

**STRATEGY IMPLEMENTATION AT INTERNATIONAL FEDERATION OF
RED CROSS, SOMALIA**

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THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER
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DECLARATION

I hereby declare that this project is my own work and has never been submitted for a degree in any other university or institution.

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This project has been submitted for examination with my approval as a university supervisor.

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DEDICATION

To the Almighty, most gracious, without you I wouldn't see the daylight. To my family, nothing would have been possible without your unwavering support, encouragement and belief that even the sky is not the limit.

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There are several people who have contributed to success of this project and are worth mentioning. My utmost gratitude is to God for the strength and wisdom to see me through the course.

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ABSTRACT

Strategy implementation is a process that turns plans into actions assignments to accomplish stated objectives. It is complicated and time consuming as well. The aim of this study was to examine strategy implementation and the challenges at International federation of red cross. Case study was used because the research problem required an in depth study to explain the process and the challenges of strategy implementation. Both primary and secondary data was used in this study. The primary data was collected through interview by use of a structured interview guide and the secondary data through organizational annual operational plans. Content technique analysis was used to analyze the data collected, It deemed appropriate because it assisted in making inferences by objectively identifying specific messages and then relating them with their occurrences trends. The results of the study indicated that a long range plan do exist, a five year plan and an annual plan derived from it which is reviewed on quarterly basis. The operational implementation plan is reviewed and the outputs and activities necessary to achieve the outcome in the strategic plans is set out, as well as the operational budgets and responsibility matrix. The structure is reviewed and adjustments made to suit the desired outcome to be achieved as well as the internal systems and regular monitoring systems. The study also revealed a number of challenges which included organizational structure, staffing, resource insufficiency and communication. The study also faced a number of limitations including time set for the set for the study which was short, getting to interview top management of the organization was a challenge and the interview guide as a data collection instrument also posed a limitation. For strategy implementation to be successful the strategy must match the structure. The organization has to revise the structure and decentralize as much as possible so that decisions can be made easily and fast. Findings indicated that organization cannot hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital. The organization also need to fundraise and reduce donor dependency so that objectives can be achieved easily. The study confined itself to International federation of red cross, Somalia. This research should therefore be replicated in other International federation of red cross country offices to establish whether there is consistency in practice among the country offices and whether the challenges are similar

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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Strategy implementation is the process that turns plans into action assignments and ensures that such assignments are executed in a manner that accomplishes the plan and stated objectives, (Kotler, 1984). 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. The implementation task involves coordination of a broad range of efforts aimed at transforming strategic intentions into actions.

Implementing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. Various theories have been put in place to explain strategy implementation. This includes McKinsey 7 S model, (Peters and Waterman, 1982) which explains the interplay between various factors within the organization that has to be harmonious for purpose of achieving organization's long term goals. Another theory put in place is Chandler's theory of structure follows strategy. Chandler, (1962) concluded that to make their diversified and complex businesses work they had to reorganize decentralization. Berle and Means, (1932) stewardship theory argues that there have to be a structural mechanism to curtail managerial opportunism by board of directors which provides a monitoring of managerial actions on behalf of shareholders, hence a more accountable management to strategy implementation.

International Federation of Red cross, just like any other Non-governmental organisation aims at implementing strategies successfully. International Federation of

Red cross therefore formulates strategy and then implements by working with partner organisations to achieve its long terms goals . It is noted that however, transforming strategies into action is a far more complex and difficult task, hence challenging.

1.1.1. Strategy implementation in organisations

Strategy implementation is defined as ‘the process that turns implementation strategies and plans into actions to accomplish objectives (Pride and Ferrell 2003, p. 574.) It addresses the who, where when, and how to carry out strategic implementation process successfully (Kotler et al 2001). Pride and Ferrel (2003, p.574) define strategy implementation as the process of putting strategies into action. According to David (2003), both managers and employees should be involved in the implementation decision and adequate communication between all parties is important for success implementation. Elements that require consideration during the implementation process include annual objectives, policies, resource allocation, management of conflict, organization structure, managing resistance to change, and organizational culture. In developing polices during the implementation process, methods, procedures, rules, forms, and administrative practices are established. Strategy implementation is defined as the process used to implement specific firm policies, programs, and action plans across the organization (Harrington, 2004, p. 321). A prudent organization needs to formulate a strategy that is appropriate for the organization, appropriate for the industry and appropriate for the situation. (Alexander, 1991).

According to David (2003), strategies which are implemented within an organization should support the culture associated with the firm. The proposed strategy should preserve, emphasis, and enhance the culture, in accordance with the culture

supporting the proposed strategy. Conflict management also plays an integral role within the implementation process. According to David (2003) the human element of strategies implementation of decisions and communication that plays a key role in ensuring that this occurs (David 2003). Business performance is influenced by this human element of strategic implementation phase, it is suggested by David (2003) that business performance will be positively influenced.

Effective strategy implementation is a system management activity that involves leading, motivating, organizing change, engineering business processes and creating strong fits between strategy and how the business does things. Someone who intends to implement strategy must be able to put the strategic plan into action. He must be able to identify what needs to be done and start working on it in order for the targeted strategic and financial goals to be achieved. In a nutshell, strategy implementation is a process that encompasses all activities that leads to realisation of long term planned action and is more challenging and time consuming. It is however noted that there is no one universal approach to strategy implementation

1.1.2 International Non-Governmental Organisations in Somalia

International Non-governmental organizations are legally constituted corporations created by natural or legal people that operate independently from any form of government and has an international status. Their main focus is to provide relief and developmental aid to developing countries. In relation to states, the purpose of International Non-governmental organizations is to provide services that the state is unable or unwilling to provide for their people. These organization's projects in health, clean water, and malaria prevention, and in education, like schools for girls and providing books to developing countries, help to provide the social services that

the country's government is unable or unwilling to provide at the time. International Non-governmental Organizations are also some of the first responders to natural disasters, like hurricanes and floods, or crises that need emergency relief

Due to humanitarian crisis and lack of basic items for survivals, International Non-governmental organizations play a greater role in saving lives and even shape the Somalia economy. With more than ninety (90) International Non-governmental organizations, Somalia is amongst the world's leading state that is heavily dependent on international aid, more so from the Western countries. Most International Organisations working in Somalia face almost similar challenges in operations due to fragile nature of security and lack of rule of law.

1.1.3 International Federation of Red cross, Somalia.

International Federation of Red cross is the world's largest humanitarian organization, providing assistance without discrimination as to nationality, race, religious beliefs, class or political opinions. It comprises 188 member Red Cross and Red Crescent National Societies, a secretariat in Geneva and more than 60 delegations strategically located to support activities around the world. The International Federation of Red Cross and Red Crescent Societies (IFRC) was founded in 1919 in Paris in the aftermath of World War I. The war had shown a need for close cooperation between Red Cross Societies, which, through their humanitarian activities on behalf of prisoners of war and combatants, had attracted millions of volunteers and built a large body of expertise. In all activities, Red Cross members, staff and volunteers are guided by seven fundamental Principles of humanity, impartiality, neutrality, independence, voluntary Service, unity and universality.

It's vision is to inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world. The key objectives of IFRC includes Carrying out relief operations to assist victims of disasters, development work to strengthen the capacities of its member National Societies and focuses on four core areas: promoting humanitarian values, disaster response, disaster preparedness, and health and community care. The role of the secretariat in Geneva is to coordinate and mobilize relief assistance for international emergencies, promote cooperation between National Societies and represent these National Societies in the international field. The role of the field delegations is to assist and advise National Societies with relief operations and development programmes, and encourage regional cooperation

Guided by IFRC Strategy 2020, National Societies seek to Save lives, protect livelihoods & strengthen recovery from disaster & crisis, preparing and responding to disasters and crises, recovering from disasters and crises , enabling healthy and safe living as well as promoting social inclusion and a culture of non-violence and peace. This is achieved through enabling actions that aims at building strong and well-functioning National Red Cross and Red Crescent Societies. IFRC also Pursues humanitarian diplomacy to prevent and reduce vulnerability. This is done by National society acquiring an auxiliary status, a specific and distinctive partnership between states and National Societies function effectively as the Federation. Other important considerations include fostering cooperation within the Movement, working together in partnerships and alliances and responsible governance and accountability

With headquarters in Nairobi, IFRC works with Somali Red crescent society in two Regions of Somalia with nineteen branches across Somalia . North of Somalia is in post conflict state while South Central is still delved in conflict. Throughout the two decades of conflict and insecurity that resulted in the collapse of public institutions and services particularly in South-Central Somalia, the Somali Red Crescent Society has continued to provide humanitarian assistance, including basic health care services, to the most vulnerable population.

1.2 Research problem

Implementing strategies successfully is vital for any organization either public or private. Without implementation, even the most superior strategy is useless (Alexander, 1991). The notion of strategy implementation might at first seem quite straightforward, the strategy is formulated and then it is implemented. Implementing would thus be perceived as being about allocating resources and changing organizational structure. However transforming strategies into action is a far more complex and difficult task. Many organizations have formulated excellent strategies but have not achieved excellent results due to poor strategy implementation.

Most International Non-Governmental organizations work in developmental context as well as emergency situations. This means that the strategies organizations put in place has to support both. IFRC Somalia implements its activity through working with the national society (Somali Red crescent society) so as to respond to emergency situations in remote and insecure Somalia besides following globally formulated strategies, structures, policies and systems.

Various studies were done in the area of strategy implementation. Waiyego (2009) studied strategy implementation at Kenya electricity generating company Ltd and

observed that for dominant players in the market, the strategy implementation process has changed recently due to more scrutiny from the government and stakeholders in general. She therefore observed that such firms should be adaptable to the changing environment. Koskei (2003) studied strategy implementation and its challenges in public corporations with emphasis on Telkom Kenya limited found out that the corporation sets some targets which become hard to be accomplished and also lack of dedication by the staff to ensure successful accomplishment of the strategies. Muthuiya (2004) did strategy implementation and its challenges in non-profit organizations in Kenya, a case of AMREF and found out that AMREF encountered challenges of inadequate resources, advocates and supporters of strategic decisions abandoning the process with resultant effect on staff commitment and enthusiasm, unsupportive organization structure, environmental factors and implementation period taking longer than anticipated hence delays. Njuguna (2009) studied strategy at St. Johns Community Centre and found out that the organization does not have a strategy for local resource mobilization and therefore depends on international donors whom they have to report to on their implementation.

As evidenced in the above studies, a lot of research has been done in the area of strategy implementation. However, there is no one universal approach to strategy implementation, different approaches works differently in different organizations and so is Strategy implementation at IFRC, Somalia. The study therefore aims to bridge this gap by studying IFRC Somalia's strategy implementation and challenges thereof. How is strategy implemented and what challenges are encountered at IFRC Somalia?

1.3 Research objectives

- i. To establish strategy implementation at IFRC Somalia

- ii. To determine the challenges encountered in implementation of strategy by IFRC Somalia.

1.4 Value of the Study

The study shall provide grounds for further research by other scholars who may want to broaden their understanding on strategy implementation and challenges that may occur. This will pave way for further research in order to verify the findings. The study will contribute to the existing body of knowledge in the area of strategy implementation the Non-governmental sector.

The study will aid various stakeholders particularly IFRC Somalia in obtaining information on the strategy implementation practice. The challenges during implementation will also form a learning experience to them. The organization will therefore benefit from this and hence formulate policies and measures to ensure future successful implementation of the strategies.

The findings will give insight to other agencies in similar business environment on the challenges encountered in the implementation of the strategies. With this knowledge they will be in a better position to steer their businesses in the right direction in terms of implementing strategy through application of best practices.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter discusses the concept of strategy. It also discusses frameworks that explain the implementation of strategy and challenges thereof. A conceptual framework is then developed from a review of existing studies. The chapter also discusses the theories related to the study.

2.2 Theoretical foundations of the study

According to Mckinsey 7 S model, (Peters and Waterman, 1982) organization can holistically and effectively organize a company together, these factors determine the way in which an organization operates harmoniously. The seven variables, which the authors term "levers", all begin with the letter "S". These seven variables include structure, strategy, systems, skills, style, staff and shared values. According to Peters and Waterman (1982), Structure is defined as the skeleton of the organization or the organizational chart. The authors describe strategy as the plan or course of action in allocating resources to achieve identified goals over time. The systems are the routine processes and procedures followed within the organization. Staffs are described in terms of personnel categories within the organization, whereas the skills variable refers to the capabilities of the staff within the organization as a whole. The way in which key managers behave in achieving organizational goals is considered to be the style variable; this variable is thought to encompass the cultural style of the organization. The shared values variable, originally termed superordinate goals, refers to the significant meanings or guiding concepts that organizational members share (Peters and Waterman, 1982).

Theory of structure follows strategy was put forward by Chandler, (1962). Chandler provides case studies of four major U.S. Corporations whose organizational innovations were at the forefront of the creation of the modern multi-divisional decentralized corporate structure. After studying four firms, he concluded that to make their diversified and complex businesses work and to continue to work into the future they had to reorganize decentralization. Each seems to have developed a “decentralized, multi-divisional structure” independently of the others, by different paths and for somewhat different reasons but ultimately ending up with a similar structure. Chandler, (1962) growth can come in a four different ways: growth from continued expansion of the same business with the same type of customers; growth from vertical integration; growth from expansion to overseas markets; and growth from expansion into new product lines. It is also possible that enterprises might be growing in two or more of these ways at once. Yet the most important, from the perspective of requiring new organizational patterns, is the last, growth from expansion into new product lines.

Stewardship theory argues that in the modern corporation, in which share ownership is widely held, managerial actions depart from those required to maximise shareholder returns (Berle and Means 1932). In stewardship theory terms, the owners are principals and the managers are agents and there is an agency loss which is the extent to which returns to the residual claimants, the owners (Jensen and Meckling 1976). Agency theory specifies mechanisms which reduce agency loss (Eisenhardt 1989). These include incentive schemes for managers which reward them financially for maximising shareholder interests. Such schemes typically include plans whereby senior executives obtain shares, perhaps at a reduced price, thus aligning financial interests of executives with those of shareholders (Jensen and Meckling 1976).

Agency theory predicts that when the CEO also holds the dual role of chair, then the interests of the owners will be sacrificed to a degree in favour of self. Management of any organisation is very key to strategy implementation, its through management attitude and level of compensation that motivates managers towards achieving organisational objectives which is indeed same as the stakeholders.

2.3 The concept of Strategy

A strategy is about “winning” game plan by an organization. Strategy is not a detailed plan or program of instructions; it is a unifying theme that gives coherence and direction to actions and decisions of an organization. It is the ability to recognize opportunities when they appeared and have the clarity of direction and flexibility necessary to exploit these opportunities (Grant, 1998). Chandler (1962) defined strategy as the determination of the basic long term goals and objectives of an enterprise and the adoption of action and the allocation of resources necessary for carrying out these goals. This means that strategy is about managing new opportunities. The strategy that is chosen should be one that optimizes the resources available in order to achieve organizational goals and objectives. According to Mintzberg (1987), a strategy is a plan, ploy, a pattern of behavior, a position in respect to others and a perspective. Strategy therefore specifies the intended course of action of an organization, develops ways to outwit a competitor, is emergent in a process of actions and it is a position in the market. The characteristic of strategy is that it is deliberate as well as emergent.

Strategy is direct in of an organization over the long term which achieves advantage in the changing environment through its configuration of resources and competencies with the aim of fulfilling stakeholder expectations (Johnson and Scholes, 2003). This

means that organizations should provide value to their customers better than their competitors.

Beer et al (1990) argues that effective implementation is vital to the success of any strategy. Hence, strategies developed by organizations need effective implementation to guarantee results. Noble (1999), makes distinctions between structural and interpersonal process views on strategic implementations. The structural perspectives focus on formal organizational structures and control mechanisms, while the interpersonal process is about understand issues like strategic consensus, autonomous strategic behavior, diffusion perspectives, leadership and implementation style, communication and other interaction processes.

2.4 Strategy implementation

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

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 2003). Its purpose is to complete the transition from strategic planning to strategic management by incorporating adopted strategies throughout the relevant system (Bryson 1995). Strategic management by itself is a process. Robins and Coulter (2002) defines it as the process that encompasses strategic planning, implementation and evaluation. In their view, strategic management process is a way of considering, deciding, and realizing already formulated strategies. Strategy implementation, on the other hand is concerned with both planning on how the chain of strategy can be put into effect, and managing the changes required (Wang, 2000)

Management issues to strategy implementation include establishing annual objectives, devising policies, allocating resources, alerting an existing organization structure, restructuring and re-engineering, revising reward and incentives plans, minimizing resistance to change, matching managers with strategy, developing a strategy supportive culture, developing an effective human resource function, and if necessary, downsizing (David, 2003). An excellent implementation plan will not only cause the success of an appropriate strategy, but can also rescue an appropriate strategy (Hunger and Wheelen, 2004). Strategy implementation is therefore crucial to effective management.

The implementation process of a strategy typically impacts every part of the organization structure, from the biggest organizational unit to the smallest frontline work group (Thomson and Strickland 1998). They point that every manager has to think through the question “what has to be done in my area to implement our part of strategic plan and what should I do to get these things accomplished?” All managers

therefore become strategic implementers in their areas of authority and responsibility and all employees should be involved. Aaltonen and Ikavalko (2001) argue that transforming strategies into action is a far more complex and difficult task. Similarly, David (2003) points out that it is always more difficult to do something (strategy implementation) than to say you are going to do it (strategy formulation). Implementation of strategy does not therefore automatically follow strategy formulation; it exhibits its own resistance, which can invalidate the planning efforts (Ansoff and McDonnell, 1990).

2.5 Challenges of strategy implementation

Formulating appropriate strategy is not enough. 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 (1997), 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. Downes (2001) states that the kinds of execution obstacles most companies run into all into two categories: problems internal to the organization and problems generated by outside forces in its industry. These internal and external issues are affected by the extent of flexibility organizations have to launch strategic initiatives successfully.

The most important problem experienced in strategy implementation in many cases is the lack of sufficient communication. Aaltonen and Ikavalko (2001) state that the amount of strategic communication in most of the organizations is large, both written and oral communication is used, mostly in form of top down communication. However a great amount of information does not guarantee understanding and there is

still much to be done on the field of communicating strategies. According to Wang (2000), communication should be a two way so that it can provide information to improve understanding and responsibility, and to motivate staff. Also, they argue that communication should not be seen as a once-off activity focusing on announcing the strategy. It should be an on-going activity throughout the implementation process. In many cases it is not so and therefore communication still remains a challenge to strategy implementation process.

According to Rapert et al. (2002) organizations where employees have easy access to management through open and supportive communication climates tend to outperform those with more restrictive communication environments. Peng and Little John (2001) also note that effective communication is a key requirement for effective strategy implementation. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation. In fact communication is pervasive in every aspect of strategy implementation, as it relates in a complex way to organizing processes, organizational context and implementation objectives which in turn have an effect on the process of implementation.

Before any strategy can be implemented, it must be clearly understood. Clear understanding of a strategy gives purpose to the activities of each employee and allows them to link whatever task is at hand to the overall organizational direction (Byars et al, 1996). Lack of understanding of a strategy is one of the obstacles of strategy implementation (Aaltonen and Ikavalko, 2001). They point out that many organizational members typically recognize strategic issues as important and also

understand their context in generic terms. However, problems in understanding arise when it comes to applying the strategic issues in the day-day decision making.

Whilst the strategy should be chosen in a way that it fit the organization structure, the process of matching structure to strategy is complex (Byars et al, 1996).The structure that served the organization well at a certain size may no longer be appropriate for its new or planned size. The existing structures and processes in the organization support the current ways of doing things and if the strategy indicates that the organization need to behave in different ways, there is likely to be problems should the existing structures be used to implement the changes (Campbell et al 2002).The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place. According to McCarthy et al (1996), creating that structure and the attendance behavior changes is a formidable challenge. The fundamental challenge for managers is the selection of the organization structure and controls that will implement the chosen strategies effectively.

Successful strategy implementation depends on a large part on how a firm is organized. Owen (1982) agrees that strategy and structure need to be matched and be supportive of each other in order to achieve objective set. The structure helps an organization identify its activities and the way in which it will coordinate them to achieve the firm's strategic objective. It also provides managers with a vehicle to exploit fully the skills and capabilities of the employees with minimal costs and at the same time enhance the firm's capacity to achieve superior efficiency, quality, innovation and customer responsiveness (Pearce and Robinson, 2007).

Wehrich and Koontz (1993) look at culture as the general pattern of behavior, shared beliefs and values that members have in common. 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 behavior 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 organization and their values influence the direction of the firm. Creating an organization culture, which is fully harmonized with strategic plan, offers a strong challenge to the strategy implementer's administrative leadership abilities. Lack of compatibility between strategy and culture can lead to high organizational resistance to change and de-motivation, which can in turn frustrate the strategy implementation.

Resource insufficiency is another common strategy implementation challenge. David (2003) argues that allocating resources to particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors commonly prohibit effective resource allocation. These includes; overprotection of resources, too great emphasis on short-run financial Criteria, organizational policies, vague strategy targets, reluctant to take risks and lack of sufficient knowledge.

According to Thompson et al (2007), effective strategy implementation depends on competent personnel and effective internal organizational systems. No organization can hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital. The task of implementing challenging strategic initiatives must be assigned to executives who have the skills and talent to handle and can be counted on to turn decisions and actions into results to meet established targets. Without a smart, capable result-oriented management team, the

implementation process ends up being hampered by missed deadlines, misdirected or wasteful efforts. Building a capable organization is thus a priority in strategy execution. High among organizational building priorities in the strategy implementation is the need to build and strengthen competitive valuable competencies and organizational capabilities. Training therefore becomes important when a company shifts to a strategy that requires different skills, competencies and capabilities. 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 of those redundant resources, they may be unable to free up sufficient funds to invest in the new resources that are needed and their cost base will be too high (Johnson and Scholes, 2002)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodology that is used for the study. It describes the research design, data collection and data analysis method.

3.2 Research design

The study was carried out on a case study. A case study approach is very appropriate because it gives an opportunity to research in-depth one particular aspect of a problem. It helps researchers in getting quick and immediate results due to the time limit set for the study. It is a method used to narrow down a very broad field of research into one easily researchable topic. Whilst it will not answer a question completely, it will give some indications and allow further elaboration and hypothesis creation on a subject. It is argued that a case study provides more realistic responses than a purely statistical survey thus it is a valid to conduct case studies but they should be tied in with more general statistical processes.

Case studies are known for their flexibility. Rather than trying to prove or disapprove a hypothesis, a case study might introduce new and unexpected results during its course, and lead to research taking new directions. The study will focus on strategy implementation and challenges at IFRC Somalia, and allowed the researcher to go deeper into investigation.

3.3 Data collection

Data collection involved gathering information on strategy implementation and challenges thereof, in an established systematic fashion that will make it possible to

find answers stated in research questions. The study will focus on both primary and secondary data

The primary data was collected through an in-depth individual interviews using an interview guide that is standard and open ended. Interview is particularly useful for getting insights behind a participant's experiences because the interviewer can pursue in-depth information around the topic. The individual face to face interviews therefore captured stakeholders' knowledge and perspectives that collectively informed the findings of the research.

Secondary data was also used, this involved going through the organizations strategic implementation plans, monitoring and evaluation reports, annual reports and the logical framework. The secondary data gave an idea of strategy implementation and challenges since it gives the measure of planned versus achieved results.

The respondents consisted of six managers namely; monitoring and evaluation specialist, program manager, finance officer, administration officer, program officer and country representative. The respondents are required to be knowledgeable about the organization hence the selection of key employees. Likewise, the respondents consisted of employees who have served the organization for a considerable number of years, this again gave reliable and real information due to experience.

3.4 Data analysis

The data collected was qualitatively analyzed by use of content analysis techniques. Content analysis as a method of analyzing contents of documentary materials such as books, journals, magazines, newspapers and the most importantly contents of verbal material whether spoken or written. The information was analyzed and evaluated to determine their usefulness, consistency, credibility and adequacy. The content

analysis technique is appropriate because it assists in making inferences by systematically and objectively identifying specific messages and then relating them with their occurrences trends

The researcher used qualitative analysis of data, where strategy implementation practice and challenges thereof was determined and logical inferences derived from such data and a cross case analysis applied to determine if the same strategies implementation practices and challenges are common to all the sub offices to have an understanding of strategy implementation at IFRC Somalia

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish strategy implementation and challenges thereof at International federation of red cross, Somalia. This chapter presents the analysis and findings.

The respondents consisted of monitoring and evaluation specialist, program manager, finance officer, administration officer, program officer and country representative. The respondents have worked with the organization for an average period of 6-8 years, this forms a strong basis that they are knowledgeable enough on the research subject and thus made the realization of the objective possible.

4.2 Strategy implementation at International federation of red cross, Somalia

Section A of the interview guide aimed at establishing the strategy implementation at International federation of red cross, Somalia. The respondents agreed that a long range plan do exist, a five year plan known as Long term development plan and an annual plan derived from it. This document was also made available to the researcher and hence, the researcher was able to vouch for its existence and usefulness.

About the implementation process, all respondents agreed to existence of a systematic process that aimed at achieving the set objectives. Operational plan is first reviewed, the outputs and activities necessary to achieve the outcome in the strategic plans is well understood, the operational budgets and staffing requirement is then revised to match the strategy. The structure is reviewed and adjustments are made to suit the

desired outcome to be achieved as well as the internal systems. This involves responsibility assignment, cost allocation and resource planning . Lastly a monitoring system is developed and this is reviewed on quarterly basis to monitor on achievement of objectives. Corrective actions are then taken.

On the question of whether the organization structure support the strategies to be implemented, seventy percent of the respondents agreed that the current structure does not support the achievement of the organization's objectives, respondents noted that instances of duplication of work exists due to different layers of reporting in the organization. This has led to inefficiencies as decision making process is ambiguous. International federation of red cross employs functional organizational structure.

The respondents unanimously noted that only senior managers and middle level managers employees are involved in the Implementation process when asked on the level of employee involvement. In this case, management is given the responsibility to ensure that strategies are implemented. The implementation of any organizations strategy will be successful only if the actual implementers fully participate in the process, otherwise it is bound to fail. This fact was reinforced by 60% of the respondents who did indicate that one of the ways in which to motivate an employee to perform better is to make them part of the strategy formulation and implementation process as well as offering competitive pay

The respondents appreciated the need for an effective feedback between the top managers and other employees who are also implementers. International federation of red cross adopts a top-bottom communication approach. Communication should be a

two way so that it can provide information to improve understanding and responsibility, and to motivate staff. Also, communication should not be seen as a once-off activity focusing on announcing the strategy. It should be an on-going activity throughout the implementation process. In this case it is not so and therefore there is no adequate feedback mechanism in place.

Ninety percent (90%) of the respondents confirmed that the management is committed towards achieving organizational goals. The managers are also equipped with good skills and knowledge to make informed decisions and judgments to push forward development agenda of the organization. The respondents also noted that the main reason for the commitment of the managers to organizational goal is because of the retention policy of the organization where the managers are very well remunerated and long term service contracts awarded to them.

All the respondents noted that adequate mechanism is put in place to regularly monitor the implementation process. This includes availability and sufficient use of the monitoring tools. Reports on progress made is prepared and discussed frequently. This has enabled the organization to fast track and check whether the objectives and organizations vision is on track. This periodical reports includes, development operational reports and quarterly progress reports.

4.3 Strategy implementation challenges at International federation of red cross, Somalia

Formulating appropriate strategy is not enough. 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 . 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.

International federation of red cross Somalia faces a number of challenges in implementing its strategies. All the respondents identified different factors that have hindered effective implementation of strategies. These challenges range from resource insufficiency, lack of competent personnel, lack of sufficient communication, lack of understanding of the strategy to be implemented, management style, incompatible structure, and to unsupportive internal systems. Each of the challenges will be explained in details below.

4.3.1 organizational structure challenge

All the respondents noted that the organizational structure does not support the realization of set objectives, the respondents pointed out that International federation of red cross adopts a functional organizational structure in which the employees within the functional department perform a specialized set of tasks, for instance those in finance department would be staffed only with accountants. This led to operational inefficiencies within the department. However it also led to a lack of coordination between the functional groups within the organization, making the organization slow and inflexible leading to loss of opportunities to achieve the desired set objectives.

Sixty percent (60%) of the respondents indicated that if a hybrid kind of organizational structure is adopted, the coordination between the functional departments would be operational and hence successful implementation. This will take the form of a matrix organization where the structure allows teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and decentralized forms.

The respondents indicated that the centralized decision making system makes it difficult for smooth operations as it creates bureaucracies and slow decision making process even during the emergencies where there is no much time to deliberate and follow the policies. They therefore reinforced the importance of decentralization to allow ease of decision making even for some level to the middle level employees, which will lead to innovation and consequently growth.

4.3.2 Staffing challenge

The respondents agreed that staffing is a challenge at international federation of red cross, this is caused by lack of management to encourage innovation and new ideas from the current employees. The organizational culture is not supportive to new way of doing things. It was also noted that the organization issues short term employment contracts which is not attractive to qualified and competent employees. The respondents noted that effective strategy implementation depends on competent personnel. No organization can hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital.

The respondents were quick to add the fact that staffing challenge is mitigated by capacity building initiatives the organization undertakes like trainings, seminars, exchange programs in which employees get the skills and knowledge to carry out the organizational activities. It is noted that Without a smart, capable result-oriented management team, the implementation process ends up being hampered by missed deadlines, misdirected or wasteful efforts. Building a capable organization is thus a priority in strategy execution.

4.3.3 Resource challenge

The respondents noted that resource insufficiency is a big problem that hampers realization of organization's strategies. All the respondents were quick to mention the fact that 100% of funding is received from donors, this therefore limits the organization as it is expected to implement what the donors fund and not necessarily the initiatives of the organization or the aspirations of the organization. This led to difficulty in allocating resources amongst competing priorities especially in areas where donors are not interested.

Allocating resources to particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors commonly prohibit effective resource allocation. These includes; overprotection of resources, too great emphasis on short-run financial Criteria, organizational policies, vague strategy targets, reluctant to take risks and lack of sufficient knowledge.

4.3.4 Challenge of communication and lack of understanding of strategy

Eighty percent(80%) of respondents agreed that communication is a problem in implementation of strategy at International federation of red cross. The respondents indicated that communication is in a form of top down approach in which the management do send the employees messages both oral and written, but there is rarely feedback required from the lower level employees.

The respondents also noted that in some cases they did not understand very well the implications of the strategy they were required to implement as well as the role they

play in ensuring success. It is noted that no great amount of information guarantees understanding as there is still much to be done on the field of communicating strategies, including training all employees on strategy and the role they play in ensuring that strategy is successfully implemented. Communication should be a two way so that it can provide information to improve understanding and responsibility, and to motivate staff. It should not be a one-off activity focusing on announcing the strategy as the case of International federation of red cross. It should be an on-going activity throughout the implementation process.

4.4 Discussions

This study was conducted to establish the strategy implementation at the International federation of red cross, Somalia. It was observed that strategy implementation is done in a systematic way in which conscious decisions and actions result in the implementation of long term plans designed to achieve organizational objectives. The actions which are in form of structure, skills, style and staff are meant to holistically and effectively organize a company together and this determine the way in which an organization operates harmoniously. The results of the study therefore is in agreement to McKensey 7 S model in which the seven variables are interlinked and play in harmony for the success of the organization to be realized.

The results of the study as discussed above also indicated that to implement the strategies successfully, structure has to be matched to strategy. This is in relation to Chandlers theory of structure follows strategy which concluded that for organizations to make their diversified and complex businesses work and continue to work into the future they had to reorganize decentralization.

In establishing the challenges encountered in implementation of strategy at International federation of red cross. The findings established that strategies to be implemented must be supported by decisions regarding appropriate organizational structure, culture, systems, resources and leadership. This is also in line with Mckensey 7 S model. Further, successful strategy implementation depends on how a firm is organized and that strategy and structure needs to be matched. This is in relation to Chandler's theory of structure follows strategy.

CHAPTER FIVE:SUMMARY,CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter presents the summary of findings, conclusion and recommendations for further research with regard to objectives of the study.

5.2 Summary of findings

In summary the study shows that the respondents were knowledgeable about the operations of the organization as all the respondents confirmed to have worked for the organization for more than six years. The respondents were also engaged in day to day management and decision making for the organization. In light of this, the researcher felt that the results obtained from the respondents reflect a true position as in the organization.

The results from the study indicates that strategy implementation process is systematic, after strategy is formulated and the objectives set, annual operational plan is developed. The operational plan sets out the outputs and activities necessary to achieve the outcome in the strategic plans, as well as the operational budgets and responsibility matrix. The results also indicated that a long range plan do exist, a five year plan and an annual plan derived from it which is reviewed on quarterly basis.

At International federation of red cross, the senior managers are responsible for implementation of strategies, the lower level employees were left out in the process but were made aware by email communication, hence most of them did not understand the role they play in realization of strategy. The study found out that

employees will feel motivated to achieve the organizational objectives if they are part of the process.

The results from the study indicated that communication is one way and hence no feedback mechanism. The employees appreciated the need for an effective feedback where communication is not a one-off activity which only focuses on announcing the strategy. It should be an on-going activity throughout the implementation process.

The implementation of strategies at International federation of red cross faces a number of challenges. This includes resource insufficiency as most funding comes from donor who restrict the usage of funds, staffing challenge is also noted as the culture does not support innovation and also due to short term engagements, the structure was also found not to be supportive of the strategies to be implemented and lastly poor communication and feedback mechanism which hindered employees understanding of the expected.

5.3 Conclusion

Strategy implementation process is vital for the functioning of any organization, from the findings it was established that strategy implementation calls for decisions and actions that has to work together in harmony to realize organizational objectives. International federation of red cross do have a system in place to ensure that formulated strategies are realized by use of annual operational plans and regular monitoring systems.

A number of challenges can hinder successful strategy implementation, this includes, resource insufficiency, structural challenges, skills and competencies, communication

and leadership of the organization. All these factors can lead to not achieving overall organizational objectives.

5.4 Recommendation

The research findings indicated that the functional organizational structure does not support the realization of set objectives. It also led to operational inefficiencies within the department due to lack of coordination between the functional groups within the organization. For strategy implementation to be successful the strategy must match the structure. The organization has to revise the structure and decentralize as much as possible so that decisions can be made easily and fast. This will not only lead to efficiency but will also boost staff morale who will work as a team to realize the overall organizational objectives.

It was also noted that lack of competent and qualified employees hampered strategy implementation. Findings indicated that organization cannot hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital. The organization has to empower its staff through trainings and seminars so that the employees get the required skills and knowledge to execute their roles and achieve the overall objectives. Without a smart, capable result-oriented management team, the implementation process ends up being hampered by missed deadlines, misdirected or wasteful efforts. Building a capable organization is thus a priority in strategy execution.

It was established that resource insufficiency is a big problem that hampers realization of organization's strategies. This is an issue especially in the donor funded

sector as the funders restrict the funding to a certain line of intervention. This can only be mitigated if the organization sets up an income generating activities so that it can be able to sustain itself and reduce donor dependency

Effective communication is a key requirement for effective strategy implementation. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation. Communication should be a two way so that it can provide information to improve understanding and responsibility, and to motivate staff. It should not be a once-off activity focusing on announcing the strategy as is in the case of International federation of red cross. It should be an on-going activity throughout the implementation process. Employees should have easy access to management through open and supportive communication climates.

5.5 Limitations of the study

Time set for the study was short, getting to interview top management of the organization was a challenge due to the fact that the respondents were busy most of the times, appointments were rescheduled in most cases.

The interview guide as a data collection instrument also posed a limitation. Some respondents complained that interview sessions took long and some questions were technical and probing was quite a lot.

5.6 Suggestions for further research

The study confined itself to International federation of red cross, Somalia. This research should therefore be replicated in other International federation of red cross

country offices to establish whether there is consistency in practice among the country offices and whether the challenges are similar.

The research should also be done in other similar Non-governmental organizations in Somalia to find out if the strategy implementation and challenges faced are almost similar, this comparison will aid the organizations in identifying best practices

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APPENDIX

APPENDIX : INTERVIEW GUIDE

The interview guide was to achieve the following objectives;

- i. To establish strategy implementation at IFRC, Somalia
- ii. To determine the challenges encountered in implementation of strategy by IFRC, Somalia.

Interview Questions

The following sections provide sample questions to be used in evaluating the strategy implementation and the challenges encountered In Implementation of the strategy by IFRC, Somalia.

Background Information on the interviewees

1. What current position in the organization do you hold?

2. For how long have you been holding the current position?

Strategy implementation at IFRC- Somalia

1. What duration does the institutions strategy cover?

2. How does the organisation plan to achieve its long term plans/objectives?

3. (i) Is the strategy implementation process defined?

(ii) If yes, kindly mention the stages involved in a sequential manner?

4. Does the organization structure support the achieving of the long term objectives?

5. How often is feedback on strategy implementation communicated to the Employees?

6. Do we have adequate monitoring tools as to how far organisation has achieved its objectives?

Strategy implementation challenges

1. Did any major problems surface which had not been identified during the strategy formulation at the implementation stage?

2. Was the coordination of the strategy implementation process sufficiently effective?

3. Was the training and instructions given to all employees adequate?

4. Does the country representative/departmental manager provide adequate Leadership and direction in achieving organisational goals?

5. Were the key implementation tasks and activities sufficiently defined?

6. Are there any challenges experienced during implementation stage?
