

**CHALLENGES OF STRATEGY IMPLEMENTATION FACED BY
THE DISTRICT HEADQUARTERS UNDER THE ECONOMIC
STIMULUS PROGRAMMES IN THE KENYAN MINISTRY OF
PUBLIC WORKS**

SYENGO KEVIN MUTISYA

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DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the University of Nairobi for academic credit.

Signed: _____

Date: _____

SYENGO, KEVIN MUTISYA

REG. NO: D61/63041/2010

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

Signed: _____

Date: _____

DR. ZACHARY B. AWINO, PhD.,

Senior Lecturer,

Department of Business Administration,

School of Business,

UNIVERSITY OF NAIROBI

DEDICATION

This research project is dedicated to Nzisa and Lulu, who have always stood by me and dealt with all of my absence from many family occasions with a smile.

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ABBREVIATION AND ACRONYMS

CDF:	Constituency Development Fund
CERF:	Civil Engineering Research Foundation
CIDCs:	Constituency Industrial Development Centres
ESP:	Economic Stimulus Package or Program
GDP:	Gross Domestic Product
GoK:	Government of Kenya
I/O:	Industrial Organization
ICT:	Information Communication and Technology
LATF:	Local Authority Transfer Fund
MDA's:	Ministries, Departments and Agencies
MoPW:	Ministry of Public Works
MS:	Microsoft
RBV:	Resource-Based View
RMLF:	Roads Maintenance Levy Fund
SPSS:	Statistical Package for Social Science
SRS:	Simple Random Sampling
SSEB:	Secondary School Education Bursary
U.S:	United States

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ABSTRACT

Implementing strategy has always been a challenge for organizations across the industry. Ability to implement strategy is the deciding factor between success and failure of a company's strategy. The main objective of the study was to determine the challenges of strategy implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works (MoPW). For this study, the population consisted of the infrastructural components of the Economic Stimulus Program under the Ministry of Public Works that were 77 in total. The study sample was divided into eight strata comprising of the former provinces in the Country namely: Nairobi; Coast; North Eastern; Eastern; Central; Rift Valley; Western; and Nyanza. Selection of the projects within the strata was done through the use of simple random sampling. Quantitative analysis was used for data analysis. The study revealed that the capital expenditure in the Ministry comes in the form of projects and during economic booms; the Ministry has a lot of resources to invest in projects. The study revealed that delays in projects arose from task assignments that were pushed to various people and that lack of implementation plans affected the Ministry projects. The study showed that the Ministry had an overhang of poor policy management and it had a weak institutional capacity. The research recommends that during planning, more emphasis should be placed on the implementation. Most of these barriers can be overcome if they are accounted for during the formulation stage. It is obvious that many strategic plans fail to realize the anticipated benefits due to problems and difficulties faced during implementation. A research into the implementation challenges faced by ESPs in Kenya shows the implications it has on the ESPs as well as the overall economic implications. Policy makers may use the results of the study to understand the major challenges that ESPs face in the country and can thus come up with strategies to avert the challenges as well as use the recommendations to improve on the future ESPs. This study focused on the challenges of strategic implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works in Kenya. The results of this research have added to the scarcely available information in Kenya on Economic Stimulus Program/ Practice. Future researchers now have a strong foundation they can rely on in carrying out their studies. The gap left has also been shown and thus future researchers have been given a guide on what to pursue. This research has provided useful information for MoPW management. It has offered them with improvement areas to focus on to enhance the implementation of ESPs. Identification of these improvement areas may lead to complete optimization of the ESP programs. The Ministry may have to change its practice during the implementation phase of the ESP projects by following the given recommendations in the study.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategy implementation is the process of turning plans and strategies into action to reach the desired goals and outcomes (Powel, 1992). A strategic plan is a written document that lays out the plans of the business to reach goals them (Blinder, 2008). Economic Stimulus Package or Program (ESP) is defined as a package of economic measures put together by the government to stimulate a floundering economy (Sullivan & Sheffrin, 2003). The objective of a stimulus package is to reinvigorate the economy and prevent or reverse a recession by boosting employment and spending. The theory behind the usefulness of a stimulus package is rooted in Keynesian economics, which argues that the impact of a recession can be lessened with increased government spending (Markwell, 2006).

Two theories are used to explain how an economy can be revived and they are the Resource-Based View (RBV) and the Dynamic Capability Theory. According to RBV proponents, it is much more feasible to exploit external opportunities using existing resources in a new way rather than trying to acquire new skills for each different opportunity (Tokuda, 2005). Dynamic capabilities theory examines how firms integrate, build, and reconfigure their internal and external firm-specific competencies into new competencies that match their turbulent environment (Teece, Pisano, & Shuen, 1997). The theory assumes that firms with greater dynamic capabilities will outperform firms with smaller dynamic capabilities.

The concept of ESPs came into existence and public limelight in Kenya during the 2009/10 Budget. It was launched to stimulate the growth of the Kenyan economy through the rapid creation of jobs and business opportunities all over the country (Kenya News, 2012). The Budget premised on the theme, '*Overcoming Today's Challenges for a Better Kenya Tomorrow*', aimed at urgently jumpstarting the Kenyan economy towards long-term growth and development particularly in the wake of the 2007/08 post-election violence that brutally battered the Kenyan economy and the 2008/09 global economic recession which had astronomical negative shocks on economies, Kenya inclusive (Wanjiru, Wakhisi & Nesoba, 2010).

1.1.1 Concept of Strategy

Strategy is defined as a comprehensive and integrated plan that relates the strategic advantage of the firm to the challenges of the environment and is designed to ensure that basic objectives of the enterprise are achieved through proper implementation process. This definition of strategy lays stress on the following: a) unified comprehensive and integrated plan; b) strategic advantage related to challenges of environment; and c) proper implementation ensuring achievement of basic objectives (Tokuda, 2005).

Another definition of strategy relates strategy to its environment. It is defined as the organization's pattern of response to its environment over a period of time to achieve its goals and mission. This definition lays stress on the following: a) it is organization's pattern of response to its environment; and b) the objective is to achieve its goals and missions (Blinder, 2008).

Strategy as action exclusive of objective setting is another view in which strategy has been defined. It states that strategy is a way in which the firm, reacting to its environment, deploys its principal resources and marshals its efforts in pursuit of its purpose (Powel, 1992). Porter has defined strategy as, creation of a unique and valued position involving a different set of activities. The company that is strategically positioned performs different activities from rivals or performs similar activities in different ways.

1.1.2 Challenges of Strategy Implementation

In spite of the exposure on the virtues of strategic management, it has become clear that developing and implementing strategies is a great challenge (Thompson, 2001). Some of the problems include non-availability of reliable statistical information from both within the company or from elsewhere frustrates planning efforts. The poor management of the political economy especially in developing countries seems to deal with its various economic crises through short-term measures, as can be seen in the recent economic reforms (Thompson, 2001). The poor state of social infrastructure and political instability is another problem to the strategic management implementation.

Some strategies fail because not enough resources are allocated to successfully implement them. However, the problem can emerge just as readily in a middle market company or a service company that is simply short of people and time. Some authors (Thompson, 2001) observed this failing in both “fast-growth, new companies that feel understaffed due to growth demands” and companies “under heavy competitive pressure” who felt they could not spare resources to drive strategic innovation.

1.1.3 Economic Stimulus Programmes in Kenya

The Economic Stimulus Programme (ESP) was mooted and drawn up, as a short term, high intensity, high impact programme, aimed at investing resources in the short term, in projects with both short and long-term benefits. The objectives of the ESPs were to boost the country's economic recovery to the envision medium term growth path; to expand economic opportunities in rural areas for employment creation; to promote regional development for equity and social stability; to improve infrastructure and the quality education and health care for all Kenyans.

The ESP was anchored within the principles of the Government's blueprint 'Vision 2030'. Its guiding philosophy was the expansion of opportunities for economic engagement, based on the principles of the need to ensure food security and diversification; wealth and employment creation; and investment in the human capital development (Kenya News, 2012). The key areas where the ESP projects were to be implemented were: education; information and communication; public health and sanitation; fisheries development; local government and administration; industrialization; and agriculture, water and irrigation, regional development and youth affairs.

1.1.4 Economic Stimulus Programs in MoPW

The Ministry of Public Works (MoPW) is charged with the responsibility of planning, designing, construction and maintenance of Government assets in the field of built environment (hospitals, schools, colleges, technical institutes, prisons and courts) and infrastructure development (footbridges, sea walls, breakwaters and jetties) , (Kenya News, 2012).

The ESP programme involved the construction of various facilities which cut across the education, health, industrial, administration and agricultural sectors. The MoPW was thus mandated by the Government of Kenya (GoK) through the Ministry of Finance to design and implement the infrastructural projects in line with its mandate and portfolio. The infrastructural projects comprised of 77 District Headquarters, 210 CIDCs, 210 Model Health Centres, 180 Fresh Produce Markets, 420 and 355 Model Centers of Excellence both Primary and Secondary Schools respectively giving a total of 1452 projects. The mandate of the MoPW was to cover both pre- contract and post contract phases of the implementation of the ESP programmes.

1.2 Research Problem

Implementation of strategy has always been a challenge for organizations across different industries. Ability to implement strategy is the deciding factor between success and failure of a company's performance. The four main challenges are; how does an organization define measurable outcome goals for all functional areas; how will it establish good goals for departments that may only indirectly influence ultimate performance objectives; how to measure interim progress toward targets when the measurement - such as high-stakes testing - occurs infrequently; how to help departments focus on a few discrete objectives and set clear priorities.

The Economic Stimulus Programme (ESP) was envisaged to be a short term intensive programme to be implemented within a period of six (6) months commencing July 1st, 2009, with an expected completion date of 31st December 2009 (Kenya News, 2012). The task of implementation of the same was to be undertaken by the MoPW in liaison with other line Ministries.

However, data collected as of November 2010 showed that most of the construction projects implemented were below 50% completion and 44% of the envisaged projects were yet to be implemented. The result of these was that the short term socio-economic benefits that had been forecast could not be attained especially in stimulating economic activities at the constituency and district levels.

There many studies that have focused on strategy implementation. Hrebiniak (2006) notes that formulation of an effective strategy, making the strategy work and implementing it throughout the company is a difficult task. Noble (1999), looks at the implication of poor strategy formulation. Allio (2005) examines the nine factors that influence strategy implementation. Peng and Litteljohn (2001) focus on executors and they state that effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process.

Local studies that have focused on challenges of strategic implementation include the studies by Namaru (2013) who investigated the challenges affecting strategy implementation in government corporations while focusing on the Kenya Bureau of Standards. Chabari (2010) investigated the challenges facing effective implementation of free secondary education in public secondary schools. Sije and Awuor (2013) focused on strategic planning and formulation in public secondary schools in Kenya while Lihalo (2013) study focused on the barriers to strategy implementation by mid-sized companies in Kenya.

Whereas the cited studies focus on strategy implementation and how it is implemented in various organizations and government corporations, none of them has focused on the Government Ministries and in particular the implementation of short term intensive programmes to deeply investigate the challenges faced. The research elaborated on; what are the challenges faced by the MoPW in the implementation of the ESP programmes?

1.3 Research Objective

The main objective of the study was to determine the challenges of strategic implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works.

1.4 Value of the Study

This study has added to the little and scarce information on ESPs in Kenya and thus, forms a strong foundation for future researchers who would like to pursue a study in the area of economic development and improvement as well as focus on the challenges faced by ESPs in the country. This research has provided useful information for MoPW management. It has offered them with improvement areas to focus on to enhance the implementation of ESPs, identification of these improvement areas may lead to complete optimization of the ESP programs. A research into the implementation challenges faced by ESPs in Kenya shows the implications it has on the ESPs as well as the overall economic implications.

The study offers recommendations that may be of benefit to policy makers. The policy makers may use the results of the study to understand the major challenges that ESPs face in the country and can thus come up with strategies to avert the challenges as well as use the recommendations to improve on the future ESPs. This study focused on the challenges of strategic implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works in Kenya. The results of this research have added to the scarcely available information in Kenya on Economic Stimulus Program/ Practice.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews previous literature done on ESPs. The chapter sets off with the theoretical review of the study, followed by the challenges and opportunities faced during ESP implementation and it also offers the expected results that accrue from ESP projects. The chapter also offers the theoretical framework that was adopted in the study and it clearly defines the research gap that the study will try to fill.

2.2 Theoretical Foundation

Two theories are used to explain how an economy can be revived and they are the Resource-Based View (RBV) and the Dynamic Capability Theory.

2.2.1 Resource-Based View

RBV is an approach to achieving competitive advantage that emerged in 1980s and 1990s, after the major works published by Wernerfelt (1984); Prahalad & Hamel (1990); and Barney (1991) among others. The supporters of this view argue that organizations should look inside the company to find the sources of competitive advantage instead of looking at competitive environment for it. According to RBV proponents, it is much more feasible to exploit external opportunities using existing resources in a new way rather than trying to acquire new skills for each different opportunity (Tokuda, 2005).

In RBV model, resources are given the major role in helping companies to achieve higher organizational performance. There are two types of resources: tangible and intangible. Tangible assets are physical things. Land, buildings, machinery, equipment and capital - all these assets are tangible. Physical resources can easily be bought in the market so they confer little advantage to the companies in the long run because rivals can soon acquire the identical assets (Priem & Butler, 2001). Intangible assets are everything else that has no physical presence but can still be owned by the company. Brand reputation, trademarks, intellectual property are all intangible assets. Unlike physical resources, brand reputation is built over a long time and is something that other companies cannot buy from the market.

Intangible resources usually stay within a company and are the main source of sustainable competitive advantage (Priem & Butler, 2001). The two critical assumptions of RBV are that resources must also be heterogeneous and immobile. Heterogeneous: the first assumption is that skills, capabilities and other resources that organizations possess differ from one company to another. If organizations would have the same amount and mix of resources, they could not employ different strategies to outcompete each other. What one company would do, the other could simply follow and no competitive advantage could be achieved (Lockett, Thompson & Morgenstern, 2009). This is the scenario of perfect competition, yet real world markets are far from perfectly competitive and some companies, which are exposed to the same external and competitive forces (same external conditions), are able to implement different strategies and outperform each other (Tokuda, 2005).

Immobile: the second assumption of RBV is that resources are not mobile and do not move from company to company, at least in short-run. Due to this immobility, companies cannot replicate rivals' resources and implement the same strategies. Intangible resources, such as brand equity, processes, knowledge or intellectual property are usually immobile (Lockett, Thompson & Morgenstern, 2009).

RBV holds that sustained competitive advantage can be achieved more easily by exploiting internal rather than external factors as compared to industrial organization (I/O) view. While this is correct to some degree, there is no definite answer to which approach to strategic management is more important. This indicates that the best approach is to look into both external and internal factors and combine both views to achieve and sustain competitive advantage.

2.2.2 Dynamic Capability Theory

Dynamic capabilities theory examines how firms integrate, build, and reconfigure their internal and external firm-specific competencies into new competencies that match their turbulent environment (Teece, Pisano & Shuen, 1997). The theory assumes that firms with greater dynamic capabilities will outperform firms with smaller dynamic capabilities. The aim of the theory is to understand how firms use dynamic capabilities to create and sustain a competitive advantage over other firms by responding to and creating environmental changes.

A firm has a capability if it has some minimal ability to perform a task, regardless of whether or not that task is performed well or poorly (Helfat & Peteraf, 2009). A firm does not actually have to use a capability in order for it to have that capability.

However, on average, firms have to use their capabilities in order to sustain their ability to use them. In other words, there is a “use it or lose it” assumption about a firm’s capabilities over time. They also identified two yardsticks for calibrating a firm’s capabilities: technical (internal) fitness and evolutionary (external) fitness.

Pavlou and El Sawy (2011) created a framework for a proposed model of dynamic capabilities. According to the framework, the firm (1) uses its sensing capabilities to spot, interpret, and pursue opportunities that it perceives from internal and external stimuli; (2) uses its learning capabilities to determine what organizational capabilities must be revamped, rebuilt, or reconfigured into new knowledge; (3) uses its integrating capabilities to collectively understand and to make the necessary changes to its operational capabilities; (4) uses its coordination capabilities to implement and use the reconfigured operational capabilities; and (5) continues to scan external and internal stimuli.

2.3 Strategy Implementation

Strategy implementation is more important for the organization than the strategy formulation, because if the strategic plan is not successfully implemented by the staff and management, its cost and damages grow more than the failure of strategy formulation. It is necessary for the management and staff to use the appropriate and authentic models and framework for the implementation of the strategic plan in an organization (Alexander, 1991).

As mentioned by many researchers, a brilliantly formulated strategy does not have any value if it is not put into practice (Hill et al, 2009; Neilson et al, 2008). To put the formulated strategy into practice a number of actions on different levels of the organization are needed. According to Hill et al. (2009) the main components of the process for strategy implementation are the design of governance and ethics, the organizational structure, the organizational culture, and the organizational controls.

The ‘Levers of Control’ is a framework developed by Robert Simons (1995), which describes four levers. That is systems that control the fundamental parts of an implementation of a business strategy. The business strategy is at the center of the framework. Surrounding the business strategy are the fundamental parts an organization needs to have in control to allow for successful implementation of the business strategy, namely core values, risks to be avoided, critical performance variables and strategic uncertainties. These fundamental parts, on their turn, are controlled by the four levers of systems, that is; beliefs systems, boundary systems, diagnostic control systems and interactive control systems. The four levers create opposing forces that should balance the tensions of freedom to innovate, and assurance that all members of the organization are effectively and efficiently pursuing the strategic goals (Simons, 1995).

2.3.1 Governance and Ethics

Each organization is facing a large group of internal and external stakeholders that need to be satisfied. In formulating the strategy of the organization, management needs to take into account the wishes and needs of all of these stakeholders; otherwise they might withdraw their support to the organization (Neupane, 2012).

However, since they might be opposing to one another, management cannot always satisfy all needs from all stakeholders. Therefore, management has to identify who are the most important stakeholders, after which they have to prioritize their needs to determine which strategy should be pursued (Hill et al, 2009).

2.3.2 Organizational Structure

The correct organizational structure is crucial to enable the organization to implement its strategy. To facilitate the achievement of the strategic and organizational objectives, organizational structure coordinates and integrates the tasks executed by all employees in the organization, i.e. employees at all levels, and across all divisions and functions (Hill et al, 2009).

Organizational structure determines the departments and functions in an organization, it defines the hierarchy, span of control and reporting relationships, and includes the systems for communication, coordination and integration across these divisions and functions, both vertically and horizontally (Daft, 2001).

2.3.4 Organizational Culture

A fundamental part of managing strategy implementation is the organizational culture. Hill et al (2009) define organizational culture as the “specific collection of values, norms, beliefs and attitudes that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization”.

Although not as tangible as strategic control systems and organizational structure, culture is one of the strongest elements of control in an organization. A strong organizational culture enhances integration and coordination within the organization. Culture gives members of the organization the ability to develop a collective identity, and guides them in their daily business relationships, execution of tasks, communication and decision-making.

If propagated correctly, organizational values will become part of the individual's values through which the individual will follow them unconsciously. To create a strong organizational culture, it is important that leadership promotes what the organization believes is correct behavior. Within the values of the organization, strong emphasis should be given to ethical behavior. A code of ethics can help management to communicate the ethical behavior they expect from everybody in the organization (Daft, 2001).

2.3.5 Organizational Control

The final components of the process for strategy implementation are the organizational control systems. These systems, on the one hand, provide incentives and motivation to management and other employees to pursue the right activities towards achievement of organizational goals. On the other hand, control systems facilitate monitoring and evaluation of performance and progress on strategic goals. This enables managers to take action to, if necessary, adapt and strengthen the organization's business model. Moreover, it should provide accurate and timely information on organizational performance to ensure correct decision-making by managers (Hashim, 2010).

When designing an effective control system, an organization first determines the targets against which performance will be measured. Control systems should be designed at all levels in the organization, and targets have to be fit to the activities that the employees are responsible for. Moreover, it should be determined, which behavior is rewarded, and how these rewards relate to performance. These behaviors are measured with the control systems (Hoffman, 2007). Next, the organization should create means for measuring and monitoring performance. Then, performance can be compared with the established standards to evaluate whether action should be taken to better pursue attainment of strategic goals (Hill et al, 2009).

2.4 Challenges of the ESP Implementation

The basic principles of Financial Management apply equally to the government companies or public sector undertakings as well as private sector. Public sector undertakings have to function like other business systems. Most of the capital expenditure in government comes in the form of projects. It also includes expenditure from decentralised funds such as the Constituency Development Fund (CDF), the Local Authority Transfer Fund (LATF), the Secondary School Education Bursary (SSEB), the Roads Maintenance Levy Fund (RMLF), the Aids Fund, the Youth Fund, the Women Fund, the Economic Stimulus Programme among others (Gikonyo, 2008).

During economic booms, the government has a lot of resources to invest in projects while the reverse is true during economic recessions or during financial crises with the 2008 financial crisis being an example. The ESP though intended to be implemented in 2009/2010 financial year is still ongoing.

According to Gikonyo (2008) delays in budget implementation could reduce the overall impact of the stimulus package. A study conducted by the Civil Engineering Research Foundation (CERF) identified various challenges affecting government projects. The CERF report of 2004 attributes to failure of government funded projects as poor project management procedures. Projects that perform robust front-end planning face the fewest problems during project execution. The study further insists that an acquisition strategy should be developed during the conceptual design phase of the project and integrated with the risk management program to avoid projects failure.

The need for proper projects planning is emphasized that end user participation from the project onset is an important factor contributing to the failure or success of projects implementation. Further planning challenges identified by Obadan (2009) are faulty budget formulation and lack of project preparation. The study observes that faulty planning on the part of Ministries, Departments and Agencies (MDA's) could arise from inadequate review by Budget Office and amendments to budget by treasury in the case of central government projects. Obadan (2009) points out that some projects meant for implementation over many years have full funds in one year. In contrast, some ongoing projects are not allocated enough funds pointing to lack of proper planning.

The study further reveals that many projects admitted into the budget are often not prepared for processing/procurement by the time the budget is approved. Some delays arise where one MDA relies on another MDA to prepare project documents after budget approval. Lack of implementation plans also leads to uncoordinated and disorderly implementation and avoidable delays.

The financial planning challenge is further elucidated by Yahie et al. (2007). It is noted from his study that challenges facing decentralized service delivery in Kenya are essentially an overhang of poor policy management, weak institutional capacity and poor governance that have persisted over the years. This is evidenced by the absence of a coherent planning and institutional framework for decentralized development planning and service delivery whereby national development planning is managed in isolation.

Financial planning challenges are not unique to central government projects but also occur in decentralized funds. Strategic planning information systems in project implementation is crucial because the best of plans can go awry when it comes to actual implementation especially in the public sector (Hashim, 2010). Lack of proper recourse to, and due consultation with, the people for whom the projects are being carried out to know their needs, their problems and potentials is a challenge faced in local government in the preparation of the estimates of revenue and expenditure is a financial planning challenge. This leads to misplaced priorities whereby projects are done not according to or as demanded by the people but regrettably in tune with the selfish and glorification of the political leadership in collaboration with the senior bureaucrats at the local government level of administration.

Budgeting or fiscal issues are particularly problematic to the planning process in projects, notes Hashim (2010). He observes that if there is not enough allocation, procuring or acquiring the ICT hardware and software is made difficult for these local governments to attain their goals.

Hence, this necessitates acquiring technology over an extended timeline, which in turn creates a whole host of compatibility, upgradeability and standardization issues. In addition, expenses accumulate due to the very nature of the ICTs and their learning curve. This is also true of most other government projects.

The biggest barrier to strategy implementation comes from internal sources within the organizations and ministries. The staffs are complacent where they are and will resist any strategic changes being introduced. They would rather maintain the status quo than embrace the unknown changes introduced (Hashim, 2010). Systemic barriers results when the organization indirectly does not support a strategy thus leading to the process of strategy implementation lagging behind. Also issues such as unanticipated problems arising at the time of strategy implementation, when strategy implementation goes beyond the planned time, rigid and bureaucratic organizational structure and insufficient financial resources to execute the strategy form part of systemic barriers (Neupane, 2012).

For any strategy to be fully implemented, it requires well trained and competent manpower. But the cost of training the staff, lack of qualified people to train and limitation in time may act as a barrier to strategy implementation. A times strategy, implementation is resisted because it was introduced by certain managers and so the staff try to oppose the manager through resisting anything they introduce or when the staff realizes they stand to lose if the existing structures are done away with (Lynch, 2000).

2.5 Research Gap

There are a number of challenges that can easily be identified with strategy implementation with regards to goal setting, implementation planning, and accountability. The four main challenges are; how does an organization define measurable outcome goals for all functional areas; how will it establish good goals for departments that may only indirectly influence ultimate performance objectives; how to measure interim progress toward targets when the measurement - such as high-stakes testing - occurs infrequently; how to help departments focus on a few discrete objectives and set clear priorities.

The government has initiated multi-billion shillings in ESP projects and according to present literature; there is no comprehensive policy framework to guide its implementation. It is widely documented that the main issue under ESP implementation is how the project is managed. Whereas almost all research has been focused on the project success factors, little has been done related to the challenges of strategy implementation of the ESP programmes in the Ministry of Public Works. This study therefore, is aimed at assessing the strategy implementation strategies of the ESP projects in the Ministry of Public Works in Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used in this study. In this chapter the research methodology has been presented. The chapter also looks at the population of the study and the sampling design that was used; it has indicated the target population, sampling frame, procedure and the sample size. Furthermore, it shows the data collection methods and the procedure that was used to undertake the study and finally it has stated the way the collected data has been presented.

3.2 Research Design

A descriptive study was used to determine the challenges of strategy implementation of the economic stimulus programmes in the Kenyan Ministry of Public Works. The researcher chose descriptive research design since it employed the use of a cross sectional survey research method, since only a sample from the population was selected for the study.

A cross sectional survey research is a method of sociological investigation that uses question based or statistical surveys to collect information about how people think and act. Arksey and O'Malley (2005) define a descriptive study as any study that is not truly experimental. Descriptive studies are conducted to demonstrate associations or relationships between different variables.

3.3 Population of the Study

Target population can be defined as the population a researcher is interested in. Barbie and Halley (2007) define target population as the entire aggregation of respondents that meet the designated set of criteria within a study. According to Barbie and Halley (2007) a population element is the subject such as a person an organization, customer database, or the amount of quantitative data on which the measurement is being taken. For this study, the population consisted of the infrastructural components of the Economic Stimulus Program under the Ministry of Public Works that were 77 in total.

The infrastructural component of the Economic Stimulus Program under the MoPW initially comprised of 36 District Headquarters under phase I and 41 in phase II making a total of 77 projects. These were spread out in the former 8 provinces of the Kenyan administrative unit as illustrated in Table 3.1 below.

Table 3.1: District Headquarters Projects Distribution

S/No	Provinces	Distribution		
		Phase I	Phase II	Total
1.	Nairobi	3	2	5
2.	Coast	2	4	6
3.	North Eastern	2	2	4
4.	Eastern	8	8	16
5.	Central	7	8	15
6.	Rift Valley	6	10	16
7.	Western	3	3	6
8.	Nyanza	5	4	9
	Total	36	41	77

Source: (ESP website: www.economicstimulus.go.ke as at March 2012)

3.4 Sample Design

Sampling involves a process of selecting a sub-section of a population that represents the entire population in order to obtain information regarding the phenomenon of interest. A sample is a sub-section of the population, which is selected to participate in a study.

A sample design is the framework or road map that serves as a basis for the selection of a survey sample and affects many other aspects of a survey as well. It provides the basic plan and methodology for selecting the sample. Sample design is made up of two elements, the sampling method and the estimator. The best sample design depends on the survey objectives and on survey resources.

3.4.1 Sample Frame

A sampling frame is the source material or device from which a sample is drawn (Lohr, 2010). It can also refer to a list of all those elements within a population that can be sampled, and may include individuals, households or institutions (Singh, 2008). Sampling frame can therefore be defined as the actual set of units from which a sample has been drawn.

In many practical situations the frame is a matter of choice to the researcher. Research cannot be undertaken due to lack of an apparent frame or because of faulty frames. For this study, the sampling frame came from the list of the projects of the District Headquarters in the Country that were undertaken by the Ministry of Public Works during the year 2009 to 2012.

3.4.2 Sampling Technique

Statistical sampling techniques are the strategies applied by researchers during the statistical sampling process. A stratified sample is a probability sampling technique in which the researcher divides the entire target population into different subgroups, or strata, and then randomly selects the final subjects proportionally from the different strata (Lohr, 2010). Stratified sampling technique was used to select the sample size from the defined sample frame.

The study sample was divided into eight strata comprising of the provinces in the country namely: Nairobi; Coast; North Eastern; Eastern; Central; Rift Valley; Western; and Nyanza. Selection of the projects within the strata was done through the use of simple random sampling (SRS). SRS was selected because it gave an equal chance of selection to all the projects. This minimized bias and simplified the analysis of results.

3.4.3 Sampling Size

A sample is defined as a small proportion of an entire population; a selection from the population (Lohr, 2010). The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample. A sample size allows the researcher to make generalizations about the entire target population. To ensure that the sample accurately represents the population, the researcher clearly defines the characteristics of the population, determines the required sample size and chooses the best method members of the sample from the larger population (Lohr, 2010).

Mugenda and Mugenda (2003) indicate that a sample of between 10-30% of the target population is considered adequate. Therefore, the sample size of the study was 20% of the total number of the District Headquarters projects undertaken. The total sample size for the study was 15. The sample size selection is summarized in Table 3.2.

Table 3.2: Sample Size Distribution

S/ No	Provinces	POPULATION		
		Phase I & II	Percentage	Sample Size
1.	Nairobi	5	20%	1
2.	Coast	6	20%	1
3.	North Eastern	4	20%	1
4.	Eastern	16	20%	3
5.	Central	15	20%	3
6.	Rift Valley	16	20%	3
7.	Western	6	20%	1
8.	Nyanza	9	20%	2
	Total	77	20%	15

Source: (ESP website: www.economicstimulus.go.ke as at March 2012)

3.5 Data Collection

Data collection is a systemic way of gathering information, which is relevant to the research purpose or questions. Primary data was collected for the study using self-administered questionnaire. A questionnaire is a general term including all data collection techniques in which each person is asked to answer the same set of questions in a predetermined order. This study used closed-ended questions to gather data for the study.

Arksey and O'Malley (2005) state that it is imperative for a researcher to test the reliability of the data collection instrument for the study results to be reliable. The researcher developed the questionnaire based on the research questions; the questionnaire was pilot tested by being administered randomly to a selected sample of six respondents from the target population to refine it and test its reliability. This was done to ensure that the questions would be able to meet the objectives of the study.

The researcher administered the questionnaires individually to the selected population. The researcher exercised care and control to ensure all questionnaires issued to the respondents were received. To achieve this, the researcher maintained a register of questionnaires, which were handed out and those that were collected from the respondents. The respondents were given a three day period to complete and fill the questionnaires ensuring that they did not rush through guaranteeing that they gave an accurate account.

3.6 Data Analysis

Data analysis is the systematic organisation and synthesis of the research data and the testing of research hypotheses, using those data. Data analysis also entails categorizing, ordering, manipulating and summarizing the data and describing them in meaningful terms Barbie & Halley, (2007). It involves reducing accumulated data to a manageable size, developing summaries, looking for patterns and applying statistical techniques. Scaled responses on questionnaires often require that the researcher derives various functions as well as interpret these findings.

The completed questionnaires were analyzed using the Statistical Package for Social Science (SPSS) Student Version 16.0. The data collected was classified into meaningful categories (coded), edited and tabulation of the same was done. MS Excel spreadsheet was used for the initial tabulation, analysis and drawing of charts based on the respondents responses. Most of the questions included in the questionnaire were closed-ended questions. These were coded for easy analysis on the SPSS. The data was analyzed using descriptive and correlation analysis and the same were discussed in the following chapter.

CHAPTER FOUR

DATA ANALYSIS AND RESULTS

4.1 Introduction

This study sought to study the challenges of strategy implementation faced by the district headquarters under the Economic Stimulus Programmes in the Kenyan Ministry of Public Works. This chapter has been guided by the questionnaire. The researcher handed out the data instruments to the population and their responses have been discussed in this section. From the 100 questionnaires handed out, 73 were completely filled and used for analysis thus giving the research a response rate of 73%.

4.2 Demographics

The first bit of the questionnaire was driven to determine the demographics of the respondents and the results were as shown in section 4.2.

4.2.1 Respondents Gender

The respondents were asked to indicate their gender and as shown in figure 4.1, majority of the respondents 88% were male while 12% were female. These results show that majority of the MoPW employees working on the ESP were male.

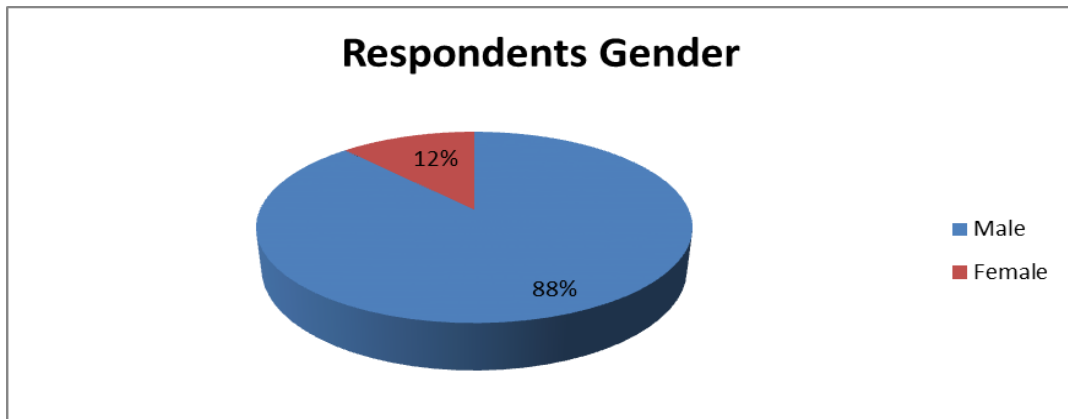


Figure 4.1: Respondents Gender

Source: Primary Data, 2014

4.2.2 Education Level

The respondents were asked to indicate their level of education and as shown in figure 4.2, 74% of the respondents had degrees, 15% had diplomas and 11% had masters' degrees. These results show that majority of the MoPW employees working on the ESP were well educated and this made them good subjects for the study.

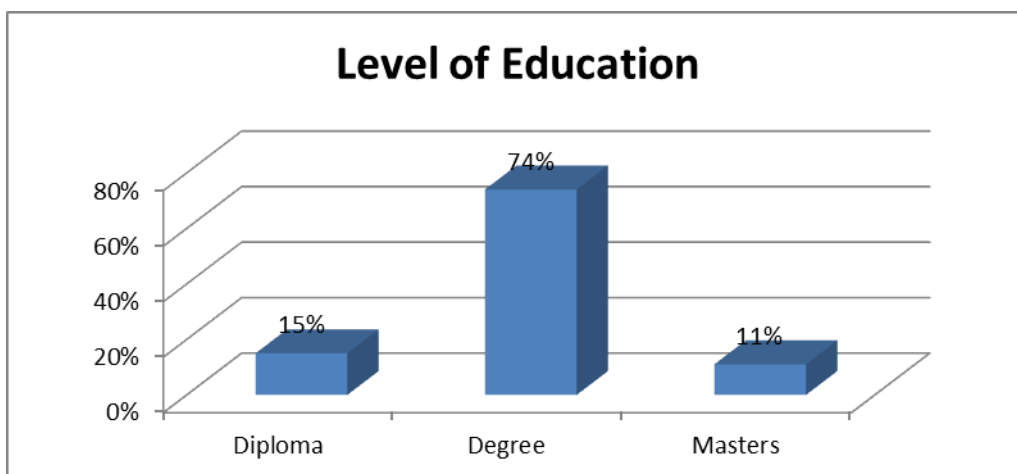


Figure 4.2: Respondents Education Level

Source: Primary Data, 2014

4.2.3 Work Experience

The respondents were asked to indicate the number of years they had been with the ministry and their results was as shown in figure 4.3. The figure shows that 48% had worked with the ministry for 21 and above years, 33% had worked with the ministry for 6-10 years, 12% had been with the ministry for 16-20 years and 3% had been with the ministry for 1-5 years. These results show that majority of the MoPW employees had been in the ministry for many years and thus understood the system very well making them suitable for the study.

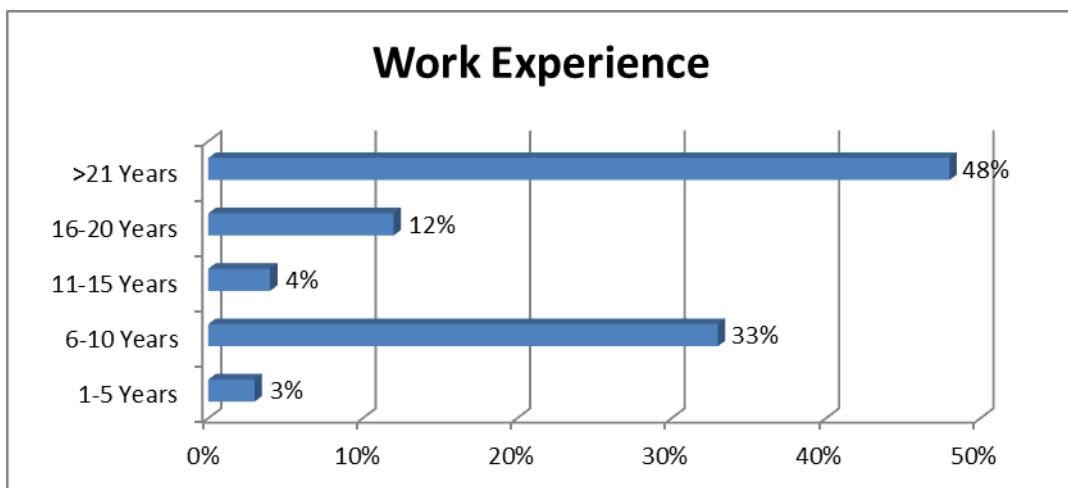


Figure 4.3: Work Experience

Source: Primary Data, 2014

4.2.4 Respondents Position in the Organization

The researcher wanted to establish the vocation of the respondents and as shown in figure 4.4, 53% were architects, 27% were quality surveyors, 8% were civil/ structural engineers, 6% were mechanical engineers and another 6% were electrical engineers. The results show that all aspects of the ESP team were considered in the survey.

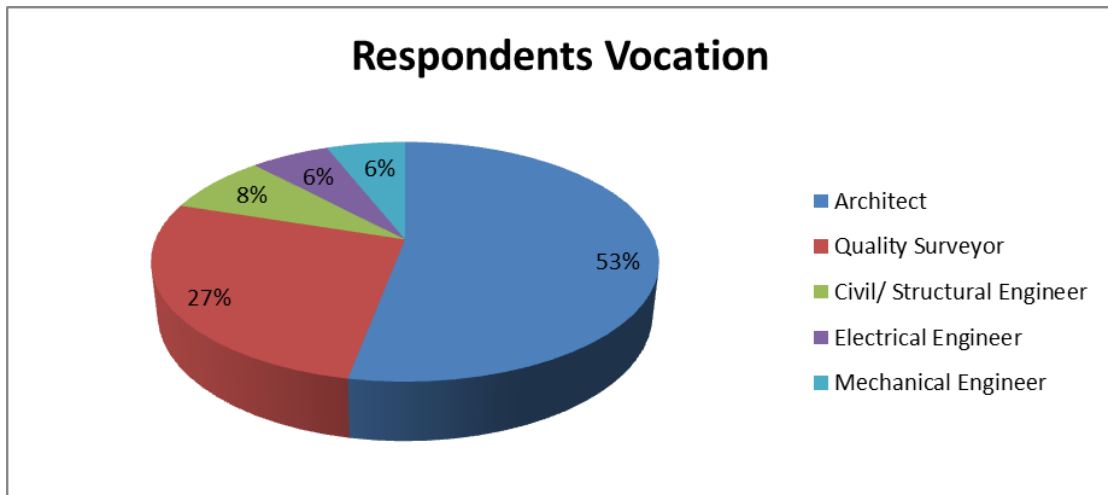


Figure 4.4: Respondents Vocation

Source: Primary Data, 2014

4.2.5 ESP Project Involvement

The respondents were asked whether they were involved in the ESP program in the ministry and their response as shown in table 4.1 indicates that they were all involved in the ESP program. These results indicate that the subjects were viable for the study.

Table 4.1: Involvement in the ESP Program

Response	Distribution	
	Frequency	Percentage
Yes	73	100
No	0	0
Total	73	100

Source: Primary Data, 2014

4.2.6 Duration of Involvement

The respondents were asked to indicate the number of years they had been involved in the ESP program and their results was as shown in figure 4.5. The figure shows that 67% had been involved in the ESP program for 3-4 years, 18% had been involved for 2-3 years, 12% had been involved for 1-2 years and 3% had been involved for less than a year. These results show that majority of the MoPW employees had been involved in the program for 2-4 years making them suitable for the study.

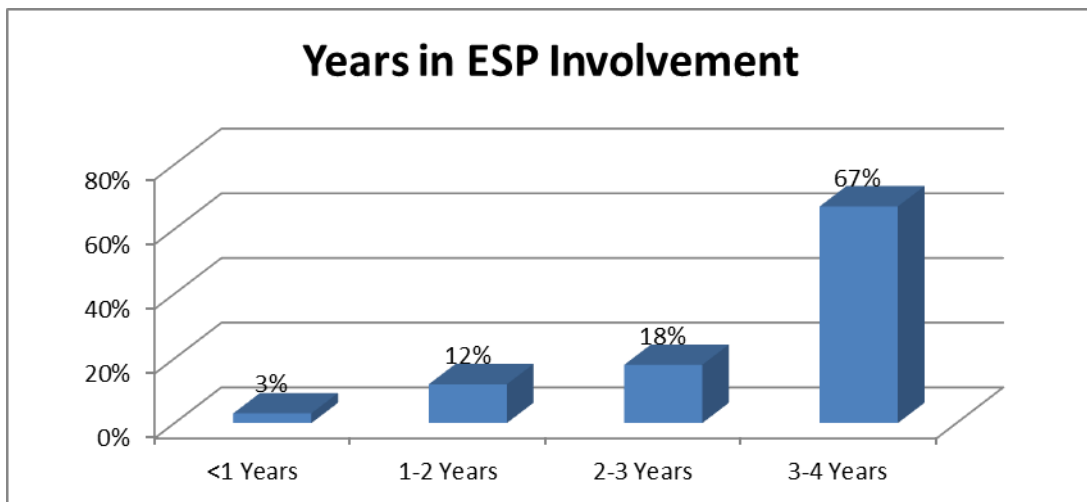


Figure 4.5: Years in ESP Involvement

Source: Primary Data, 2014

4.3 Strategy Implementation

The second bit of the questionnaire was driven to determine the strategy implementation at the Ministry of Public Works. The results received have been presented in the following section.

4.3.1 Strategy Implementation in the MoPW

The respondents were asked to indicate how their various factors within the Ministry affected strategy implementation and their response was as tabled in table 4.2. The response shown had a mean of 3.5 and above indicating that the factors had a strong influence. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that governance and ethics, organizational structure, organizational culture and organizational controls all affect the implementation of strategies in the Ministry of Public Works in Kenya.

Table 4.2: Factors Affecting Strategy Implementation

Factors	VU	U	N	I	VI	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Governance and ethics	2.7	4.1	23.3	34.2	35.6	3.96	1.006
Organizational structure	0.0	0.0	8.2	53.4	38.4	4.30	0.617
Organizational culture	0.0	1.4	6.8	63	28.8	4.19	0.616
Organizational controls	0.0	2.7	12.3	41.1	43.8	4.26	0.782
VU=Very Uninfluential; U=Uninfluential; N=Neutral; I=Influential; VI=Very Influential							

Source: Primary Data, 2014

4.3.2 Governance and Ethics Practices in MoPW

The respondents were asked to indicate how the ministry catered for its shareholders and planned the projects within the Ministry and their response was as shown in table 4.3. The response shown had a mean of 3.5 and below indicating that the Ministry did not meet the needs of stakeholders fully. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

Table 4.3: Governance and Ethics Practices in MoPW

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
The management always takes into account the wishes and needs of all stakeholders involved	15.1	13.7	4.1	41.1	26.0	3.49	1.406
The management cannot satisfy all needs from all stakeholders and thus meets the needs of the important stakeholders only	52.1	27.4	1.4	13.7	5.5	1.93	1.262
The Ministry prioritizes the needs of the most important projects before pursuing them	17.8	68.5	2.7	9.6	0.0	2.04	0.777
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

The table shows that management always took into account the wishes and needs of all stakeholders involved and that it did not separate stakeholders but rather ensured the needs of all stakeholders were met. The table shows that the Ministry prioritized the needs of the most important projects before pursuing them.

4.3.3 Organizational Structure

The respondents were asked to indicate how the organizational structure in the Ministry affected strategy implementation and their response was as tabled in table 4.4. The response shown had a mean of 3.5 and above indicating that the impact of the organizational structure was strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the organization structure facilitated the coordination and integrated the tasks executed by all employees, it determined the departments and functions in the organization, and it defined the hierarchy of ESP projects. The table also shows that the organizational structure defined the span of control and reporting relationships of ESP projects and it defined the communication and coordination of ESP projects.

Table 4.4: Effect of MoPWs Organizational Structure

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Our organization structure facilitates the coordination and integrates the tasks executed by all employees	0.0	5.5	23.3	58.9	12.3	3.78	0.731

Our organizational structure determines the departments and functions in the organization	0.0	1.4	11.0	72.6	15.1	4.01	0.565
Our organizational structure defines the hierarchy of ESP projects	5.5	8.2	6.8	75.3	4.1	3.64	0.903
Our organizational structure defines the span of control and reporting relationships of ESP projects	2.7	8.2	2.7	78.1	8.2	3.81	0.811
Our organizational structure defines the communication and coordination of ESP projects	2.7	6.8	8.2	71.2	11.0	3.81	0.828
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.3.4 Organization Culture

The respondents were asked to indicate how the organizational culture in the Ministry affected strategy implementation and their response was as tabled in table 4.5. The response shown had a mean of 3.3 and above indicating that the impact of the organizational culture was strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the organization culture enhanced integration and coordination within the ESP projects, it guided the employees' daily business relationships in the ESP projects, and it also determined the execution of tasks, communication and decision-making in the ESP projects. The table also shows that the organization culture puts a strong emphasis on ethical behavior during the ESP project phases.

Table 4.5: Effect of MoPWs Organizational Culture

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Our organization culture enhances integration and coordination within the ESP projects	9.6	8.2	21.9	57.5	2.7	3.36	1.019
Our organization culture guides the employees' daily business relationships in the ESP projects	8.2	8.2	8.2	72.6	2.7	3.53	0.987
Our organization culture determines the execution of tasks, communication and decision-making in the ESP projects	2.7	11	19.2	58.9	8.2	3.59	0.895
Our organization culture puts a strong emphasis on ethical behavior during the ESP project phase	0.0	8.2	13.7	72.6	5.5	3.75	0.683
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.3.5 Organizational Control

The respondents were asked to indicate how the organizational control in the Ministry affected strategy implementation and their response was as tabled in table 4.6. The response shown had a varying mean of 1.5 - 3.5 indicating that the impact of the organizational control was strong on some factors and very weak on others.

The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the organization control systems facilitated monitoring and evaluation of performance in the ESP projects, it also facilitated progress monitoring of the ESP projects.

To some extent, the organization control system facilitated the ability of managers and leaders in dealing with unplanned events promptly in the ESP projects. The table shows that the organization control system failed in providing incentives and motivation to management to pursue the right activities towards achievement the ESP projects and it also failed in providing incentives and motivation to employees to pursue the right activities towards achievement the ESP projects.

Table 4.6: Effect of MoPWs Organizational Control

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Our organization control provides incentives and motivation to management to pursue the right activities towards achievement the ESP projects	42.5	47.9	0.0	6.8	2.7	1.79	0.957
Our organization control provides incentives and motivation to employees to pursue the right activities towards achievement the ESP projects	39.7	50.7	0.0	6.8	2.7	1.82	0.948
Our organization control systems facilitates monitoring and evaluation of performance	0.0	4.1	46.6	46.6	2.7	3.48	0.626

Our organization control systems facilitates progress monitoring of the ESP projects	0.0	9.6	21.9	61.6	6.8	3.66	0.749
The control system facilitates the managers and leaders to deal with unplanned events promptly in the ESP projects	9.6	47.9	31.5	8.2	2.7	2.47	0.883
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.3.6 Relationship between Organizational Variables

Table 4.7 presents the correlation analysis results that establish the relationship between organizational variables. The correlation results show that organizational structure had 0.802 correlation at significant level <0.01 with organizational culture. These results indicate that the variables had an 80.2% correlation with each other. Component wise organizational structure had a positive relationship with control of 0.377 at a significant level < 0.01 (37.7%). These results showed that the relationships were significant. This means that structure and culture affected the implementation of strategies in the Ministry strongly while control had an impact on implementation bit not at a high level.

Table 4.7: Pair-Wise Correlation Matrix for Organizational Variables

Variables	Structure	Culture	Control
Structure	1	0.802	0.377
Culture	0.802	1	0.024
Control	0.377	0.024	1

* Correlation is significant at the 0.01 level

Source: Primary Data, 2014

4.4 Challenges Faced during ESP Implementation

The third section of the questionnaire was driven to determine the challenges faced by the Ministry of Public Works during the ESP implementation. The results received have been presented in the following section.

4.4.1 Financial Management Practices

The respondents were asked to indicate how the Ministry's financial management practices affected strategy implementation and their response was as tabled in table 4.8. The response shown had a mean of 3.3 and above indicating that the impact of the financial management was strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the capital expenditure in the Ministry comes in the form of projects and during economic booms; the Ministry has a lot of resources to invest in projects. The table also shows that it faces delays in budget implementation and this reduces the overall impact of the stimulus package, the table also shows that the ongoing projects are not allocated enough funds pointing to lack of proper planning.

Table 4.8: Effect of MoPWs Financial Management Practice

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Our capital expenditure comes in the form of projects	4.2	15.3	13.9	50.0	16.7	3.60	1.070
During economic booms, we have a lot of resources to invest in projects	4.1	5.5	30.1	49.3	11.0	3.58	0.912

We face delays in budget implementation and this reduces the overall impact of the stimulus package	0.0	8.2	16.4	58.9	16.4	3.84	0.800
Ongoing projects are not allocated enough funds pointing to lack of proper planning	1.4	5.5	17.8	53.4	21.9	3.89	0.859
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.4.2 Management Practices

The respondents were asked to indicate how the Ministry's management practices affected strategy implementation and their response was as tabled in table 4.9. The response shown had a mean of 3.5 and above indicating that the impact of the management practice was strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the lead time are often delayed due to cumbersome procurement procedures, poor project management procedures affect the implementation of the ESP programs. The table indicates that employees had noticed that projects that perform robust front-end planning faced the fewest problems during project execution and that risk assessment of the project team was a critical determinant of eventual project success. The table also shows that management skill of the project team was a critical determinant of eventual project success.

Table 4.9: Effect of MoPWs Management Practice

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Our lead time are often delayed due to cumbersome procurement procedures	8.2	4.1	21.9	47.9	17.8	3.63	1.087
Poor project management procedures affect the implementation of the ESP programs	8.2	5.5	12.3	54.8	19.2	3.71	1.099
We notice that projects that perform robust front-end planning face the fewest problems during project execution	0.0	5.5	21.9	46.6	26.0	3.93	0.839
Risk assessment of the project team is a critical determinant of eventual project success	0.0	1.4	11.0	60.3	27.4	4.14	0.652
Management skill of the project team is a critical determinant of eventual project success	0.0	6.8	11.0	46.6	35.6	4.11	0.859
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.4.3 Project Planning and Budget Practices

The respondents were asked to indicate how the Ministry's project planning and budget practices affected strategy implementation and their response was as tabled in table 4.10. The response shown had a mean of 2.5 and above indicating that the impact of project planning and budgeting was particularly strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

The table shows that the Ministry carries out end user participation for its projects from the onset and the Ministry does have faulty budgets during some projects. The table also shows that the Ministry has proper structured project preparation and that most of the projects in the Ministry are admitted into the budget before the budget is approved. The table also indicates that delays in projects arose from task assignments that were pushed to various people and that lack of implementation plans affected the Ministry projects. Finally, the table indicates that there lacks a rational basis for prioritizing choices in the face of dwindling resources.

Table 4.10: Effect of MoPWs Project Planning and Budget Practices

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
We carry out end user participation for our projects from the onset	21.9	37.0	19.2	21.9	0.0	2.41	1.065
As a Ministry, we do not have faulty budgets during projects	13.7	47.9	19.2	12.3	6.8	2.51	1.094
As a Ministry, we have proper structured project preparation	11.0	24.7	27.4	19.2	17.8	3.08	1.267
Most projects in the Ministry are admitted into the budget before the budget is approved	17.8	28.8	27.4	11.0	15.1	2.77	1.297
Delays in projects arise from task assignments that are pushed to various people	8.2	27.4	26.0	26.0	12.3	3.07	1.171
Lack of implementation plans affects the Ministry projects	8.2	6.8	26.0	46.6	12.3	3.48	1.069
There lacks a rational basis for prioritizing choices in the face of dwindling resources	0.0	1.4	19.2	61.6	17.8	3.96	0.655
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

4.4.4 Decentralized Practices

The respondents were asked to indicate how the Ministry's decentralized practices affected strategy implementation and their response was as tabled in table 4.11. The response shown had a mean of 3.0 and above indicating that the impact of decentralized practice was strong. The standard deviation was <1.5 which indicated that the difference in response from the respondents was insignificant.

Table 4.11: Effect of MoPWs Decentralized Practices

Variables	SD	D	N	A	SA	Statistics	
	%	%	%	%	%	Mean	Std. Dev
Ministry has an overhang of poor policy management	1.4	19.2	13.7	43.8	21.9	3.66	1.070
The ministry has a weak institutional capacity	6.8	16.4	21.9	43.8	11.0	3.36	1.098
There is poor governance of projects in the Ministry	8.5	23.9	14.1	45.1	8.5	3.21	1.158
The Ministry lacks a coherent planning and institutional framework that decentralizes the development planning and service delivery	2.7	23.3	19.2	37.0	17.8	3.44	1.118
The Ministry manages national development planning in isolation	5.5	21.9	30.1	27.4	15.1	3.25	1.128
The Ministry lacks proper recourses to see ESP projects to completion	2.7	24.7	16.4	19.7	16.4	3.42	1.117
ESP projects face misplaced priorities where the projects are done in tune with influence from the political leadership	1.4	13.7	28.8	45.2	11.0	3.51	0.915
SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree							

Source: Primary Data, 2014

The table shows that the Ministry had an overhang of poor policy management and it had a weak institutional capacity. The table also shows that there was poor governance of projects in the Ministry and the Ministry lacked a coherent planning and institutional framework that decentralized the development planning and service delivery. The table also indicates that the Ministry managed national development planning in isolation and it lacked proper recourses to see ESP projects to completion. From the table, it is clear that ESP projects faced misplaced priorities where the projects were done in tune with influence from the political leadership.

4.4.5 Relationship between Management Variables

Table 4.12 presents the correlation analysis results that establish the relationship between management variables. The correlation results show that financial management had 0.368 correlation at significant level <0.01 with management practice. These results indicate that the variables had 36.8% correlation with each other.

Component wise shows a positive relationship with correlations of 0.247 and 0.036 respectively at a significant level <0.01 . These results showed that the relationships were not significant. This means that management practice, planning and budgeting and the Ministry's decentralized practices affected ESP implementation but not strongly.

Table 4.12: Pair-Wise Correlation Matrix for Management Variables

Variables	Financial Management	Management Practice	Planning and Budgeting	Decentralized Practices
Financial Management	1	0.368	0.247	0.036
Management Practice	0.368	1	-0.107	0.081
Planning and Budgeting	0.247	-0.107	1	0.040
Decentralized Practices	0.036	0.081	0.040	1

** Correlation is significant at $p= 0.01$

* Correlation is significance at $p=0.05$ level

Source: Primary Data, 2014

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter concludes the study findings of the study on the challenges of strategy implementation faced by the district headquarters under the Economic Stimulus Programmes in the Kenyan Ministry of Public Works. The chapter gives the summary of the study and gives the discussion of the findings. It also offers the study conclusion and offers recommendations for improvement and for further studies.

5.2 Summary

Implementing strategy has always been a challenge for organizations across the industry. Ability to implement strategy is the deciding factor between success and failure of a company's strategy. The main objective of the study was to determine the challenges of strategic implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works.

A descriptive study was used to determine the challenges of strategy implementation of the economic stimulus programmes in the Kenyan Ministry of Public Works. The researcher chose descriptive research design since it employed the use of a cross sectional survey research method, since only a sample from the population was selected for the study. For this study, the population consisted of the infrastructural components of the Economic Stimulus Program under the Ministry of Public Works that were 77 in total. Stratified sampling technique was used to select the sample size from the defined sample frame.

The study sample was divided into eight strata comprising of the provinces in the country namely: Nairobi; Coast; North Eastern; Eastern; Central; Rift Valley; Western; and Nyanza. Selection of the projects within the strata was done through the use of simple random sampling.

The sample size of the study was 20% of the total number of the District Headquarters projects undertaken. The total sample size for the study was 15. Primary data was collected for the study using self-administered questionnaire. The researcher administered the questionnaires individually to the selected population. The completed questionnaires were analyzed using the Statistical Package for Social Science (SPSS) Student Version 16.0. Frequencies were used to analyze the respondents' demographics. Statistical analysis consisting of means and standard deviations were used for the likert questions. The researcher employed Pearson's correlations to determine the significance of the relationship of the study variables.

The study revealed that the organization culture enhanced integration and coordination within the ESP projects, it guided the employees' daily business relationships in the ESP projects, and it also determined the execution of tasks, communication and decision-making in the ESP projects. The study showed that the organization control systems facilitated monitoring and evaluation of performance in the ESP projects, it also facilitated progress monitoring of the ESP projects. To some extent, the organization control system facilitated the ability of managers and leaders in dealing with unplanned events promptly in the ESP projects. The study revealed that the capital expenditure in the Ministry comes in the form of projects and during economic booms; the Ministry has a lot of resources to invest in projects.

The study revealed that the Ministry carried out end user participation for its projects from the onset and the Ministry did have faulty budgets during some projects. The study also showed that the Ministry had proper structured project preparation and that most of the projects in the Ministry were admitted into the budget before the budget was approved. The study also indicated that delays in projects arose from task assignments that were pushed to various people and that lack of implementation plans affected the Ministry projects.

The study showed that the Ministry had an overhang of poor policy management and it had a weak institutional capacity. The study revealed that there was poor governance of projects in the Ministry and the Ministry lacked a coherent planning and institutional framework that decentralized the development planning and service delivery. The study also indicated that the Ministry managed national development planning in isolation and it lacked proper recourses to see ESP projects to completion. From the study, it was clear that ESP projects faced misplaced priorities where the projects were done in tune with influence from the political leadership.

5.3 Discussion

The study showed that governance and ethics, organizational structure, organizational culture and organizational controls all affected the implementation of strategies in the Ministry of Public Works in Kenya. These results are in tandem with Hill et al. (2009) who stated that the main components of the process for strategy implementation are the design of governance and ethics, the organizational structure, the organizational culture, and the organizational controls.

The study showed that management always took into account the wishes and needs of all stakeholders involved and that it did not separate stakeholders but rather ensured the needs of all stakeholders were met. Neupane (2012) states that in formulating a strategy for an organization, management needs to take into account the wishes and needs of all of these stakeholders; otherwise they might withdraw their support to the organization.

The study also revealed that the Ministry prioritized the needs of the most important projects before pursuing them. According to Hill et al. (2009) management has to identify the most important projects, after which they have to prioritize their needs to determine which strategy should be pursued.

The study revealed that the organization structure facilitated the coordination and integrated the tasks executed by all employees, it determined the departments and functions in the organization, and it defined the hierarchy of ESP projects. Hill et al. (2009) notes that organization structure facilitates the achievement of the strategic and organizational objectives, by integrating the tasks executed by all employees and all divisions within the organization, and working towards a common goal.

The study also showed that the organizational structure defined the span of control and reporting relationships of ESP projects and it defined the communication and coordination of ESP projects. As dictated by Daft (2001), organizational structure defines the hierarchy, span of control and reporting relationships, and includes the systems for communication, coordination and integration across the various divisions and functions, both vertically and horizontally.

The study revealed that the organization culture enhanced integration and coordination within the ESP projects, it guided the employees' daily business relationships in the ESP projects, and it also determined the execution of tasks, communication and decision-making in the ESP projects. The study also showed that the organization culture puts a strong emphasis on ethical behavior during the ESP project phases. According to Daft (2001), culture places a strong emphasis to ethical behavior. A code of ethics also helps management to communicate the ethical behavior they expect from everybody in the organization.

The study showed that the organization control systems facilitated monitoring and evaluation of performance in the ESP projects, it also facilitated progress monitoring of the ESP projects. To some extent, the organization control system facilitated the ability of managers and leaders in dealing with unplanned events promptly in the ESP projects. Hashim (2010) states that control systems facilitate monitoring and evaluation of performance and progress on strategic goals. This enables managers to respond to unexpected events, the control system has to be flexible.

The study revealed that the capital expenditure in the Ministry comes in the form of projects and during economic booms; the Ministry has a lot of resources to invest in projects. The study also showed that it faces delays in budget implementation and this reduces the overall impact of the stimulus package, the study also showed that the ongoing projects are not allocated enough funds pointing to lack of proper planning. According to Gikonyo (2008) delays in budget implementation could reduce the overall impact of the stimulus package.

The study revealed that the lead time of ESP projects are often delayed due to cumbersome procurement procedures; poor project management procedures affect the implementation of the ESP programs. The study indicated that employees had noticed that projects that perform robust front-end planning faced the fewest problems during project execution and that risk assessment of the project team was a critical determinant of eventual project success. The study also showed that management skill of the project team was a critical determinant of eventual project success. According to the CERF report of (2004) failure of government funded projects are attributed to poor project management procedures. The report also showed that projects that perform robust front-end planning face the fewest problems during project execution.

The study revealed that the Ministry carried out end user participation for its projects from the onset and the Ministry did have faulty budgets during some projects. The study also showed that the Ministry had proper structured project preparation and that most of the projects in the Ministry were admitted into the budget before the budget was approved. The study also indicated that delays in projects arose from task assignments that were pushed to various people and that lack of implementation plans affected the Ministry projects. Finally, the study indicated that there lacked a rational basis for prioritizing choices in the face of dwindling resources. Obadan (2009) states that there is need for proper projects planning is emphasized that end user participation from the project onset is an important factor contributing to the failure or success of projects implementation. He also notes that further planning challenges are from faulty budget formulation and lack of project preparation.

The study showed that the Ministry had an overhang of poor policy management and it had a weak institutional capacity. The study revealed that there was poor governance of projects in the Ministry and the Ministry lacked a coherent planning and institutional framework that decentralized the development planning and service delivery. Yahie et al. (2007) notes from his study that challenges facing decentralized service delivery in Kenya are essentially an overhang of poor policy management, weak institutional capacity and poor governance that have persisted over the years.

The study also indicated that the Ministry managed national development planning in isolation and it lacked proper recourses to see ESP projects to completion. From the study, it was clear that ESP projects faced misplaced priorities where the projects were done in tune with influence from the political leadership. This is noted by Yahie et al. (2007) that absence of a coherent planning and institutional framework for decentralized development planning and service delivery whereby national development planning is managed in isolation causing more challenges in strategy implementation.

5.4 Conclusion

The correlation results of the organizational variables showed that organizational structure, culture and control had positive relationship with strategy implementation meaning that they all affected strategy implementation in the Ministry of Public Works. The study results showed that the relationships were significant and that structure and culture affected the implementation of strategies in the Ministry strongly while control had an impact on implementation but not at a high level. The study thus concludes that organizational variables affect strategy implementation.

The correlation results of managerial practices showed that financial management, management practice, project planning and budgeting and decentralized practices had significant positive relationship with strategy implementation. The study concludes that management practice, planning and budgeting and the Ministry's decentralized practices affected ESP implementation but not strongly.

5.5 Recommendations

The study finding indicated a lot of challenges faced by the Ministry of Public Works in the implementation of ESP programs in the country. This section gives the various recommendations that the Ministry can employ to mitigate the challenges faced.

5.5.1 Recommendations for Improvement

The research recommends that during planning, more emphasis should be placed on the implementation. Most of these barriers can be overcome if they are accounted for during the formulation stage. It is obvious that many strategic plans fail to realize the anticipated benefits due to problems and difficulties faced during implementation.

Managers aiming to overcome these barriers should clarify the role of organizational structure and positions in the implementation of strategies; ensure that supportive structure is in place to provide staff employees with the needed training and instructions during implementation phase; develop and evaluate strategies that expedite implementation as well as link employee performance during implementation phase with the overall reward and compensation system in the organization.

It will be important for managers to align its own organizational structure to what the strategy is calling for in order to enhance effectiveness of communication and coordination during implementation processes.

5.5.2 Recommendation for Further Studies

This study has made major contributions to the academic knowledge relating to the challenges of strategy implementation faced by the district headquarters under the Economic Stimulus Programmes. The study however has focused on one organization and the results provided therein, are limited to the Ministry of Public Works.

The researcher therefore, recommends that since this area presents a new paradigm shift in thinking, additional studies need to be conducted. These studies can cover other Ministries in Kenya as well as delve into organizations that deal with project start-ups and implementation.

5.6 Implication of the Study on Policy, Theory and Practice

A research into the strategy implementation challenges faced by ESPs in Kenya shows the implications it has on the ESPs as well as the overall economic implications. Policy makers may use the results of the study to understand the major challenges that ESPs face in the country and can thus come up with strategies to avert the challenges as well as use the recommendations to improve on the future ESPs. This research suggests that it is important to include a broad range of variables in policy considerations. It can no longer be assumed that any one study, or any one voice for that matter, is entirely relevant.

This study has used previous research studies from various arenas and used the same to test the challenges faced in the MoPW. The study implies that policy researchers may want to entertain the idea of doing a meta-analysis of mediation in many organizational cultures. This would expand the knowledge about the similarity and variance in strategy implementation practices.

This study focused on the challenges of strategy implementation of the Economic Stimulus Programmes (ESP's) in the Ministry of Public Works in Kenya. The results of this research have added to the scarcely available information in Kenya on Economic Stimulus Program/ Practice. Future researchers now have a strong foundation they can rely on in carrying out their studies. As with many studies, this study raises many more questions than it answers, and throughout this project a number of them have been raised. What factors hinder proper strategy implementation, is it management or employees? Such questions and other areas for follow-up research have been presented. The questions raised are intended to aid in setting a research agenda for future research that will be carried on the same topic.

This research has provided useful information for MoPW management. It has offered them with improvement areas to focus on to enhance the implementation of ESPs. Identification of these improvement areas may lead to complete optimization of the ESP programs. The Ministry may have to change its practice during the implementation phase of the ESP projects by following the given recommendations in the study. An issue arising from the lack of proper regulatory controls concerns the question of improper budgeting during strategy implementation.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION

The Chief Architect,
Ministry of Land, Housing & Urban Development,
P.O.Box 30260-00100,
NAIROBI.

Dear Sir/Madam,

RE: REQUEST FOR RESEARCH INFORMATION

I am a student at the University of Nairobi pursuing a Master Degree in Business Administration (MBA). I am undertaking a research project on the challenges of strategy implementation of the economic stimulus programmes in the Ministry of Public Works, as part of the academic requirements for the award of the stated degree.

I would be grateful if you could allow me to gather the necessary information. The information I will gather shall be treated with the utmost confidentiality and shall be used solely for this research problem. A copy of the same shall be availed to you on request.

Thank you in advance

Yours sincerely,

Kevin Mutisya

APPENDIX II: QUESTIONNAIRE

This study seeks to establish the challenges of strategy implementation of the Economic Stimulus Programmes in the Kenyan Ministry of Public Works. The following questionnaire has been developed to help the researcher gather information necessary to meet the research objectives that have been highlighted above. Kindly fill in as required.

Section A: Demographics

1) Gender

Male () Female ()

2) Level of education

Primary () Secondary () Diploma () Degree () Masters ()
PhD () Other_____

3) How long have you worked in the Ministry?

1-5 Yrs () 6-10 Yrs () 11-15 Yrs () 16-20 Yrs () 21 and above ()

4) What is your position/ department in the organization?

Architect () Quantity Surveyor () Civil/Structural Engineer ()
Electrical Engineer () Mechanical Engineer ()

5) Have been involved in the Economic Stimulus Programme within the ministry directly or otherwise?

Yes () No ()

6) How long have you been involved in the Economic Stimulus Programme in the Ministry?

<1Yr () 1-2Yrs () 2-3Yrs () 3-4Yrs () 4-5Yrs ()

Section B: Strategy Implementation

7) How would you rate the following factors within the Ministry in terms of influence of how they affect strategy implementation within the Ministry? Use the key: (VU=Very Uninfluential; U=Uninfluential; N=Neutral; I=Influential; VI=Very Influential).

FACTORS	VU	U	N	I	VI
Governance and ethics					
Organizational structure					
Organizational culture					
Organizational controls					

8) How would you rate the following governance and ethics practices as implemented in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
The management always takes into account the wishes and needs of all stakeholders involved					

The management cannot satisfy all needs from all stakeholders and thus meets the needs of the important stakeholders only					
The Ministry prioritizes the needs of the most important projects before pursuing them					

9) How would you rate the following organization structure practiced in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Our organization structure facilitates the coordination and integrates the tasks executed by all employees					
Our organizational structure determines the departments and functions in the organization					
Our organizational structure defines the hierarchy of ESP projects					
Our organizational structure defines the span of control and reporting relationships of ESP projects					
Our organizational structure defines the communication and coordination of ESP projects					

10) How would you rate the following organization culture practiced in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Our organization culture enhances integration and coordination within the ESP projects					
Our organization culture guides the employees' daily business relationships in the ESP projects					
Our organization culture determines the execution of tasks, communication and decision-making in the ESP projects					
Our organization culture puts a strong emphasis on ethical behavior during the ESP project phase					

11) How would you rate the following organizational control practiced in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Our organization control provides incentives and motivation to management to pursue the right activities towards achievement the ESP projects					

Our organization control provides incentives and motivation to employees to pursue the right activities towards achievement the ESP projects					
Our organization control systems facilitates monitoring and evaluation of performance in the ESP projects					
Our organization control systems facilitates progress monitoring of the ESP projects					
The control system facilitates the managers and leaders to deal with unplanned events promptly in the ESP projects					

Section C: Challenges and Opportunities Faced during ESP Implementation

12) How would you rate the following financial management practices as implemented in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Our capital expenditure comes in the form of projects					
During economic booms, we have a lot of resources to invest in projects					
We face delays in budget implementation and this reduces the overall impact of the stimulus package					
Ongoing projects are not allocated enough funds pointing to lack of proper planning					

13) How would you rate the following management practices as implemented in the Ministry during the ESP implementation in the last five years and their impact on the ESP projects? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Our lead time are often delayed due to cumbersome procurement procedures					
Poor project management procedures affect the implementation of the ESP programs					
We notice that projects that perform robust front-end planning face the fewest problems during project execution					
Risk assessment of the project team is a critical determinant of eventual project success					
Management skill of the project team is a critical determinant of eventual project success					

14) How would you rate the following project planning and budget practices as implemented in the Ministry during the ESP implementation in the last five years? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
We carry out end user participation for our projects from the onset					
As a Ministry, we do not have faulty budgets during projects					
As a Ministry, we have proper structured project preparation					
Most projects in the Ministry are admitted into the budget before the budget is approved					
Delays in projects arise from task assignments that are pushed to various people					
Lack of implementation plans affects the Ministry projects					
There lacks a rational basis for prioritizing choices in the face of dwindling resources					

15) How would you rate the following decentralized practices as implemented in the Ministry during the ESP implementation in the last five years? Use the key: (SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree).

STATEMENT	SD	D	N	A	SA
Ministry has an overhang of poor policy management					
The ministry has a weak institutional capacity					
There is poor governance of projects in the Ministry					

The Ministry lacks a coherent planning and institutional framework that decentralizes the development planning and service delivery					
The Ministry manages national development planning in isolation					
The Ministry lacks proper recourses to see ESP projects to completion					
ESP projects face misplaced priorities where the projects are done in tune with influence from the political leadership					

THANK YOU

APPENDIX III: LIST OF DISTRICT HEADQUATERS IN KENYA

NAIROBI PROVINCE (5)

1. Njiru
2. Langata
3. Kamukunji
4. Kasarani
5. Starehe

COAST PROVINCE (6)

1. Voi
2. Tana Delta
3. Changanwe
4. Msabweni
5. Ganze
6. Lamu East

NORTH EASTERN PROVINCE (4)

1. Fafi
2. Wajir South
3. Mandera West
4. Mandera Central

EASTERN PROVINCE (16)

1. Sololo
2. Buuri
3. Tigania east
4. Mwala
5. Mbooni East
6. Kilungu
7. Matungulu
8. Kyuso
9. Tharaka North
10. Embu East
11. Mbeere South
12. Nzambani
13. Muumoni
14. Kathiani
15. Tigania West
16. Tseikuru

CENTRAL PROVINCE (15)

1. Kipipiri
2. Muranga West (Kangema)
3. Lari
4. Mirangine
5. Gatanga
6. Thika East

7. Nyeri South (Othaya)
8. Nyandarua West
9. Kieni West
10. Mathira west
11. Kirinyaga West
12. Kigumo
13. Kabete
14. Gatundu
15. Githunguri

RIFT VALLEY PROVINCE (16)

1. Njoro
2. Loima
3. Nandi South
4. Mogotio
5. Transmara East
6. Marakwet East
7. Turkana West
8. Trans-nzoia East
9. Eldoret East
10. Tinderet
11. Marigat
12. Laikipia Central
13. Rongai
14. Loitokitok

15. Belgut

16. West Pokot

WESTERN PROVINCE (6)

1. Sabatia

2. Kakamega South

3. Teso South

4. Khwisero

5. Bungoma North

6. Bunyala

NYANZA PROVINCE (9)

1. Masaba South

2. Nyatike

3. Nyamache

4. Kisumu Town West

5. Ugenya

6. Rachuonyo North

7. Nyakach

8. Kenyena

9. Nyamira North

TOTAL 77 PROJECTS

Source: (ESP website: www.economicstimulus.go.ke as at March 2012)