PERCEPTION OF TOP MANAGEMENT TEAM AND STRATEGY IMPLEMENTATION AT THE COAST DEVELOPMENT AUTHORITY, KENYA

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DECLARATION

This research project is my original work and has not been presented for degree in any other university

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DEDICATION

This research project is dedicated to my parents Atanas, Esther and Usta Waichigo. Your believe in us enabled us to be better.

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ABSTRACT

The degree of participation of top managers in an organization determines the success or failure of strategy implementation. The extent to which a manager feels that he has participated or is supposed to participate is a matter of perception and this affects the decisions each manager and ultimately the totality of decisions made by the top managers. Coast Development Authority is one of the six regional development authorities established by various Acts of parliament with the mandate of spearheading integrated development planning, coordination and implementation of projects and programmes in their specified area of jurisdiction. The region in which CDA operates has in the recent times been cited as having a substantial number of people living below the poverty line despite the region being endowed with substantial natural resources. This study employed descriptive research in which a cross-sectional survey of CDA's top management team was undertaken. The responses from the top management team on their involvement in strategy implementation were analyzed using the Statistical Package for Social Science. The results indicate that a majority of the top management team has confidence in the adequacy of the current strategies in achieving the organization objectives. Despite these only two areas of TMT involvement that is allocating time to strategy implementation and developing capacity to successfully implement strategy was considered by the majority as either adequate or more than adequate. Responses indicate that in other areas TMT involvement was considered either as not adequate or less than adequate. These include the strategy implementation process, TMT commitment to strategy implementation, involvement of external stakeholders, resources disbursement, creation of strategy implementation policies, TMT strategic leadership, the reward system, and external stakeholder support. On individual involvement by the TMT members in strategy implementation a significant of the top managers indicated that they were either moderately involved or highly involved in strategy implementation. Other areas that the top managers indicated that they either moderately involved or highly involved in strategy implementation include: allocating resources to strategy related activities, monitoring strategy related projects, reviewing of CDA organization structure, reviewing strategy implementation progress, communicating with employees and external stakeholders on strategy implementation and developing CDA staff capacity to implement strategy. It is only in the area of rewarding employees for successful strategy implementation that a majority of the managers indicated that they were barely involved or not at all involved. The results of the study support earlier theories that individuals faced with the same reality may form different opinions and perceptions which may or may not reflect the true reality of the situation. It is noteworthy that though a majority of the managers feel that they are individually involved on various aspects of strategy implementation, they rated the team performance as inadequate or less than adequate in most of the strategy implementation areas. The management of perceptions as well as team dynamics require to be undertaken at CDA. The results of the study will inform managers as well as scholars of the need to manage team dynamics if organizations are to attain their set objectives.

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ABBREVIATIONS AND ACRONYMS

CBOs   Community Based Organizations

CDA   Coast Development Authority

CEO   Chief Executive Officer

EEZ   Exclusive Economic Zone

ENNDA   Ewaso Ng'iro North Development Authority

ENSDA   Ewaso Ng'iro South Development Authority

KVDA   Kerio Valley Development Authority

LBDA   Lake Basin Development Authority

MEW & NR Ministry of Environment, Water & Natural Resources

NGOs   Non-Governmental Organizations

RDAs   Regional Development Authorities

SPSS   Statistical Package for Social Development

TARDA   Tana and Athi River Development Authority

TMT   Top Management Team

CHAPTER ONE
INTRODUCTION

1.1 Background of the study

Various scholars have attributed the success or failure of strategy implementation with the involvement of or lack of involvement of the top managers in an organization (Alexander, 1985; Lare-Mankki, 1994; Beer & Eisenstat, 2000). Ogbeide and Harrington (2011) further notes that the concept of involvement can be defined as the degree of participation by members of organizational levels during the action planning, decision making and implementation. The degree of participation and by extension the degree at which the participation is adequate or inadequate is a matter of perception by employees, middle managers, Top Management Teams and other stakeholders in the strategy implementation process. As Hambrick (2001) argues, that to understand organizational outcomes, one need to go beyond looking at just the CEO and look at the entire top-management team underscoring the crucial role that the Top Management Teams plays in determining the strategic choices and performance of an organization. This study investigates the perception of Top Management Team on strategy implementation at the Coast Development Authority of Kenya.

The research is grounded on three theories: Resource Based View of the firm, the Upper Echelon Theory and the Contingency Theory of Organizational Behavior. The Resource Based View approach proposes that organization have resources that are heterogeneous and immobile (Wernerfelt, 1984). Organizations will attain competitive advantage over their rivals when they identify and develop resources that are valuable, rare, not easily imitated or substituted (Barney, 1991). Rothaermel (2013) further states that for firms to attain sustainable competitive advantage, the ability to exploit these valuable, rare and not easily imitated resources is crucial.

The Upper Echelon Theory as proposed by Hambrick and Mason (1984) proposes that organizations' strategies and their performance can be understood better if the top management teams' characteristics are analyzed. The idea that managerial characteristics can be used to (partially) predict organizational outcomes is based on the notion that the choices of top managers are influenced by their cognitive base and their values. Further both the characteristics and strategic choices of upper echelons may be influenced by the situational characteristics of the organization, such as external environment or firm characteristics such as the board characteristics (Carpenter et al. 2004; Nielsen 2010). Hambrick (2007) further suggests that there are two moderators of the relationship between managerial characteristics and organizational outcomes or strategic choices. These are managerial discretion and executive job demands.

The Contingency Theory of Organizational Behavior on the other hand proposes that there is no best way to organize and lead an organization. The optimal way will be dependent on the external and internal environment facing the organization. As Scott (1981) states the best way to organize depends on the nature of the environment to which the organization must relate. Managers therefore must understand the task and the environment they are dealing with before searching for optimal ways of organizing that will align with the task and environment.

Coast Development Authority is one of the regional development authorities that were set up by various Acts of Parliament to provide integrated development planning, coordination and implementation of projects and programmes in their specified area of jurisdiction. CDA area of operation is vast (103,326 km^2) covering Kwale County,

Taita Taveta County, Lamu County, Tana River County, Mombasa County, Kilifi County (the whole of the former Coast province), part of Garissa County (formerly Ijara district of North Eastern Province) and Kenyan Exclusive Economic Zone which is 350 Nautical Miles of the Kenyan waters of the Indian Ocean. The Authority is headed by a managing director who is answerable to a Board of Directors appointed by the Ministry of Environment, Water and Natural Resources.

Despite CDA being in existence for the last twenty four years and the rich resource base in the region, the region still has a high incidence of absolute poverty with 62% of the population living below the poverty line while 59.46% and 44.78% are food and hard core poor (Welfare Monitoring Survey III, 1997; CDA Strategic Plan 2012/13 – 2016/17). These facts raise the question on whether CDA has been successful in the implementation of their strategic objectives that are intended to enhance regional development through employment creation.

1.1.1 Top Management Team

Burnes (2009) describes the top management as the policy making group responsible for the overall direction of the company. Other scholars have defined top management as top management team (Chaganti, Watts, Chaganti & Zimmerman-Treichel, 2008; Maschke & Knyphausen, 2012), upper echelon (Hambrick & Mason, 1984), or dominant coalition (Hambrick & Mason, 1984). Despite the various terms used by different scholars, this study considers TMTs as management teams in leading positions of an already operating firm and with high involvement in the strategic decision making process

The TMT in an organization will consist of the Chief Executive Officer and the top executives in that organization. This definition excludes the Board of Directors in an organization. Finkelstein and Hambrick (1996) further notes that a practical way of identifying the TMT in an organization would be based on top executives' formal titles listed in publicly available documents or on a response provided by the firm CEO in a survey or an interview.

The Top Management Team plays a very crucial role of being the strategic decision making unit for the organization and as such determine the strategic choice and performance in an organization. The decisions and behavior of the TMT will be influenced and informed by the TMT's perception of the reality facing the organization. This is more so in the complex and involving task of strategy implementation where inadequate TMT involvement may spell doom for even the cleverly crafted strategies.

1.1.2 The Concept of Perception

Perception is the outcome of information processing or the consequence of selective attention, selective comprehension, encoding, storage, retention, information retrieval, and judgment (Waller et al., 1995; Waller, Conte, Gibson & Carpenter, 2001). Sutton (1987) refers to perception as "construed reality" (Sutton, 1987; Tacheva, 2007) since what one perceives can be substantially different from the objective reality. Rao (2008) defines perception as the process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture the world. Individual perception will be influenced by individual characteristics such as age, gender, cultural background, experience as well the context in which the decisions are made.

Individual behavior is based on ones perception of what reality is, not on reality itself yet different individual perceptions may diverge significantly when witnessing the same event (Santos & Garcia, 2008). Each person's perception will be biased to a certain extent depending on their individual characteristics and may not be a true representation of the objective reality. It is within this context that the perceptions of Top Management Teams, who play a crucial role of defining organizational reality and by extension the strategic decisions and performance of their organizations, need to be investigated.

1.1.3 Perception of TMT

In organizations, perceptions of leaders, managers and employees shape the climate and effectiveness of the working environment. Most of the time people believe that they are effective and efficient leaders using their perception but their supposed followers may have a very different perception (Otara, 2011). He further states that managers are continuously bombarded by a wide array of information but the way they perceive any given situation will depended on among other factors habit, motivation, learning, specialization and social background. These personal characteristics will further be influenced by managerial discretion and executive job demands (Hambrick, 2007). If managerial discretion is high, managerial characteristics will be better predictors of organizational outcomes than if managerial discretion is low.

Executive job demands on the other hand refer to the levels of challenge top managers' face. Hambrick (2007) postulated that top managers who face a high level of challenges will have less time to contemplate decisions and therefore take mental shortcuts and rely more on their personal backgrounds. Wang and Chan

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(1995) propose nine personal attributes and four contextual attributes that affect managers' ability to perceive or process information. The nine personal attributes are: cognitive complexity, knowledge, mental models of success, open-mindedness, time orientation, personal values, tolerance for ambiguity, locus of control, and the time devoted to environmental scanning. The four contextual attributes are: rewards and incentives, culture, strategic planning process, and executive support systems.

1.1.4 Strategy Implementation

Strategy implementation is an integral component of the strategic management process and is viewed as the process that turns the formulated strategy into a series of actions and then results to ensure that the vision, mission, strategy and strategic objectives of the organization are successfully achieved as planned (Thompson & Strickland 2003; Jooste & Fourie, 2009). Christenson and Overdorf (2000) argue that strategy implementation is concerned with "organizing" the firm's members and obtaining from them behaviors which contribute to the accomplishment of strategy. Noble (1999) defines strategy implementation as the process of communication, interpretation, adoption and enactment of a strategic plan. He argues that the real challenge in strategic management lies not in strategy formulation but in implementation.

Byars, Rue and Zahra (1996) adds that strategy implementation requires moving from largely intellectual exercise of formulation to the concrete realities of tactical choices, tradeoffs, conflicts, obstructions, misunderstandings and even errors. Johnson and Scholes (2002) stresses that understanding the strategic position of an organization

and considering the strategic choices open to it are of little value unless the strategies managers wish to follow can be turned into action. Musyoka (2008), further, cautions that the most superior strategy is useless without proper implementation. These different perspectives of strategy implementations underscore the importance of the process while at the same time cautions of the complex environment in which the process has to be undertaken.

The strategy implementation process entails the following steps; developing an organization so as to have the potential of carrying out strategy successfully, disbursement of abundant resources to strategy-essential activities, creating strategy-encouraging policies, employing best policies and programs for constant improvement, linking reward structure to accomplishment of results and making use of strategic leadership. Despite these seemingly straight forward steps, strategy implementation can be a complex and challenging task.

Friedman (2003) as cited in Musyoka (2008) states that the key challenges to strategy implementation by most managers include strategic inertia, lack of shareholders commitment, strategic drift, strategic dilution, strategic isolation and failure to understand progress. Johnson and Scholes (2002) cautions that resources are important in strategy implementation but resources by themselves do not guarantee success. They further indicate that majority of documented challenges arising from sources internal to the organization are related to inappropriate systems utilized during the process of operationalization, institutionalization and control of the strategy.

1.1.5 Top Management Team and Strategy Implementation

Ogbeide and Harrington (2011) define the concept of involvement as the degree of participation by members of organizational levels during the action plan decision making and implementation. As Hambrick, Cannella and Pettigrew (2001) note, the small group of people at the top of an organization can dramatically affect organizational outcomes since the executives make big and small decisions. The executives shape the framework by which their organizations hire, mobilize, and inspire others to make decisions. They also represent their organizations in dealings with external constituencies.

Lack of leadership, and specifically strategic leadership by the top management of the organization, has been identified as one of the major barriers to effective strategy implementation (Alexander, 1985; Beer & Eisenstat, 2000; Kaplan & Norton, 2004; Hrebiniak, 2005; Jooste & Fourie, 2009). According to a study by Beer and Eisenstat (2000) that studied 12 companies and 150 business units, the six silent killers of strategy implementation are top-down or complacent upper management, unclear strategy/conflicting priorities, ineffective senior management team, poor vertical communication, poor coordination across the enterprise and inadequate middle-manager and supervisor management skills.

Additional literature indicate that weak management roles in implementation, a lack of communication and commitment to the strategy, unawareness or misunderstanding of the strategy, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities and uncontrollable environmental factors are some of the difficulties in implementing strategies (Alexander, 1985; Lare-Mankki, 1994;

Beer & Eisenstat, 2000). Within the public sector, strategy development and implementation is undertaken within the framework of key Government policies. Public sector organizations are required to align their strategic objectives and their implementation to the key government development policies. Currently the key Government development policies are the Kenya Vision 2030 and the Second Medium Term Plan (2012-2016).

The Kenya Vision 2030 requires re-defining the purpose of Government institutions so as to develop a fit-for-purpose public service within the context of Vision 2030. The implementation of the new constitution promulgated in August 2010 has complicated the environment that the public sector organizations have to operate in. This has forced the CEOs and top managers within the public sector to align their organizations' strategies and implementation to be in agreement with the new constitution.

1.1.6 Regional Development in Kenya

Regional development within the Kenyan public sector is spearheaded by the Ministry of Environment, Water and Natural Resources. The Ministry of Environment, Water and Natural Resources was established to provide governance for sustainable use of natural resources in order to secure livelihoods and economic prosperity. Six Regional Development Authorities under the Ministry are Coast Development Authority, Kerio Valley Development Authority, Ewaso Ng'iro North Development Authority, Ewaso Ng'iro South Development Authority, Tana and Athi River Development Authority and Lake Basin Development Authority.   Each of the regional authorities is established under an Act of parliament that lays out the area of operation and the specific mandate of each Authority.

MEW & NR and each regional authority are guided by the Regional Development Policy of 2007 and the Kenya Vision 2030. The Regional Development Policy of 2007 has spelt new direction and emphasis in regional planning and development. The Regional Development Policy of 2007, emphasis that effective planning, development and implementation of integrated and multi-purpose programmes and projects that contribute to achievement of balanced regional development through employment creation, equitable distribution of resources and rural-urban balance. The Kenya Vision 2030 is the new government blueprint for long term development of the country and aims at transforming the country into a rapidly industrializing middle-income nation by the year 2030. Managers in the public sector organizations are expected to align their strategic objectives to the Kenya Vision 2030 as well as its Second Medium Term Plan (2012-2016).

1.1.7 Coast Development Authority

Coast Development Authority is one of the six regional authorities under the Ministry of Environment, Water and Natural Resources in Kenya. CDA was established by an Act of Parliament Cap. 449 of 1990 and is mandated to provide integrated development planning, coordination and implementation of projects and programmes within the Kenyan Coastal region approximately 103,326 km^2 covering Kwale County, Taita Taveta County, Lamu County, Tana River County, Mombasa County, Kilifi County, the southern part of Garissa County (formerly Ijara district of North Eastern Province) and Kenyan Exclusive Economic Zone which is 350 Nautical Miles of the Kenyan waters of the Indian Ocean. This area is not only expansive but has high incidence of absolute poverty, high levels of food deficit and unemployment. CDA's Strategic Plan 2012/13 – 2016/17 identifies high expectations from the community as one of the challenges facing the Authority.

The primary role of the CDA is to act as strategic driver of regional economic development.   To attain this role CDA spearheads the formulation of integrated regional development plans, resource mapping, promotion of resource based investment and conservation of resources, monitoring and disseminating information. In the performance of its functions CDA works with various stakeholders that include; other government ministries and departments operating in CDA's area of jurisdiction, employees, suppliers, local and international development partners, NGOs, CBOs and the local community.

The CDA is in the process of implementing its third Strategic Plan 2012/13 – 2016/17 with the second strategic plan having run between the years 2008 – 2012. In the Strategic Plan 2012/13 – 2016/17, CDA had identified programmes to be implemented in different areas such as water resources development, integrated ranches development, natural resources conservation management, integrated ranches development, community development, enterprise development, resource mapping and data bank development. CDA's Vision is to be the leading agency in promoting sustainable utilization of the unique natural resources for increased food production, employment and wealth creation in CDA's area of jurisdiction.   The Authority's Mission as identified in the Strategic Plan 2012/13 – 2016/17 is sustainable exploitation and development of the unique natural resources for the benefit of the communities in the area of jurisdiction and Kenya in general.

1.2   Research Problem

The Top Management Team consists of the CEO and the top executives in an organization. As such, the team constitutes the top policy making group responsible for the overall direction of an organization. The team plays a crucial role of being the strategic decision making unit for an organization. The decisions made by TMT will depend on the TMT's perception of the reality facing the organization. The TMT's perception, therefore, affects the strategic choice and performance in an organization.

The role of the top management team goes beyond the identification of the strategies to be implemented by an organization and is actively involved in strategy implementation.   Some of the reasons proposed to explain why strategy implementation fails include complacent top management team, weak management roles in implementation, a lack of communication and commitment to the strategy, unawareness or misunderstanding of the strategy, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities and inadequate top management involvement. Within this context the perception of the TMT on their involvement in strategy implementation can inform decisions on the performance of CDA.

CDA is one of the regional development authorities in Kenya. It was established by an Act of Parliament Cap. 449 of 1990 and is mandated to provide integrated development planning, coordination and implementation of projects and programmes within the Kenyan Coastal region of Kwale, Taita Taveta, Mombasa, Tana River, Kilifi, and Lamu Counties, southern part of Garissa County and the Exclusive Economic Zone of Kenya's waters of the Indian Ocean. To attain this CDA has to

work with various Government agencies, Community Based Organizations, Non-Governmental Organizations, private sector organizations, local and international donors. Despite CDA being in existence for the last twenty two years and the rich resource base in the region, the region still lags behind compared to other regions in Kenya with high incidence of absolute poverty with 62% of the population living below the poverty line while 59.46% and 44.78% are food and hard core poor respectively (Welfare Monitoring Survey III, 1997; CDA Strategic Plan 2012/13 – 2016/17).

These facts raise the question on whether CDA has been successful in the implementation of their strategic objectives that are intended to enhance regional development through employment creation. CDA has implemented two Strategic Plans and is in the process of implementing its third Strategic Plan 2012/13 – 2016/17. This makes CDA ideal for investigations in relation to the perception of its Top Management Team on their involvement in strategy implementation.

Studies involving TMTs have concentrated on TMTs composition and the links to organizational choices and performance (Finkelstein & Hambrick, 1996; Hambrick et al, 2001). Finkelstein and Hambrick (1990) draws on an upper-echelons framework to study the effects of top-management-team tenure and modeling managerial discretion as a moderating variable. This study examines the relationship between managerial tenure and such organizational outcomes as strategic persistence and conformity in strategy and performance with other firms in an industry. In a sample of 100 organizations in the computer, chemical, and natural-gas distribution industries, executive-team tenure was found to have a significant effect on strategy and performance, with long-tenured managerial teams following more persistent strategies,

strategies that conformed to central tendencies of the industry, and exhibiting performance that closely adhered to industry averages. Consistent with the theory, results differed depending on the level of managerial discretion, with the strongest results occurring in contexts that allowed managers high discretion.

Tacheva (2007) moves away from TMT diversity as a general construct and conceptualizes TMT heterogeneity as a multi-dimensional construct by differentiating between various diversity dimensions in terms of their antecedents and consequences. A new dimension of TMT heterogeneity, namely, TMT internationalization is identified and the dissertation goes further to test its construct validity as well as causal relationships with firm internationalization and corporate performance. Kor (2003) study of the medical and surgical instruments industry develops a model of multilevel experienced-based-top-management-team competence and its effects on a firm's capacity of entrepreneurial growth. The models incorporates the individual and additive effects of firm, team and industry levels of managerial experience and the conflict effects of combining multiple levels of experience. He concludes that for sustained growth, entrepreneurial firm need to balance different levels of managerial experience in the top management team

Numerous studies have been undertaken in Kenya focusing on various aspects of strategy implementation. Aosa (1992) looked at strategy formulation and implementation within large private manufacturing companies in Kenya. Awino (2001) studied the effectiveness and problems of strategy implementation of financing higher education by the Higher Education Loans Board. Koske (2003) looked at challenges of strategy implementation at TELKOM Kenya. Githui (2006) looked at

the challenges of strategy implementation at Barclays Bank of Kenya. Obare (2006) looked at the implementation of strategic practices in the public sector in particular Directorate of Personnel Management. Musyoka (2008) looked at the challenges of strategy implementation at Jomo Kenyatta Foundation. Rono et al (2013) studied strategic planning practices by Coast Development Authority in promoting regional development.

No research has been undertaken on the perception of Top Management Teams on their involvement in strategy implementation at CDA. It's within the context that this research is tries to answer the following question: What is the perception of the Top Management Team on their involvement in strategy implementation at Coast Development Authority?

1.3 Research Objective

The objective of this research is to determine the perception of Top Management Team on their involvement in strategy implementation at Coast Development Authority.

1.4   Value of the Study

The study was intended to broaden the knowledge base with respect to the perception of the Top Management Teams on strategy implementation within public sector organizations. The findings from the study would also allow for future comparison of the perception of the Top Management Teams on their involvement in strategy implementation within public sector organizations and whether wide ranging conclusions could be made in regard to perception of the Top Management Teams on their involvement in strategy implementation within public sector.

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The study would assist leaders and managers within the public sector in identifying some of the perceptions of the Top Management Team in their involvement in strategy implementation as well as the relationships between the perceptions and individual managers' characteristics. The findings and discussions will help policy makers to appreciate the importance of the perception of Top Management Team in their involvement in strategy implementation and how this can affect the performance of an organization. Policies interventions may also be designed based on the findings of this study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

A lot of scholarly work has been undertaken especially on Top Management Teams and also on strategy implementation in various organizations. This chapter is a review of the available literature on Top Management Team, the concept of perception TMT in strategy implementation as well as theoretical foundation of the study.

2.2 Theoretical Foundation

This study is premised on three theories which are: The Resource Based View theory of the firm, The Contingency Theory, and The Upper Echelon Theory. Discussions of the theories are in subsequent subtopics.

2.2.1 The Resource Based View of the Firm

The Resource Based View of the firm postulates that each firm can attain competitive advantage by applying a bundle of valuable tangible and intangible resources at the firm's disposal (Wernerfelt, 1984). Tangible assets are the physical things such as land, buildings, machinery and equipment while intangible assets include brand reputation, in-house knowledge of technology, and employment of skilled personnel among others. Wernerfelt (1984) further proposes that these resources can only afford a firm a competitive advantage if they are heterogeneous and immobile. Resources will be heterogeneous when the skills, capabilities and other resources an organization has differ from one company and another. The assumption therefore holds that since two companies have similar resources none can achieve competitive advantage since

whatever strategy one firm implements the other can easily implement the same. Resources will be immobile if in the short run they do not move from one firm to another. Due to this immobility firms cannot replicate the other firms' resources and implement the same strategies.

Barney (1991) states that having heterogeneous and immobile resources is critical in achieving competitive advantage but in sustaining the competitive advantage, resources need to valuable, rare, costly to imitate and non-substitutable. These characteristics will not only guarantee firm higher economic rents for their resources that stretch in the future but may also create barriers to entry by competitors. The framework of testing whether resources are valuable, rare, costly to imitate and non-substitutable, has further been developed by introducing the aspect of whether firms are ready to exploit these resources.

As Rothaermel (2013) states resources that are valuable, rare and costly to imitate will only give firms temporary competitive advantage but for sustained competitive advantage, firms must be organized to exploit these resources. Resources will be considered valuable if they help firms to increase value offered to customers by either increasing differentiation and/or decreasing the costs of production. Rare resources are those resources that can only be acquired by one or a few firms.

To attain the temporary competitive advantage these valuable and rare resources must be costly to imitate or substitute such as brand reputation and customer loyalty. The fourth attribute of a firm's resources requires the firm to have the capability of organizing the valuable, rare and non-imitable resources to attain sustained

competitive advantage. This requires that the management in the firm be able to identify these resources and organize them to in ways that the rivals of the firm cannot imitate. These resources should be cared for and protected to improve the firm's performance (Crook, Ketchen, Combs, and Todd, 2008).

2.2.2 The Contingency Theory

The contingency theory proposes that while there is no best way to organize, lead or make decisions in an organization, the optimal course of action is dependent on the internal and external situation facing the managers. As Scott (1981) states the best way to organize depends on the nature of the environment to which the organization must relate. Morgan (2007) states that earlier research that were intended to pinpoint effective leadership behavior had identified two types of behavior that were typical of effective leaders. These were task-oriented behavior and relation-oriented behavior. Leaders portraying relation-oriented behavior would build good rapport and interpersonal relationship as well as show support and concern for subordinates. Task-oriented leaders would provide the structure such as role assignment, planning and scheduling that would ensure that the task is completed and goal attained.

Lutans (2011) states some of the contingencies for organizations as technology, suppliers and distributors, consumer interest groups, customers and competitors, government and unions. As Morgan (2007) summarizes the contingency theory considers organizations as open systems that need to be carefully managed to satisfy and balance internal needs and to adapt to environmental circumstances. The best way to organize depends on task or environment one is dealing with and thus management must be concerned with achieving alignments and good fits while recognizing that different types of organizations are needed in different types of environments.

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2.2.3 The Upper Echelon Theory

Hambrick and Mason (1984) states that managerial characteristics can be used to (partially) predict organizational outcomes based on the notion that the choices of top managers are influenced by their cognitive base and their values. Since such psychological constructs are difficult to observe, they suggested that the demographic characteristics of top managers can be used as proxies for their cognitive base and values. This makes the relationship between observable managerial characteristics and strategic choices to be at the core of the theory. Hambrick and Mason (1984) further adds that both the characteristics and strategic choices of upper echelons may be influenced by the situational characteristics of the organization, such as external environment or firm characteristics such as the board characteristics (Carpenter et al. 2004; Nielsen 2010).

Hambrick (2007) further suggests that there are two moderators of the relationship between managerial characteristics and organizational outcomes or strategic choices. These are managerial discretion and executive job demands. Managerial discretion refers to the latitude of action top managers enjoy in making strategic choices (Hambrick and Finkelstein 1987; Carpenter et al. 2004; Crossland and Hambrick 2011). Thus, Hambrick (2007) propose that, if managerial discretion is high, managerial characteristics will be better predictors of organizational outcomes than if managerial discretion is low. Executive job demands on the other hand refer to the levels of challenges top managers face. Hambrick (2007) postulated that top managers who face a high level of challenges will have less time to contemplate decisions and therefore take mental shortcuts and rely more on their personal backgrounds. Thus, he

predicts that the relationship between managerial characteristics and organizational outcomes will be stronger when the level of managerial challenges is high. In situations where managers face a lower level of challenges, in contrast, their decision making will be more thorough and rely less on their personal characteristics. Hence, the link between upper echelon characteristics and organizational outcomes should be weaker in such situations (Hambrick 2007).

2.3   The Top Management Team

Different scholars have referred to top management using various terms such as top management team (Chaganti, Watts, Chaganti, & Zimmerman-Treichel, 2008; Maschke & Knyphausen, 2012), upper echelons (Hambrick & Mason, 1984), or dominant coalition (Hambrick & Mason, 1984). Available literature also indicates that scholars have focused on a precise definition of top management teams (Tacheva, 2007). Burnes (2009) describes the top management as the policy making group responsible for the overall direction of the company. TMTs have also been described as management teams in leading positions of an already operating firm and with high involvement in the strategic decision making process (Barringer & Bluedorn, 1999; Ogbeide & Harrington, 2011).

Most often the top management team is identified based on top executives' formal titles listed in publicly available documents or on a response provided by the firm CEO in a survey or an interview (Hambrick, 1994; Finkelstein & Hambrick, 1996). Literature review indicates that the TMTs will consist of the Chief Executive Officer (CEO) and the top executives in that organization while excluding the Board of Directors.

The Top Management Team plays a very crucial role of being the strategic decision making unit for the organization and as thus determine the strategic choice and performance in an organization (Hambrick & Mason, 1984). Jackson (1992), however, argues that the decision making team may not consist of all top executives but may include managers and experts from other organizational levels. This has been supported by Pitcher and Smith (2001) who in a field study observed that the actual decision-making authority does not necessarily always lie in the formally defined top executive team.

Similarly, Roberto (2003) argues that top management teams are comprised of a stable core and dynamic periphery that changes with the decision making situation. Pettigrew (1992) suggests that issues related to defining top management teams can only be addressed by using interviews and observations. Most of theoretical and empirical work undertaken in the area of TMTs has focused on TMT composition, TMT diversity and how these affect strategic choice and organizational outcomes. Most has work has been undertaken in the Western countries. Literature focusing on the perception of TMT on their involvement in strategy implementation in Kenya is unavailable.

2.4 The Concept of Perception

The concept of perception has been defined by various scholars either as an outcome or as a process. As an outcome, perception is the end results of information processing or as the consequence of selective attention, selective comprehension, encoding, storage, retention, information retrieval, and judgment (Waller et al., 1995; Waller, Conte, Gibson & Carpenter, 2001). Rao (2008) defines perception as the

process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture the world. Sutton (1987) refers to perception as "construed reality" (Sutton, 1987; Tacheva, 2007) since what one perceives can be substantially different from objective reality. Individual perception will be influenced by individual characteristics such as age, gender, cultural background, experience as well the context in which the decisions are made.

Individual behavior is based ones perception of what reality is (Rao, 2008), not on reality itself yet different individual perceptions may diverge significantly when witnessing the same event (Santos & Garcia, 2008). Each perception will be biased to a certain extent depending on their individual characteristics and may not be a true representation of the objective reality. It is with this in mind that the perceptions of TMTs, who play a crucial role of defining organizational reality and by extension the strategic decisions and performance of their organizations, need to be investigated.

2.5 Strategy Implementation

Available literature on strategy implementation focuses on strategy implementation definition, role of strategy implementation, strategy implementation process and the challenges of strategy implementation. Strategy implementation is an integral component of the strategic management process and is viewed as the process that turns the formulated strategy into a series of actions and then results to ensure that the vision, mission, strategy and strategic objectives of the organization are successfully achieved as planned (Thompson & Strickland 2003; Jooste & Fourie, 2009).

Christenson and Overdorf (2000) argue that strategy implementation is concerned with "organizing" the firm's members and obtaining from them behaviors which contribute to the accomplishment of strategy. Noble (1999) defines strategy implementation as the process of communication, interpretation, adoption and enactment of a strategic plan. He argues that the real challenge in strategic management lies not in strategy formulation but in implementation.

Byars, Rue and Zahra (1996) adds that strategy implementation requires moving from largely intellectual exercise of formulation to the concrete realities of tactical choices, tradeoffs, conflicts, obstructions, misunderstandings and even errors. Johnson and Scholes (2002) stresses that understanding the strategic position of an organization and considering the strategic choices open to it are of little value unless the strategies managers wish to follow can be turned into action. Musyoka (2008), further, cautions that the most superior strategy is useless without proper implementation. These different perspectives of strategy implementations underscore the importance of the process while at the same time cautions of the complex environment in which the process has to be undertaken.

The strategy implementation process may entail the following steps; developing an organization so as to have the potential of carrying out strategy successfully, disbursement of abundant resources to strategy-essential activities, creating strategy-encouraging policies, employing best policies and programs for constant improvement, linking reward structure to accomplishment of results and making use of strategic leadership. Despite these seemingly straight forward steps, strategy implementation can be a complex and challenging task.

Friedman (2003) as cited in Musyoka (2008) states that the key challenges to strategy implementation by most managers include strategic inertia, lack of shareholders commitment, strategic drift, strategic dilution, strategic isolation and failure to understand progress. Johnson and Scholes (2002) cautions that resources are important in strategy implementation but resources by themselves do not guarantee success. They further indicate that majority of documented challenges arising from sources internal to the organization are related to inappropriate systems utilized during the process of operationalization, institutionalization and control of the strategy.

2.6   Top Management Team and Strategy Implementation

The concept of involvement can be defined as the degree of participation by members of organizational levels during the action plan decision making and implementation (Ogbeide and Harrington, 2011). As Hambrick, Cannella and Pettigrew (2001) noted, the small group of people at the top of an organization can dramatically affect organizational outcomes since the executives make big and small decisions. The executives shape the framework by which their organizations hire, mobilize, and inspire others to make decisions. They also represent their organizations in dealings with external constituencies.

Lack of leadership, and specifically strategic leadership by the top management of the organization, has been identified as one of the major barriers to effective strategy implementation (Alexander, 1985; Beer & Eisenstat, 2000; Kaplan & Norton, 2004 Hrebiniak, 2005; Jooste & Fourie, 2009). According to a study by Beer and Eisenstat (2000) that studied 12 companies and 150 business units, the six silent killers of

strategy implementation are top-down or complacent upper management, unclear strategy/conflicting priorities, ineffective senior management team, poor vertical communication, poor coordination across the enterprise and inadequate middle-manager and supervisor management skills. Additional literature indicate that weak management roles in implementation, a lack of communication and commitment to the strategy, unawareness or misunderstanding of the strategy, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities and uncontrollable environmental factors are some of the difficulties in implementing strategies (Alexander, 1985; Lare-Mankki, 1994; Beer & Eisenstat, 2000).

Within the public sector, strategy development and implementation is undertaken within the framework of key Government policies. Public sector organizations are required to align their strategic objectives and their implementation to the key government development policies. Currently the key Government development policies are the Kenya Vision 2030 and the First Medium Term Plan (2008-2012). The Kenya Vision 2030 indicates as one of the success factors of achieving The Kenya Vision 2030 requires re-defining the purpose of Government institutions so as to develop a fit-for-purpose public service within the context of Vision 2030.

The implementation of the new constitution promulgated in August 2010 has complicated the environment that the public sector organizations have to operate in. This has forced the CEOs and top managers within the public sector to align their organizations' strategies and implementation to be in agreement with the new constitution. CEOs and top managers in public organizations have a vested interest in ensuring the success of strategy implementation since performance contracting reintroduced in the public service makes them personally accountable to any success or failure recorded by the organization.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1   Introduction

This chapter outlines the research methodology that was used in the study of the perception of the TMT on their involvement in strategy implementation at CDA. In-depth discussion of the research design, population, data collection and data analysis are undertaken.

3.2   Research Design

The study employed a descriptive research in which a cross-sectional survey was undertaken. According to Mugenda and Mugenda (1999), the method allows the researcher to utilize appropriate survey methods including comparative and correlation methods. A cross-sectional survey involves administering a set of questions to a group of respondents at a single point in time. Each individual member of the Top Management Team at CDA was targeted for responses in relation to their perception of their involvement in strategy implementation.

Review of the CDA organization chart (as shown in CDA's Strategic Plan 2012/13 – 2016/17) indicated that 28 positions fit the broad definition of a Top Management Team as the most senior managers in the organization. This was however confirmed through an interview with the chief manager human resource services at CDA to ensure that only those that are really in the TMT are presented with the questionnaire so as to avoid incorporating middle managers in the survey. The results of these

interview indicated that out of the 28 positions indicated in the strategic plan only 16 were filled with some of these having officers serving in acting capacity only. The limited number of managers in the TMT informs the decision to undertake the census study of the TMT.

3.3   Population of the Study

The target population for this study was all employees of CDA who are in the top management positions. Finkelstein and Hambrick (1996) note that a practical way of identifying the TMT in an organization would be based on top executives' formal titles listed in publicly available documents or on a response provided by the firm CEO in a survey or an interview.

Review of publicly available literature such as the CDA's Strategic Plan 2012/13 – 2016/17 as well as results of interviews with chief manager human resources services indicated that the TMT at CDA consisted of the managing director and 15 managers occupying the top hierarchical positions. The limited number of these employees informed the census study to be undertaken.

3.4   Data Collection

Primary data collection was undertaken through the use of a questionnaire. Secondary data was collected from CDA's annual reports, strategic plans and project reports. The questionnaire consisted of closed format questions that were organized in three sections. Section 1 required the respondents to provide a few personal details. In Section 2 respondents responded to a wider range of questions such as the adequacy of the current strategies in attaining CDA's objectives to TMT involvement in various aspects of strategy implementation.

Section 3 allowed respondents to rate their individual involvement in strategy implementation. A modified Likert's scale of 1-5 was used to record the respondents' responses to the closed format statements. A drop and collect later method was used to administer the questionnaires. The questionnaires were checked for completeness and the responses will be checked for errors in recording at the site.

3.5   Data Analysis

The data collected consisted of quantitative data made up of categorical variables. Two types of categorical variables were collected which were dichotomous variables and ordinal variables. The Gender of the respondents was a dichotomous variable since only two state of male or female existed. Other responses were ordinal variables since the responses could be ranked or ordered.

Quantitative data was analyzed using descriptive data analysis techniques. Quantitative data was first entered into coded and entered into SPSS software. The data was then tabulated into frequency, percent distribution tables as well as charts and bar graphs to provide a comprehensive picture of the data. Attempts to undertake Spearman's and Kendall's tau-b were inconclusive as no correlation between the variables was detected within the 95% confidence level.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1   Introduction

In this chapter results of the data collected from the respondents is presented, analyzed and results discussed. A total of fifteen duly completed questionnaires were collected from the respondents out of the sixteen that were initially distributed. This made a 94% response rate. The data collected was cleaned, coded, analyzed and tabulated using SPSS software.

4.1.1 Gender of the Respondent

From the data collected 53.3% of the respondents were female while 46.7% were male. This indicated a slight majority of female gender as compared to the male gender at CDA top management level as shown in Figure 4.1
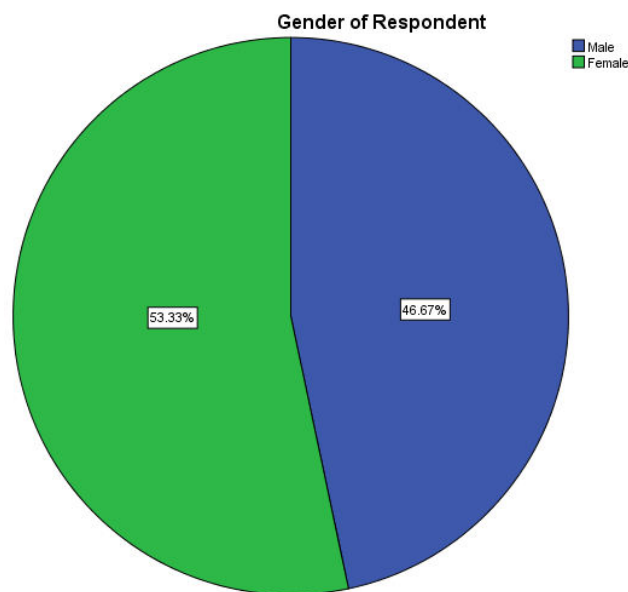

Figure 4.1: Gender of the Respondents *(Source: Primary data, 2014)*

4.1.2 Length of service at CDA

A significant number of the respondents at 60% have worked at CDA for a period of between 1-5 years while 6.7% of the respondents have worked at CDA for less than one year. 33.3% have worked at CDA for more than 10 years. A total of 66.7% of the respondents have worked at CDA for less than 5 years as compared to only 33.3% who have worked at CDA for more than 10 years. This indicates that the top management team at CDA comprises of fairly new employees as shown in Figure 4.2
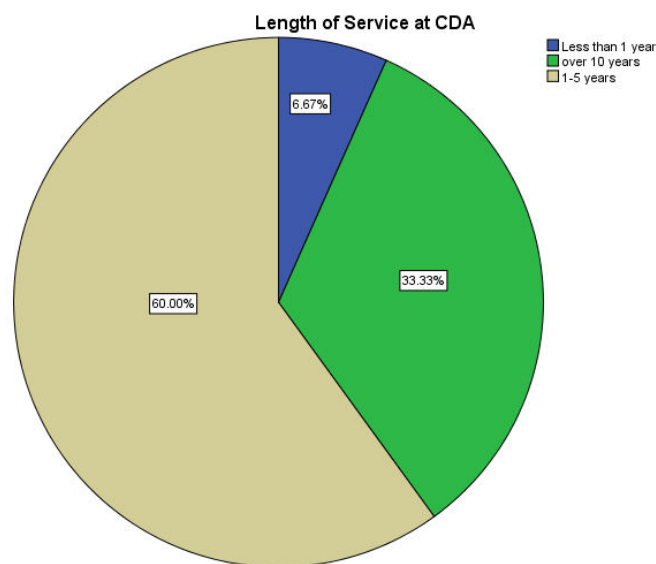

Figure 4.2: Length of service at CDA *(Source: Primary data, 2014)*

4.1.3 Length of Service at Current Position

A significant number of respondents (66.7%) have worked at their current positions at CDA for a period of between 1 – 5 years. 20% of the respondents have worked at their current position for less than one year while 6.7% have worked for periods ranging between 5 – over 10 years. A total of 86.7% of the respondents have worked at CDA in their current position for less than 5 years. This indicated fairly new employees not only at CDA but also in their current capacity as top management team. as illustrated in Figure 4.3
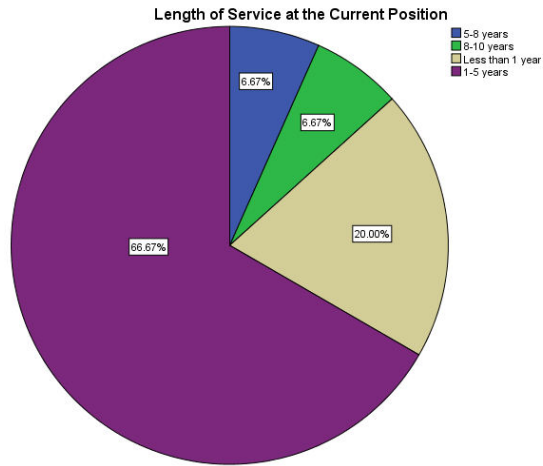
Figure 4.3: Length of Service at Current Position *(Source: Primary data, 2014)*

4.1.4 Adequacy of Current Strategies in Attaining CDA's Objectives

Approximately 66.7% of the respondents indicated that the current strategies were adequate in attaining CDA's objective while 20% of the respondents were of the opinion that the current strategies were inadequate for attaining the CDA's objectives. Approximately 6.7% of the respondents indicated that the current strategies were either more than adequate or not adequate in attaining CDA's objective. A total of 73.3% of the respondents indicated that the current strategies at CDA were adequate in achieving the organization's objectives as shown in Figure 4.4
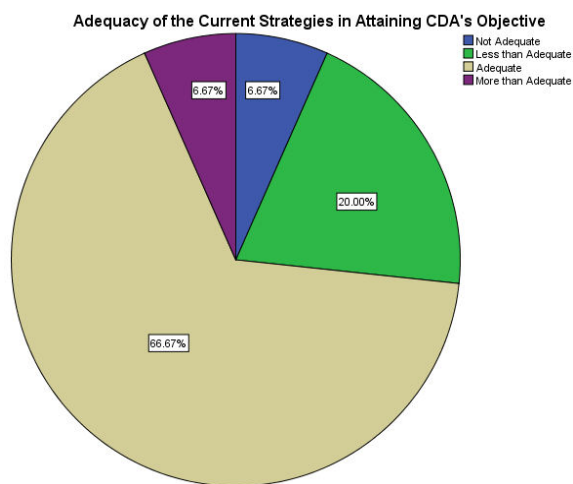

Figure 4.4: Adequacy of Current Strategies in Attaining CDA's Objectives

(Source: Primary data, 2014)

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4.1.5 Adequacy of Strategy Implementation Process at CDA

A majority of 46.7% of the respondents indicated that the strategy implementation process at CDA was adequate while 13.3% and 40% of the respondents indicated that the strategy implementation process was not adequate and less than adequate respectfully. A total of 53.3% of the respondents indicated that the strategy implementation process was either less than adequate or not adequate. This signified that a significant number of the top management team at CDA did not have confidence in the strategy implementation process currently being employed at CDA as shown in Figure 4.5
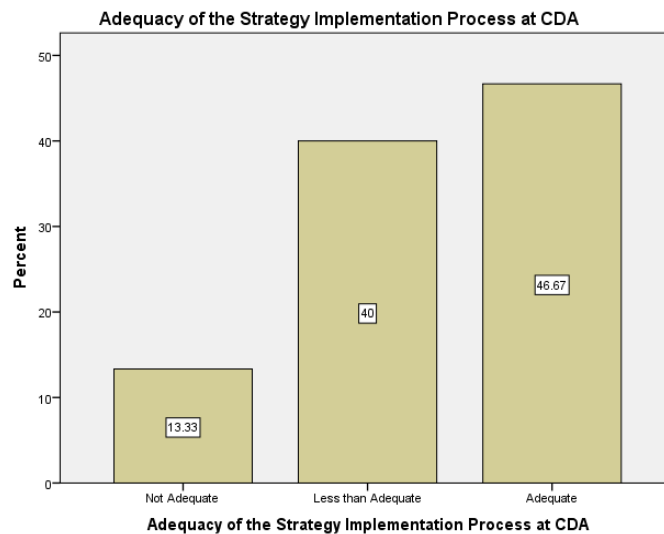
Figure 4.5: Adequacy of Strategy Implementation Process at CDA *(Source: Primary data, 2014)*

4.1.6 Commitment of TMT to Strategy Implementation

A significant number of the respondents (60%) indicated that the TMT's commitment to strategy implementation at CDA was either not adequate or less than adequate. Only 40% of the respondents felt that the TMT's commitment to strategy implementation at CDA was either adequate or more than adequate as shown in Figure 4.6

Commitment of TMT to Strategy Implementation

Legend:
- Not Adequate
- More than Adequate
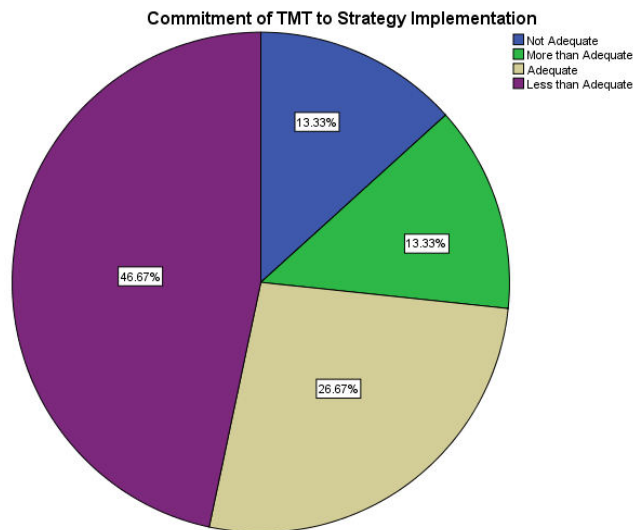- Adequate
- Less than Adequate

13.33%
13.33%
46.67%
26.67%

Figure 4.6: Commitment of TMT to Strategy Implementation *(Source: Primary data, 2014)*

4.1.7 Time Allocated to Strategy Implementation

A majority of the respondents (60%) indicated that the time allocated to strategy implementation was either adequate or more than adequate. Only 40% the respondents indicated that the time allocated to strategy implementation was either not adequate or less than adequate as shown in Figure 4.7
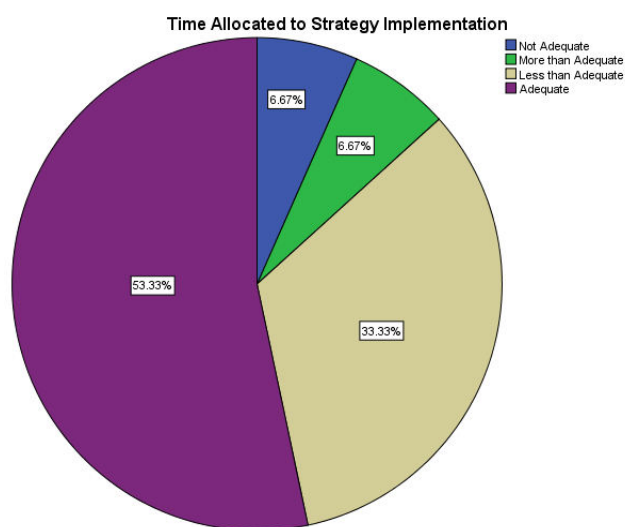

Time Allocated to Strategy Implementation

Legend:
- Not Adequate
- More than Adequate
- Less than Adequate
- Adequate

6.67%
6.67%
53.33%
33.33%

Figure 4.7: Time Allocated to Strategy Implementation *(Source: Primary data, 2014)*

4.1.8 TMT Involvement in Strategy Implementation

Approximately 40% of the respondents indicated that the TMT's involvement in strategy implementation was either adequate or more than adequate. 47% of the respondents indicated that the TMT's involvement in strategy implementation was less than adequate. 13.3% of the respondents failed to provide a response as shown in Figure 4.8.
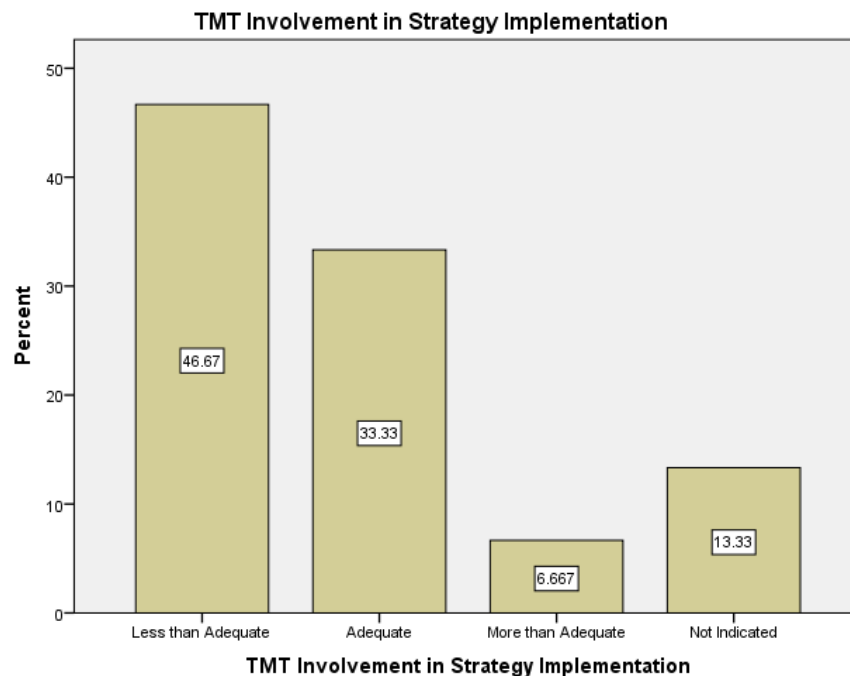
Figure 4.8: TMT Involvement in Strategy Implementation *(Source: Primary data, 2014)*

4.1.9 TMT Involvement of External Stakeholders

Only 40% of the respondents indicated that Top Management Team's involvement of external stakeholders was adequate while a significant majority of the respondents (60%) indicated that TMT's involvement of external stakeholders was either not adequate or less than adequate as shown in Figure 4.9
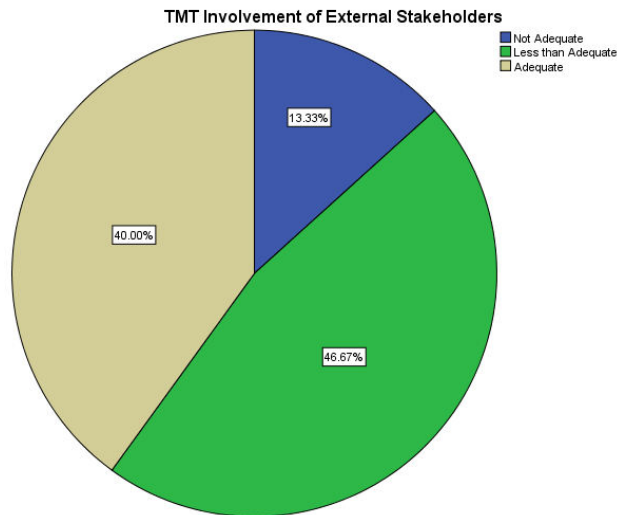
Figure 4. 9**:** TMT Involvement of External Stakeholders *(Source: Primary data, 2014)*

4.1.10 TMT Development of CDA Capacity for Strategy Implementation

53.3% of the respondents indicated that TMT's development of CDA capacity for strategy implementation was either adequate or more than adequate. Only 46.7% of the respondents indicated that TMT's development of CDA capacity for strategy implementation was less than adequate as shown in Figure 4.10

Figure 4.10: TMT Development of CDA Capacity for Strategy Implementation

(Source: Primary data, 2014)

4.1.11   TMT Involvement in Disbursement of Resources to Strategy Essential activities

Only 27% of the respondents indicated that TMT's involvement in disbursement of resources to strategy essential activities was adequate while 73% indicated that TMT's disbursement of resources to strategy essential activities was either less than adequate or not adequate as shown in Figure 4.11
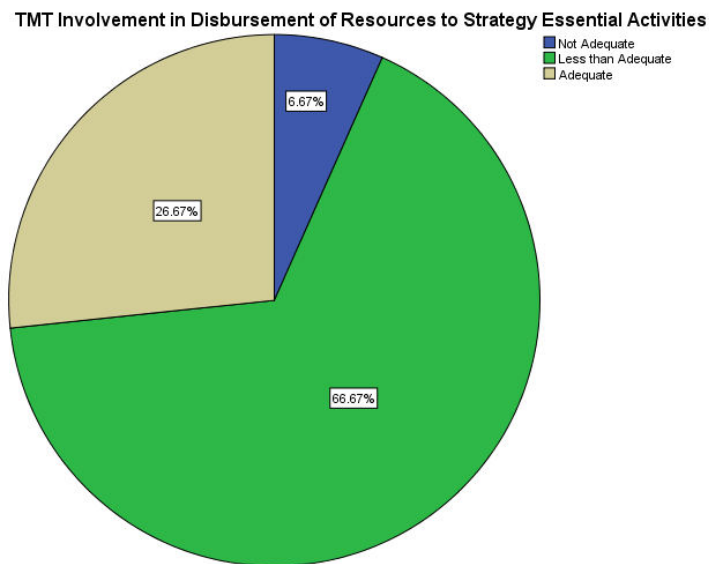
Figure 4.11: TMT Involvement Disbursement of Resources to Strategy

Essential activities *(Source: Primary data, 2014)*

4.1.12   TMT Involvement in Creating Strategy Implementation Policies

A majority of the respondents (60%) indicated that TMT's involvement in creating strategy implementation policies was eithe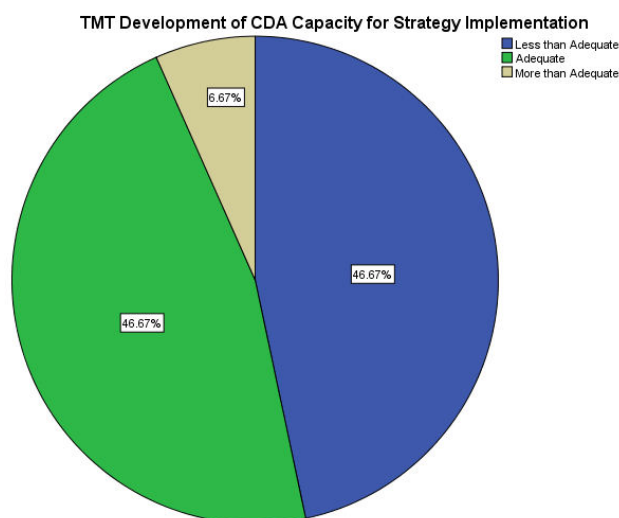r not adequate or less than adequate. Only 40% of the respondents indicated that TMT's involvement in creating strategy implementation policies was either adequate or more than adequate as shown in Figure 4.12
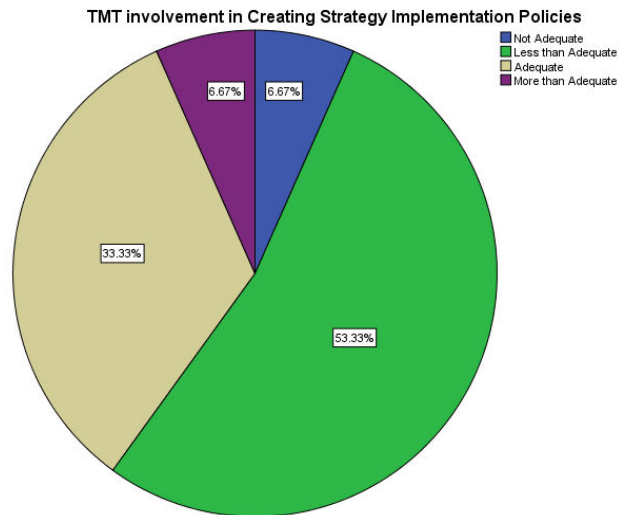
Figure 4.12: TMT Involvement in Creating Strategy Implementation Policies

(Source: Primary data, 2014)

4.1.13 TMT's Strategic Leadership in Strategy Implementation

A majority of the respondents (60%) indicated that TMT's provision of strategic leadership in strategy implementation was less adequate while 40% of the respondents indicated that TMT's provision of strategic leadership in strategy implementation was adequate as shown in Figure 4.13
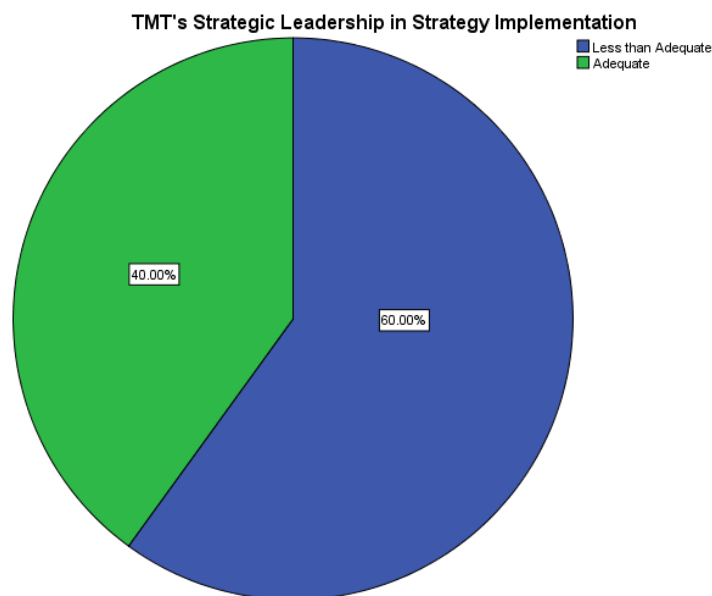
Figure 4.13: TMT's Strategic Leadership in Strategy Implementation *(Source:*

Primary data, 2014)

4.1.14 TMT's Reward System for Successful Strategy Implementation

A significant number of the respondents (80%) indicated that the TMT's reward system for successful strategy implementation was either not adequate or less than adequate while 13% indicated that the TMT's reward system for successful strategy implementation was adequate as shown in Figure 4.14
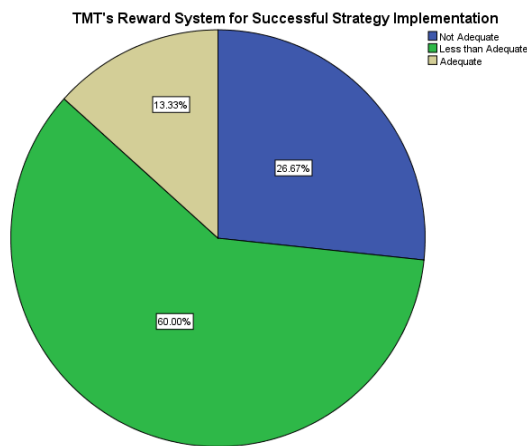
Figure 4.14: TMT's Reward System for Successful Strategy Implementation
(Source: Primary data, 2014)

4.1.15 TMT Stakeholder Support in Strategy Implementation

Only 40% of the respondents indicated that the TMT's stakeholder support in strategy implementation was adequate while 60% of the respondents indicated that the TMT's stakeholder support in strategy implementation was less than adequate as shown in Figure 4.15
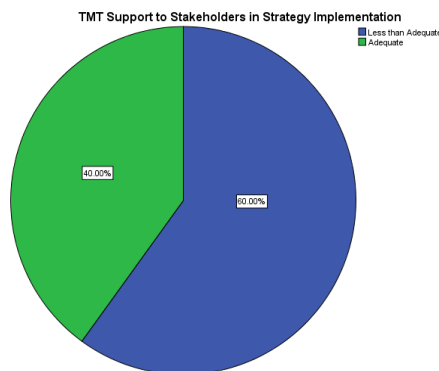
Figure 4.15: TMT Stakeholder Support in Strategy Implementation *(Source: Primary data 2014)*

4.1.16 Involvement in Strategy Implementation

Only 20% of the respondents indicated that they were barely involved in strategy implementation while the rest 80% of the responses ranged from moderately involvement to very highly involvement in strategy implementation at CDA as shown in Figure 4.16
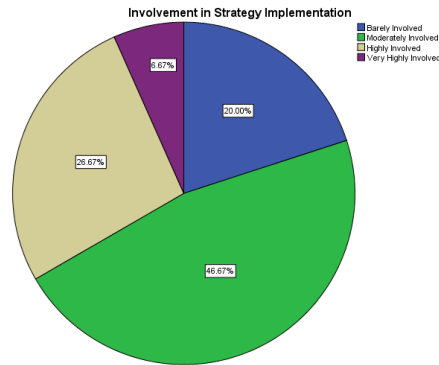
Figure 4.16: Involvement in Strategy Implementation *(Source: Primary data, 2014)*

4.1.17 Involvement in Resource Allocation to Strategy Implementation Activities

60% of the respondents were moderately involved in allocating resources to strategy implementation activities while 40% of the of the respondents were either not involved at all or barely involved in allocating resources to strategy implementation activities as shown in Figure 4.17
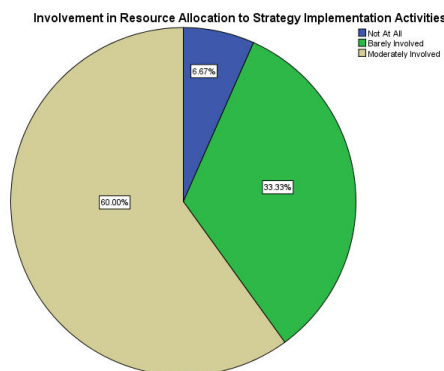
Figure 4.17: Involvement in Resource Allocation to Strategy Implementation Activities *(Source: Primary data, 2014)*

4.1.18   Involvement in Monitoring of Strategy Related Activities

Only 60% of the respondents were either moderately involved or highly involved in monitoring of strategy related activities while 40% were barely involved in monitoring of strategy related activities as shown in Figure 4.18
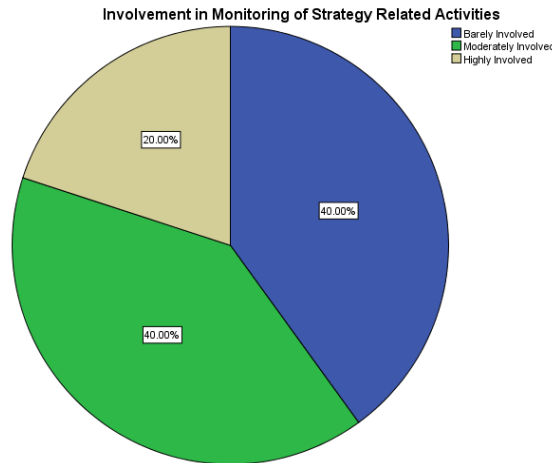
Figure 4.18: Involvement in Monitoring of Strategy Related Activities *(Source: Primary data 2014)*

4.1.19 Involvement in Organization Structure Review to Complement Strategy Implementation

33.3% of the respondents were either not at all involved or barely involved organization structure review to complement strategy implementation. 60% of the responses ranged from moderate involvement to very highly involvement in organization structure review to complement strategy implementation. 6.7% of the respondents failed to rate their involvement organization structure review to complement strategy implementation. as shown in Figure 4.19
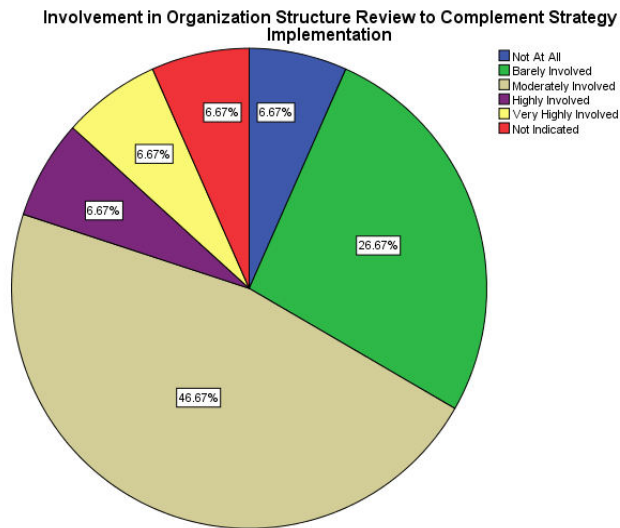
Figure 4.19: Involvement in Organization Structure Review to Complement

Strategy Implementation *(Source: Primary data, 2014)*

4.1.20   Involvement in Progress Review in Strategy Implementation

Approximately 73.3% of the respondents were either moderately involved or highly involved in reviewing the progress in strategy implementation while 26.7% of the respondents were barely involved as shown in Figure 4.20

Figure 4.20: Involvement in Progress Review in Strategy Implementation

(Source: Primary data, 2014)

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4.1.21 Involvement in Communication with Employees on Strategy Implementation

Approximately 73.3% of the respondents were either moderately involved or highly involved in communicating with employees on strategy implementation at CDA. Only 26.7% of the respondents indicated that they were barely involved in communicating with employees on strategy implementation as shown in Figure 4.21
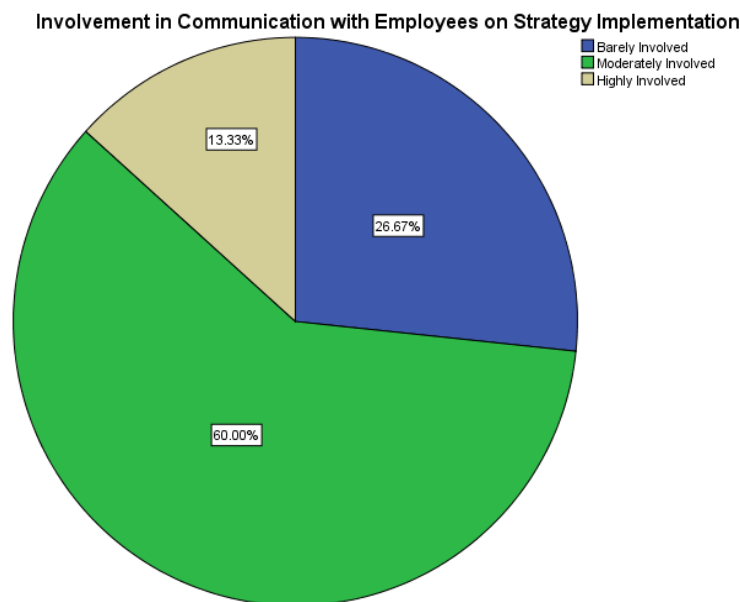
Figure 4.21: Involvement in Communication with Employees on Strategy Implementation *(Source: Primary data, 2014)*

4.1.22 Involvement in Communication with External Stakeholders on Strategy Implementation

Only 53.3% of the respondents were either highly involved or moderately involved in communicating with external stakeholders on strategy implementation while 47.7% of the respondents were either barely involved or not at all involved as shown in Figure 4.22
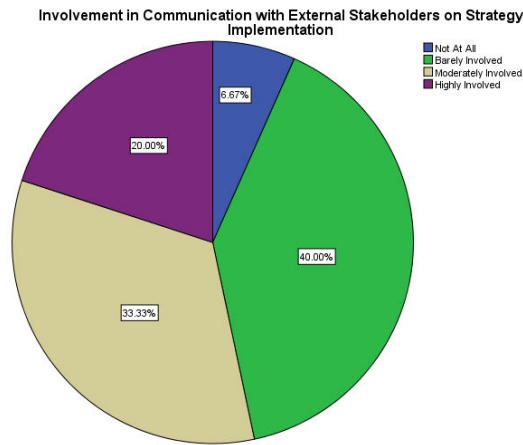
Involvement in Communication with External Stakeholders on Strategy Implementation

- Not At All
- Barely Involved
- Moderately Involved
- Highly Involved

6.67%
20.00%
40.00%
33.33%

Figure 4.22: Involvement in Communication with External Stakeholders on Strategy Implementation *(Source: Primary data, 2014)*

4.1.23 Involvement in Rewarding of Employees for Successful Strategy Implementation

Only 60% of the respondents were either not at all involved or barely involved in rewarding of employees for successful strategy implementation while 40% of the respondents were either highly involved or moderately involved. as shown in Figure 4.23
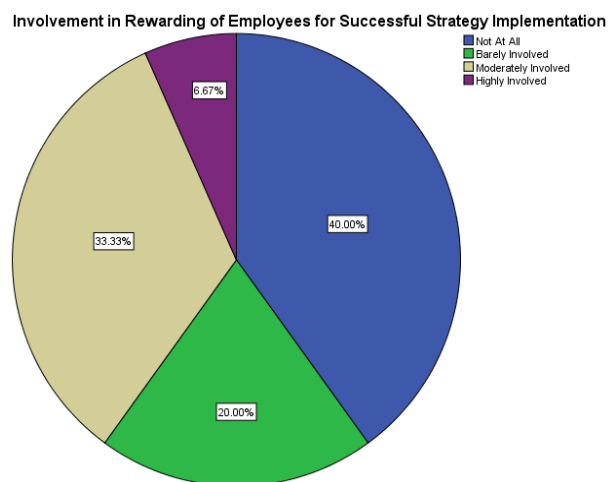
Involvement in Rewarding of Employees for Successful Strategy Implementation

- Not At All
- Barely Involved
- Moderately Involved
- Highly Involved

6.67%
33.33%
40.00%
20.00%

Figure 4.23: Involvement in Rewarding of Employees for Successful Strategy Implementation *(Source: Primary data, 2014)*

4.1.24   Involvement in Capacity Development

Only 46.7% of the respondents were either not at all involved or barely involved in developing capacity for strategy implementation at CDA while 53.3% of the responses indicate that respondents were moderately involved, highly involved or very highly involved in developing capacity for strategy implementation as shown in Figure 4.24
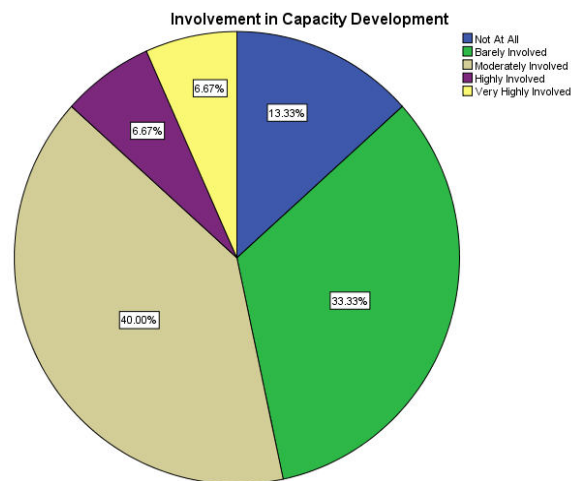
Figure 4.24: Involvement in Capacity Development *(Source: Primary data, 2014)*

4.2 Discussion

Hambrick(2007) states that the top management team as consisting of individuals with diversified characteristics. From the data collected there is slight majority of female gender (53.3%) as compared to the male gender (46.7%)   at CDA top management level. The top management team at CDA comprises of fairly new employees with a total of 66.7% of the respondents having worked at CDA for less than 5 years as compared to only 33.3% who have worked at CDA for more than 10 years. The top management team has also worked in their current capacity for only a limited duration of time with a total of 86.7% of the respondents having worked at CDA in their current position for less than 5 years.

Tacheva (2007) indicates that what one may perceive may be different from the reality. In this study a total of 73.3% of the respondents indicated that the current strategies at CDA were adequate in achieving the organization's objectives. A majority of the respondents (53.3%) indicated that they did not have confidence in the strategy implementation process currently being employed at CDA by responding that the strategy implementation process was either less than adequate or not adequate. On TMT's commitment to strategy implementation at CDA, 60% of the respondents indicated that the commitment was either not adequate or less than adequate.

A majority of the respondents (60%) responded that the time allocated to strategy implementation was either adequate or more than adequate. Approximately 40% of the respondents indicated that the TMT's involvement in strategy implementation was either adequate or more than adequate. 47% of the respondents indicated that the TMT's involvement in strategy implementation was less than adequate while 13.3% of the respondents failed to provide a response. Only 40% of the respondents indicated that TMT's involvement of external stakeholders was adequate while 60% of the respondents indicated that TMT's involvement of external stakeholders was either not adequate or less than adequate.

On TMT's development of CDA capacity for strategy implementation, 53.3% of the respondents responded that it was either adequate or more than adequate. Only 46.7% of the respondents indicated that TMT's development of CDA capacity for strategy implementation was less than adequate. A significant number of respondents (73%) indicated that TMT's disbursement of resources to strategy essential activities was

either less than adequate or not adequate. A majority of the respondents (60%) indicated that TMT's involvement in creating strategy implementation policies was either not adequate or less than adequate with only 40% of the respondents indicated that TMT's involvement in creating strategy implementation policies was either adequate or more than adequate.

A majority of the respondents (60%) indicated that TMT's provision of strategic leadership in strategy implementation was less adequate while 40% of the respondents indicated that TMT's provision of strategic leadership in strategy implementation was adequate. The TMT's reward system for successful strategy implementation was either not adequate or less than adequate as indicated by 80% of the respondents with only 13% of the respondents indicating that the TMT's reward system for successful strategy implementation was adequate. Only 40% of the respondents indicated that the TMT's stakeholder support in strategy implementation was adequate while 60% of the respondents indicated that the TMT's stakeholder support in strategy implementation was less than adequate.

Otara (2011) states that most people believe that they are effective and efficient leaders using their perception but their followers may have a different perception. A significant number of the respondents 80% indicated that they were at an individual level either moderately or very highly involved in strategy implementation at CDA. Only 20% of the respondents indicated that they were barely involved in strategy implementation. A majority of the respondents (60%) were moderately involved in allocating resources to strategy implementation activities while 40% of the of the respondents were either not involved at all or barely involved in allocating resources to strategy implementation activities. On individual involvement in monitoring of

strategy related activities 60% of the respondents were either moderately involved or highly involved in monitoring of strategy related activities while 40% were barely involved in. On organization structure review to complement strategy implementation a significant number of the respondents (60%) were either moderately involved or very highly involved with only 33.3% of the respondents indicating that were either not at all involved or barely involved. A significant number (73.3%) of the respondents were either moderately involved or highly involved in reviewing the progress in strategy implementation while 26.7% of the respondents were barely involved. 73.3% of the respondents were either moderately involved or highly involved in communicating with employees on strategy implementation at CDA. Only 26.7% of the respondents indicated that they were barely involved in communicating with employees on strategy implementation.

A majority of the respondents (53.3%) were either highly involved or moderately involved in communicating with external stakeholders on strategy implementation while 47.7% of the respondents were either barely involved or not at all involved. 60% of the respondents were either not at all involved or barely involved in rewarding of employees for successful strategy implementation while 40% of the respondents were either highly involved or moderately involved. 46.7% of the respondents were either not at all involved or barely involved in developing capacity for strategy implementation at CDA while 53.3% of the responses indicate that respondents were moderately involved, highly involved or very highly involved in developing capacity for strategy implementation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1   Introduction

In this chapter contains a summary of findings, conclusion and recommendations. Recommendations for further research as well the limitations of this research are discussed.

5.2   Summary

The results indicate that a majority of the top management team has confidence in the adequacy of the current strategies in achieving the organization objectives. Despite these only two areas of TMT involvement, namely, allocating time to strategy implementation and developing capacity to successfully implement strategy was considered by the majority as either adequate or more than adequate. Responses indicate that in other areas TMT involvement was considered either as not adequate or less than adequate.   These include the strategy implementation process, TMT commitment to strategy implementation, involvement of external stakeholders, resources disbursement, creation of strategy implementation policies, TMT strategic leadership, the reward system, and external stakeholder support.

On individual involvement by the TMT members in strategy implementation a significant of the top managers indicated that they were either moderately involved or highly involved in strategy implementation.   Other areas that the top managers indicated that they either moderately involved or highly involved in strategy

implementation include: allocating resources to strategy related activities, monitoring strategy related projects, reviewing of CDA organization structure, reviewing strategy implementation progress, communicating with employees and external stakeholders on strategy implementation and developing CDA staff capacity to implement strategy. It is only in the area of rewarding employees for successful strategy implementation that a majority of the managers indicated that they were barely involved or not at all involved.

5.3   Conclusion

A number of conclusions can be made from the data collected and analyzed. CDA's TMT comprises of fairly new employees to the organization with 66.7% having served the organization for less than 5 years. This is also supported by a significant number of the respondents (86.7%) indicating that they have served at their current position for fewer than 5 years.

Despite a significant number of TMT (73.3%) having confidence in the adequacy of the current strategies in achieving the organization's objectives, 53.3% have little confidence in the strategy implementation process. A majority of the respondents (60%) are comfortable with the time allocated strategy implementation though a significant 47% felt that TMT was not committed in strategy implementation.

External stakeholders were not adequately involved in strategy implementation as per 60% of the respondents. TMT was not adequately developing its capacity for strategy implementation as indicated by 53.3% of the respondents while resources disbursement to strategy essential activities was inadequate as indicated by 73% of the

respondents. TMT creation of strategy implementation policies as well as provision of strategic leadership was inadequate (60%). The TMT's reward system for successful strategy implementation was inadequate as indicated by 80% of the respondents as well as stakeholder support in strategy implementation (60%). Individual involvement of TMT members in strategy implementation was high with 80% either moderately or very highly involved. Moderate individual involvement in resource allocation to strategy implementation activities, monitoring of strategy related activities and organization structure review to complement strategy implementation each at 60% of the respondents.

There is significant individual involvement of TMT in reviewing the progress in strategy implementation and in communicating with employees on strategy implementation with each having 73.3% of the respondents were either moderately involved or highly involved. A majority of the respondents (53.3%) were either highly involved or moderately involved in communicating with external stakeholders on strategy implementation and developing capacity for strategy implementation. There is inadequate involvement of top management team in rewarding of employees for successful strategy implementation at 60% of the respondents being either not at all involved or barely involved.

5.4   Recommendations

For CDA to attain its objective a number of areas in strategy implementation need to be addressed by the following recommendations identified in this study:

CDA should review its strategy implementation processes by mapping the current process, identifying the strengths and weaknesses and modifying the process to take advantage of the lessons learnt and make the process suitable for more efficient

implementation of its strategies in the future. This should be an inclusive process involving not only the TMT but all employees as well as external stakeholders. The stakeholder engagement processes should be reviewed. Areas of internal and external stakeholder engagement, their expectations and communication needs on strategy implementation should be explored.

Success in strategy implementation requires that the organization structure adopted should complement the strategies adopted. CDA should involve all members of the TMT in the review of organization structure for successful strategy implementation. Majority of the TMT perceive that resources have not been disbursed to strategy essential activities. CDA should ensure that adequate and timely disbursement of funds should be made to strategy essential activities. The reward system should be in line with strategy implementation successes as this will focus the employee's efforts in achieving CDA strategies. Individual and by extension the organization's capacity for strategy implementation should be developed

5.5   Areas for Further Research

This study makes the following recommendations for further research: a study on the stakeholder's engagement processes in strategy implementation at CDA may contribute new knowledge on the current process, challenges encountered as well as lessons learnt. The factors that may have contributed to TMT responses on their involvement in strategy implementation may provide useful insights in building our knowledge on why and how TMT perceive their context. A study of the perception of TMT in other organizations in Kenya on their involvement in strategy implementation may allow for comparisons and the making of a wider range on conclusions.

5.6   Limitations of the Study

This study is a cross sectional survey of the the TMT at CDA. As such the findings and conclusions are limited to CDA and CDA's TMT. Additional research in other similar organizations and for TMT may allow for comparisons to be made and conclusions to be representative of the general situation in Kenya's TMTs.

5.7   Implications of the Study on Policy, Theory and Practice

The results of the study support earlier theories that individuals faced with the same reality may form different opinions and perceptions which may or may not reflect the true reality of the situation. It is noteworthy that though a majority of the managers feel that they are individually involved on various aspects of strategy implementation, they rated the top management team performance as inadequate or less than adequate in most of the strategy implementation areas.

This may have various implications on policy adopted by managers at CDA and other similar organizations particularly on the management of perceptions within the top management teams. Top management team dynamics requires at CDA require to be revisited to shed more light on the reasons behind managers perceiving their involvement as individual to be high while as a team they feel their involvement is inadequate.

The study has added to the knowledge of the perception of top management teams in areas of strategy implementation in public sector organizations. Areas of further research has also been especially factors that may have led the TMT at CDA to individually feel they were highly involved yet as a team rate the team commitment lowly. It hoped that they study will trigger similar studies in other public sector organizations to enable comparisons in future. Managers in all sectors will also be aware of the differing perceptions within the management teams and identify ways of overcoming these differences so as to enable organizations attain their goals.

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APPENDIX

QUESTIONNAIRE

This questionnaire will be used to collect data on the perception of TMT on their involvement in strategy implementation. Data collected for this study will be used for academic purposes only and will be treated with utmost confidentiality.

PART ONE: BIO DATA

1. Title

2. Gender (Please tick)

   Male ( )   Female ( )

3. How long have you worked at CDA? (Tick as appropriate)

   Less than 1 year( )   1-5 years( )   5-8 years( )   8-10 years( )   Over10 years()

4. How long have you worked at the present position? (Tick as appropriate)

   Less than 1 year( )   1-5 years( )   5-8 years( )   8-10 years( )   Over10 years()

PART TWO: TOP MANAGEMENT TEAM INVOLVEMENT IN STRATEGY IMPLEMENTATION

Using a scale of 1-5 rate the following statements

1 – Inadequate;   2 – less than adequate;   3 – adequate;

4 – More than adequate;   5 – highly adequate

		1	2	3	4	5
5.	In attaining the organizations objectives, the current strategies are:					
6.	The strategy implementation process at CDA is:					
7.	The commitment of TMT to strategy					

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	implementation is:					
8.	The time allocated by the TMT to strategy implementation is:					
9.	TMT involvement in strategy implementation is:					
10.	TMT involvement of external stakeholders in strategy implementation is:					
11.	The TMT development of CDA capacity to implement strategy successfully is					
12.	TMT involvement in disbursement of resources to strategy-essential activities is					
13.	TMT involvement in the creation of strategy-encouraging policies is					
14.	The strategic leadership provided by TMT is strategy implementation is					
15.	The reward system set by TMT for successful strategy implementation is					
16.	TMT support to other stakeholders involved in strategy implementation is					

PART THREE: INDIVIDUAL INVOLVEMENT IN STRATEGY IMPLEMENTATION

On a scale of 1 – 5 indicate the extent to which you are involved in each of the following activities.

1 – Not at all; 2 –To a lesser extent; 3 – Moderately involved;

4 – To a greater extent;   5 – To a high extent

		1	2	3	4	5
17.	Strategy implementation					
18.	Allocation of resources to strategy related activities					
19.	Monitoring of strategy related projects					
20.	Reviewing of CDA structure to complement strategy implementation					
21.	Reviewing of strategy implementation progress					
22.	Communicating with employees regarding strategy implementation					
23.	Communicating with external stakeholders regarding strategy implementation					
24.	Rewarding employees for successful strategy implementation					
25.	Developing staff capacity required to implement strategy					

THANK YOU