

**STRATEGIC MANAGEMENT PRACTICES AT WISEDIGITS
LIMITED, IN KENYA**

ROSEMARY WANGARI MBUTHIA

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

NOVEMBER 2014

DECLARATION

I declare that this Project is my original work and has not been presented in any other university for academic purposes. Any other author's work has been clearly acknowledged.

Signature..... Date.....

Rosemary Wangari Mbuthia

REG. No. D61/67542/2011

This project has been submitted for examination with my approval as the student supervisor.

Signature..... Date.....

Prof. Evans Aosa

Department of Business Administration

University of Nairobi

DEDICATION

I dedicate this project to my Mum, my brother Steve, sisters Lonah and Joan for their selfless support through my course. Thanks for bearing with my perpetual absence and for the understanding throughout the period I have been pursuing this course

To my nieces and nephews Lisbet; Lizzie; Michael, Jessie and Nathan; your endless stories and queries have made the journey interesting. Now the pace is set we expect nothing short of this.

To my fiancé Joseph for the love, immense patience and understanding throughout the period of my course.

ACKNOWLEDGEMENTS

First I want to give thanks to the Almighty God without whose grace I would not have completed this course.

I am deeply indebted to my supervisor, Prof Evans Aosa, for his constant support, invaluable guidance, positive criticism and passion to see me excel. Thank you so much for your time, immense patience and support throughout the program and study.

I thank my employer WiseDigits limited for allowing me to prepare a case study on the organization and further providing the material through interviews and statistical data for my study without which my course work would not have been complete. I also would like to thank, most sincerely, the interviewees and all those who participated in this research and the compilation of this report.

I greatly appreciate the companionship of my colleagues in the MBA class 2011 class for the support and tolerance throughout the program. The discussions really helped and may our good Lord reward you abundantly.

My heartfelt appreciation goes to my family, for their patience and continued support during the period of my studies. They have been a blessing and a great source of strength and encouragement. Special thanks go to my mother for her constant prayers and encouragement. I deeply appreciate you and may God continue blessing you, you simply the best.

ABBREVIATIONS AND ACCRONYMS

ICT- Information Communication Technology

IT- Information Technology

HR- Human Resources

SWOT- Strength Weaknesses Opportunities and Threats

PESTEL- Political Ecological Social Technological Economical Legal

GITS- Government Information Technology Services

ABSTRACT

Strategic management helps organizations to create consistency between the organization and environment within which an organization operates. Strategic management entails specifically the vision mission and objectives, developing policies, plans and allocation resources to implement the chosen strategy, Pearce & Robinson, (2011). Organizations in the private sector have increasingly engaged in strategic management in policy making and administrative decision and activities. The purpose of the study was to establish strategic management practices at WiseDigits limited. The study was a case study that had five interviewees drawn from the organizations top management including the managing director. The researcher collected both primary and secondary data. The researcher collected primary data through one on one interviews with the interviewees while secondary data was gathered from existing documentation and general literature available in the organization. Data was analyzed through content analysis. From the findings, the researcher established that WiseDigits limited has a documented strategic plan; the company had a vision and mission statements that were well documented and communicated to the employees. The study also revealed that the company had a set of core values that are well documented and institutionalized across the organization. The study established that strategies were developed by the top management through a select committee of representatives drawn from all departments in the organization. The select committee works together with an external consultant who acts as the facilitator and helps to put the documents together. The study established that strategy was implemented through performance contracting and performance based activities. The study established that strategy implementation plan is monitored through annual reviews and through employee performance appraisal. The study established staff resistance to change, staff ignorance of the relationship between the chosen strategy and the day-to-day activities and operations as well as lack of budgetary resources as some of the challenges faced in implementation. The researcher encountered a number of limitations in the course of conducting the study the main limitation was the procedural undertakings involved in carrying out the study and the fact that the interviewees to the study had very demanding schedules necessitating rescheduling of the interviews to suit their schedules. The researcher recommends that the management focuses to address the challenges encountered in strategy implementation. The study established that there was so much focus given to the process of strategy formulation at the expense of implementation the study recommends that these two processes be viewed as a means and an end to each other to ensure that the chosen strategy is fully implemented the study also recommends that's staff job promotions be based on current job performance and on whether the employees has the required skill to take up the job. From the findings the researcher made suggestions for more research on factors affecting strategic management at WiseDigits limited. This study did not look into how the strategic management practices adopted by WiseDigits limited have contributed to the overall performance and customer satisfaction. The study therefore suggests further research on how strategic management practices adopted by WiseDigits limited have influenced the overall organization performance and customer satisfaction. The study further suggests that similar studies be replicated in other organizations especially in the private sector with the aim of comparing strategic management practices adopted by organizations in the private sector.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS	iv
ABBREVIATIONS AND ACCRONYMS.....	v
ABSTRACT.....	vi
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background to the Study	1
1.1.1 Strategic Management Practices	3
1.1.2 The Information Communication Technology Industry in Kenya	4
1.1.3 Software Development Industry in Kenya.....	5
1.1.4 WiseDigits Limited.....	6
1.2 Research Problem.....	7
1.3 Research Objective.....	9
1.4 Value of the Study.....	9
CHAPTER TWO: LITERATURE REVIEW.....	11
2.1 Introduction	11
2.2 Theoretical Foundations of the Study	11
2.3 Strategic Management Process.....	13

2.4 Strategic Management Practices	15
CHAPTER THREE: RESEARCH METHODOLOGY	24
3.1 Introduction	24
3.2 Research Design	24
3.3 Data Collection.....	25
3.4 Data Analysis	25
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION	27
4.1 Introduction	27
4.2 Strategic Management Practices at WiseDigits Limited.....	27
4.2.1 Strategic Planning.....	27
4.2.2 Strategy Formulation	29
4.2.3 Strategy Implementation.....	32
4.2.4 Strategy Monitoring and Evaluation.....	34
4.3 Discussion	35
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ..	41
5.1 Introduction	41
5.2 Summary	41
5.3 Conclusion.....	43
5.4 Limitations	44

5.5 Recommendations of the Study	45
5.6 Suggestions for further Research	46
REFERENCES.....	47
APPENDICES	53
Appendix I: Letter of Introduction	53
Appendix II: Approval	54
Appendix III: Interview Guide	55

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Strategy is a plan that integrates an organization's major goals, policies and allocates resources into a unique and viable posture based on its relative internal competences and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents (Mintzberg, Lampel, Quinn and Ghoshal 2002). It's a way of explicitly shaping the long term goals and objectives of an organization, defining the major action programs needed to achieve those objectives and deploying the necessary resources (Chandler, 1962).

Organizations have increasingly adopted different types of management strategies for running the daily operations of their organizations. Porter (1996) argues that the goal of strategy is to utilize the firm's core competences and capabilities and to establish and maintain a unique strength in its products and services that would lead to a sustainable competitive advantage relative to its competitors. Formal strategic management process has been widely adopted as the preferred approach of management in many organizations after the Second World War, as it ensures efficiency, effectiveness and monitoring of an organization's resources. Great strategies are of no use if not effectively implemented. People need to be involved in the strategy formulation process so as to own the process and ensure smooth implementation process.

In the last three decades, strategic management has gained prominence in both the private and public sectors. The management approach is very useful to organizations to help enhance delivery, image and legitimacy (Koch, 2009). Organizations are environment serving and dependent. Coping with the increasingly competitive and constantly changing environment has called on firms to rethink their strategies. In addition to creation of products and services that meet and exceed the stakeholders' expectations organizations must ensure that they are not brought down by competition from other players in the market.

In the last century organizations focused on long-term planning which supposed that an organization's external and internal environment will remain stable for long period of time and thus they made plans for long duration. Today it is clear to managers and entrepreneur's that the environment can change at any point in time and their plans should follow a strategy that includes contingency planning too.

The Kenya private sector has over the years substantially contributed to the country's economic development process. The Kenya Private Sector Alliance (KEPSA) organization registered in 2003 as the apex body of private sector in Kenya. While the growth of the ICT sector in Kenya has been significantly influenced by global trends, it can be evaluated in terms of the number of computers and services; Internet Service Providers (ISPs), the number of Internet users. Realizing the importance of Information Technology to the future success of the country, the government has developed an extensive support system for the ICT industry. The private sector is constantly facing increased demand for improved performance to counter competition from other players in

the market. Whether in telecommunications, hardware components, software, or Internet service provision, Kenya has a well-established group of companies involved in all of these areas. WiseDigits Limited is an example of an ICT company in the private sector.

1.1.1 Strategic Management Practices

Strategic management is mainly a senior management role. According to Pearce and Robinson (2011) a company's top management has an important role to play in strategy-making. They noted that the chief executive officer's role is strategic visionary and strategy architecture. "The chief executive officer's personally decides on the key elements of the company's strategy and may be assisted by the other senior managers and key employees in fashioning the overall strategy and deciding on important strategic moves." Strategic decisions made by the top management have to be result oriented and cost effective, to be geared towards achieving specific goals in the best interest of the customers and stakeholders.

Successful implementation of strategic decisions and plans largely depends on the method used in coming up with the strategies. Pearce and Robinson (2011) claim that a good strategy execution requires diligent pursuit of operating excellence and strategy can only be considered successful if things go smoothly enough that the company meets or beats its performance targets matters strategy.

Every organization whether profit making, non-profit making, public or privately owned has a goal to achieve. This means that planners need to be careful on how they engage in strategic management. Due to the contextual differences management approaches can

only be effective if they are tailored to suit a specific scenario. Adoption and implementation approaches vary between organizations. Most organizations have adopted formal strategic management processes to provide a structured guideline to achieve set goals (Kamunde, 2012).

1.1.2 The Information Communication Technology Industry in Kenya

Kenya has witnessed significant growth in the Information Communication Technology sector as demonstrated by the number of telephone lines, Internet Service Providers (ISPs), the number of Internet users, broadcasting stations, software development companies and market share of each one of them. The Government has liberalized the ICT market and as such there are a number of players in the sector. Countries that have harnessed the potential of Information and Communications Technologies (ICTs) have attained significant social and economic development, (information.go.ke, 2014). In addition, they are rapidly transforming into information and knowledge-based economies.

In 1997, the Government released the Telecommunications and Postal Sector Policy Guidelines that created an environment for competition in several market segments and paved way to the enactment of the Kenya Communications Act of 1998 which repealed the Kenya Posts and Telecommunications Act. The Government recognizes the role of ICTs in the social and economic development of the nation and has promulgated a national ICT Policy based on the Economic Recovery Strategy for Wealth and Employment Creation (2003-2007). The primary motivation for growth in ICT has come from the private sector, with the role of governments being that of a facilitator for creating an enabling environment. The advent of better international connectivity is going

to be beneficial to Kenya's telecoms market and the Internet in particular. It has also seen the growth of new industries such as Business Process Outsourcing, software development and application development.

In an effort to streamline the operations within the software industry the government established the ICT board of Kenya. The Kenya ICT Board was formed in 2007 as a State Corporation under the State Corporations Act 446 to market the country as a profitable technology investment destination and grow investment in the industry. The Board is a State Corporation within the Ministry of Information and Communications whose overall purpose is to market Kenya as an ICT destination. In June 2014 the Kenya ICT Board, Directorate of E-Government and Government Information Technology Services (GITS) were merged into the Kenya ICT Authority, with the aim of consolidating all Information Technology (IT) functions under the Ministry of ICT (humanipo.com, 2013). The Kenya Authority is charged with the development of ICT policies and enhancement of technology services in the country.

1.1.3 Software Development Industry in Kenya

Software development in Kenya has grown over time. It started on Windows based applications most of which were running on Microsoft DOS in the 1980s. There was very little programming that was taking place owing to the fact that few or no programmers within institutions of higher learning had the capacity to train software developers. According to Keengwe and Maxfield (2014), in the late 1990s and early 2000s, the technology evolved to a lot of desktop applications which were majorly built on technologies like Visual Basic, Delphi, Pascal among others. This was majorly working

on a client server architecture with a database installed on a server and client installations that connect to the server DBMS over the network. Most of these solutions were proprietary that required uptake of third party licenses to the consumers. Software uptake was slow due to the inhibiting costs involved. A lot of the solutions were imported from Europe and India. Software development has since risen to web and mobile technologies owing to its ease of access and availability of Free and Open Source platforms on which these applications are built, as well as accessibility to affordable gadgets on which these applications run. The education system has equally evolved to producing a lot of young professionals well trained to handle software development tasks resulting in a lot of solutions available in the Kenyan market.

1.1.4 WiseDigits Limited

WiseDigits Limited is a limited company registered under CAP 486 of Kenya. The company started in the year 2010 and is a Kenyan-based technology company that was founded to impact the business community across Africa through innovation of cutting edge technologies in adaptive software development, data management, and communication, among other embedded systems. The company specializes in developing as well as supporting computers web-based applications, enterprise solutions and bespoke software solutions.

According to Ford (2003), due to globalization of world economies, countries all over the world are forced to look beyond their competitors in order to fit well and compete effectively. Software development companies engage in information processing activities with a software system as the end product (Loudon, 1995). It's therefore the process that

is involved in building a computerized system. WiseDigits utilizes an information development methodology of collection of procedures, techniques and tools and documentation aids to help developers in their efforts in developing new information management systems.

The company has three core business units: development, training and consultancy that work together to deliver premium quality solutions to clients. The main goal is to accelerate, simplify and enrich business processes to give customers an edge over their competition. The company provides smart customization of pre-developed platforms, full cycle custom software development, or enterprise application integrations; to help their customers and entrepreneurs to realize new innovative ideas that help them provide customers with additional value.

1.2 Research Problem

Although business managers can profoundly shape the internal environment of their companies. However, they may have no control whatsoever on the external environment in which they operate, which presents both opportunities and threats. Organizations need to analyze and utilize the opportunities to enhance competitive advantage. By staying alert to the external environment organization managers can develop strategies and products that are responsive to the market dynamism and take advantages as presented by the environment.

All organizations devise and implement strategies to succeed and achieve their goals. They do this by seeking to understand how their organization relates to the external factor

in the environment where it operates. Kamunde (2012) noted that successful firms are those that can anticipate and respond to the changing environment by building and deploying resources and capabilities which enable them to formulate and implement winning strategies.

Competition and the need to respond to the shifting consumer demands have prompted privately owned organizations to adopt formal strategic management processes to provide documented guidelines on how to achieve their goals. WiseDigits further faces competition from international companies that have identified Africa and Kenya in particular as a ready market for their products. To achieve accountability, meet and exceed customers and stakeholders expectations, and as well as keep up with the global and technological trends. WiseDigits has come up with a strategic plan and chosen the formal strategic mode of management to implement their strategies.

Although there is considerable literature and research on strategic management in different organizations., like Lekasi (2010) Studied strategic management processes at Kenya Revenue Authority (KRA), Kamaku (2010) studies strategic management practices in international non-governmental organizations in Kenya, Heron (2010) researched on strategic management practices by state corporations in Kenya, Kamunde (2012) explored strategic management practices at the Kenya Airport Authority and Ochieng (2012) studied strategic management practices in the Kenya Bureau of standards. All the sited studies reveal that strategic management is practiced in the organizations but each organization adopts different management approach.

There is no one universal approach to strategic management. The contextual differences across organizations explain why different organizations adopt different approaches.

What are the strategic management practices at WiseDigits limited?

1.3 Research Objective

The objective of the study is to establish the strategic management practices at WiseDigits Limited.

1.4 Value of the Study

The study will provide factual information to the government and policy makers on the dynamics in the external environment within which software development companies operate and consequently formulate necessary policies and regulations that will enable software companies remain competitive without compromising the quality of products developed.

The findings will also be significantly useful to the management of WiseDigits Limited in particular and generally to the management of other players in the industry as it will provide insights to the management in the changes happening in the external environment in which they operate and the analysis of the effectiveness of the strategies they have put in place to respond to the ever changing business environment.

Hopefully, the study will contribute to the knowledge gap in the academic field. It is also expected that the study will benefit the general public and in particular businessmen who are the target customers and consumers to the software developers to gain relevant

knowledge that will enable them to conduct independent analysis on the strategies adopted by their service providers before engaging them so as to make informed choices and finally the study will also contribute to theory and practice.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter on literature review provides a summary of information from other scholars who have carried out research in the same field of study; strategic management. The areas covered here are theoretical foundations of the study, strategic management processes and strategic management practices.

2.2 Theoretical Foundations of the Study

Strategy is defined as a deliberate planning process, initiated by the top management based on an elaborate industry analysis and aimed at designing a cohesive grand strategy for the corporation, (Volberda, 2004). According to Johnson and Scholes (1997) strategic management is the direction and scope of an organization over the long term; which achieves advantage for the organization through its configuration of the resources within a changing environment to meet and fulfill customers and stakeholders expectations.

Strategic management has various elements, among them, external environment which is a set of conditions outside the firm that affect the firm's performance, the internal environment a set of conditions inside the firm affecting the choice and use of strategies, strengths, resources and capabilities that allow the firm to complete important tasks, resources the tangible and intangible assets held by the firm, (Christensen and Raynor, 2003).

The study is anchored three theories, the stakeholders' theory, Industrial Organization and resource based theories. To start with, Industrial Organization theory is an approach used to analyze the firm's external environment. Organizations do not operate in an environment of their own. They affect and are affected by the operations of similar and dissimilar organizations in the environment. The environment in which organizations operates is constantly changing with different factor affecting the organizations. Firms have to identify opportunities (conditions in the firm's external environment that may help the firm reach its vision) and threats (conditions in the firm's external environment that may prevent the firm from reaching its vision). Tirole (1988) Performance often declines in firms that do not carefully study the threats and opportunities in their external environment. Firms use their resources to pursue environmental opportunities and to overcome environmental threats.

Secondly, Resource based theory examines performance differences of organizations based on their resources (Peteraf and Barney, 2003). The theory operates on the assumptions that organizations within an industry may differ in their resources and resources may not be perfectly mobile across organizations, so organizational differences in resources can be very long lasting (Barney, 1991). The central idea in resource - based theory is that organizations compete against others on the basis of their resources and capabilities. The ability to control the firm's resources, capabilities, and core competencies and to develop them in ways that differ from those of the competitors increases the number of strategic options. Organizational sustainable Competitive Advantage derives from the resources and capabilities that an organization controls that are valuable, rare, inimitable, and non-substitutable. Thus, from the theory, the

uniqueness of the firm's resources, capabilities, and core competencies influences the choice of one or more strategies.

Finally is the stakeholders' theory that holds the assumption that values are necessarily and explicitly a part of doing business. It asks managers to articulate the shared sense of the value they create, and what brings its core stakeholders together. The theory also pushes managers to be clear about how they want to do business, specifically what kinds of relationships they want and need to create with their stakeholders to deliver on their purpose.

2.3 Strategic Management Process

Ansoff and McDonnell (1990) defines Strategic management as “a systematic approach to a major and increasing important responsibility of general management to position and relates the firm to its environment in a way which will assure its continued success and make it secure from surprises.” According to them the management of a firm must study the internal and external environment within which it operates to ensure that they are prepared to tackle any turbulence that may hit the industry and as such pose threats or opportunities to the firm. Strategic management involves the formulation and implementation of strategies to achieve corporate success: It involves formulating and implementing strategies that will help in aligning the organization and its environment to achieve organizational goals.

Strategic management provides overall direction to the enterprise and is an ongoing process that evaluates and controls the business and the industries in which the company operates; assesses its competitors and sets goals and strategies to meet all existing and potential competitors; and assesses the implementation process to assess the extent to which they meet changed circumstances, new technology, new competitors, a new economic environment, or a new social, financial, or political environment.

Both business and services organizations are experiencing turbulence. Local national and global issues and groups have far reaching impacts on organizations. Gone are the days when managers only worried about taking the good and the services to the market. Managers are presented with a lot more to be able to come around their completion. Every organization strives to outperform their rivals; this can only be done by developing winning strategies over other players in the market.

Strategic management implies an attempt to alter a company's strengths relative to its competitors in the most effective and efficient way. Strategic management focuses on the direction of the organization and actions necessary to improve performance. Pearce J. and Robinson (2011), define strategic management as a set of decisions and actions that results in the formulation and implementation of plans designed to achieve an organization's objectives. The process involves planning, directing, organizing and controlling of an organization's strategy-related decisions and actions. It's therefore about managing future oriented plans for interacting with the competitive environment to achieve the company objectives. According to Johnsons and Scholes (1997), strategic management is the direction scope of an organization over the long term which achieves

advantage for the organization through its configurations of its resources within a changing environment to meet the need of the market and fulfill the stakeholders' expectations.

Strategic management analyses the major initiatives taken by a company's top management on behalf of the owners, involving resources and performance in relation to the internal and external environments. It entails specifying the mission vision and objectives, developing policies and plans often in terms of projects and programs, designed to achieve these objective and then allocating resources to implement the policies, plans, projects and programs. In other words strategic management helps to create consistency between the organization and the environment within which it operates. According to Arieu (2007), strategic consistency occurs when the actions of an organization are consistent with the expectations of the management and these in turn with the market and the context.

2.4 Strategic Management Practices

Managing strategically begins with the development of the organizational strategic models or plans. Firms are in competition with one another to gains access to resources needed to earn above average returns and to provide superior satisfaction to stakeholders needs and gain a competitive advantage against their competition. The full set of commitments; decisions; and actions required for a firm to achieve competitive advantage is what Hitt et al (2000) defines as strategic management process. It's the process that is used to match the conditions of an ever changing environment and competitive structure with a firm continuously evolving resources, capabilities and

competences. Schermerhorn (2010) defines strategic management as the process of formulating and implementing strategies to accomplish long-term goals and sustain competitive advantage. From the definition we can think of strategic management as the process of making decisions that allocate an organization's resources so as to consistently out-perform competitors.

According to Johnson and Scholes (2002) “Strategic management includes understanding the strategic position of an organization, strategic choices for the future, and turning strategy into action. Understanding the strategic position is concerned with impact on strategy of the external environment, internal resources and competences, and the expectations and influence of stakeholders. Strategic choices involve understanding the underlying bases for future strategy at both the corporate and business unit levels and the options for developing strategy in terms of both the directions in which strategy might move and the methods of development. Translating strategy into action is concerned with ensuring that strategies are working in practice. A strategy is not just a good idea, a statement, or a plan. It is only meaningful when it is actually being carried out”

Thompson & Strickland (2003) looks at Strategic management is an ongoing process or event whose implementation adapts with performance experience and internal and external business environmental changes.

Developing strategy for a business may seem a deceptively simple task that involves finding out what customers want, providing it for them at the best prices and service, and making sure competitors can't copy what you are doing well. This is however not the

reality in practice; where strategies don't just happen; they must be developed and then be well implemented.

Strategic management is viewed as a function of the top management which provides guidance and boundaries for all aspects of operations management. Strategic management is an ongoing process to devise and revise future-oriented strategies that allow an organization to achieve its objectives considering its capabilities, constraints and the environment in which it operates (Basak and Pande 2012).

According to Pathak (2010), strategic management process happens in five stages. The process, according to him begins with strategic analysis to assess the organization, its environment, its competitive positioning, and its current strategies. Next comes strategy formulation, the process of developing a new or revised strategy. The final phase is strategy implementation, using resources to put strategies into action, and then evaluating results so that the implementation can be improved or the strategy itself changed. Thompson and Strickland (2003) stipulate that strategic management is a combined process of strategy making and strategy implementation, which comprises five interrelated managerial tasks. The first task is to develop strategic vision and business mission this is about setting the long-term direction and define what the company is trying to become so as "to infuse the organization with a sense of purposeful action.

Setting objectives is the second task. It's about translating the strategic vision into a set of measurable business outcomes that the company must and should accomplish within a given time. This is followed by crafting a strategy to achieve the objectives. This stage is about designing the game plan to realize the business outcomes.

The fourth task involves implementation and execution of the chosen strategy efficiently and effectively to realize the desired business outcomes. Finally is evaluating performance, monitoring new developments such as external market, industry, regulatory, and technology developments, and initiating corrective adjustments in vision, strategic objectives, strategy, or execution, as required, as a result of the actual experience, changing conditions, new ideas, and new opportunities.

Mintzberg (1990) allocates all major decisions to top management, which in turn imposes them on the organization and monitors them through elaborate planning, budgeting, and control systems. According to Vinzant and Vinzant (1999) strategic management process is carried out at the top of the organization which provides guidance direction and boundaries for all aspects of operational management. The strategic effort is to go beyond the old traditions of developing strategic plans that are never implemented. He goes further to indicate that an organization must create a feedback loop in which implementation of strategic plans as re-connected to organizations mission and goals done through monitoring and evaluation of results on the implemented programs.

2.4.1 Strategic Planning

Strategic planning is the discipline of developing the strategy into a series of action plans and is a subset of the strategic management discipline that focuses on prioritizing resources to the selected action plans, and coordinating and controlling the activities to ensure the envisioned future will be created (Johnson and Scholes, 2002).

Strategic planning implies an attempt to alter a company's strength relative to that of its competitors, in the most efficient and effective way. Strategic planning focuses on the direction of the organization and actions necessary to improve its performance. It's the process by which organizations derive a strategy to enable them to anticipate and respond to the changing dynamics environment they operate. Johnson and Scholes (1997) expound the meaning of strategic planning as the direction and the scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources within a changing environment to meet the market needs and fulfill the stakeholders' expectation.

According to O'Regan and Ghobadian (2002) strategic planning encompasses terms such as strategic thrust, corporate focus and strategic intent. In general terms, common aspects of most definitions are concerned with the long-term direction of the organization, defining what business an organization should engage in, matching the activities to the environment in order to minimize the threats and maximize opportunities, as well as matching the organizations activities to the resources available.

An effective strategic planning system of the firm will link long-range strategic goals with both mid-range and operational goals. To facilitate this activity, those involved in the process collect data, forecasts, models and contrast different and alternative scenarios. The standard approach of strategic planning would incorporate an external environment analysis to identify opportunities and threats facing the organization, and an internal analysis to identify the organizations strengths and weaknesses (Dincer Et al., 2006).

2.4.2 Strategy Formulation

Strategy formulation guides the executives in defining the business their firm is in, the end it seeks, and the means it will use to accomplish those ends. According to Pearce and Robinson (2011) the approach is an improvement over that of the traditional long-range planning, as it combines a future oriented perspective with the concern of the firm's external and internal environment.

Strategy formulation leads to a chosen strategy; the purpose is to cause strategic thinking that conceives the future of the enterprise and how the future may be secured, (Macmillan 2000). The process should provide a mechanism for communication of ideas and to coordinate efforts. It should inject structure but not rigidity into the thinking.

Macmillan (2000) identifies three essential elements of strategy formulation: strategic intent which is the driver of the process and seeks to answer the question where do we want to go; strategic assessment whose role is to anchor future strategies in reality and assess both the outside world and the relative capabilities of the organization, it answers the question of where are we now? And strategic choice which addresses the question, which options will we choose for getting where we want to be from where we are.

According to Pearce and Robinson (2011) strategy formulation has three interlocking activities: intending, assessing, and choosing. In fact they go further to state that in any good strategy process the activities fit together into a coherent whole and are in balance.

2.4.3 Strategy Implementation

Strategic implementation is the process that puts plans and strategies into action to reach goals and objectives of the organization. A strategic plan is a written document that lays out the plans of the business to reach goals, but will sit forgotten without strategic implementation (Macmillan 2000). It makes the company's plans happen.

Strategic implementation is critical to a company's success; it addresses who, where, when, and how of reaching the desired goals and objectives. The process occurs after environmental scans, SWOT analyses, and identifying strategic issues and goals and involves assigning individuals to tasks and timelines that will help an organization reach its goals.

Ansoff, Declerk and Hayes (1976) points out that the outcome of strategic planning is only a set of plans and intentions. By itself strategic planning produces no actions, no visible changes in the firm. To effect changes the firm needs appropriated capabilities; trained and motivated managers and staff, strategic information, fluid and responsive systems and structures.

Implementing strategies effectively is very difficult. The more radical the degree of change, the more difficult it is since these far reaching and radical changes affects all facets of the business. In implementation it's important to take note of the fact that change affects people and the success of implementation critically depends on carrying people in the organization with the new strategy. Macmillan (2000) noted that a good strategy is one that is successfully implemented.

According to Holman and Peter (1999) strategic implementation is best handled in five chronological steps. The first step being setting out to ensure that all stakeholders understand the strategic plan through and through and keep alternative ideas in mind in case the original plan fails. The second step is about creating a vision for implementing the strategic plan. This might be a series of goals to be reached, step by step, or an outline of items that need to be completed. The third stage is the most important; it's about selecting the implementation team members to help you implement the strategic plan. The team leader should that the team understands the purpose of the plan and the steps involved in implementing it. The fourth meeting is about progress review meetings. Here the implementation team gets to meet to discuss progress; review the objectives, against what has been accomplished. Whether the implementation is on schedule, ahead of schedule, or behind schedule, assess the current schedule regularly to discuss any changes that need to be made. Establish a rewards system that recognizes success throughout the process of implementation. Finally is involving the top management, the organization's executives should be informed on what is happening, and provide progress reports on the implementation of the plan this is in a bid management know about the progress of implementation makes them a part of the process.

2.4.4 Strategy Monitoring Evaluation and Control

Monitoring and evaluation of strategic management process refers to tools and techniques used to check whether the company is on track in accordance with the strategy set and if not why find out why not and re-direct efforts and resources appropriate. Strategy evaluation and control actions include performance measurements, consistent review of

internal and external issues and making corrective actions when necessary. Any successful evaluation of the strategy begins with defining the parameters to be measured. Determine progress by measuring the actual results versus the plan.

Monitoring internal and external issues will enable implementation team to react to any substantial change in business environment. According to Macmillan (2000) there are several tools and techniques for monitoring and evaluating performance that can be used independently or combined. Some of the tools include formal surveys, theory based evaluation, cost benefit and cost effectiveness analysis and many more. The choice of a monitoring tool largely depends on the purpose of evaluation, stakeholders' interest, cost implications and urgency of the report.

Constant evaluation helps to determine whether or not strategy is moving the company toward its goal and take corrective actions. Strategy implementation ought to be a repetitive process because internal and external issues are constantly evolving; any data gained in this stage should be retained to help with any future strategies.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used to find answers to the research question. In this chapter the research methodology was presented in the following order, research design, data collection methods, instruments of data collection and the data analysis procedures employed by the researcher.

3.2 Research Design

Dooley (2007) defines a research design as the scheme, outline or plan that is used to generate answers to research problems. The study employed a case study research design. The researcher deemed the design as an appropriate methodology as it allowed the researcher to focus on the story behind the results of WiseDigits limited by capturing the events that brought about the success.

The advantage of applying this methodology was to help the researcher to conduct an in-depth study of WiseDigits Limited. The researcher hoped to have a holistic investigation with interesting and resourceful debates throughout the data collection process. According to Yin (1983) a case study contributes uniquely to our knowledge of individual, organizational, social, and political phenomena. A case study is preferred in examining contemporary events.

3.3 Data Collection

The data that was collected was purely qualitative in nature and was derived from both primary and secondary sources. Primary data for the current study was collected through one on one telephone interviews with the interviewees. The researcher made use of an open ended interview (See Appendix I) of five key persons. The interviewees were drawn from the top management; the managing director, the human resources manager, business development Manager, project manager and the Finance manager.

Secondary data was collected from existing documentation on WiseDigits limited, such as employees' satisfaction surveys, project review reports and performance evaluation reports and from general literature such as policy documents and minutes taken during management and staff meetings.

3.4 Data Analysis

Data was collected through guided interviews and from the existing documentation in the organization. The researcher used Content analysis to analyse the data to enable an in depth understanding of the qualitative data.

Content analysis is a tool for measuring the content of communication. Its objective is to obtain a qualitative description of the manifest content of communication (Zikmund, 2003). Data based on analysis of meanings and implications emanating from interviewee information and comparing responses and presented thematically in line with the objectives of the study.

Content analysis technique was deemed suitable for its flexibility and also allows for objective, systematic and quantitative description of the content of communication (Cooper and Schindler, 2006). This technique of data analysis had been used successfully in similar research studies such as Kandie (2001), Oluoch (2011) and Kamunde (2012).

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis, findings and discussions. The study had only one objective namely; to establish the strategic management practices adopted by WiseDigits Limited. Primary data was collected through in-depth interviews with the company's top management. The interviewees were drawn from the top management; the managing director, the human resources manager, business development Manager, project manager and the Finance manager. Data was collected from one on one interview as the research instruments. The interview guide was drawn in line with the studies objectives and data collected analyzed and findings presented in the various categories.

4.2 Strategic Management Practices at WiseDigits Limited

In this section the study sought to determine the strategic management practices at the WiseDigits limited. The findings are presented in the subsequent sections.

4.2.1 Strategic Planning

The study established that at WiseDigits limited, all the sections and departments depended on the organizations. Data was analyzed in relation to the study's objectives and the findings are presented in the various categories below.

The researcher sort to know from the interviewees how the organization (WiseDigits Limited) was structured. In their response all the interviewees seemed to be aware of the organization's organogram. Fact that all of them were heads of the sections and departments answers the question. The organization has a departmental structure, Human resources and Administration, software Research and development, customer care and relations, finance and software implementation and customer support departments. All the department managers' work and report to the managing director.

All departments other than Software research and development depended mainly on the organizations general strategic plan. The research and development department had a departmental strategic plan developed in line with the organization. The department's strategic plan was fully operational and institutionalized within the department. This was mainly to help the department in responding to the ever changing and very dynamic technological advancements and ensure they were coming up with solutions that are technologically up to standards. On further probing the researcher sort to know who was involved in strategic planning and the roles they played in the process. The study established that this was mainly the role of the top management. According to two of the interviewees, strategic planning was mainly the work of an external consultant. One of the interviewees revealed that strategic planning originated from the top management who came up with the action plans and points and handed these to an external consultant to patch the ideas and put them together and draw the strategy.

One of the interviewees seemed not aware of who was involved or how the task was carried out. One other interviewees recants that the last time the strategic plan was drawn,

it was involving all the departmental heads but with the help of an external consultant to help to put together the findings.

The interviewees revealed that the review of the strategic plan was the work of the top management. There would conduct the first and the second review together with the consultant. The rest of the staff would only be brought into the picture after this stage to ensure inclusiveness in the process. These findings were confirmed with the help of documented evidence existing in form of minutes taken during the strategic planning process.

The initial strategic plan 2013-2017 was drawn in conjunction with a consultant from insight management consultant limited to oversee the process. The process is evidenced in the 2013-2017 strategic plan meetings of the management team to brain storm the strategic plan with the help of a consultant as the facilitator.

4.2.2 Strategy Formulation

This section presents data analysis and findings on the strategic management practices at WiseDigits limited in relation to strategy formulation.

The researcher sort to know if there existed a vision and mission statement at WiseDigits and if the company had common values that guides the staff internal conduct as well as relationships and interactions with the external world.

In their response, all interviewees confirmed that WiseDigits has a vision and mission statements as well as core values all of which are well documented and shared across the organization. The organization's vision statement is "To be the Preferred Customized Business Solution provider in Africa with a Global Reach". The mission statement is "To grow our existing business whilst building the platform to be the preferred customized Business solution provider in Africa with a Global Reach". The company's core values are, Reverence to God; Build technology solutions around core business strategies; Enhance Scalability; Performance and Durability of software Applications; and Innovation coupled with Integrity & Professionalism to ensure quality services and products.

The researcher sort to establish how well the vision, mission statements and the core values were communicated and lived in the day-to-day operations of the organization. All the interviewees confirmed that the vision and mission statements as well as the company's core values are well communicated to the employees across the organization. This was evidenced by the clear notices and displays clearly defining the vision and mission statements on the noticeboards. In fact in all departmental offices that the researcher visited in the process of data collection, the company's core values were clearly put down on paper and hung on the walls. The interviewees further confirmed that the vision and mission statements are communicated to the employees through workshops and seminars held regularly to evaluate the organizations strategic plan.

The researcher sought to know who and how the vision statement and mission statements were developed. In their response the interviewees reported that a select committee

drawn from all the departments developed the organization's mission and vision statements through constant meetings and deliberations.

The interviewees were asked to confirm if there are any objectives set in the organization and to describe the process of coining and communicating objectives to the employees. In their response the interviewees confirmed that at WiseDigits, objectives are set at both the corporate and the business (department) levels. Business level objectives are set and aligned with the corporate objectives. Asked how objectives are set the interviewees confirmed that the process setting objectives is similar to that of developing the vision and mission statements. A select committee of representatives drawn from all departments draws the draft objectives based on the company's vision and mission statements. The draft is then submitted to the top management for review and discussions. After approval the objectives are submitted to WiseDigits Limited board of directors for approval. The set objectives are adopted and operationalized after approval and are included in the company's strategic plan. Approved objectives are communicated to the employees through departmental heads and workshops organized to train the strategic plan to the employees.

The researcher sought to know from the interviewees if WiseDigits limited conducted environmental scanning and how it was done. In their response the interviewees indicates that the organization conducted environmental scanning through the marketing department as well as engaging services of an external consultant. The interviewees went further to indicate that the marketing department achieved this through telephone interviews and questionnaire surveys conducted on the target market. One of the

interviewee actually confirmed that environmental scanning was of the process of collecting data for the strategic plan. The interviewees confirmed that the organization mainly focused on SWOT and PESTEL analysis.

On further probing the interviewee were asked to cite challenges that WiseDigits limited faced in responding to changes in the external environment and in their response the interviewees cites resistance to change from the staffs that are too rigid to accept and adopt best practice. Another challenge that the interviewees cited was high employee turnover due to the nature of the work which involves a lot of travelling.

4.2.3 Strategy Implementation

This section presents data analysis and findings on the strategic management practices at WiseDigits limited in relation to implementation of formulated strategies.

The interviewees were asked to describe the process of strategy implementation at WiseDigits limited. In their response the interviewees indicated that plans were made from the annual departmental budgets, such as procurement plans, Human resources trainings and workshops, work schedules all which were managed through annual performance contracting.

The interviewees were asked to describe how adopted strategies were communicated to the employees and in their response the interviewees indicated that strategies are communicated through annual performance contracts, work plans and work schedules. One of the interviewees went further to state that the employees were empowered all through the implementation process through provision of required resources to execute

the chosen strategies. The employees were also allowed to come up with initiatives and break the strategies into small palatable activities and work plans for easy execution. The interviewees confirmed that the human resources departments organized regular workshops and seminar to train employees on the strategic plan; other employees were enrolled for on job training organized by the Human resources department through programs dubbed employees training and development programs.

The researcher asked the interviewees to cite the role played by various levels management in strategy implementation. According to them strategy implementation was a task that was initiated by the top management who came up with the execution plans that were cascaded down to the tactical level for actual execution. As a matter of fact four out of the five interviewees interviewed confirmed having been involved in strategy implementation. One of the interviewee confirmed having been involved drawing of the execution plans. Work plans and schedules that were later communicated to the employees through memos and with the help of the Human resources department. This was evidenced by copies of internal memos available that were formal communication on what the management expected of the employees concerning strategy implementation. Two interviewees confirmed having been involved in writing down departmental roles and responsibilities in regard to strategy implementation.

The researcher asked the interviewees to cite challenges they encountered in implementing the chosen strategy at WiseDigits limited. One of the interviewee cited resistance to change by employees that were too rigid to change. According to him the resistance was making them take too long to get accustomed to the performance based

approach to work. Avert this, the management charged the HR department with ensuring that all employees were properly inducted on the operations of the company and ensures that all individual employees have a job and assignments description and deliverables clearly describe the management expectations of the each and every employees.

Other interviewees cited employees' ignorance of the relationship between the chosen strategy, set objectives and the day-to-day operations and roles. Lack of solidarity among the departments and lack adequate human skills in matters concerning the chosen strategy were also cited as challenges of implementation. The management has introduced joint departmental meeting once every month to compare notes and ensure that all departments were on the same page. The departmental meetings were viewed as a way of ensuring that departmental objectives and work plans were in line with the corporate strategy. The management has also introduced employee's empowerment programs through the HR department that organizes regular workshops to train on the strategic plan. The department has also been empowered to carry out training assessment to guide future training programs. The HR department is to ensure that employees' training and development programs are inclined towards employee's assignments and duties other than personal goals.

4.2.4 Strategy Monitoring and Evaluation

The interviewees were asked to describe how the success of WiseDigits limited strategic plan was monitored if at all it was monitored. In their response the interviewees confirmed that the process was actually monitored. The strategic plan was reviewed annually through performances contracting and annual employees' appraisals and

evaluation. One of the interviewees revealed that there were quarterly departmental performance reports that were produced by the human resources department with the help of the departmental heads and presented to the top management. Monitoring and evaluation was done through employees' performance contracting and budgetary assessments and through evaluation of report presented to the management during top management meetings. Annual review was evidenced by minutes of a meeting held by the stakeholders to review progress

From the findings it was evident that the organization uses constant meetings and performance appraisal of departments and individual employees to review progress in specific areas. The interviewees were asked to cite challenges they encountered in the process of monitoring and evaluating the implementation process of the adopted strategy. In their response the interviewees indicated lack of appropriate monitoring and evaluation tools is posing a challenge to strategy evaluation at WiseDigits limited.

4.3 Discussion

4.3.1 Comparison with Theory

From the findings, WiseDigits limited has vision and mission statements that are documented and have been communicated to employees and other stakeholders in both written and spoken form. This is in line with Thompson et al, (2007) who stated that a clearly articulated strategic vision communicates management's aspirations to stakeholders and helps steer the energies of company personnel in a common direction.

However, the misunderstanding of WiseDigits limited roles by different stakeholders point to the fact that the vision and mission statements have not been clearly understood by all stakeholders. Analoui and Karami (2003) argues that to avoid confusing stakeholders about the purpose of the firm, it is important that mission statement be communicated and made clear to all internal and external stakeholders of the business. The management of WiseDigits limited therefore needs to improve communication of its mission to all its external stakeholders to avoid the current misunderstanding of its role by external stakeholders.

The process of developing vision and mission statements at WiseDigits limited involves a strategic planning committee having representatives drawn from all the business units. The select committee prepares draft vision and mission statements for discussion by the senior management team. The same approach applies for formulation of the overall strategic plan for the organization but with the help of an external consultant. The strategy formulation is therefore participative, formal, highly ordered and neatly integrated process depicting a planning mode, (Mintzberg 1978).

From the findings, strategy implementation at WiseDigits limited involves the use of employee's performance contract and performance appraisal prepared by the management and cascaded to all functions or business units. The outline gives strategic objectives, the corresponding strategies, the activities to be carried out by each function and the timelines for carrying out such activities. This agrees with Pearce et al (2006) who argued that strategy implementation includes specifying the key tasks to be carried out and the 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.

In strategy evaluation, the interviewees reported that the success of WiseDigits limited strategic plan is monitored through annual review of performance based on the Performance Contract. The interviewees also confirmed that WiseDigits limited strategic plan is reviewed annually to monitor progress and evaluate fulfillment of the plan. This agrees with Hill and Jones (2005) who argued that strategy evaluation not only concerns with performance and performance measures but also helps to signal when as strategy requires adjustment in the light of experience and in the context of a rapid changing external environment, as strategy is a continuous process rather than a single event. However, it was noted that lack of appropriate monitoring and evaluation tool is posing a challenge to strategy evaluation at WiseDigits limited.

From the findings, a number of challenges relating to various strategic management practices were reported. The budgetary constraints and inadequate financial resources, inadequate knowledge of strategy amongst staff and instability due to frequent changes at the top level of the organization were reported as some of the factors negatively influencing strategy formulation at WiseDigits limited.

Resistance from staff; challenges in recruitment; skill obsolescence due to lack of skill upgrade by staff in line with technological development were cited by the interviewees as some of the challenges faced by WiseDigits limited while responding to changes in the environment. According to Kavanagh and Ashkanasy (2006), resistance to change can

exist at the organizational level; indeed, it is argued that organizational change is inherently resisted as the organization tries to neutralize the impact of attempts at change.

The interviewees cited challenges in implementation of strategies at WiseDigits limited, among them, employees' ignorance of the relationship between chosen organizational strategies and their day-to-day activities or duties. This agrees with Aaltonen and IKavalko (2002) who argued that challenges in strategy implementation are cultural and behavioral in nature, including the impact of poor integration of activities, lack of understanding of a strategy and diminished feelings of ownership and commitment.

The interviewees reported that WiseDigits limited is tackling these challenges through trainings and workshops that are tailored towards empowering employees to take up their roles. This agrees with Bryson and Roeing (1995) who argued that people's intellect, creativity, skills, experience and commitment are necessary towards effective strategy implementation. By training staff, WiseDigits limited is improving skills of its staff for better strategy implementation in the end. The adoption of performance contracting and appraisal will also institutionalize strategy evaluation and ensure involvement of all employees in strategy implementation (Kaplan & Norton, 2001). Therefore, the strategy management practices adopted at WiseDigits limited are directed towards overcoming these challenges.

4.3.2 Comparison with other Studies

The study established that WiseDigits limited has vision and mission statements that are documented and have been communicated to employees and other stakeholders in both written and spoken form. This is in agreements with the findings of Kamunde (2012),

Oluoch (2011) and those of Ochieng (2011) who confirmed that the organizations had clearly written down vision and mission statements that were well documented and communicated to the employees.

The finding established that the process of developing vision and mission statements involves a strategic planning committee having representatives drawn from all the business units. The select committee prepares draft vision and mission statements for discussion by the senior management team. The same approach applies for formulation of the overall strategic plan for the organization but with the help of an external consultant. This finding is in agreement with Ochieng (2011) findings that the process of formulating objectives and coming up with the vision and mission statement involved a select committee with representatives drawn from all departments. However this differs with Kamunde (2012) findings that strategy formulation was a preserve of the top management who engaged services of an external consultant.

The finding that the top management held regular meetings with an external consultant to brain storm on the strategic plan is in line with Kamunde (2012) findings.

The study findings that strategy implementation involves the use of employee's performance contract and performance appraisal prepared by the management and cascaded to all functions or business units is in agreement with Ochieng (2011) findings.

The study findings that the organization carried out monitoring and evaluation through employee appraisal and performance based contracts is in agreement with Ochieng

(2011) but differs with Aluoch (2011) and Kamunde (2012) who found out that monitoring used tools such as the balanced score card, meetings and reports

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary, conclusions and recommendations of the study. The objective of the study was to establish the strategic management practices employed by WiseDigits limited.

5.2 Summary

The study established that WiseDigits limited has a vision and mission statements, which are well documented and communicated to all stakeholders. The organization has core values that guides employees conduct within and in the external world which are also well documented and communicated to the employees.

The study further established that development of the vision and mission statements is done alongside the company's strategic plan, is developed after extensive consultations by the management through a select committee having representatives drawn from all the departments and with the help of an external consultant. The select committee drafts the vision and mission statements together with the strategic plan are then forwarded to the board of WiseDigits limited Board of Directors, for review and approval. The strategy formulation process is therefore a participative, formal, and inclusive.

From the findings, strategic objectives and departmental objectives are set for the organization. The preparation, development and analysis of strategic plans in WiseDigits limited are also done through a consultative process.

The study also established WiseDigits limited conducts environmental scanning in the strategic planning process using SWOT, PESTEL Analysis techniques. From the findings, staff resistance, recruitment challenges, high staff turnover, inadequate resources, and staff ignorance of the relationship between the day-to-day operations and activities and the chosen strategy are some of the challenges that WiseDigits limited face in responding to changes in both internal and external environment.

The study established that Strategies are communicated to the staff through workshops and trainings specifically organized to educate employees on the strategic plans, annual performance appraisal of the employees as well as the work plans and schedules.

From the findings, staff ignorance of the relationship between the chosen strategy and the daily operations in the company, resistance to change among the staffs, are some of the challenges encountered in implementation of strategies at WiseDigits limited. The study established that the success of WiseDigits limited strategic plan is monitored through annual review of WiseDigits limited performance based on the Performance Contracts and performance employees.

5.3 Conclusion

The study sought to establish strategic management practices at WiseDigits limited.

To start with, the study established that WiseDigits limited has a vision and mission statements that communicates management's aspirations to stakeholders and help to pool synergies of the organizational staff to a common direction. The study also revealed that WiseDigits limited has a set of core values that are well written down and communicated to the employees.

Secondly, the study established that WiseDigits limited faced challenges in implementing the chosen strategy. The study established that the success of a strategy is accompanied by efficient communication to the staff through the trainings, workshops and, annual performance contract and appraisals as well as the work plans and schedules. The researcher noted that the organization plans regular trainings and workshops to educate employees on the chosen strategy. Resistance to change and performance based nature of assignment were some of the challenges faced by the WiseDigits Limited in strategy implementation.

The study established that success of WiseDigits Limited's strategic plan is examined through yearly review of performance based on the Performance Contracts and employees' performance appraisals. The study also noted that the company held departmental meetings to harmonize the departmental objectives and ensure harmony in the departmental activities towards achieving the overall organizational goals

Finally, the studied established that WiseDigits limited is faced with a number of challenges relating to the strategic management it has adopted: inadequate knowledge of strategy amongst staff; staff resistance; inadequate resources due to budgetary constraints and lastly poor monitoring and evaluation tool.

5.4 Limitations

The major limitation in the research study was caused by the procedural undertakings involved as outlined by the university management. Numerous approvals had to be made before the researcher is allowed to carry out the study.

The interviewees to the study had very demanding schedules thus challenging data collection exercise as the researcher had to reschedule to fit in their busy schedules. This was especially because the primary manner of data collection was one on one interviews with the interviewees through open ended questions hence the need to keep adjusting interview dates and time. Lastly, due to the varied nature of data collected from open ended interviews, content analysis was used in data analysis; the process of analyzing data was time consuming.

5.5 Recommendations of the Study

The findings of the study indicate that there are a number of challenges relating to various strategic management practices adopted by WiseDigits limited. Some of the challenges identified by the researcher are staff resistance to change, recruitment challenges, high staff turnover, inadequate resources, and staff ignorance of the relationship between the day-to-day operations and activities and the chosen strategy. The management needs to address the challenges amicably to ensure the chosen strategy is fully adopted. The challenges are likely to slow efforts of achieving WiseDigits limited strategy if not weed out in good time.

The study established that there was so much focus given to the process of strategy formulation at the expense of implementation. Yet strategic implementation is the process that puts plans and strategies into action to reach goals and objectives of the organization. Although implementation is usually considered after strategy has been formulated, it is a key part of strategic management process. Strategy formulation and strategy implementation should thus be considered as two processes that are both a means and an end to each other to ensure success of the adopted strategy.

The study established that that Organizing a company's activities and people to implement strategy involves much more than simply redesigning the corporate's overall structure, it also involves redesigning the way in which jobs are done. The study therefore recommends that the Human resources department be empowered to developed programs

geared towards empowering members of staff to carry out their duties in a manner to ensure that the chosen strategy is lived in the daily operations of the organization. The study recommends that the staff be educated on the relationship between the chosen strategy and the daily operations. The human resources department should be able to harmonize all departmental objectives with the corporate strategy to ensure smooth implementation of strategy. The study further recommends that staff promotions be based not only on current job performance but on also whether a person has the skills and abilities to do what is needed to implement the new strategy

5.6 Suggestions for further Research

The study focused on strategic management practices employed by WiseDigits limited. The study recommends more research on factors affecting strategic management at WiseDigits limited. This will allow for identification of crucial and important success factors that can aid successful strategic management in the organization.

The study did not look into the how the strategic management practices adopted by WiseDigits limited have contributed to the overall performance and customer satisfaction. Further research is therefore recommended on how strategic management practices adopted by WiseDigits limited have influenced the overall organization performance and customer satisfaction.

The study focused on the strategic management practices adopted by WiseDigits Limited only. It is therefore suggested that similar studies should be replicated in other organizations especially in the Private Sectors with the aim of comparing the strategic management practices by Private Sectors.

REFERENCES

- Aaltonen, P. & Ikavalko, H. (2002). Implementing strategies successfully. *Integrated Manufacturing Systems*, 13 (6), 415-18.
- Analoui, F. & Karami, A. (2003). *Strategy Management in Small and Medium Enterprises*. London: Thomson Learning.
- Ansoff, I. & McDonnell, E. (1990). *Implanting Strategic Management* (2nded). Prentice Hall: London.
- Ansoff, I. Declerk P. & Hayes L.(1976). *From Strategic Planning to Strategic Management*. London: Wiley
- Barney, J. B. (1991). *Firm resources and sustained competitive advantage*. *Journal of Management*, 17, 99 – 120.
- Barney, J. B. & Clark, D. N. (2007). *Resource - based theory: Creating and sustaining competitive advantage*. New York: Oxford University Press
- Belly, F. (2001). *Using Strategic Planning to Manage Strategically in Public Sector*. A Handbook of Public Management Practices and Reform. New York: Marcel Dekker.
- Bryson, J. M., & Roeing, W. D. (1995). Initiations of strategic planning by Governments. *Public Administration Review*, 48 (6), 995-1095.
- Chandler, A. (1962). *Strategy and Structure*. Cambridge: MIT Press.

- Cooper, D. R. & Schindler P.S. (2001). *Business Research Methods*. New York: McGraw Hill.
- De Wit, B. & Meyer, R. (1999). *Strategy Synthesis: Resolving Strategy Paradoxes to Create Competitive Advantage*. London: International Thomson Press.
- Dincer, O. Tatoglu, E. & Glaister, K.W. (2006). *The Strategic planning process: evidence from Turkish firms*, *Management Research News*, Vol 29 Iss: 4,
- Drucker, P. (1954). *The Practice of Management*. Harper and Row: New York.
- Freeman E.R. (1984). *Strategic Management: A Stakeholders Approach*, Pitman Publishing Inc.: London.
- Freeman, R.E., Wicks, A.C. & Parmar, B. (2004). *Organization Science: Stakeholder*, G. (2008). *Essentials of Strategic Management* (2nd Ed.). Mason, Ohio: Cengage Learning.
- Hezron, O. L. (2010). *Strategic Management Practices by the state corporations in Kenya*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.
- Hill, L., & Jones, R. (2005). *Strategic Management Theory: An integrated Approach*. Boston: Houghton Mifflin.
- Hitt M.A. Ireland R.D. & Hoskinsonn, R.E. (2002). *Strategic Management competitiveness and Globalization*, West publishing Company: United States

- Holman, M. & Peter, K. (1999). *Turning Great Strategy into Effective Action: Strategy, Strategic Planning Society UK: Sept.*
- Johnson, G. & Scholes, K. (2002). *Exploring Corporate Strategy: Text and Cases* Prentice Hall: India.
- Johnson, G. Scholes, K. & Whittington, R. (2008). *Exploring Corporate Strategy: Text and Cases* (8th Ed.). Prentice Hall: Essex.
- Kamaku, P.M. (2010). *Strategic Change Management Practices in International nongovernment organizations in Kenya*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.
- Kamunde, B. (2012) *Strategic Management Practices in Kenya Airport Authority*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.
- Kandie, P. (2001). *A Study of the Strategic Responses By Telkom Kenya Ltd In A Competitive Environment*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.
- Kaplan, R, S., & Norton, D, P., (2001). *The Strategy Focused Organization*. Boston, Massachusetts: Harvard Business School Press.
- Kavanagh & Ashkanasy, (2006). Management control systems and their strategy Formation at middle management levels: Evidence from a UK organization.

Strategic Management Journal, 23, 1019-1031.

Keengwe, J. & Maxfield, M. (2014). *Industrial Dynamics policy, and Economic Growth through Technical advancements*. IGI Global, USA.

Keengwe, J. & Maxfield, M. (2014). *Advancing higher education with mobile learning Technologies*. IGI Global, USA.

Kotler, P. (2001). *Marketing management: Analysis, Planning, and control*, Prentice Hall, Engle Wood Cliffs, New Jersey.

Lamb, Robert, & Boyden (1984). *Competitive strategic management*. Englewood Cliffs: Prentice-Hall.

Laudon, K.C Laudon, J.P. (1995), *Essentials of Management Information Systems*. New Jersey: Prentice hall, international Inc.

Lekasi, G. T. (2010). *Strategic Management Processes at Kenya Revenue Authority (KRA)*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.

MacMillan H. & Tampoe M. (2000). *Strategic Management Process, Content and Implementation*, New York: Oxford University Press.

Mathiu M.A. (2012). *Response strategies adopted by Taifa Sacco Society limited to changes in its external environment*, (Unpublished MBA Project) University of Nairobi: Kenya.

- Miles J.A. (2012) *Management and Organization Theory: A Jossey-Bass Reader*. Jossey-Bass: United States of America.
- Mutwiri B.K. (2012). *Strategic Management Practices Adopted by Kenya Airports Authority*, (Unpublished MBA Project) University of Nairobi: Kenya.
- McGee, J. Thomas, H. and Wilson, D. (2005). *Strategy: Analysis & Practice*. Berkshire: McGraw-Hill Education.
- Mintzberg, H. (1987). *The Strategy Concept 1: Five Ps for Strategy*. *Management Review*. England: Pearson Education Ltd.
- Mintzberg, H. Lampel, J. Ghoshal, S. & Quinn, J.B. (2002). *The Strategy Process concepts contexts cases*. England: Pearson Education Ltd.
- Mugenda, O.M. and Mugenda, A.G.(2003). *Research Methods, Quantitative & Qualitative Approaches*. Nairobi: Acts Press.
- Ochieng. R.(2012). *Strategic Management Practices in Kenya Bureau of Standards*. Unpublished Master of Business Administration Research Project, School of Business, University of Nairobi, Nairobi.
- Oluoch M. (2011). *Strategic Management Practices at the Kenya Civil Aviation Authority*. Unpublished MBA Project, School of Business, University of Nairobi.
- O'Regan, N. & Ghobadian, A. (2002). *Formal strategic planning: The key to effective business process management?* *Business Process management Journal*, Vol. 8 Iss: 5

- Ouma, M. O. (2012). *Strategic Management Practices in Government Funded Youth Small and Medium Enterprises in Kisumu town East Constituency, Kenya*. Unpublished MBA Project, School of Business, University of Nairobi.
- Pearce, J.A. & Robinson R.B. (2011). *Strategic Management: Formulation, Implementation and Control* 12th ed., McGraw-Hill: Irwin.
- Porter, M.E. (1998). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. The Free Press: New York
- Tirole, J. (1988) *Theory of industrial organization*. Hamilton Publishers: United States of America
- Thompson, A.A. & Strickland, A.J. (2007). *Crafting and Executing Strategy. Texts and Reading, 10th ed.*, McGraw-Hill: Irwin.
- Yin, R. K. (1983). *A case study research: design and methods, 2nd ed.*, London: Sage Publications.
- Zikmund, W. G. (2003). *Business research Methods*. Thomson.

APPENDICES

Appendix I: Letter of Introduction

Rosemary Wangari Mbuthia

School of Business, University of Nairobi

P.O. Box 30197, Nairobi

Dear Interviewee,

Ref: Introduction letter

I am a graduate student of the University of Nairobi pursuing a Master of Business Administration (MBA) degree. I am currently undertaking a research project titled 'Strategic Management Practices at WiseDigits Limited, in Kenya.' In fulfillment of the requirements for the award of an MBA degree at the university of Nairobi.

I hereby request for your assistance by participating in a guided interview and discussion all aimed at providing me with data and information for analysis to achieve the objective of the research project. Data and information provided shall be treated with utmost confidentiality and professionalism and shall be used exclusively for academic purpose.

A copy of the report will be availed to you and the management on request.

Your assistance will be highly appreciated.

Yours faithfully,

Rosemary Wangari Mbuthia

MBA Student, University of Nairobi

Appendix II: Approval

Appendix III: Interview Guide

Introduction

The questions are prepared to guide the interviewer in collection of data for a research project on strategic management practices at WiseDigits Limited, a project being undertaken in partial fulfillment of an MBA Degree at the University of Nairobi. The information gained from this survey will be kept confidential and viewed only by the researcher and her graduate committee.

A. Strategy Formulation and Planning Processes

1. How do you conduct strategic management planning at WiseDigits?
2. Who is involved in strategy formulation and what role do they play?
3. What is the vision, mission and the core values of the organization and How well are they articulated and lived in the day to Day operations of the organization? How is the vision and mission statement formulated and communicated in the organization?
4. Does the organization have set objectives? How are objectives set and communicated across the organization?
5. Do you conduct environmental scanning? What challenges does WiseDigits face while responding to changes internal and external environment?

B. Strategy Implementation

1. How is strategy implemented at WiseDigits?
2. How are the strategies communicated to employees?
3. What roles do various levels of staff play in implementation of Strategy?

4. What are the challenges did the organization face during strategy implementation and how were the challenges averted?

C: Strategy Evaluation and Monitoring

1. How is the success of WiseDigits limited strategic plan monitored?
2. Is WiseDigits involved in continuous review of its strategic plan?
3. Are corrective measures and procedures in the strategic management process institutionalized? If yes, what measures and procedures are in place?
4. Who is involved in strategy evaluation?
5. What are the challenges facing strategy evaluation?