CHALLENGES IN THE IMPLEMENTATION OF TURNAROUND STRATEGY AT KENYA NATIONAL LIBRARY SERVICE,

KENYA

BY

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DECLARATION

This project study is my original work and has not been presented before for the award of a degree in this University or any other institution of higher learning for examination.

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This project is dedicated to my beloved mother (now deceased), who inspired me to pursue my academic career to the greatest level regardless of time and age. To the babies Cindy, Tracey and Darwin (JD), thank you for being patient.

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ABSTRACT

Turnaround management is a process dedicated to corporate renewal. It uses analysis and planning to save troubled companies and returns them to solvency. As companies struggle to make out the best/most appropriate approach for a turnaround, it is also important to assess and appreciate the unique available resources within itself mandating it to achieve its goals. The resource based view theory is a basis for a competitive advantage of a firm and lies primarily in the application of the bundle of valuable interchangeable, tangible and intangible resources at the firm's disposal (Mwailu & Mercer, 1983). The reading culture and demand for knowledge in Kenya has been increasing with the growth in the population, the need for advancement in both academic and professional qualification in the competitive job market and technological advancement. Knls has been offering both Public and National Library services since its establishment in 1965. It has been promoting the reading culture and expanding the network currently standing at 60 operational libraries. The library network is notably unique as it has large resources both human and capital, making it enjoy competitive advantage based on the resource based theory. The public library services in Kenya has however been experiencing challenges in an effort to encourage reading for information and innovation due to the perception, inadequate funding and the poor reading culture of Kenyans. The objective of the study was to establish the challenges in the implementation of turnaround strategy by Kenya National Library Service. The study also looked at the measures to mitigate against these challenges. The study also provided an insight on how the unique and large resources that knls has as a competitive advantage was seen as value added as analysed in the recourse based view theory. The turnaround strategy implementation seeks to capitalize on this resource base and the challenges of its implementation. The methodology used to collect data was through one on one interviews with the selected staff. This was also tested for consistency and secondary data applied. The findings of the study show that knls has challenges in the implementation of turnaround strategy due to: inadequate resources in terms of financial, human and capital; organizational culture, organizational structure. Communication and management commitment challenges appeared to have been mostly in the divisional level of management. To overcome the challenges, the study recommends that the Government considers increasing the financial allocation to knls, review current policies for engagement with Public Private Partnerships and also to make it easier for development partners invest in infrastructural investment. knls is also to rethink its position in the face of devolution. The implication of the study shows that the Government should be able to review the policies currently in place, to make it easier and for enhanced funding and creating of partnerships both locally and internationally with a view to improving the infrastructure, human capacity, information materials to mention a few. The study further confirms that Resource Based View is still the basis on which knls would use as a competitive advantage in the provision of public library services. In the recent past, The Open Systems Theory is perceived to be state of the art systems-based change management body of knowledge designed for today's turbulent and unpredictable environment and it being used by many successful organizations, including corporate giants such as Microsoft and Hewlett Packard. knls is yet to get to this level.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

A company's strategy is management's 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, competing successfully, conducting operations, attracting and pleasing customers and improving the company's financial and market performance (Thompson,1993). Turnaround management is a process dedicated to corporate renewal. It uses analysis and planning to save troubled companies and returns them to solvency. As companies struggle to make out the best/most appropriate approach for a turnaround, it is also important to assess and appreciate the unique available resources within itself mandating it to achieve its goals (Corporate Renewal Solutions, 2011).

The resource based view theory is a basis for a competitive advantage of a firm and lies primarily in the application of the bundle of valuable interchangeable, intangible and tangible resources at the firm's disposal (Mwailu & Mercer, 1983). This will give rise to analyzing the capability of the company to fully utilize the resources to have an edge over others. According to Teece, Pisano, and Shuen (1997), dynamic capability is the firm's ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments. Helfat et al (2007) says dynamic capability refers to the capacity of an organization to purposefully create, extend, or modify its resource base. The reading culture and demand for knowledge Kenya has been increasing with the growth in the population, the need for advancement in both academic and professional qualification in the competitive job market and technological advancement. The availability of conducive sources of relevant information material that meets all ages has in many instances not met the expectations and equally the demand. Kenya National Library Service is no exception. The library network is unique as it has large resources both human and capital, making it enjoy competitive advantage based on the resource based theory. The first public library in Kenya was the Seif Bin Salim and free reading room established in Mombasa in 1903, currently knls – Mombasa Branch. By 1945, Kenya had two more main public libraries namely: the Macmillan Memorial Library and the Desai Memorial Library in Nairobi. The number has since into a network of sixty (60) branch libraries spread in all but 13 counties within the country.

The institution has since its inception relied heavily on government funding to sustain it operations for both recurrent and development expenditures. It has also been receiving donor funding for specific projects in form of books and cash, to supplement the Government funding. The grants received from the Government have not been growing proportionately with the demand for library service country wide. It is against this backdrop that the Board of Directors and Management sought to adapt to the changing needs and demand of its patrons with the aim of improving the provision of Library services within the network by one; demystifying the perception of irrelevance, two; improving the image by refurbishing the library facilities, three; investing in information technology, four; enhancing its financial base and setting up proper strategies and structures for ease of accountability, five; monitoring and evaluation.

1.1.1 Dynamics of Turnaround Strategy

The word "strategy" is derived from the Greek word stratçgos; which derives from two words: - "stratos" – meaning army; and "ago" – which is the ancient Greek for leading/guiding/moving. In its military aspect, the term had to do with stratagems by which a general sought to defeat an enemy, with plans he made for a campaign, and with the way, he moved and disposed his forces in war. The strategy definition most commonly known today is as the art of analyzing, projecting and directing campaigns. Strategy is not planning as planning deals with situations in a controlled environment. Strategy deals with competitive situation in an uncontrolled environment. Johnson and Scholes (Exploring Corporate Strategy) define strategy as follows: Strategy is the direction and scope of an organization over the long-term: which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations. Strategy is the means by which objectives are consciously and systematically pursued and obtained over time.

The study on turnaround strategy dates back to the 19th Century when Barnard (1938) emphasized the scientific analysis of organizational behaviour by placing importance on the choices that are involved in organizational activity and decision making. His ideas were further enhanced by Schendel, Patton and Rigss (1976) on the strategy using data from Standard & Poor's Compustat sources on 54 firms between 1952 to 1971. Schendel et al (1976) concluded that turnaround comes from regaining efficiency or changing strategy to make the firm better suited to its environment. They further identified a mix of organizational, marketing, technical and strategic variables as being key to successful turnarounds.

Turnaround as defined in the Heinemann Macmillan(2006) dictionary, 'is to stop being unsuccessful and start being successful'. A turnaround can have stages that comprise of recognizing the need for a turnaround, turnaround situation assessment, emergency management, turnaround plan refinement, turnaround restructuring and turnaround recovery. The need for efficient and reliable service delivery within the social set up, is a factor that the cultural and heritage sector has been trying so hard to achieve. Ansoff (1965), says that a firm's mission should be to exploit an existing need in the market, rather than using the consumer as the common thread in business. Selznick (1957) formalized the idea of matching the organization's internal factors with external environmental circumstances when considering strategy.

Firms' pursue a turnaround strategy in different forms which include: undertaking a temporary reduction in operations in an effort to make the business stronger and more viable in the future; a divestment decision when a firm elects to sell one or more of the businesses in its corporate portfolio; bankruptcy involves legal protection against creditors or others allowing the firm to restructure its debt obligations or other payments, typically in a way that temporarily increases cash flow; liquidation which involves the selling or closing of the entire operation. When there is no future for the firm, employees are released, building and equipment are sold, and customers no longer have access to the product or service. This is a strategy of last resort and one that most managers work hard to avoid.

The components of turnaround strategy are: Managing the turnaround in terms of turnaround leadership; stakeholder management, and turnaround project management; stabilizing the distressed company by ensuring the short-term future of the business through cash management; demonstrating control, re-introducing predictability and

ensuring legal and fiduciary compliance; funding and recapitalizing the distressed business; fixing the distressed company in strategic, organizational and operational terms (Corporate Renewal Solutions, 2011).

The development of new products, entering new markets, extrapolating alternative sources of revenue and modifying the image or the mission of a company is another form of pursuing a turnaround strategy. The replacement is a strategy, where top managers or the Chief Executive Officer (CEO) are replaced by new ones. This turnaround strategy is used, because it is theorized that new managers bring recovery and a strategic change, as a result of their different experience and backgrounds from their previous work (Corporate Renewal Solutions, 2011).

1.1.2 Strategy Implementation

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 the long term plans designed to achieve organizational objectives (Pearce & Robinson, 2003). It is viewed by Thompson and Strickland (1989), as acting on what has to be done internally to put the strategy into place and achieve the targeted results. Strategy implementation includes considerations of who will be responsible for strategy implementation, the most suitable organizational structures that should support the implementation of the strategy (Pettigrew,1988; Lynch,2000), the need to adapt the systems used to manage the organization (Johnson & Scholes,2002), and the key tasks to be carried. The development of strategy is one thing while its implementation is another. Aosa (1992) adds that strategies would be of no value unless they are effectively translated into action. Pearce and Robinson (1997) in their view say that strategy implementation is the 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. Strategy implementation assist firm's management to redefine the future, create value, success and growth of the organization.

1.1.3 Challenges in the Implementation of Turnaround Strategy

Turnaround is a strategic option applied in ailing organizations. The overall goal of turnaround strategy is to return an underperforming or distressed company to normal in terms of acceptable levels of profitability, solvency, liquidity and cash flow. However, this implementation does not come easy. There are challenges the organization will face in the implementation process which could include; first is the design. What type of restructuring is appropriate for dealing with the specific challenge, problem, or opportunity that the company faces? A second challenge is execution. How should the restructuring process be managed and the many barriers to restructuring overcome so that as much value is created as possible? A third hurdle is the marketing: How should the restructuring be explained and portrayed to investors so that value created inside the company is fully credited to its stock price? (Corporate Renewal Solutions, 2011)

The implementation of turnaround strategy can also face challenges from both internal and external to the organization. The internal sources include; behavioral challenges such as resistance to change where the workforce would rather maintain the status quo. They may not be comfortable with introduction of doing things in a different way to achieve even better results. Inadequate resources such as funds, equipment and facilities, human resource skills and experience poses yet another challenge. Further, inappropriate systems of structure, culture, leadership, policies, support and reward can also be a source of internal challenges to strategy implementation. Proper planning and control systems can be useful in reducing problems of inappropriate systems.

The turnaround implementation strategy should also appreciate the external environment. No organization can proudly claim to be independent of external factors. These are include: economic forces, political-legal forces, socio-cultural forces, technological and ecological forces. Thorough understanding of these forces and good planning can help reduce challenges associated with the macro-environmental forces. The industry forces equally play a role in the implementation process as they to some extend dictate the success of the organization. To be noted as a challenge is the operative environmental forces. Pressure arising from stakeholders such as creditors, suppliers, customers, government, shareholders and the local community can impose challenges to strategy development (Gworo, 2012).

1.1.4 Cultural Heritage in Kenya

Libraries the world over have always been considered to be the source of information materials of various classes. The Constitution of Kenya Review Commission (2003) report on culture in Kenya revealed that all cultural, linguistic and religious communities in Kenya are equal. It also reaffirmed that such communities have a right to revitalize, use, develop and transmit to future generations their histories, languages, oral traditions, philosophies, writing; and shall be respected and not discriminated in any form.

The mission of the then Ministry of State, Culture and Heritage was to develop, promote, preserve and disseminate Kenya's diverse cultural and national heritage. The Presidential Circular No. 1 of 2008 set out the mandate of the ministry to include promotion of culture and national library services. The COK (2010) recognizes libraries as vehicles for cultural and national expression. Libraries have strong influence and play a vital role in the development of educational, technological and economic concerns and agenda. Citizens are expected to use information in complex ways and to maintain and enhance their literacy skills for growing their imagination to support creativity and innovation.

The publication of the UNESCO Public Library Manifesto in 1949 provided a blueprint for public library development. It was therefore expected that the world nations base their public library development on the guidelines of the Manifesto. In the manifesto UNESCO defined a public library as a democratic institution established under clear authority of law to provide education as a lifelong process and was meant to provide free access and equal rights (UNESCO, 1949).

Libraries are democratic institutions that exist in order to give all citizens equal access to learning and self-determination; ensures the freedom of speech, freedom to read and the freedom to view; provide safe spaces for public dialogue; provide the resources needed for the public to inform itself in order to participate in every aspect of our information society ; provide access to government information so that the public can monitor the work of its elected leaders and benefit from the data collected and disseminated by public policy makers. Libraries also disseminate information so that the public can participate in self-governance.

Article 11 of the Constitution of Kenya (2010), recognizes culture as the foundation of the nation and as the cumulative civilization of Kenyan people and nation. The state shall provide all forms of national and cultural expression through libraries, literature, the arts, traditional celebrations, science, communication, information, mass media, publications and other cultural heritage. Article 35(1) (a) (b) designates access to information as a fundamental human right.

The libraries in Kenya have been defined in five categories: National Library, Public Libraries, Academic Libraries, School libraries and Special Libraries. The National and Public Libraries are easily accessible by members of the public while the Academic and School Libraries are found in learning institutions for the registered students. Special Libraries are found in organizations and residential homes.

1.1.5 Kenya National Library Service

At independence, the country's development agenda cited 3 problems to be fought i.e. ignorance, diseases and poverty as cited in Sessional Paper No.10 of 1965 in order to achieve social justice, human dignity and economic welfare for all. Literacy was seen as essential in fighting these ills and hence necessary for sustainable development. Information is the underlying factor to all three and hence the establishment Kenya National Library Service Board and Kenya Literature Bureau as the first government agencies in independent Kenya to generate information resources and disseminate the information or provide access to the resources.

Kenya National Library Service (knls) was then established in 1965 through an Act of Parliament Cap 225 of the Laws of Kenya, as a Board to promote, establish, equip, manage, maintain and develop libraries in Kenya. It has been operating within various Ministries and is currently under the Ministry of Sports, Culture and The Arts. The first public library in Kenya was the Seif Bin Salim and free reading room established in Mombasa in 1903, currently knls – Mombasa Branch and over the years knls has managed to grow into a network of sixty (60) operational branches in all but thirteen counties. These are made up of eight (8) provincial libraries, eight (8) District Libraries and forty four (44) Divisional/Community libraries. These were distributed with the then administrative order within the government. Most (58) of the branches have been ISO 9001:2008 Quality Management Systems certified.

The Vision 2030 is anchored on three key pillars: the Economic, Social and Political pillars. A basic evaluation of the components of these pillars indicates that information is the cornerstone upon which this Plan is anchored. knls provides also certain outreach services which are unique to particular customers or regions in

addition to having the physical facilities in all but 13 counties in the country. These Services include the following; Camel library service is provided in Garissa provincial and Wajir community Libraries, Book box service to schools is provided at Karatina Community Library, Cupboards library service is provided in Laikpia Community Library, Traveling libraries/mobile library vans in some knls provincial and district libraries, Braille services to institutions dealing with visually impaired persons are mainly provided in most of the Libraries and service to the prison in Nyeri.

The knls primary mission has been bridging the book gap by supplementing the school reading materials; promotion of literacy and reading culture among the Kenyan people through the National book week events, Children's reading tents (CRT) and reading book clubs among others. The library has been playing a dual role of being the National Library and the Public library of Kenya

In accordance with the Act, it empowers the Board to advice the Government, Local Authorities, and private Sector on all matters regarding Library development. It is on this mandate that knls has developed the Policy Framework for the National and Public Libraries which will seek to facilitate a sustained reading culture by utilizing the country's rich national heritage and, by complementing poverty reduction strategies recommended by the Government through knowledge acquisition and utilization to facilitate universal access to information. The Policy is based on four guiding principles: Compliance to with Constitution of Kenya (COK 2010), a repeal of the Kenya National Library Service Board Act (Cap 225) of the laws of Kenya, and a substitution of the same with a new piece of legislation, human resource development and library service delivery mechanism to serve the country effectively.

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1.2 Research Problem

The concept of turnaround revolves around a change in the way structures are laid out and operations are conducted within an organization. According to Kaplan (2005), organizations need to create customer experience that keeps customers coming back, strategy which will ultimately separate one's firm for the competition. Turnaround strategy aims at revitalizing an existing organization. The techniques that can be used in this course include: retrenchment which includes wide-ranging short term actions to reduce financial loss; entrepreneurial strategy (repositioning) which focuses on revenue generation with new innovations, change in product portfolio and market position; replacement where top managers are replaced by new ones supposedly to inject new life. It is the implementation of any one of the techniques that will face challenges if inadequate research and time has been taken to design, plan and coordinate it development. This has been attributed to a number of strategic failures. Even though studies show that communication is a key success factor in strategy implementation. Miniace and Falter (1996), says that communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized.

The public library services in Kenya have experienced challenges in an effort to encourage reading for information and innovation due to the perception, inadequate funding and the poor reading culture of Kenyans. The users of public and The National Library are mainly those who would be preparing and reading for academic and professional purposes. The then Ministry of State for National Heritage and Culture under whose jurisdiction knls was, identified flagship projects and specific programmes in relation to Vision 2030.

The knls Board is to contribute to this through information development, dissemination and knowledge management using its national and public library services. (knls Strategic Plan – 2012-2017).

The studies done both locally and internationally revealed that most organization faced a number of similar challenges in the implementation of turnaround strategy from inadequate financial and human resources, organizational structure and culture, commitment by management and communication amongst others. The studies showed that for organizations to succeed, more than one strategy should be adopted Kazou (2010) who did a study on the turnaround strategy at Air India, found that Air India ran into bankruptcy due to interference by the Government in the operation of the airline, there was an impending merger which made the employees including pilots very unsure of and worried of their future. There were a lot of uncertainty in its survival. Carter and Schwab (2008) studied on the Turnaround Strategies in Established Small Family Firms and established that organisational crisis, replacements and informal management systems were a hindrance strategy implementation. Curley (2002) studied the effectiveness of turnaround strategy at Mid Yorkshire in the United Kingdom and established that this can only succeed with proper design, planning, allocation of adequate resources and implementation of the strategy.

Simba (2010) studied on the turnaround strategy at Kenya Meat Commission (KMC) and also to determine the challenges faced in implementation of the turnaround strategy. His findings established that the main challenges faced by KMC were; ineffective leadership, frequent breakdowns of the machinery, cash flow problems, negative culture/resistance to change, limited funds to undertake adequate marketing,

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lose of export markets, poor planning especially on livestock off take programmes, slow adoption to changing technology, non-involvement of stakeholders and lack of budget linkage to specific strategic priority. Wandera (2012) also did a study on the turnaround strategy at Kwale International Sugar Co, and his findings established that the challenges faced were financial, restructuring and lack of commitment by managers. Gichuki, (2009) studied on the Turnaround Strategies at the Co-operative Bank of Kenya and found out that there was no single strategy that was able to confront declining performance instead it had to be fought from various fronts by use of a multiple of strategies among them, repositioning, modernization, cost cutting, asset reduction and revenue enhancement. Kipkeu (2009) studied that challenges at Telkom Kenya limited and also established that technological advancement in equipment pushed them out to market, retrenchment, resistance to change, organizational culture were a key hindrance to successful implementation.

The financing gap is a continuing challenge for the Board as every plan, program and or activity is competing for dwindling resources against very high public expectations on service delivery. In order to effectively and efficiently address the underlying financial challenge it is incumbent upon the Board to leverage available resources and capacity moving forward, to leverage on its strengths and opportunities to mitigate these challenges and promote cost-recovery of their operations in order to become financially self-sustainable at the same time within the spirit of the UNESCO Manifesto. None of the above studies had focused on turnaround strategies and practices at the Kenya National Library Services. Accordingly, this study attempts to bridge the knowledge gap by seeking answers to the question: what are the challenges being faced by Kenya National Library Service in the implementation of the turnaround strategy?

1.3 Research Objective

The objective of the study was to establish the challenges in the implementation of turnaround strategy by Kenya National Library Service.

1.4 Value of the Study

The Vision 2030 and the Policy Framework for National and Public Libraries gives direction as to the role of the National Library and Public library of which knls plays a dual role to ensure significant development and streamlining of library services. The key principles focus on equity, people centeredness and participatory approach, efficiency, multisectoral approach and social responsibility. To this end, Kenya National Library as a contributor and major stakeholder is bound to take a leading role with the Policy. The study assessed the relevance of the turnaround strategy at knls to uphold the Framework Policy.

The study also provided an insight on how the unique and large resources that knls has as a competitive advantage being value added as analysed in the recourse based view theory. The turnaround strategy implementation seeks to capitalize on this resource base and the challenges of its implementation.

The study provides information source for policy makers and players in the provision of library services on the strategic turnaround strategies practices at knls, which will enhance their decision making and policy design or improvement and also equip them with the challenges to expect in the implementation of the turnaround as a strategy. The findings will further form good literature upon which further research on the use of turnaround as a strategy to revamp the management of public libraries, and The National Library in Kenya.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the theoretical analysis of resource based view theory, open systems theory and the challenges of strategy implementation.

2.2 Theoretical Foundation

A theoretical framework is a collection of interrelated concepts, eg a theory but not necessarily so well worked-out that guides research in determining what to measure, and what statistical relationships to look for. Theoretical frameworks are structures that can hold or support a theory of a research work and explains why the problem under study exist. In this study the resource base view theory, dynamic capabilities theory and open systems theory are considered to be useful in making decisions on strategy with the aim of achieving desired goals of an organization.

Mwailu and Mercer (1983) said that resource based view (RBV) theory is a basis for a competitive advantage of a firm and lies primarily in the application of the bundle of valuable interchangeable and intangible tangible resources at the firm's disposal. The theory brings out the need to clearly and 'loudly' identify the unique resources an organization/firm may have and deploy over others to gain a competitive edge. Over the years many contributions have been made on the RBV. Selznick's (1957) idea of an organization's 'distinctive competence' is directed related to the RBV. Also, Chandler's (1962) notion of 'structure follows strategy', as well as Andrew's(1971) proposal of an internal appraisal of strengths and weaknesses, led to the identification of distinctive competencies. Penrose (1959) pioneered the idea of viewing a firm as a bundle of resources. Penrose argued that it is the heterogeneity, not the homogeneity, of the productive services available from its resources that give each firm its unique character. The notion of firm's resources heterogeneity is the basis of the RBV. Wernerfelt (1984) further suggested that evaluating firms in terms of their resources could lead to insights that differ from traditional perspectives. Barnery (1991) identified the needed characteristics of firm resources in order to generate sustainable competitive advantage as: valuable (in the sense that they exploit opportunities and/or neutralize threats in a firm's environment), rare among a firm's current and potential competitors, inimitable, and non-substitutable. Other scholars who adopted and expanded on Barnery's view are (Amit & Schoemaker, 1993; Mahoney & Pandian, 1992; Peteraf, 1993; Rumelt, 1984; Dierickx & Cool, 1989) to include: resource durability, non-trade ability, and idiosyncratic nature of resources.

According to Amit and Schoemaker (1993), Capabilities represent the organizational processes by which resources are assimilated and productively deployed. These information-based organizational processes tend to be firm specific and are developed over substantial time periods through complex interactions among the firm's resources. In the recent times, the resource-based approach has begun to consider dynamic routines and processes, which are linked to the dynamic capabilities research literature (Eisenhardt & Martin 2000, Helfat & Peteraf 2003, Teece, Pisano & Shuen 1997). It has also been stated that the resource-based view of the firm while accurate is incomplete for understanding environments experiencing substantial change. The primary focus of the resource-based view, is on leveraging current capabilities for gaining and sustaining competitive advantage. (Teece, Pisano & Shuen (1997). In the same breath, Eisenhardt and Martin (2000) say that this leveraging approach to

competitive advantage is not as beneficial in turbulent markets. Thus to ascertain how capabilities evolve in environments of substantial change, the resource-based view is usefully complemented by the dynamic capabilities research literature on dynamic processes (Augier & Teece 2006, Mosakowski 1993).

In their contribution, Eisenhardt and Martin et al (2000) further said that, dynamic capabilities involve the organizational processes by which resources are utilized to create growth and adaptation within changing environments. Dynamic capabilities pertain to the organization's competencies to integrate, build, and reconfigure resource positions in rapidly changing environments. This is gathering momentum as a consideration in the implementation of turnaround strategies in the recent past. Turnaround is no longer being viewed as strategy to increase efficiency, growth in profits, cost cutting measures and much more. It is being appreciated that the unique resources within the organization could be the answer to the many questions on how to implement the turnaround strategy.

Open Systems Theory (OST) is considered to be a modern systems-based changed management theory designed to create healthy, innovative and resilient organizations and communities in today's fast changing and unpredictable environments. Its initial conception was by Ludwig von Bertanlanffy, a biologist 1930 and 1956. During the early 1960s, theoretical psychologists applied the theory to organizational structures such as governments, universities and businesses. (Griffin, 1999). It was simply put that any time an individual organization used resources from its environment including personnel in its production, the system was open to outside forces.

Katz & Kahn (1966) say that open system theory is basically concerned with problems of relationships, of structures and of interdependence, rather than with the constant attributes of object.

According to Bastedo (2004), Open systems theory refers simply to the concept that organizations are strongly influenced by their environment. The environment consists of other organizations that exert various forces of an economic, political, or social nature. It was developed after World War II in reaction to earlier theories of organizations, such as the human relations perspective of Elton Mayo and the administrative theories of Henri Fayol, which treated the organization largely as a self-contained entity. The Open Systems Theory, is perceived to be state of the art systems-based change management body of knowledge designed for today's turbulent and unpredictable environment and it being used by many successful organizations, including corporate giants such as Microsoft and Hewlett Packard.

2.3 Challenges of Strategy Implementation

In study done by Kibathi (2009) on the challenges of strategy implementation at Oxfam Great Britain - Kenya, she said that strategy implementation is the process of transforming strategic intentions into actions, then into acceptable results. Successful strategy implementation is as critical and difficult as the strategic choice. It requires consideration of the resources to be used, human resource requirements, structure, systems, and other variables. Mutambuki (2011), also conducted a study on challenges on strategy implementation at Kenya Pipeline Company and said the Strategy implementation is seen as the continuation of the planning process as it turns the crafted strategic plans into actions to achieve an organization's objectives. Strategy implementation is a social and political process in which different interest

groups with conflicting interests and bargaining powers interact each playing its own game. For effective strategy implementation, the strategy must be supported by an appropriate organization structure, reward system, organizational culture, resources and leadership.

According to Beer, Eisenstat and Specter (1990), organizations seems to have difficulties in implementing their strategies, however, researchers have revealed a number of problems in strategy implementation e.g. weak management roles in implementation, lack of communication, lack of commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities (Beer & Eisenstat,2000). Lewin and Volberda (1999) stated clearly that most of the individual barriers to strategy implementation that have been encountered fit into one of the following interrelated categories: too many and conflicting priorities,, a top down management style, inter functional conflicts, poor vertical communication and inadequate management development. In an article by Hildebrandt (2009), he identified challenges to be; insufficient partner buy-in; insufficient leadership attention; ineffective leadership; weak or inappropriate strategy and resistance to change.

Jones (2000) emphasised on communication as key in strategy implementation. When we are communicating strategy, we are communicating change. The key for communicating strategy is to be able to align the extent and scope of the change and the approaches of implementation with the values and principles outlined in the related policy document.

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Winter (2007), observed that, regardless of the precise nature of a policy or strategy, and the support that exists for it, if the means to implement it are either non-existent or inadequate in terms of capacity or capability, or both then it will count for little.

2.4 Previous Studies on Turnaround Strategy and Research gaps

The studies globally on turnaround strategy have been in different sectors. Mukherjee (2010) did a study on the implementation of turnaround strategy at Air India, Kazou (2012) focused on turnaround at the Sony a Japanese electrical company while Curley (2002) studied the effectiveness of turnaround strategy at Mid Yorkhire Hospital in the United Kingdom.

In Kenya, several studies on the implementation of turnaround strategies have been done. Wandera (2012) did a study of turnaround strategy at Kwale International Sugar Co., Kiarie (2009) equally did a study on turnaround strategies adopted by Uchumi Supermarkets Limited. Wafula (2011) on the other hand did a study on the challenges in the implementation of the Automation of knls Financial Management System (Ms Navision).

The studies have not focused on the implementation of turnaround strategy at knls and the challenges of implementing the same. What are the challenges being faced by knls in the implementation of turnaround strategy?

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology describes details of the research design and the procedure to be followed to achieve research objectives. The section includes brief statement describing the general research methods that were followed, description of the approaches and methods that were applied in collecting primary and secondary information.

Research methodology also includes the population or samples or target groups to be used as source of data gathering. It also includes a description and explanation of the elements, variables of factors to be measured or otherwise addressed by the research.

3.2 Research Design

The study adopted a case study design because the study sought to define the nature of the problem within the particular business unit. According to Mugenda and Mugenda (1999) a case study is an in depth investigation of an individual, group, institution or phenomenon. The case study design enabled the researcher to gain deeper insights and understanding of the problem since the researcher was able to gather information from specific phenomenon. The investigation made a detailed examination of a single subject, group or phenomenon. The case study in its in-depth investigation, established the challenges knls was facing in the implementation of the turnaround strategy(ies), its organizational structure and practices adopted to achieve its goal. Churchill (1991) agrees that this is an appropriate form of study, especially when the objective of the research is to gain insights into ideas, in this case the turnaround strategy at knls.

3.3 Data Collection

The study used primary and secondary data. Secondary data was be obtained from the library's strategic plan, annual reports and the kenal news bulletins as they contained information on what the library had done in the past. Primary data was be generated through a one on one interview guide with the Chief Executive, Deputy Director – Technical Services, Senior Management staff (Principal Planning Officer, Principal Internal Auditor, Principal ICT Officer and two Heads of branches.

The interview guide consisted of three parts namely: brief of respondents profile, implementation of turnaround strategies adopted by the Library and the challenges they are facing. This format made the data collection process systematic which provided qualitative information which added value to the study.

3.4 Data Analysis

The nature of data collected was qualitative. The interview guide was checked for consistency and data organized through content analysis. Content analysis is the systematic qualitative description of the composition of the object or material of the study. It involves observation and detailed description of objects, items or things that comprise the sample (Mugenda & Mugenda, 2003).

The case study data was analysed using the conventional analysis with the information derived directly from the text of the responses with actual results obtained from the secondary data. This was my preferred mode as the case involved a single organization and the data which was qualitative in nature did not limit the respondents on the answers. There were observations made and in-depth descriptions of items to establish any challenges encountered in their use in implementing the turnaround strategy.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the challenges in the implementation of Turnaround Strategy at Kenya National Library Service. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Interviewees Profile

The interviewees comprised the top and middle level management of Kenya National Library Service (knls). In total, seven (7) officers were interviewed out of the ten that had been identified for interview. Three of the identified interviewees were not available for the interview. The duration in which the interviewees had worked in knls varied from four and a half years to twenty seven years. Six of the interviewees had worked with knls for more than five years while only one had worked in knls for a longer duration of time and therefore understood strategy implementation practices and challenges in the organization.

The duration that the interviewees had been holding the current position varied although majority had worked in their respective positions for more than three years. Majority (five) of the interviewees held senior managerial position in the institution and therefore considered to be well vast with the subject matter of the study.

4.3 Turnaround Strategy Implementation

The interviewer asked the interviewees whether knls had implemented turnaround strategy(ies) and if so what they considered them to have been. Majority of the respondents stated that knls has had various strategies that could be considered to have been a turnaround to the organization. This they stated to be: the implementation of charging of access fee and other library services, the development of five year Strategic plans, ISO Certification, signing of Performance contracts, Staff rationalization, Rebranding and the latest being the Financial Transformation Strategy.

The interviewees stated that the strategies were developed in different years from the year 2004 when knls embraced the Performance Contracting which was a tool introduced by the NARC Government to measure and commit public servants in their performance on service delivery, in 2008 the introduction of Library access and membership fees, in 2009 the adoption of having its operations performed in a well documented and structured within the entire network, through the certification on Quality Management Systems an ISO 9001: 2008 standard.

In the year 2010 knls implemented a report that had been documented by the Directorate of Personnel Management (DPM) on the staff rationalisation. This report had been released in the year 2008, but there had been challenges in its implementation. The report recommended that knls downsizes its workforce as it was found to be bloated more so in the lower level cadres. This had been having an impact on the wage bill and was not proving to be sustainable. The number of skilled staff was found to have been inadequate thus hampering the quality of service delivery. In the year 2012, it was also stated that knls embarked on a rebranding

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strategy on its physical facilities, motor vehicles, improved signage and visibility. The automation of library services began in 2011 and currently seven (7) branches have had their library services automated with Aldie & Murphy Library Management Software (AMLIB). The interviewees affirmed to have been aware of the latest Financial Transformational strategy which was mainly to move knls from being Dependant to being Independent. This meant that knls wanted to be more self reliant financially as opposed to depending largely on Government funding which was not proving to be adequate in going by the growing demands of its clients.

The interviewees pointed out that the key factors that influenced the choice of adopting the strategies were mainly to: improve service delivery, improve on the financial base of knls in consideration with the continued decrease in Government funding, to remain relevant in the provision of library services, to attract more partnerships and due to competition, to meet the dynamic needs and demand of its clientele. The interviewees confirmed having been involved in the formulation of the turnaround strategies with some from inception to implementation.

The interviewees further confirmed that knls has been guided by Strategic Plans in its annual operation with the current one being a five year plan running from 2012-2017. They also noted that all the objectives and programs are formulated from the strategic plan's point of view and any changes made in the period is based on changes in the environment and is usually geared towards realization of the overall objectives set in the strategic plan. Further, all the departments in the organization were involved in developing time-tables that include measurable performance targets linked to the annual work plans and the organization's vision.

In an effort to have a holistic Strategy, the interviewees affirmed to the fact that knls had stake holders who were drawn from different sectors of the economy both locally and internationally. The interviewees named the stakeholders as one, The National Treasury which provided resources and disbursed Government grants through the Parent Ministry for programmes and operations to flow seamlessly. They also stated that the Government gave advice especially on key policies affecting the mandate of knls.

The second stake holder mentioned by the interviewees was the members of staff of knls. The strategy implementation process of organizations should be a whole involving process where all important stakeholders are involved. One of these important internal stakeholders is organizational employees because they are the ones who are tasked with the actual duty of implementing the strategies. Communication of strategy to employees was being undertaken through performance management, mails, departmental heads, magazines, circulars and meetings.

At knls, it was found that the organization appreciates the role played by employees in process of developing and eventually implementing strategy(ies). The organization's employees are involved during the preparation of the work plans, budgets and setting performance targets and then later on during performance of their duties to achieve the set targets. They argued that since the staff were involved in the strategy development phase, there would be less level of resistance during the implementation period and this would therefore increase the rate of success.

The third stakeholder mentioned was the library users and members. These are regarded as very important. Without their patronage of the library facilities, there would be no need to have the infrastructures set up. The staff would not have any work to do and the National Treasury would have to fund other programmes which would otherwise benefit more from the resources that are channeled to the library. The library users and members were also noted to be a source of revenue to knls. Their absence would definitely deal a big blow to the smooth operations. Further, their presence had helped knls keep up with the environmental changes and demands, competition and improvement of service delivery. This was confirmed to have been one of the core values as per the Strategic Plan with the acronym PICK; Passion, Innovation, Customer focus and Knowledge driven.

The fourth stakeholders mentioned by the interviewees were the authors and publishers who are the source of information materials. If the authors do not write books and have them published in the various formats then the information would not be available. Information is a resource and scarcity of such resources tend to have negative effect in the economy as it becomes expensive and out of reach for many. The library comes in handy to disseminate this information at affordable costs and easy access;

The fifth stake holder mentioned were the development partners who also have a role to play and are therefore regarded as strategic partners in the initiation, funding and implementation of some of the programmes. The development partners supplement the Government funding by donating information materials in kind and in cash, cash for setting up infrastructure in preferred areas and also procurement of equipment, computers, furniture etc. The development partners it was also noted offer training opportunities to help in improving and upgrading of staff skills. The sixth stakeholder mentioned were the Board of Management. The Board plays a key oversight role in the implementation of strategies and policies by Management. The Board approved allocation of resources to the identified programmes that would propel the implementation of the strategies. It was noted that the Board also set policies that guide management at different levels and are mandated to be responsible and safeguard the assets of knls, amongst others. The Board also helps in the Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.

A seventh stakeholder acknowledged by the interviewees were the suppliers/vendor of various goods and services. For any strategy formulation and implementation to succeed it is important to recognize the role of the vendors/suppliers. It was noted that the vendors/suppliers were able to deliver the working tools that knls required on time for the seamless flow of operations. If the goods/services required were not delivered on time, this would hamper the service delivery.

The interviewees conceded that stake holders are needed to be taken on board from the infancy stages. It was also found that towards the realization of the strategy implementation objectives, the interviewees indicated that knls had to ensure effective implementation of the legal and regulatory framework, effective use of information and telecommunication technology, availability of adequate resources and efficient utilization, effective stakeholder alliances and partnerships.

4.4 Impact of Strategy implementation

On the impact of the turnaround strategy that have been implemented, all the interviewees acknowledged that there had been a great change. The areas were identified as:

4.4.1 Improved service delivery

The quality of service delivery had improved greatly due to accountability from the signing of performance contracts. This had gone a long way in raising the awareness for accountability and productivity amongst the staff. It was also confirmed that the performance results had kept on improving since knls embraced this tool of management as shown in Table 4.1

| CYCLE | COMPOSI TE SCORE | IMPROV EMENT % | REMARK S | ALL STATE CORPORATIONS | | SERVICE STATE CORPORATIONS | |
|-----------|---------------------|----------------------|-------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | | | Position | Total No. | Position | Total No. |
| 2008/2009 | 2.2772 | - | V. Good | 23 | 139 | 5 | 38 |
| 2009/2010 | 2.0892 | 8.26% | V. Good | 16 | 162 | 1 | 46 |
| 2010/2011 | 1.9635 | 6.03% | V. Good | 11 | 178 | 3 | 50 |
| 2011/2012 | 2.7800 | 19.74% | V. Good | Result yet to be announced | Result yet to be announced | Result yet to be announced | Result yet to be announced |
| 2012/2013 | 2.6841 | 9.59% | V. Good | Result yet to be announced | Result yet to be announced | Result yet to be announced | Result yet to be announced |
| 2013/2014 | 2.8035 | -4.49% | V. Good | Result yet to be announced | Result yet to be announced | Result yet to be announced | Result yet to be announced |

| Table 4.1: Perform | nance Score |
|--------------------|-------------|
|--------------------|-------------|

Source: Kenya National Library Service Management Report (2014).

4.4.2 Increased revenue generation

The introduction of membership and access fees in addition to other library charges in 2008, improved the revenue base of knls. It was noted that access fee to the library had been gazetted to be at Kshs.20 only. This was just a paltry token fee to cater for the operational costs that were being incurred on service provision. The library implemented charges for other services in the year 2008, to include lost and paid for books, purchase of the International Standard Book Numbers (ISBN). The ISBN is a unique number given to every title of a book that is published in Kenya. Knls had been identified as the sole agent to issue the numbers by the International Body charged with the responsibility of assigning unique numbers to every title published. This helps safeguard on copyright and piracy incidences. Table 4.2 shows the increase in the income received as part of other revenue generated in the five years due to implementation of the charges.

| Other income | FINANCIAL YEAR | | | | |
|-------------------|----------------|-----------|-----------|------------|------------|
| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 |
| | | | | | |
| Membership fees | 260,325 | 3,373,619 | 4,451,620 | 4,959,600 | 5,359,055 |
| Entrance fee | 0 | 4,600,000 | 4,240,640 | 4,893,200 | 6,189,365 |
| Annual Renewal | 0 | 0 | 242,550 | 250,000 | 327,328 |
| ISBN | 0 | 0 | 423,550 | 524,170 | 505,795 |
| Lost and Paid for | 0 | 0 | 55,625 | 99,631 | 88,047 |
| Total | 260,325 | 7,973,619 | 9,413,985 | 10,726,601 | 12,469,590 |
| Increase in % | | 96% | 15.3% | 12.23% | 14% |

 Table 4.2: Other income received

Source: Extract from Audited Financial Statements of knls, year (2007/08 – 2011/12)

4.4.3 Improved ICT infrastructure and visibility

The interviewees were optimistic that the Transformation Strategy that had been approved by the Board in early 2014 would take knls even to greater levels of financial stability and sustainability. Knls has improved on its ICT infrastructure base by investing in the availability of e-resources in more than 10 centres of the network. Further, the image and visibility of knls had grown with the number of registered members to the libraries increasing every year.

4.4.4 Stakeholder involvement

The interviewees noted that the involvement of the stake holders had a positive impact on their part as they felt recognized and when there was any project that they got involved in it was easy to understand the objective and the output on implementation. Most concurred that this was a way or redefining the library not only from within but also from the external factors.

4.5 Strategy Implementation Challenges

The objective of the study was to establish the challenges facing implementation of turnaround strategy(ies) at the Kenya National Library Service. The development of an organizations strategy is not enough if the same cannot be implemented and it is therefore necessary that an organization employs an appropriate implementation strategy to actualize the plan. However, the implementation of strategies in many organizations, is faced by a number of challenges. The challenges faced by the knls in implementing its strategies were found to be inadequate resource allocation, organizational culture, technophobia, training, organizational structure, commitment by management and effective communication.

4.5.1 **Resource Allocation**

In the development of a strategy resources plays a big role in its success. The resources for this study have been termed to be: human, financial and capital. The interviewees all alluded to the fact that knls was facing and continues to face challenges in implementing the strategies due to one, inadequate skilled staff especially in the profession of Library information Science. This was mostly experienced in the marginalized regions of the country. This can be attributed to the pastoral life style and culture practiced in those regions. The initiative by knls to partner with the Communities, and set up community libraries was aimed at making libraries more accessible down to the village level. The objective was to empower as many and promote the reading culture which would in turn spur economic growth. The same communities expressed their desire to have their own provide the library services but were limited in the expertise knowledge in the provision of Library services. However, the shortage is still eminent within the entire network and hampers the service provision.

The second resource noted as a challenge was financial. Financial resources is a key driver in any strategy development and successful implementation. Financial resources enables all forms of facilitation that is needed for implementation. Lack of adequate financial resources appeared to be a fundamental reason behind delayed implementation of strategic plans especially where the strategy relates directly to the nature and level of staff in terms of training, attracting and retaining and also rewarding and motivating them. The interviewees noted that the funding levels from government in the last 5 years had not been commensurate with its operational demands, infrastructural demands and changes in the environment.

The Recurrent grants received in the 5 years as shown in Table 4.3 had stagnated with minimal growth, especially on recurrent grants. The development grants had however increased but were geared towards specific projects. This had not been able to meet the demand.

| Government | | | | | |
|-----------------|-------------|-------------|-------------|-------------|-------------|
| Grants | | | | | |
| | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 |
| | | | | | |
| | | | | | |
| Recurrent Grant | 479,021,002 | 538,000,000 | 550,000,000 | 550,000,000 | 445,200,000 |
| Development | | | | | |
| Grant | 86,000,000 | 136,000,000 | 110,000,000 | 260,000,000 | 230,000,000 |
| | | | | | |
| | | | | | |
| Total | 565,021,002 | 674,000,000 | 660,000,000 | 810,000,000 | 675,200,000 |

 Table 4.3 – Government grants funding levels

Source: Audited Financial Statements of knls, Financial year (2007/08 – 2012/13)

The Table 4.3 shows the recurrent and development funding levels received by knls in the financial years 2008/09 to 2012/13 with average marginal growth of 6% on recurrent and 47% on development.

Further, it was noted that inadequate financial resources resulted in slow pace of acquiring much needed working tools eg. information material both on print and e-formats, computers, relevant softwares, furniture and fittings, equipment for book detection, generators, motor vehicles for ease of movement etc. The interviewees noted that since strategy implementation is done in stages with different levels of activity at each stage, the staff involved may not all have the requisite skills and the ones available are always overworked due to shortage preceded by inadequate financial recourses to recruit. The pace of implementation of the strategies is thereby slowed and may leave some tasks incomplete.

A third resource noted as a challenge is capital. While knls boasts of its vast library facilities presence within the country, these facilities are mostly owned by the communities within the localities through partnerships. This makes claiming total ownership not practical. The current infrastructure that knls enjoys is limited and this poses a challenge going by the strategies it would wish to implement. The ICT for example is capital in nature and is an expensive venture which must always be maintained by keeping up to date with the ever dynamic needs of the library users. The internet connectivity that goes with it equally requires immense finances due to the vast region to be covered. The building infrastructure is also not adequate and having purposely built libraries comes with its demands to be able to meet the minimum set standards on setting up the library. This is why knls drafted a bill - National Libraries of Kenya bill 2014 which is aimed at amongst other legal and policy framework issues, to bring infrastructural order to the kind of libraries to be set up in the future.

The interviewees were asked about the measures that had been put in place by knls and continue, to mitigate on the effect of inadequate resources on strategy implementation and they noted that continuous lobbying and consultation with the stakeholders for more funding to; be able to have more skilled staff brought on board, offer more opportunities for training and upgrading of staff already in post; reward and motivate them appropriately for retention; procure required working tools and equipment which will in turn be efficient and effective thereby reduce on wastage and improve service delivery; re-position knls in the wake of competition, the dynamic needs of its customers and the Devolution process as enacted in the Constitution of Kenya (COK) 2010.

4.5.2 Organizational Culture

Organizational culture is an organization's way of doing things. It constitutes the norms, values and beliefs that are held by the organization over time, in the course of doing business and offering services. Therefore the match between the strategy and culture is crucial for successful implementation of strategy. During the interview, the interviewees conceded that organizational culture can pose a challenge in the implementation of its strategy. The cultural factors that hindered implementation of strategies included resistance to change, fear of the unknown, risk averse tendencies due to age, compounded by the freeze on employment. The younger generation when given a chance are willing and easily able to take on the risks. The interviewees noted that not all staff comprehend and appreciate the need to adapt to the changing times. This made it difficult for knls to implement a strategies that would otherwise have given rise to opportunities or counter threats. This would be evidenced by indecisiveness, slowing down implementation process and would lead to a loss of opportunity.

Some of the interviewees conceded that due to continued budget constraints, knls has not been able to have consistent meetings with all the heads of departments and heads of branches. This has been a setback, as the times when this was held, the objectives and the direction of the Board were clearly articulated in the forum and the branches did not feel left out. Most of the interviewees felt that this omission had left a gap and a culture of not being recognized/felt as existing.

In a bid to mitigate/overcome challenges of organizational culture, knls had continued to implement programmes and set budgetary provisions for training on customer care, leadership and mentorship and encouraging positive talk and thinking action. Forums had been made for open consultation with a view to identifying gaps and endeavoring to close them up. The customer satisfaction surveys were carried out for both internal and external customers with a view of getting to know their needs, where to improve and how to carry out the recommendation there from. This can be taken as a way of handling criticism positively. There was commitment to have all stake holders on board and ready to move ahead with them and not in isolation. Knls had also been able to develop policies that are beneficial to the staff eg. the gender and mainstreaming policy, the disability policy, drug and substance abuse policy.

4.5.3 Organizational Structure

Generally organization structure defines the roles, responsibilities, boundaries, processes and procedures, and relationships of the various positions. All these define the organization structure. For example at the top management level it is the responsibility of the chief executive officer (CEO) and his/her team to harmonize the implementation process in all the divisions of the institution with respect to the core mandate of knls, the CEO is mandated to ensure the divisions work towards achieving the overall organizational goals and objectives. The study views organization structures as one that provides impetus for the divisions and therefore has a crucial role in ensuring strategies are implemented efficiently and effectively.

The interviewees when asked if knls' had a new organizational structure, some were not aware of its existence. The few who knew that it existed said that it had not been implemented due to financial constraints. They however, acknowledged existence of the Job Evaluation that was developed after the staff rationalisation exercise that took effect in July 2010. The interviewees agreed that the current structure was tall and having sixteen job scales and posed a challenge in the execution of the knls mandate and also led to duplication and overlapping of duties and responsibilities. All the interviewees agreed that the existing organization structure resulted in slow decision making as it is tall. The structure, they note created a perception that implementation of strategy is a preserve of the top management more so when there is lack of communication to other staff in the chain. It was also found that not all the departments are involved in the implementation phase.

To overcome the challenge, Management had undertaken to implement the approved organizational structure which had reduced the job scales to ten, once funding for its implementation was guaranteed. This of course does not have a definite timeline and may not be easily measurable. Strategies when developed are supposed to be Specific, Measurable, Achievable, Realistic and Timely (SMART). The longer it takes to implement the weaker its intended objective gets and may be overtaken by events. It was also noted that with the Devolution of public libraries as a function of the County Governments, some of the duties and job scales currently in place may end up being further merged thereby reducing the required number in different counties. The advancement in technology, outsourcing of non-core services, merging of departments is a factor to consider if the organizational structure is not implemented as soon as it is conceived and adopted.

4.5.4 Training

The study found out that there was a decrease in training opportunities offered to the staff. This had been attributed to the inadequate funding causing limited allocation to training. With the ever changing external environment, the demands of the library users equally changes and have to be met. The rate of technological advancement is a great contributing factor. The implementation of AMLIB had gone a long way in

improving the provision of services, but not all the staff were well vast with it. The training opportunities in this had been hampered with the fact that some staff were shying away due to technophobia. They felt that this system would soon make some of them irrelevant.

The vast distribution of the knls network requires that submission of monthly reports is best done electronically. Some of the staff in the branches find this a challenge as they have not fully embraced the technology. The training opportunities are also limited due to the vast region to be covered and the inadequate staff in the IT. The is lack of appreciation that some training programmes are necessary yet these will go a long way in developing organizational capabilities in implementing its strategies. They are perceived as costly and time wasting activities rather than value adding.

4.5.5 Management Commitment

Successful strategy implementation requires leaders to focus on the right strategic goals, led and championed by the Board and Senior managers, that unite an organization behind the strategy, determines the measures and the milestones of success and makes sure that resources; financial, technological and human are effectively allocated. The mangers also ensure that freedom is granted to all levels in the organizational structure. The stake holders; staff, customers/members of the library, publishers, authors, suppliers, and strategic partners are encouraged to be innovative in finding new ways of carrying out new goals. Thus commitment of the senior managers including the Chief Executive Officer, has a significant impact on as the implementation of strategy. The study sort to find out if there was leadership direction in various levels within the organizational structure which would show commitment towards its strategy implementation.

The interviewer asked the question if there was adequate leadership and direction being provided at departmental, divisional and senior management levels in the strategy implementation process. The interviewees noted that knls had received and continued to receive support from the Board on Management in terms of allocating the scarce/limited resources to the various strategy objectives as set out in the Strategic Plan. The Board had shown commitment by giving direction and setting up policies that would be able to drive the Strategic Plan. The interviewees noted that it was not always easy to convince the Board of Directors on the Management's view in achieving the strategies. This may have been attributed to the high number of 20 (twenty); representing the different regions and Government, bureaucracy together with the failure to embrace new ideas and innovational technology in business. In addition, differences in opinion at the Board level slowed down the implementation process. Where consensus was reached, senior managers in turn had implemented the policies set by the Board towards achieving the objectives.

The Board had also been able to monitor the progress of implementation of the set objectives in the strategies by having quarterly committee and Full Board meetings, where progress reports were presented by Management as per the set up committees' mandate. The senior manager had also been having forums with Board in forms of retreats to fully put the Board in picture and be able to understand the Boards' direction.

The interviewees however noted that some divisional heads were not able to effectively give leadership and direction towards the achievement and attainment of the strategy objectives and its implementation. This was attributed to the choice of officers given responsibility to supervise the head the branches.

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It was noted that some of them did not have the managerial skills for effective management and leadership in the branches. For instance, due to the continued financial constraint, Management had not been able to hold the Annual Senior staff seminar which acted as a good forum to give direction, time to bond, time to get feedback and move as one great team.

Some of the interviewees opined that this could be the reason why the divisional leadership in some areas was not as effective. Obstacles encountered during implementation include lack of cooperation between the players and lack of coordination among others. In order to have an impact and to avoid duplication of activities, it is essential that managers in their respective departments effectively coordinate their activities.

To overcome the challenge being faced on the leadership and direction more so to the branch level, Management had opted to address their needs by dividing the branches into zones. This zones were based on the regional location of the branches libraries. The zones were divided into Coastal, Central, Mt. Kenya, lower Eastern, Rift valley Nyanza and Nairobi regions. The heads of branch libraries from the respective regions would converge at an agreed central location within the region and have peer reviews to help tackle the issues they are facing and guide each other on the implementation of knls strategies.

4.5.6 Communication

Getting the strategy right from the mission, vision and core values of the organisation is very important. Whatever one will be communicating has to make sense from the very beginning. Effective communication throughout strategy formulation to implementation processes offers a great success to strategy implementation. Strategies can only be sustained by clarity of purpose and clarity can only be achieved through changes in behaviour. Strategy should be communicated and must be clearly understood by all implementers.

The study sought to establish whether the strategy was effectively communicated to all staff and other stakeholders. It was established that during the planning sessions and board meetings, the strategy was well communicated to all Heads of departments, Heads of Branches who in turn were expected to cascade the objectives to their members at the departmental/branch level. Where input was needed from all the staff, communication was done through e-mail and circulars and feedback appreciated and incorporated where possible. The study established that the staff were happy with the embracing and use of the e-mail as a communication channel. It made communication was that not all library branches had the capacity. This was in terms of electricity connection, internet connectivity, computer/laptops, technological skills. This had limited the number of staff who could be reached at any one given time.

The study however, established that due to a perceived ineffective communication from the top management in some instances, some departments failed or started late and in complete disregard of timelines raising the greater question of quality and credibility of such services and the leaders concerned. This was attributed to one: attitude of the recipient; two some felt that they ought to have been thoroughly acquainted with the new strategies before being asked to opine and be part of the strategy implementation. The interviewees noted that some of the Heads of branches were not open to embracing the changing environment. As such, they failed to appreciate the consequences in the changing environment, and are often too slow to embrace new ideas. Matters were made worse by the dynamic economic landscape, a fact which constantly requires knls to be flexible and highly responsive to changes.

On the measures to be taken to overcome the challenges, the interviewees noted that some of these challenges were as a result of poor communication, laxity in effecting instructions, lack of initiative of seeking clarification on issues not very clear before implementation. The study noted the interviewees recommendations were to be more effective in communication and implore constant follow ups in the communication given. This would be a sure way that the recipients of the communication were on board and understood what was expected of them.

Further, the management to invest more on team building sessions and half year reviews on strategy implementation process touching on the implementers of the strategies and objectives of knls. The involvement of middle line managers at the early stages of strategy, identifying their roles and responsibilities at an early stage of development was key. This was to recognize the fact that they were the ones to implement the same projects.

4.6 Discussion

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. Strategy formulation is both an institutional and an interpersonal process that gathers data and viewpoints and ultimately results in strategic decisions. These strategic decisions and how they have been conceived has a major impact on

strategy implementation success. The study established that resource allocation was very critical in the success of the strategy implementation. Allocating inadequate or no financial resources at all slowed down implementation of strategies and was bound to fail. The study found out that resources in terms of financial and human resources hindered implementation of strategies at knls. Judson (1991) noted that successful strategy implementation is due to the design, development, acquisition, and implementation of resources that provide what is needed to give effect to the institution's new strategies.

The human resource allocation is also key as placing unskilled staff in key positions who are expected to help drive and implement the strategy is not guaranteed to yield the desired results. The results of this study which indicated inadequate skilled human resource being a challenge in strategy implementation is consistent with the findings of Kibathi (2009) on the Challenges of Strategy implementation at Oxfam Great Britain. She pointed out that inadequate allocation of human resource led to overworking of available staff who in turn may seek employment elsewhere. Lack of replacing those that have left through natural transition, retirement also does not work well for any organization.

Capital resources in terms of infrastructure sets the base and scope as to how much can be achieved in a given period. This will help determine how far one can go in the implementation process. The study noted that capital infrastructure in terms of ICT was still inadequate and this was a challenge due to the fact that the demands of the library users was very dynamic and embraced more of IT and e-formats of information materials. The organizational culture practices plays a major role in the implementation of knls strategies. When there is a culture that does not embrace the views of the organisation as a whole then implementation of any strategy is bound to face challenges. These findings were consistent with Johnson and Scholes (2002) who found that culture is a strength that can hinder strategy implementation when important shared beliefs and values interfere with the needs of the business, its strategy and the people working on the company's behalf.

The organizational structure helps determine how the strategy will be implemented with the respective reporting protocols to be observed. Chandler(1977) said that structure follows strategy. This is structure following strategy. Chandler showed that the need to reorganize - or to "restructure" - is triggered by a strategic shift driven by new technologies or market changes. The findings of the study showed the delay in implementation of the approved organizational structure, following the downsizing exercise in 2010, was posing a challenge in strategy implementation. It also established that with a weak and tall structure, implementation of strategies may be unnecessarily long and can lead to duplication and overlap of duties which slows down the implementation process.

The findings indicate that organizational structure of knls affect implementation of strategies however Thompson and Strickland (2003) posited that an organization should be structured in such a way that it can respond to pressure from the environment in order to change and pursue any appropriate opportunities which are spotted.

The training needs of the staff members is key. When staff are not exposed in an effort to upgrading of their skills, it means they are not upto date with current trends in service delivery, posing a challenge as the customer needs may not be adequately addressed and met as and when it is demanded. The way services are offered keeps changing with advancement in technology, and the organization should invest in training or efficiency and effectiveness to remain relevant. Training needs assessment are important to be carried out by management periodically to maintain had have highly qualified staff.

The commitment by top level management cannot be over emphasized. This is a key driver in any strategy implementation as it will prove that the strategy is actually from the top. The results from the study show that without their commitment, this will hinder the functions of the organization. If the Board for example does not allocate resources and give guidance on policies to the organization, it will pose a challenge and the strategy will definitely fail.

The study established that communication if not handled properly hindered implementation of strategies at the divisional levels as some heads of branches do not effectively communicate to the implementers the changes that need to be undertaken. At the same time others do not embrace change in the environment. Chapman (2004), noted that communication allows sharing of ideas, facts, opinions and emotions and above all provides feedback. Further, communication with employees and other stakeholders as the implementers goes without saying. Ineffective communication leads to poor results, misconception of an otherwise good idea and eventually failure to achieve the desired objective. The study has established that in some instances communication was not effective and led to disquiet amongst some staff and thus not effectively implementing strategies.

The results concur with the findings of Kaplan and Norton (2001) that in practice, managers and supervisors at lower hierarchy levels who have important and fertile knowledge are seldom involved in strategy formulation and when they do, the probability for realizing a smooth targeted and accepted strategy implementation process increases substantially seem to apply to this case.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the findings and analysis of chapter four on challenges in the implementation of turnaround strategy Kenya National Library Service. It sets out to discuss the summary of the findings, draw conclusions, and make recommendations.

5.2 Summary

The objective of the study was to establish challenges in the implementation of turnaround strategy at knls. The study revealed that knls had implemented a number of strategies to help it improve in its service provision. These were; the introduction and implementation of the library membership and access fee; the signing up of performance contracts as a tool for improved, accountable service delivery; ISO 9001:2008 certification on Quality Management Systems; downsizing of the unskilled staff and the latest being the formulation of the Financial Transformation strategy.

The implementation of library membership and access fess was able to raise the income generated from Kshs.0.26M to Kshs.12.4M in the years 2009/10 to 2012/13. The performance score as released by the Performance Contacting Secretariat also showed improvements from the time of implementation. The ISO certification was one of the best decisions knls made. This was echoed by all but one interviewee. The standards had improved immensely and the procedures of performing duties was the same in all the branches. This showed the success of these turnaround strategies.

The study further identified the major challenges that knls was facing in the implementation of the turnaround strategy as: inadequate resources in terms of financial, human and capital; organizational culture, organizational structure. Communication and management commitment challenges appeared to have been mostly in the divisional level of management.

The financial resource was a major challenge in the successful implementation of the strategies. This was attributed to over reliance on Government funding and the need to spread the wings and visibility to areas which were not self sustaining. The human skills was as a result of the slowing down on the recruitment of library science professionals due to budgetary constraints right from the National Treasury. The capital infrastructure especially in IT is due to the immense resources that will be required to put up a sustainable base.

5.3 Conclusion

Strategy implementation is very vital for the functioning of any organization. The study established that knls had a strategic plan in place with the current one running from the year 2012-2017. The turnaround strategies being implemented were anchored on the same and some were facing challenges both external and internal. These factors were established to have an impact both positive and negative on the success of the implementation.

The over reliance on Government funding had an effect on all strategies as this had an effect on all projects. The human resource and training opportunities could not be enhanced, the infrastructural development was slowed down, regular team bonding and building sessions were suspended thus having an impact on the organizational culture.

The implementation of the organizational structure due to financial implication contributes to the overlap and duplication of duties thus placing clear responsibility and accountability to officers difficult.

The internal communication more so to the divisional heads the study established, needs to be improved. All employees should be involved in making decisions on matters focusing on implementation of strategic plans This will reduce on laxity and assigning due responsibility to the officers. It was also concluded that employees should be trained on various matters concerning the implementation of strategic plans. It should allow all the staff members to participate fully from the formulation until the evaluation of its strategic plan.

5.4 **Recommendations**

The finding and conclusions of this study have clearly established that resources are a key factor affecting the successful implementation strategies at knls. It is therefore recommended that the government considers an increase in its resource allocation to knls so that it can be able to meet its all important role and core mandate of providing access to relevant information. The Government can also review polices that will make it easier for such organizations enter into Public Private Partnerships, seek external donors more so in the area of infrastructural development other than overreliance on Government funding. This would enhance recruitment of skilled staff and opportunities to upgrade those already in the work force.

The knls management to invest in improving and building on the organizational culture by accessing and involving all staff from the initial stages of strategy development. This approach assures a buy in of the implementers from the beginning. The implementation of the approved organizational structure to reduce on time taken and assign responsibility and accountability to more senior staff.

The study findings show that the review of the strategic plan is important in view of implementation of the COK(2010) schedule IV on devolution. This would definitely have an impact on the strategic objectives and also on the turnaround strategies already in force. There is therefore a need to rethink on the ways of achieving the success taking into consideration that the revenue base is likely to be affected including the command in number of branches country wide.

The study also established that resources hindered successful implementation of strategies and this will enhance managers understanding of the importance and values of firm's resources. The resource based view theory provides a better understanding on the role of firm resources in influencing implementation of strategies.

The continuous monitoring and evaluation of the strategies during implementation was found to be critical. The study recommends that knls invests in setting up updating forums for all its stakeholders on the progress being made in the implementation of the turnaround strategies.

5.5 Limitations of the Study

The study was undertaken through interviews of selected senior management staff in knls. The availability of the senior offices posed a challenge as they were not easily available thus a delay in compiling and analyzing the data. Since knls has a network of sixty branches countrywide, it would have been more representative to have a feel of more interviews with the branch heads. In this case the study only managed to interview two.

Knls is the only state corporation in the provision of library services. It was therefore not possible to compare with any other body on the challenges being faced on the implementation of the adopted strategies.

5.6 Suggestions for Further Research

The study was based on the challenges knls was facing in the implementation of turnaround strategies. In the new era emphasis are being made on risk management in strategy formulation and implementation. Further to this a research study is recommended on the risk factors to consider especially now in the wake of devolution and the provision of public library services is clearly stated as a function of the county governments.

5.7 Implications of the study on Policy, Theory and Practice

The study shows that as stated in the Act, Cap 225 where Kenya National Library Service draws its mandate, plays a very important role in the promotion, establishment, equipping, managing, maintaining and developing of libraries in Kenya. The dual role of a National Library and a Public Library is a unique feature that knls enjoys. The preservation and conservation of the national imprint for reference and research and maintenance the National Bibliographic Control through the issuance of ISBN and publication of the Kenya National Bibliography and Periodicals Directory is a function performed by the National Library. The government policy emphasizes on the importance of local histories, cultures, technological and indigenous knowledge. This study therefore shows the economic benefit the county would attain if the libraries were well funded, equipped, maintained and allocated with skilled staff. This is a place where doctors, engineers, teachers, farmers, lawyers, accountants, bankers name them will continue to benefit immensely. Access to information materials changes the landscape of any country and that is why knls is the organization to be supported in all manner.

The Resource Based View still counts as a resource relied on by organizations with vast unique resources as a competitive advantage. This goes hand in hand with the dynamic capability theory which refers to the capacity of an organization to purposely create, extend or modify it resource base. These thoughts, the study shows have guided the need to have the turnaround strategies that knls has implemented to remain relevant and meet the demands of fast changing trends of the clients.

In practice the organizations that have gone through challenges in implementing the turnaround strategies have been instrumental in encouraging others for better success. The study is therefore source of information and further research on the different challenges experienced and mitigation measures that can by practiced to ensure successful implementation. This forms a source of information for the 'do's' and 'don'ts', in the implementation strategies. Key in this is the right design, right attitude, stakeholder buy in, communication and the implementation process.

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APPENDICES

Appendix I : Interview Guide

Challenges in the implementation of turnaround strategy at Kenya National Library

PART A: Personal Details of respondent

- 1. What is your current position in the organization?
- 2. How long have you been in this position?.....

PART B: Implementation of Turnaround Strategy

1. Is Kenya National Library implementing a turnaround strategy?

| 2. | When was this new strategy developed and implemented? |
|----|--|
| | |
| 3. | Has the organization adopted a new organizational structure in its operations? |
| 4. | What are the key and unique factors that influenced the choice of adopting a |
| | turnaround strategy? |
| 5. | Were you involved in its formulation? |
| | |

.....

6. Has knls reviewed its current Strategic Plan in tandem with the turnaround strategy?
7. Who are the main stake holders of knls?

PART C: Challenges in the implementation of turnaround strategy

- 1. In your opinion what are the main objectives of knls implementing the turnaround strategy?
- 2. How has the implementation of turnaround strategy changed the operations of the organisation?
- 3. To what extent were the stake holders involved in the implementation of the turnaround strategy?
- 4. What was the response of the stake holders in this process?
- 5. What challenges have you and continue to experience in the implementation process?
- 6. Is there adequate leadership and direction provided at departmental, divisional and senior management in the implementation process?
- 7. What measures are being taken to deal with the challenges of implementing the turnaround strategy?

Appendix II: Letter of introduction from University Of Nairobi

UNIVERSITY OF NAIROBI SCHOOL OF BUSINESS MBA PROGRAMME P.O. Box 30197 Nairobi, Kenya Telephone: 020 2059162 Telegrams: "Varsity", Nairobi Telex: 22095 Varsity 11 September 2014 TO WHOM IT MAY CONCERN Dear Sir/Madam, RE: MUSANDU JULIE AWINO REG. NO: D61/61666/2010 This is to confirm that the above named is a bona fide student in the Master of Business Administration programme at this University. She is currently in Part II (Research proposal) of the programme. Any assistance accorded her will be highly appreciated. ERSITY OF SEP 2014 PATRICK NYABUTO MBA ADMINISTRATOR -00100, SCHOOL OF BUSINESS

Source: UON September 11, 2014

Appendix III: Letter of acceptance from knls to collect data



KNL/LIB/22

16th September 2014

Julie Musandu, P. O. Box 45343, NAIROBI.

Dear Madam

RE: MBA PROGRAMME

We acknowledge receipt of your letter dated 15th September 2014 on the above subject.

I wish to inform you that your request to undertake research entitled "Challenges in the implementation of Turnaround Strategy at Kenya National Library Service" has been approved for you to carry out your research in the organization for solely academic purposes.

You will not disclose any confidential information or other matters, which will be privileged to you by virtue of your research with us to anyone not authorized to receive the same.

You will be required to submit a copy of your report at the end of your research for reference.

I take this opportunity to welcome you to knls and wish you all the best in your undertakings.

Yours faithfully,

DAVID MUSWII FOR: DIRECTOR

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Source: knls September 16, 2014