting evidence that when an

organization is facing a dynamic environment, the best strategic decisions are not arrived at through consensus when one agrees on one alternative. They actually involve a certain amount of heated disagreements and even conflict.

Businesses become successful because they possess some advantage relative to their competitors. Porter (1980) identified three main categories of generic competitive strategy. Cost leadership where the business provides the product or service at a cost below what its competitors can achieve and it must be a sustainable competitive advantage. Differentiation (which requires that the business has sustainable advantages that allows it to provide buyers with something uniquely valuable to them) and focus (concentrating on a certain market niche while applying either cost leadership or differentiation strategies).

Strategy choice can be made either intuitively or rationally. There are rational portfolio tools that have been developed for managers to use when comparing strategy choices. Some of them include the General Electric’s (G. E. grid), the Ansoff Product - Market mix and the Boston Consulting Group’s (BCG) growth share matrix.

2.3.4 Strategy Evaluation

The strategy evaluation and control process ensures that a company is achieving what it set out to accomplish. It compares performance with desired results and provides the feedback necessary for management to evaluate results and take corrective action as needed. This process can be viewed as a five-step feedback model.
For many executives, strategy evaluation is simply an appraisal of how well a business performs. Has it grown? Is the profit rate normal or better? If the answer to those questions is affirmative, it is argued that the firms' strategies must be sound. Despite its unassailable simplicity, this line of reasoning misses the whole point of strategy. That the critical factors determining the quality of current results are often not directly observable or simply measured and that by the time strategic opportunities or threats do directly affect operating results, it may be too late for an effective response. Thus strategy may be too late for effective response. Strategy evaluation is an attempt to look beyond the obvious facts regarding the short term health of a business and appraise instead those more fundamental factors and trends that govern success in the chosen field of endeavor (Lampel et al, 2002).

2.4 Problems to the Implementation of Strategic Initiatives

According to Alexander (1985), the most frequently occurring strategy implementation problems are underestimation of the time needed for implementation, poor communication systems and resistance to change. Reed and Buckley (1988) discuss problems associated with strategy implementation identifying four key areas for
discussion. They acknowledge the challenge and the need for a clear fit between strategy and structure and claim the debate about which comes first is irrelevant provided there is congruence in the context of the operating environment.

2.4.1 Poor Communication Systems within organizations

The major problem experienced in the implementation of strategic initiatives in many cases is lack of sufficient communication. Aaltonen and Ikavaiko (2001) stated that the amount of strategic communication in most organizations is large. Both written and oral communication is used in the form of top down communication. However a great amount of information does not guarantee understanding and there is still much to be done. According to Wang (2000), communication should be two-way so that it can provide information to improve understanding and responsibility and to motivate staff. Also, he argues that communication should not be seen as a once-off activity focusing on announcing the strategy. It should be an ongoing activity throughout the implementation process. In many cases it is not so and therefore communication still remains a challenge to strategy implementation process.

Before any strategic initiative can be implemented, it must be clearly understood. Clear understanding of a strategic initiative gives purpose to the activities of each employee and allows them to link whatever task is at hand to the overall organizational direction (Bayers et al., 1996). Lack of understanding of a strategy is another obstacle of strategy implementation. (Aaltonen & Ikavaiko, 2001). They point out that many organizational members typically recognize strategic issues as important and also understand their context in generic terms. However, the problem in understanding arises when it comes to applying strategic issues in the day-to-day decision-making.

2.4.2 Resistance to change among employees

Strategy is about managing change and resistance to change can be considered the single greatest threat to successful implementation of strategic initiatives. The behaviour of individuals ultimately determines the success or failure of organizational endeavours and top management concerned with strategy and its implementation must realize this (McCarthy et al, 1999). Change may also result to conflict and resistance. People
working in organizations sometimes resist such proposals and make strategy difficult to implement (Feurer, et al, 2002)

Organizational politics remains another key challenge in strategy implementation. Organization politics are tactics that strategic managers engage in to obtain and use power to influence organizational goals and change strategy to further their own interest (Stacey, 2000). Wang (2000) states that it is important to overcome resistance of powerful groups because they may regard the change caused by new strategy as a threat to their own power. Top-level managers constantly come into conflict over what correct policy decisions should be. According to them, the challenge organizations face is that the internal structure of power always lags behind changes in the environment because in general, the environment changes faster than the organization can respond.

Organizational change from strategic initiatives can be viewed as a process that is comprehensive, collaborative and planned process of solving problems. The goal is to achieve changes in assumptions and beliefs so that work content, structures and relationships within organizations can be improved (Rusaw, 2007). Resistance to change can exist at the organizational level; indeed it is argued that organizational change is inherently resisted as the organization tries to neutralize the impact of attempts at change (Kavanagh and Ashkanasy, 2006). Resistance at the organizational level can be caused by the organizational culture and a reluctance to change “how we do things around here”, particularly in the bureaucratic or mechanistic cultures that predominate some organizations.

In addition to organizational resistance to change, there is individual resistance. Individual resistance has been attributed to selective perception (that is, we see the world from our own unique perspective), habits, inconvenience or loss of freedom, economic implications (if the change is perceived to impact on pay or other rewards), and security in the past and fear of the unknown (Mullins, 2002). However there is not a uniform individual response to organizational change. Some people respond more positively through increased job satisfaction as they respond to the change to grow and learn, while others may react negatively to even the smallest change (Cole et al., 2006).

The lack of enthusiasm for change can be related to the concept that any organizational change makes demands on the individual employee in terms of their psychology and
physiology (Sverke et al., 2002, Grunberg et al., 2001). Hence it is hardly surprising that individuals may resist organizational change, as it is individuals who then have to meet the demands of meeting these changes. Thus there needs to be a perceived incentive if individuals are to be persuaded of the benefits of change. Armenakis et al. (1999) and Cole et al. (2006) state that change begins at the individual level and therefore resistance or support of any organisational change are in the end individual decisions and behaviours. Thus it is imperative that there is a more person-centred investigation of organisational change (Armenakis and Bedeian, 1999).

2.4.3 Poor Management Control Systems

Management control systems focus on the implementation of strategic initiatives and the attainment of the goals of the organization; they attempt to assure that the organization designs effective programs and implements them efficiently (Anthony and Young, 2003; Merchant and Van der Stede, 2003; Merchant, 1998). Organizations can use three forms of control: output (results) controls, action (behavioural) controls, and clan (personnel/cultural) controls (Merchant and Van der Stede, 2003; Merchant, 1998; Ouchi, 1979). Output controls involve evaluating and rewarding individuals (and sometimes groups of individuals) for generating good results, or punishing them for poor results. Action controls try to ascertain that employees perform (or do not perform) specific actions known to be beneficial (or harmful) to the organization. Finally, clan controls help to ensure that employees will control their own behaviours or that the employees will control each others’ behaviours. Amongst others, clan controls clarify expectations; they help ensure that each employee understands what the organization wants. It should be noted that these forms of control are not necessarily discrete, and elements of all three forms may be found in any one organization.

Previous literature (Pollitt, 2006; Johnsen, 2005; Merchant and Van der Stede, 2003; Modell, 2000) suggests that output controls are most useful when objectives are unambiguous, outputs are measurable, activities are repetitive and the effects of management interventions are known. If these conditions are not met, reliance on other forms of control is necessary in order to efficiently and effectively achieve the goals of the organization. In that case, the performance measures may still be useful for "exploratory purposes" (expert control, trial-and-error control, etc; see Hofstede, 1981;
Burchell et al., 1980); however, excessive reliance on performance measures for incentive purposes may result in dysfunctional effects.

From a control point of view, the most difficult case in business organizations is when objectives are (excessively) ambiguous. To some extent, objectives are ambiguous in most business organizations; yet when ambiguity of objectives is excessive, it is likely that the incidence of management control challenges also increases (Meklin, 2006).

2.4.4 Insufficient resources

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

Changes do not implement themselves and it is only people that make them happen (Bryson, 1995). Selecting people for key positions by putting a strong management team with the right personal chemistry and mix of skills is one of the first strategy implementation steps (Thompson and Strickland, 1998) assembling a capable team is one of the cornerstones of the organization building task. Strategy implementation must determine the kind of core management team they need to execute the strategy and then find the right people to fill each slot. Staffing issues can involve new people with new skills (Hunger and Wheelen, 2000). Bryson (1995) observes that people's intellect, creativity, skills, experience and commitment are necessary towards effective implementation. However, selecting able people for key position remains a challenge to many organizations.

Organizations often find it difficult to carry out their strategies because they have executive compensation systems that measure and reward performance in a way that ignores or even frustrates strategic thinking, planning and action (McCarthy et al, 1996).
Most incentive programs are designed only for top management and lower levels of management and operative employees normally do not participate (Byars et al., 1996).

If strategy accomplishment is to be a real top priority, then the reward structure must be linked explicitly and tightly to actual strategic performance (Thompson and Strickland, 1998). Bryson (1995) asserts that people must be adequately compensated for their work.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

This research was conducted as a case study of the Kenya Civil Aviation Authority. An incisive and comprehensive study was conducted on the strategic management process at K.C.A.A. The organization provides specialized services to Kenya and by extension the world. Its' role cannot be gainsaid and studying its strategic management process and systems will be of interest to many. The unique nature of its operations and its important role in the country makes it an ideal organization for research.

The primary advantage of a case study is that an entire organization or entity can be investigated in depth and with meticulous attention to detail. This highly focused attention enables the researcher to carefully study the order of events as they occur or to concentrate on identifying the relationships among functions, individuals or entities (Zikmund, 2003). Cooper and Schindler (2006), observe that case studies place more emphasis on a full contextual analysis of fewer events or condition, and their interactions. Case studies provide focused and valuable insights to phenomena that may otherwise be vaguely known or understood. Other research studies that have used this design include Odero (2006), Mwangi (2006), Ochanda (2005), Rinje (2006).

3.2 Data Collection

Both primary and secondary data was collected and used for the study. Primary data was collected via personal interview with an interview guide (see appendix 1) consisting of open ended questions. The secondary data was collected from utility articles from Civil Aviation Authority.

The respondents in this study were drawn from top level management that included the director-general and his deputy, the corporate communications manager, the human resource manager and the aviation consumer protection manager. Interview was adopted for the study because it is relatively brief, easy to execute, quickly analyzed and inexpensive (Zikmund, 2003). This method of data collection has also been previously employed by Odero (2006), Mwangi (2006), Rinje (2006), Ochanda (2005).
3.3 Data Analysis

The nature of data collected was qualitative and was analyzed using content analysis technique. Content analysis is a tool for measuring the content of communication. Its objective is to obtain a qualitative description of the manifest content of communication (Zikmund, 2003). In content analysis the responses from different respondents are compared and summarized according to the objectives of the study.

Content analysis is the best method of analyzing the open-ended questions. It is suitable because of its flexibility and also allows for objective, systematic and quantitative description of the content of communication (Cooper & Schindler, 2006). Research studies that have employed this technique include Khamis (2006), Rinje (2006) Ochanda (2005), Odero (2006).
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

The study had one objective, which was to establish the strategic management practices adopted by the Kenya Civil Aviation Authority administrators. Primary data was collected through in-depth interviews with the authority's chief planning officer, the human resource manager, the manager engineering services, the manager air navigation services and the senior planning officer. The data was analyzed in relation to the study's objective and the findings are presented in the various categories below.

4.2 Organization Profile of the Kenya Civil Aviation Authority

Kenya Civil Aviation Authority is a state corporation under the Ministry of Transport, responsible for the civil aviation industry in Kenya. KCAA is the regulator of the civil aviation industry and provider of air navigation services in Kenya. The authority's board of governors has seven members and is the senior most governing body that makes key decisions and enters into contracts on behalf of the authority. The top management is headed by The Director General, who is the chief executive and a member of the board. The authority comprises four major departments, namely, Aviation Safety Standards and Regulations, Air Navigation Services, East African School of Aviation and Corporate.

Middle level managers include head of corporate planning, internal auditor, head of quality assurance, monitoring and evaluation, legal officer, public & international relations, director for aviation safety standards and regulations, director for air navigation services, director at east African School of Aviation and director corporate. The authority has a documented organization chart (see appendix 2).

4.3 Strategic Management Practices at KCAA

4.3.1 Vision and Mission

The study established that the authority has vision and mission statements that are documented. The authority's vision is "To be a model of excellence in global civil
aviation standards and practices”. The authority’s mission is “To develop, regulate and manage a safe, efficient and effective civil aviation system in Kenya”

It was established that the vision and mission statements were developed after extensive consultations. It began with the corporate planning department obtaining views from members of staff across the country about where they would like to see the organization at a given point in time. This is followed by sessions with the management who are interviewed and their views are sought. Sessions are also held with aviation stakeholders who include airlines, pilots, different aviation professionals, government bodies including the ministry of transport, Kenya Airports Authority, Kenya Tourism Board among others. These views are consolidated and presented to the board which then comes up with the vision, mission and key goals, in line with vision 2030. The board hands over these to management who then develop strategies of how to go about achieving them.

The vision and mission statements are communicated in both verbal and written format. The director general visits staff and holds sensitization meetings. They are also posted on notice boards, organizational calendars and diaries.

4.3.2 General planning practices

The study established that a variety of plans are developed at the authority. There is the overall organizational strategic plan as well as annual work plans derived by breaking the strategic plan into yearly targets to be met. It was emphasized that the strategic plan was the reference point for all plans at the authority.

However, the general planning landscape at the authority can be divided into three categories. These are the short term plan, the medium term plan and the long term plan. The short term plan focuses on rapid results to be achieved usually within a year for example the annual work plan. The medium term plan whose focus is between one and two and a half years and finally the long term plan whose focus is five years for example the strategic plan. The plans focus on the balanced score card approach incorporating operational areas, finance, revenues and customer care. Within the short term, departments pick out areas and domesticate them in line with the authoritlys’ overall strategies.
4.3.3 Environmental Scanning

There are several mechanisms put in place in order to assess the external and internal environment. It was established that an external consultant had been brought on board to help with strategic planning. The consultant employed the PESTEL framework in analyzing the external environment.

It was established that views of stakeholders are taken into account in assessment of the environmental situation. The aviation consumer protection department carries out regular customer satisfaction surveys. In these regular surveys, respondents are issued with questionnaires and also interviewed to rate and score their experience with the authority services. Data obtained from the process is analyzed and presented to the director general. Through this process, the administration has been able to gather information on how stakeholders perceive the authority’s services. The director general and other managers at the authority participate in environmental scanning through personal monitoring of issues raised by employees.

4.3.4 Setting of Goals and Objectives

The study established that objectives set at the authority are all captured in the strategic plan. Derived from the strategic plan are annual work plans which are supposed to be domesticated by each department. Once a department has done this, it prepares a budget which details the requirements needed in terms of financial amounts. After this has been done, a procurement plan will be established to set the whole process rolling.

The process of setting organizational goals and objectives goals is inclusive of all stakeholders. Directors, middle level managers and staff at Kenya Civil Aviation Authority participate in the strategic planning process. During setting of goals and objectives the prevailing environmental opportunities and threats are taken into consideration. The goals are set in line with the organization’s resource taking into account the strengths and weaknesses of the available financial. This ensures successful implementation of strategic plans.
4.3.5 Strategy Implementation

The study explores various aspects of strategy implementation at Kenya Civil Aviation Authority. Strategy implementation process takes the following into account: organization structure, resource allocation, use of information technology, human resources, organizational culture and change management. These aspects taken into consideration are discussed below.

Organization structure

The study established that the organizational structure review was already complete and was only awaiting approval from the parent ministry. It has a functional organization structure to allow for division of tasks into functional specialties thus enabling the personnel of this organization to concentrate on only one aspect of the necessary work.

It was established that through the process of performance contracting, clear targets derived from the strategic plan were to be achieved within a particular financial year. In a process called cascading, the authority represented by the chairman of its board, signs the contract with the government which is represented by the Permanent Secretary treasury and the Permanent Secretary ministry of transport. The board of directors in turn signs the same unaltered document with the director general who in turn signs the same document with top management of the authority who in turn sign it with the employees under their supervision. The cascading process aims to ensure that all employees are involved and committed towards implementation of the objects in the contract.

The study established that through results based management technique the progress of the strategy and impact is assessed regularly by the management of the authority.

Resource allocation

The study established that resources in terms of finances to roll out the strategies are allocated through budgets, senior management is responsible for the preparation of departmental budgets. It was established that the strategic plan was broken down into yearly work plans which were to be pursued by respective departments. From the work
plans, budgets are prepared and thereafter, a procurement plan for items that are required is also prepared.

It was also established that financial resource constraints was one of the limitations to implementation of the authority’s strategies. Efforts to mitigate financial difficulties are however done through accessing grants from the Government, obtaining loans from banks and accessing donor funding. The procurement process is also very slow therefore creating time lags in terms of achievement of departmental objectives. It was further established that personnel insufficiency was a major setback since they are the drivers of the process.

**Use of Information Technology**

The study established that the automation of various processes has made a positive impact in the way the authority conducts its operations. Most notable is the employment of a fully automated examination system which boasts of enhancing the integrity of examinations particularly through elimination of unethical behavior such as dishonesty during exams. The general efficiency in conduct of examinations has also been achieved.

Information technology enables staff at Kenya Civil Aviation Authority to gain knowledge on various activities undertaken by the authority. Information technology has also enabled the organization to improve the speed of service delivery and has led provision of high quality service. Technology is also used to enhance efficiency in human resource management and financial management. The management has also adopted information technology to improve record keeping.

**Human resources**

The study established that the management is acutely aware that people are the most important asset in any organization. The new organizational structure has in place incentives to attract and retain employees, especially top management who have a stewardship role. It was also established that the new organization structure incentives would contain the problem of high staff turnover to ‘greener pastures’.
The human resource department conducts internal and external recruitment for positions that are required for implementation of the authority’s’ strategies. External recruitment is done via placement of job advertisement in the local dailies, the authorities’ (http://www.kcaa.or.ke). It was established that the authority apart from being an equal opportunity employer, has targeted to have well educated and experienced personnel.

**Culture**

It was established that the authority’s’ management know well that the values and beliefs shared throughout the organization will shape how the work of the organization is done. The authority carries out team building sessions with its staff, meetings between staff and management are usually held where management outlines its expectations of staff in terms of targets to be achieved within certain deadlines, the staff are also informed of ongoing projects and the progress and they are also trained on matters relating to reporting and handling of tasks assigned to them.

Kenya Civil Aviation Authority uses organizational culture as a tool for enhancing competitive edge derived from innovation and customer service, enhancing consistent and efficient employee performance, improving team cohesiveness, boosting employee morale and aligning the activities within the authority towards achievement of organizational goals.

**Change management**

Change management at Kenya Civil Aviation Authority usually follows five stages which include recognition of factors triggering change, clarification of the expected outcome of change management process, planning how to achieve the change and coming up with plans to ensure the change is lasting. During change management process, the structure, objectives, and performance measures are based on the mission and the strategic direction which, in turn, guide the decisions, activities and the outcomes of the authority’s activities.

The outcomes of change management strategies at Kenya Civil Aviation Authority are then measured against the overall mission and strategic objectives as well as performance expectations. To reap maximum benefits, the organization has developed in which the leadership fully support change management strategies. The management at Kenya Civil
Aviation Authority conduct training to all employees aimed at facilitating change management process. Plans are underway to implement change management strategies on a wider scale when it commences the implementation of a new organizational structure in the year 2012.

4.4 Discussion

The objective of the study was to establish the strategic management practices employed by the management of the Kenya Civil Aviation Authority. The objective of the study was met since the research was able to establish that K.C.A.A management has indeed adopted a number of strategic management practices as highlighted in the literature review.

The authority has well documented vision and mission statements, which are communicated to employees and other stakeholders in both written and spoken form. The entire management team is involved in propagating and communicating the vision as well as mission statements. This is in line with the study by Thompson et al, (2007) who stated that a clearly articulated strategic vision communicates management’s aspirations to stakeholders and helps steer the energies of company personnel in a common direction.

Kenya Civil Aviation Authority uses SWOT analysis to scan the external environment. Planning takes place at the authority as there is a 5 year strategic plan containing the strategic issues and challenges to be faced by the organization, the vision and mission statements, situational analysis, the proposed organizational structure and the proposed staffing levels, funding and revenue sources, a monitoring and evaluation framework, monitoring methodologies and evaluation mechanisms and finally key assumptions and risks. This is in agreement a study by Johnson et al, (2008) who observed that SWOT analysis creates a quick overview of a company’s strategic situation through the various dimensions of strengths, weaknesses, opportunities and threats. Pearce and Robinson, (2007) also noted that organizations must be alert for potentially important outer ring developments, assess their impact and influence and adapt the company’s direction and strategy as needed.
Kenya Civil Aviation Authority uses PESTEL as a method of scanning the environment in addition to SWOT analysis. In PESTEL analysis, Kenya Civil Aviation Authority takes into consideration the political, economic, social, technological, environmental and legal issues affecting their operations.

Kenya Civil Aviation Authority’s vision communicates desired future state of the organization. It is an aspiration around which a strategist within the organization seeks to focus the attention and energies of members of the entire organization. The vision also helps guide the actions and decisions of each member of the organization. The organization’s mission clearly stipulates the purpose for the organizations existence and tells what the authority is providing to society.

The authority’s strategy formulation process adopts a bottom up approach culminating at the board level which approves the plan and hands it to the CEO for implementation. The authority’s strategic plan is broken down to annual work plans to facilitate its achievement and progress reports are prepared to evaluate their achievement. Strategic formulation involves the setting of the mission, goals and objectives for the organization. Similar to argument by Thompson and Martin (2005) on the importance of involving stakeholder in strategic management, the authority also assesses the power of stakeholder and the influence of organizational culture on strategic decision-making process.

The authority has institutionalized its strategies by adopting a new organization structure, policies and staff training. It was established that the structural change had to occur because the old structure having been pushed too far caused inefficiencies that had become obviously too detrimental to bear. KCAA develops strategies and programs by correcting or revising earlier decisions in the organization. This is in line with argument by Wheeler and Hunger, (2008) who stated that firm or business unit often must revise earlier management decisions when developing strategies and programs. In order to reduce employee resistance to change, the authority employs change management practices such as facilitating ownership of the change process and its outcomes, promotion of a culture of collaboration, empowering employees to act and creating openness in communications.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

His chapter presents the summary of the study findings whose main objective was to establish the strategic management practices at the Kenya Civil Aviation Authority. Besides, the chapter entails conclusion drawn from the findings of the study, recommendation, suggestion for further study and limitations of the study.

5.2 Summary

The study findings on the strategic management practices employed by the management of the Kenya Civil Aviation Authority revealed that the authority has well documented vision and mission statements, which are communicated to employees and other stakeholders in both written and spoken form. The authority also involves the entire management team in propagating and communicating organizational vision and mission.

The authority has a five-year strategic plan containing the strategic issues and challenges to be faced by the organization, the vision and mission statements, situational analysis, the proposed organizational structure and the proposed staffing levels, funding and revenue sources, a monitoring and evaluation framework, monitoring methodologies and evaluation mechanisms and finally key assumptions and risks. Kenya Civil Aviation Authority uses SWOT (strengths, weaknesses, opportunities and threats) and PESTEL (political, economic, social, technological, environmental and legal issues) analyses to scan the external environment.

The strategic plan at Kenya Civil Aviation Authority is broken down to annual work plans to facilitate its achievement and progress reports are prepared to evaluate their achievement. Kenya Civil Aviation Authority bases its strategic choice priorities organizational needs, feasibility of its strategies and availability of financial and human resources. Strategic formulation involves the setting of the mission, goals and objectives for the organization. The authority has institutionalized its strategies by adopting a new organization structure, policies and staff training. Moreover, Kenya Civil Aviation Authority develops strategies and programs by correcting or revising earlier decisions in the organization and employs change management practices such as facilitating
ownership of the change process and its outcomes, encouraging collaboration and transparency in communication.

5.3 Conclusion

The study established that insufficient empowerment of the employees by the management during the process of strategy implementation was pulling back efforts of achieving the authorities strategy. As the authority embarks on implementation of the 2010-2015 strategic plan, there is need for the management to fully induct its employees on the importance of this plan to realize its full achievement.

The success of future corporate strategies is pillared upon effective leadership change. The authority's administrators should consider implementing a formal succession plan for not only key leadership positions but also in a variety of job categories. It is important to diligently groom future executives on the strategic needs essential to run the authority successfully in a changing environment. Succession planning establishes, a process that recruits employees, develops their skills and abilities and prepares them for advancement, all while training them to ensure a return on the authorities' training investment. Succession planning is strategic, tactile and deliberate involving a clear understanding of how organizations need to change in lock step with strategies designed to grow future leaders to meet those needs.

The study established that there was so much focus given to the process of strategy formulation at the expense of implementation. Although implementation is usually considered after strategy has been formulated, implementation is a key part of strategic management. Strategy formulation and strategy implementation should thus be considered as two sides of the same coin. Poor implementation has been blamed on a number of strategic failures. Organizing a company's activities and people to implement strategy involves more than simply redesigning a corporate overall structure, it also involves redesigning the way in which jobs are done. Implementation of new strategies calls for new human resource management priorities and a different use of personnel. Such staffing issues can involve hiring new people with new skills, firing people with inappropriate or substandard skills and or training existing employees to learn new skills, promotions should be based not only on
current job performance but on also whether a person has the skills and abilities to do what is needed to implement the new strategy.

The research established that there were gaps in monitoring of strategy. The measurement of performance is a crucial part of evaluation and control. The very act of monitoring and measuring performance can cause side effects that interfere with overall corporate performance. In designing a control system the top management needs to remember that controls follow strategy. Unless controls ensure the use of the proper strategy to achievement objectives, there is strong likelihood that dysfunctional side effects will completely undermine the implementation of the objectives. Proper controls should involve only the minimum amount of information needed to give a reliable picture of events, monitoring only meaningful activities and results regardless of measurement difficulty, be timely so that corrective action can be taken before it is for late, long term and short term controls should be used, controls should aim at pinpointing exceptions and finally controls should emphasizes the need of meeting or exceeding standards rather than punishment for failing to meet the standards.

5.4 Recommendations

The study recommends that management at Kenya Civil Aviation Authority should fully induct its employees on the importance of the organizational strategic plan. This will ensure successful realization of the objectives stipulated in the organizational strategic plan.

The management at Kenya Civil Aviation Authority should formulate and implement formal succession plans in all its departments. This will ensure that the benefits of succession planning are realized in the entire organization.

The management at Kenya Civil Aviation Authority should accord equal priorities to both strategy formulation and strategy implementation. This is important because poor implementation has been blamed on a number of strategic failures.

Monitoring and evaluation of strategic plans should be carried out on regular basis. This will enable measurement of performance of various strategic plans and ensure achievement of organizational objectives.
5.5 Suggestions for further research

The study recommends further research on factors affecting strategic management at Kenya Civil Aviation Authority. This will enable identification of critical success factors that can help in improving strategic management at Kenya Civil Aviation Authority.

The study also recommends further research on the effectiveness of the strategic plans at Kenya Civil Aviation Authority particularly the effectiveness of 2005-2010 plan. This plan can be studied further to find out whether the objectives were met. This will also provide important information on the benefits achieved in strategic planning and challenges met in the process of implementation of the strategic plans at Kenya Civil Aviation Authority.

5.6 Limitations of the study

The limitation in the research study stemmed from beauracracy. There were a number of approvals that had to be made for authorization to conduct research. The respondents also had busy schedules making data collection difficult especially because the primary mode of collection was through open ended interview hence the need to keep adjusting interview dates.

Finally, due to the varied nature of the responses from open ended interviews, content analysis was used in data analysis, this technique was time consuming. However, the researcher did look out for contraindications in the information given and no inconsistencies were found.
REFERENCES


APPENDIX i: Interview Guide

STRATEGIC MANAGEMENT PRACTICES AT THE K.C.A.A

VISION AND MISSION PRACTICES

1. Does the K.C.A.A have vision and mission statements?

2. What was the process of developing the vision and mission statements?

3. How is vision and mission communicated to employees?

GENERAL PLANNING PRACTICES

1. Do you have objectives set for the authority?

2. What is the process of setting objectives for the authority?

3. What type of plans are developed for the authority?

4. How is planning conducted at the authority?

5. Does the authority have strategic plans?

6. What is the process of developing strategic plans at the authority?

7. Which tools and techniques are used to develop strategies at the authority?

STRATEGY IMPLEMENTATION

1. What is the process of implementing strategies at the authority?

2. What challenges have been encountered in implementation of strategies at the authority and how have they been dealt with?

STRATEGY EVALUATION

1. How do you monitor success of the authority’s strategic plan?
Mr. Mophat Oluch Hongo  
c/o Ezekiel Weda  
P.O BOX 29053-00625  
NAIROBI.

RE: PERMISSION TO CONDUCT ACADEMIC RESEARCH

We acknowledge receipt of your letter dated 14th July, 2010 on the above subject. Approval is hereby granted for you to administer the survey instrument to KCAA staff.

J.K. Keche  
For DIRECTOR GENERAL