

**EFFECT OF COMMUNICATION STRATEGY ON STRATEGIC
PLANNING IN AFRICAN BANKING CORPORATION KENYA**

BY

JOYLETTE BAKHUYA

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

NOVEMBER, 2015

DECLARATION

This research project is my original work and has not been submitted for examination
in any other University

Signature:

Date.....

JOYLETTE BAKHUYA

D61/67852/2013

This research project has been submitted for examination with my approval as
University supervisor

Signature:

Date.....

DR. RAYMOND MUSYOKA

LECTURER, SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

ACKNOWLEDGEMENT

The completion of this proposal was not easy. It was not created by the author alone, but relied on the cooperative assistance of many unseen hands. First and foremost I owe special thanks to God Almighty for seeing me through. I sincerely acknowledge my supervisors Dr. Raymond Musyoka, University of Nairobi in School of Business for his enabling support and guidance, his never ending patience, good eye and sharp mind.

I would also like to acknowledge the encouragement from all my colleagues and my MBA classmates, friends and relatives whose remarkable devotion and dedication throughout the project work was incredible. May God bless the work of their hands!

ABSTRACT

Due to competition, most organizations are adopting communication strategies to effectively portray their message in manner that captures the attention of their target market. It is important to have a proper plan on how to reach the predetermined target audiences this call for a strong communication strategy that would be appealing to the audience in order to ensure that the message is delivered in the easiest way. The study objective was to examine the factors affecting communication strategy on strategic planning at African Banking Corporation in Kenya and find out the challenges facing implementation of communication strategy on strategic planning at African Banking Corporation in Kenya. This was done by the use of a use a case study design. The case in this study was African Banking Corporation in Kenya. This was done through interviews with the human resources director, the chief finance officer, the public relation manager, the corporate banking director, the country head of treasury and the chief operating officer. The data for the research was qualitative in nature. The qualitative data was done using content analysis. The findings indicate that effective communication is important for successful implementation of strategy at the African Banking Corporation in Kenya. The benefits of effective communication include: helping the managers to perform the basic functions such as planning, organizing, motivating and controlling. The main challenges facing communication in strategic planning include; poor authority structure lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities.

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENT	iii
ABSTRACT	iv
ABBREVIATIONS AND ACRONYMS	vii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study.....	1
1.1.1 Communication Strategy	2
1.1.2 Strategic Planning.....	3
1.1.3 The Banking Industry in Kenya.....	4
1.1.4 African Banking Corporation	5
1.2 Research Problem.....	6
1.3 Research Objectives	8
1.4 Value of the Study.....	8
CHAPTER TWO: LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Theoretical Foundation	9
2.2.1 Communication Theory.....	9
2.2.2 Stakeholder Theory.....	10
2.3 Communication Strategy.....	11
2.4 Strategic Planning	12
2.5 Challenges Facing Implementation of Communication Strategy	15
2.6 Communication Strategy and Strategic Planning.....	18
CHAPTER THREE: RESEARCH METHODOLOGY	21
3.1 Introduction	21
3.2 Research Design.....	21
3.3 Data Collection.....	22
3.4 Data Analysis	22
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	24
4.1 Introduction	24
4.2 General Information	24
4.3 The Effect of Communication Strategy on Strategic Planning	24
4.3.1 Development of Communications Strategic Goals and Visions	25

4.3.2	Communication Channels Strategy in African Banking Corporation Kenya ...	26
4.3.3	Implementing Communications Plans to Enhance Communication Strategy ..	27
4.3.4	Identification of the Target Audience in Communication Strategy	28
4.3.5	Communicate on Resource Allocation in Terms of Finance and Work Plan ...	29
4.4	Challenges Facing Implementation of Communication Strategy	29
4.4.1	Factors Affecting Implementation of Communication Strategy	29
4.4.2	Challenges that may lead to Appropriate Management Style Communication	30
4.4.3	Effects Channel of Communication on Strategic Planning	31
4.4.4	Positive Effects of Organizations Communication	32
4.4.5	Social Influence within the Organizations of the Communicator to Strategy Implementation	34
4.4.6	Challenges of Effective Communication in Strategic Planning	35
4.4.7	Possible likely Solution to Challenges of Communication Strategy	37
4.6	Discussion of the Study	38
4.6.1	Link to Theory	38
4.6.2	Link to Other Studies	38
CHAPTER FIVE: SUMMARY, CONCLUSION AND		
RECOMMENDATIONS		41
5.1	Introduction	41
5.2	Summary of the Study Findings	41
5.3	Conclusion	42
5.4	Recommendations of the Study	43
5.5	Limitation of the Study	44
5.6	Suggestion for Further Research	44
REFERENCES		45
APPENDICES		51
APPENDIX I: INTERVIEW GUIDE		51
APPENDIX II: LIST OF AFRICAN BANKING CORPORATION KENYA BRANCHES		55

ABBREVIATIONS AND ACRONYMS

ABC	African Banking Corporation in Kenya
CBK	Central Bank of Kenya
ICT	Information and Communications Technology
NSE	Nairobi Stock Exchange
PWC	Price Waterhouse Coopers

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

To survive in the world of today, most businesses have adopted communication strategies to educate their customers about their products and services in order to position themselves against their competitors. Botan (2006) posits that for an organization to succeed, it must have a sound plan on how to educate its target customers about the products and services that they offer. A communication strategy starts with interacting with one customer and then the whole world. Dolphin and Fan (2000) argue that effective communication is essential for the success of any organization. Strategic planning is a disciplined effort that produces fundamental decisions and actions that shape and guide what an organization is, who it serves, what it does, and why it does it, with a focus on the future. Effective strategic planning articulates not only where an organization is going and the actions needed to make progress, but also how it will know if it is successful (Eden and Ackerman, 2004). It is worth noting that a communication system is only as effective as its ability to deliver the message.

In the stakeholder theory, the modern organization must respond to the concerns of the various stakeholders in which it relates to, and in any event, must operate within the legal framework established by the moderate state (Carnall, 2007). Stakeholder theory reappears in business management discussions of the 1930's (Boomer, 2007) the word now refers to anyone significantly affecting or affected by someone else's decision making activity. Communication theory states that In order to achieve effective business communications you must understand the context in which

communications take place and identify all the elements which contribute to successful communication. Channels of communication are regarded as the vessels of the message delivery (Armenakis, & Bedeian, 1999). According to the theory, they have been broadly discussed in the notion of the flow of information and information richness.

In order to implement effective communication strategies at African Banking Corporation, the organization should understand the elements of a good communication strategy and make that part of its corporate culture through policies and practice. Strategic planning is an organizational management activity that is used to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working towards a common goal, establish agreement around intended outcomes, and assess and adjust the organization's direction in response to a changing environment this is evidence at African Banking Corporation.

1.1.1 Communication Strategy

Bronn (2001) defines a communication strategy as the selection of appropriate communication objectives and the identification of the specific brand awareness and brand attitude strategy. This general strategy has to be linked to the objectives of the organization. It is a single, coherent narrative that describes communication solution to a problem. Cornelissen (2009) puts forth that communication strategy provides a link between business objectives and communications planning and delivery.

Argenti and Forman (2002) explain that a properly executed communication strategy helps in integrating policies and procedures within and outside the organization on how communication will support departmental objectives, the strategic choices taken and why. This creates continuity in communications activity over an extended period especially in institutions facing employee turnover since they form part of the process of decision making process (Eisenberg, 2000).

Fassin (2009) effective communication enables the organization to articulate its objectives and measures of success when evaluating performance to mitigate communication risks. There is no way that an organization can function well with the outside world if it does not have a sound plan for how to inform the public of what they do. A communication strategy can take on many different looks, ranging from a one-on-one interaction to a global campaign (Christensen et al., 2008).

1.1.2 Strategic Planning

Heracleous (1998) defines strategic planning as the management process to creating and executing long-term goals and strategy. It may also extend to control mechanisms for guiding the implementation of the strategy. Mintzberg (1994) strategic planning is executed by strategic planners or strategists, who involve many parties and research sources in their analysis of the organization and its relationship to the environment in which it competes (Allison and Kaye, 2005).

The importance of strategic planning is that it serves as an organizational roadmap to achieving competitive advantage. Strategic planning acts as a game plan for how to please customers and to improve financial performance. Strickland et al. (2008)

argues that companies that plan strategies are more successful than those companies that do not. Strategic planning is it incorporates the entire organization and thus it informs and shapes the business plan by providing a clear guide on how a strategy will be implemented. Through strategic planning the firms can be able to shape and actualize its decisions and ideas that have a long-term performance (Erica, 2012).

1.1.3 The Banking Industry in Kenya

According to the Central Bank of Kenya, the banking sector consisted of 43 commercial banks, 2 mortgage companies and 123 foreign exchange bureaus as of May 2009 (Central Bank of Kenya, 2009). Thirty-five of the banks, most of which are small to medium sized, are locally-owned. The industry is dominated by a few large banks most of which are foreign-owned, though some are partially locally-owned. Six of the major banks are listed on the Nairobi Stock Exchange. The banking industry is governed by the Companies Act, the Banking Act and the Central Bank of Kenya Act and various prudential guidelines issued by the Central Bank of Kenya. Responsibility for formulating and implementing monetary policy, fostering solvency and ensuring proper functioning of the financial system is bestowed on the Central Bank of Kenya, which falls under the Minister for Finance (Price WaterHouse Coopers, 2009).

Kenya's banking system has seen a significant improvement in asset quality over the past years, mostly due to loan write-offs and recapitalization of government-owned banks, has mostly well capitalized and liquid banks and, overall, the system is resilient to shocks. Interest rate spreads have decreased over the past years, a phenomenon mostly accounted for by foreign banks and the reduction in overhead costs they experienced.

To better manage their affairs, banks in Kenya have come together under the Kenya Banker's Association. This association serves as a lobby for the banking sector's interests. It also serves as a forum for the articulation of issues affecting the members (PWC, 2009). Consolidation across Kenyan banks might possibly lead to efficiency and stability gains, an effect, however, that depends on the implications of concentration and ownership for competition.

1.1.4 African Banking Corporation

The banking industry in Kenya is regulated by the Central Bank of Kenya Act, Banking Act, and the Companies Act among other guidelines issued by the Central Bank of Kenya (CBK). African Banking Corporation is one of the 43 commercial banks that is licensed to work and operate in Kenya (CBK, 2015).

The banking sector has faced rapid growth over the years; this has been as a result of increased competition, technology and the need to serve the ever changing needs of the customers (Mwende, 2014). This has necessitated the need for African Banking Corporation to invest in modern technologies for example ICT to improve efficiency, reduce communication costs and integrate their functions through a shared system. Integrated systems assist commercial banks to enhance sharing of information between their employees. This enables coordination and cooperation of activities and functions of the banks. This leads to improved quality of services and improved customer satisfaction. It is worth noting that effective communication creates strong bonds between the top level management and the employees (Dozier, 2002).

African Banking Corporation has been affected by external environmental changes in the environment (Mulary and Ngugi, 2003). As a result, it is important for ABC bank to consider adopting effective communication strategy to achieve strategic planning in order to survive in the business environment. Effective communication is one of the key ingredients of strategic planning that is expected to drive African Banking Cooperation towards achieving its goals and objectives.

1.2 Research Problem

Due to competition, most organizations are adopting communication strategies to effectively portray their message in manner that captures the attention of their target market. Erica (2012) asserts that it is important to have a proper plan on how to reach the predetermined target audiences this call for a strong communication strategy that would be appealing to the audience in order to ensure that the message is delivered in the easiest way. Botan (2006) maintain that effective communication strategy is able to link the goals of the organization with the strategic plans that provides a road map on how the organization will implement its strategy.

In Kenya, commercial banks have implemented strategic plans in an attempt to cope with the changes in the external environment. Some commercial banks have failed others have succeeded. Strategies play an important role in enabling a firm to gain a competitive edge against competitors. However this cannot be achieved without effective communication between the management team and the employees in an organization.

Mulary and Ngugi (2003) found out that lack of communication, top down manner of communication and improper use of communication were found to be the big challenges to employee efficiency. Going by the findings of Ochieng (2009), commercial banks in Kenya experience problems in the strategic planning. These problems are risks associated with loans to the customers, inadequate knowledge by the staff, inadequate employee, lack of enough customers and operation strategies. Oluoch (2007) did a study on evaluation of communication strategies at the Nairobi Stock Exchange; it was concluded that the staff of broking firms were incapable of communicating about the firm's business to customers. It was revealed that broking firms did not have strategic plans and there are no documented communication strategies.

From the above review, little focus has been laid in relation to factors affecting communication strategy on strategic planning; this study therefore seeks to find answers to the following research questions: what are the factors affecting communication strategy on strategic planning at African Banking Corporation in Kenya? What are the challenges facing implementation of communication strategy on strategic planning at African Banking Corporation in Kenya?

1.3 Research Objectives

The objectives of this study are as follows;

- i. To determine the effect of communication strategy on strategic planning at African Banking Corporation in Kenya.
- ii. To establish the challenges facing implementation of communication strategy on strategic planning at African Banking Corporation in Kenya.

1.4 Value of the Study

The findings of this study will be beneficial to commercial banks especially in enlightening them on the mode of communication to use in order to educate their customers about the goods and services offered. The banks will also learn the challenges of implementing communication strategy on strategic planning and how to resolve these challenges.

Policy makers and regulatory bodies might be interested with the findings of this study. The study could be used as a guide for policy setting and implementation of communication channels for educating and advising customers on the products and services that suite their needs.

This study will also contribute to theory; the study seeks to provide more knowledge about how communication strategies could be used to enhance strategic planning in an organization. Researchers interested in this study or related topics might use the findings of this study as a platform for further study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter established the theoretical framework for strategic planning practices. It defined key terms and practices through definitions and terminology, and identified the type of studies and models. It described the theory, the methodology and gaps the research intended to fill.

2.2 Theoretical Foundation

This study reviewed on the theoretical studies and mainly concentrated on two theories which are communication theory and the stakeholder's theory.

2.2.1 Communication Theory

This text is concerned with communication theory, so it is important to be clear about the term communication. The everyday view of communication is quite different from the view of communication taken by communication scholars. In the business world, for example, a popular view is that communication is synonymous with information. Thus, the communication process is the flow of information from one person to another (Dale, 1969). Interactive multimedia is a communication tool. It therefore seems reasonable to begin our quest for theory upon which to base investigations concerning the effectiveness of design and development decisions in the realm of communications theory. Communication encompasses a great deal of human (and animal) activity. Reading, writing, listening, speaking, viewing images, and creating images are all acts of communication.

Communication encompasses a great deal of human (and animal) activity. Reading, writing, listening, speaking, viewing images, and creating images are all acts of communication. There are as well many more subtle communication activities that may be conscious or unconscious, such as expression, gesture, “body language” and nonverbal sounds (Ruben, 1984). The process of communication has been the subject of study for thousands of years, during which time the process has come to be appreciated with increasing complexity. Communication is viewed as simply one activity among many others, such as planning, controlling, and managing (Schramm, 1954).

2.2.2 Stakeholder Theory

The core idea behind the stakeholder theory is that organizations that manage their stakeholder relationships effectively will survive longer and perform better than those organizations that don't (Shiller, 2003). Stakeholder theory concerns the explanations of firm performance in a competitive environment (Porter, 1980). Stakeholder theory suggests that the purpose of a business is to create as much value as possible for stakeholders. In order to succeed and be sustainable over time, executives must keep the interests of customers, suppliers, employees, communities and shareholders aligned and going in the same direction. The approaches to be used nowadays by firms and organizations is to factor in stakeholder interests in order to enhance the enterprises relationships with society and secure better prospects of financial success with the help of stakeholder analysis firm decisions can profit from views that go beyond the narrow interests of stockholders and shareholders investing in a business.

The stakeholder approach draws from the "open systems" literature which assumes that the organization exists in a complicated network of relationships where simple cause and effect predictions cannot explain the myriad influences shaping organizational outcomes. Moreover, the open systems perspective recognizes that relationships also have temporal dimensions, and that organizations are impacted by elements of the system with as much temporal variety (immediate versus delayed, instantaneous versus prolonged) as they have positional variety (Ackoff, 1999). The cross-decision approach applies this open systems perspective to the tactical deployment of stakeholder theory it focuses on balancing stakeholder interests across the system (a series of decisions over time) rather than on a decision-by-decision basis.

2.3 Communication Strategy

Communication channels are important because without them, the message wouldn't get from the sender to the receiver, the message couldn't be negotiated, and managers wouldn't be able to interpret work situations and influence or direct employees (Lengel & Daft, 1988). However, even more important is choosing the right channel for the right message, because channels have different strengths and weaknesses. The type and essence of the media can enhance or distort the message, as well as influence the receiver's interpretation of the message. McLuhan (1960) even points out that the medium is the message, hence emphasising the significance of the medium. Traditional face-to-face communication is often preferred by the employees; however, it is relatively expensive for the company to execute; and sometimes impossible to do so e.g. for temporal or geographical reasons.

In contemporary society, organizations no longer focus only on bureaucratic and formal management and communication. The interpersonal interaction among employees in the organization is increasingly paid attention to. People do not only formally disseminate information related to work and their organization, but also talk about themselves and their emotions. Talking about non-work related topics for social reasons occurs commonly among members of organizations. Through this kind of communication, social networks can be built among employees in the organizations. As a result of the organization members' curiosity, interpersonal attraction, and social interaction, informal communication have become a common feature of the social networks in today's organizations (Kreps 1990).

2.4 Strategic Planning

Strategic planning is a corporate managerial practice by means of which a set of processes are undertaken in order to define a range of strategies that will contribute to the achieving of the state corporation's mission statement. A great variety of definitions of strategic planning have been expressed in the literature. Grant (2005) provides an extensive review of the strategic planning history from "long range planning" until the current debates between "strategic management" and "strategic thinking". Bryson (2008) claims that meeting the mandates and fulfilling the mission should result from strategic planning, which is defined as producing fundamental decisions and actions that shape and guide what the organization is, what it does, and why it does it. The objective of the strategic planning processes is to design competitive strategies that enable the firm to find a position in the present environment (Porter, 2009), and to go beyond perceptions of the current situation to distinguish the enterprise into the future.

According to Bresser and Bishop (2003), strategic planning process is the product of the best minds inside and outside the corporation. The process considers future implications of current decisions, adjusts plans to the emerging business environment, manages the business analytically, and links, directs, and controls complex enterprises through a practical, working management system. Strategic planning practice involves formulation of vision and mission statement, performance of situational analysis and finally strategy implementation and choice (Pearce and Robinson, 2008).

The formality of strategic planning has been associated with the field of strategic planning from its earliest foundation. The early developments significantly include that of Andrews (Ansoff, 1965). According to Bresser and Bishop (2003), formalization is the degree to which the norms of the organization are explicitly defined. He further distinguished between “formalization”, referring to whether these norms are written down in manuals and other documents. Formality in strategic planning requires explicit practices. The reason of having strategic planning written in detail is to ensure strategic planning process receives commitment from those who are affected by it and to allow an explicit evaluation and clearly specify objectives is part of the formal strategic planning (Armstrong, 1982).

Since the environment is continually changing, strategic planning is a continuous process in the state corporation. It is the process by which state corporations derive a strategy to enable them to anticipate and respond to the changing dynamic environment in which they operate. In a dynamic state corporation environment, the plans of many principals are constantly in the course of modification, revision and

refinement. So as Mintzberg (2004) declares, emergent or actual strategy can diverge from planned strategy. Parallel to the abundance of strategic planning definitions, there are many different models about how strategic planning has to be overcome by the state corporations. Nevertheless, many of these models are very similar and it can be considered that a reasonable degree of consensus does exist on a normative model of the strategic planning and management processes.

Strategic decisions determine the organizational relations to its external environment, encompass the entire organization, depend on input from all of the functional areas in the organization and have a direct influence on the administrative and operational activities and are vitally important to the long term health of an organization (Shirley, 1982). Although strategic planning is important, what is more important is how it is practiced in different organizations. Many organizations keep on redefining their mission and vision statements, organize seminars and include consultants to formulate strategies so as to achieve competitive advantage and be able to deal with the unexpected environmental changes.

Strategic planning process is important as it leads to customer focus, quality management, technology strategies, research and development, production operation strategy, human resources strategies and financial strategies, performance of the organization of the organization achievement must be supported by strategic decisions. According to Bryson (2004), strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization or other identity is what it does and why it does it. It allows organization allows

organization to anticipate and deal with dynamic and rapidly changing environment and accounts for allocation of resources.

The planning team is now charged with keeping current strategies and/or developing resolutions as responses to the derived strategic issues identified in the preceding step. The outcome of the strategic issues resolution step, according to Bryson (2005), does not necessitate or mandate change to occur in purposes, policies, programs, procedures, resource allocations, decisions, or actions. Patterns of practice represent an organization's past and current strategies, and the status quo may, in fact, exemplify effective modes that can adequately address the named strategic issues. Many times, however, development is needed to sufficiently address strategic issue resolution.

2.5 Challenges Facing Implementation of Communication Strategy

According to Alexander (1985), the ten most frequently occurring implementation of communication strategy problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact. Reed and Buckley (1988) discuss problems associated with strategy implementation identifying four key areas for discussion. Another problem is when management style is not appropriate for the strategy being implemented, they cite the example of the entrepreneurial risk taker may be an ideal candidate for a strategy involving growth, but may be wholly inappropriate for retrenchment (Reed and Buckley, 1988).

Insufficiency funds is another common implementation of communication strategy. This may be as a result of lack of resources which include financial and human or indivisibility of resources. Established organizations may experience changes in the business environment that can make a large part of their resource base redundant resources, which may be unable to free sufficient funds to invest in the new resources that are needed and their cost base will be too high (Johnson and Scholes, 2002).

Studies by Okumus (2003) found that the main barriers to the implementation of communication strategy include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities. Meldrum and Atkinson (1998) lists out a number of implementation pitfalls such as isolation, lack of stakeholder commitment, strategic drift, strategic dilution, strategic isolation, failure to understand progress, initiative fatigue, impatience, and not celebrating success.

Changes do not implement themselves and it is only people that make them happen (Bryson, 2005). Selecting people for the key positions by putting a strong management team with the right personal chemistry and mix of skills is one of the first strategy implementation steps (Thompson and Strickland, 2003). They point out that assembling a capable team is one of the cornerstones of the organization-building task. Strategy implementation must determine the kind of core management team they need to execute the strategy and then find the right people to fill each slot. Staffing issues can involve new people with skills (Hunger and Wheelen, 2005).

Whilst the strategy should be chosen in a way that it fits the organization structure the process of matching structure to strategy is complex (Raps and Kauffman, 2005). The structure that served the organization well at a certain size may no longer be appropriate for its new or planned size. The existing structure and processes in the organization support in different ways, there is likely to be problems should the existing structures be used to implement the changes (Meldrum and Atkinson, 1998). The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place.

Cultural impact under estimation is yet another challenge to implementation of communication strategy. The implementation of a strategy often encounters rough going because of deep rooted cultural biases. This causes resistance to implementation of new strategies especially in organizations with defensive cultures. This is because they see changes as threatening and tend to favor “continuity” and “security” (Wang, 2000).

Aaltonen and Ikavalko (2001) indicate that the amount of implementation of communication strategy in most organizations is large with both written and oral communication being used in form of top down communications. However, a great amount of information does not guarantee understanding and there is still much to be done in the field of communicating strategies. According to Wang (2000), communication should be two way so that it can provide information to improve understanding and responsibility and to motivate staff. Also they argue that communication should not be seen as a one-off activity throughout the implementation process. Before any strategy can be implemented, it must be clearly

understood. Clear understanding of a strategy gives purpose to the activities of each employee and allows linking whatever task is at hand to the overall organizational direction (Raps and Kauffman, 2005).

2.6 Communication Strategy and Strategic Planning

Many theorists such as Higgins (1979) and Daugherty (2003) emphasise that communication in strategic planning is an important element of, and complementary to, the overall strategic communication management process. According to Dozier, Grunig and Grunig (1995), 'senior management engage in strategic communication planning when they make strategic decisions in a proactive manner'. Sound strategic communication planning is the critical success factor in developing effective crisis communication strategies – and must never be neglected'. Fearn-Banks (1996) contends that the value of strategic communication planning derives largely from the detailed analysis and strategic thought that surrounds the process rather than the end product. The process of strategic communication planning is often overly 'structured and hierarchical' and can therefore hinder positive action during events that have not been planned for.

Smith (2005) propose models that describe the strategic communication planning process. The process generally follows a distinctive phased pattern, with a series of steps outlined for each particular phase. While the content of each model is remarkably similar, the sequence and timing of steps may vary from model to model. These steps generally include: defining the communication problem using research and analysis; using techniques such as 'brainstorming' to develop plans and programmes to deal with each communication problem; allocating adequate resources

and budgets for each element of the plan; deciding on appropriate deadlines and a clear delineation of responsibilities for each particular element of the plan; implementing the plan through action and communication; and finally, the strategic evaluation of each of the communication programmes in order to determine its success or failure.

Central to a successful communication planning process is the ability to make decisions strategically. This involves choosing an optimal course of action from a range of possible alternatives. According to Clemen and Reilly (2001), when making important communication decisions, decision-makers can utilise modelling tools such as decision trees in order to aid analysis. Important variables such as uncertainty need to be factored into the process. Other tools, such as probability analysis, can assist in this regard.

Many barriers exist to the conduct of effective strategic communication planning. These include a lack of strategic communication knowledge or experience, inadequate consultation and deliberation, a failure to agree clear goals and objectives for the implementation of the programme, inadequate or unrealistic time frames, unsuitable processes of internal clearance, a lack of coordination, and the absence of flexibility (Temple 2002).

According to the Price (1989), one of the key characteristics that differentiates strategic communication management from tactical management is that practitioners undertake ongoing, systematic and strategic communication research. Many theorists have identified a number of different approaches to communication research. Using a

continuum, Broom and Dozier (1990) describe one category of non-strategic communication practice that utilises the ‘no-research-approach’ or ‘seat-of-the-pants’ approach. This approach is considered to be individualistic, subjective and personal, ‘with little use for social or behavioural research’ (Grunig 1992). Further along the continuum, Austin, Pinkleton and Dixon (2000) describe ‘informal research’ where programmes are developed using an unscientific or unrepresentative approach to the discipline. At the optimal end of the continuum, Grunig (1992) describes a ‘scientific management’ approach to communication research. Using this method, strategic practitioners engage in different types of communication research, that includes ‘formative’, ‘programme’ and ‘summative’ research.

Adopting a scientific approach to research, the strategic communication manager can obtain much vital information necessary to make complex decisions in relation to goal setting, programme direction, message emphasis, and budget allocation (Simpson 1992). Strategic communication research also allows decision-makers to have greater confidence that their findings reflect reality, not just decision-makers’ perceptions of reality (Broom and Dozier 1990).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the approach that was used to conduct the research. It encompasses the research design, data collection and analysis.

3.2 Research Design

The research design used was a case study. A case study approach is particularly appropriate for individual researchers because it gives an opportunity for one aspect of a problem to be studied in some depth within a limited time scale. This design is appropriate since it enabled a near comprehensive collection of data from the bank. The research analyzes all data selected within a specified time period. This referred to the methods and procedures followed in conducting the study. A case study allows an investigation to retain the holistic and meaningful characteristics of real life events. It involved a careful and complete observation of the social units.

The main focus of the study is qualitative which is similar to study done by Patrick (2009), on challenges of strategy implementation at Kenya Wildlife Service, Njoki (2009), challenges of strategy implementation at Oxfam Great Britain-Kenya and Martha (2010), challenges of strategy implementation at the Ministry of Road And Public Works in Kenya. The research design used by these studies gave in-depth analysis of a limited number of events therefore adopting a case study is appropriate in investigating the effect of communication strategy on strategic planning in African Banking Corporation Kenya.

3.3 Data Collection

The study used primary data. An interview guide was used in collecting the primary data. This was used in order to gain a better understanding and enabled a better and more insightful interpretation of the results from the study. The interview guide was devoted to the identification of the responses to the effect of communication strategy on strategic planning in African Banking Corporation Kenya

The interviewees were human resources director, the chief finance officer, the public relation manager, the corporate banking director, the country head of treasury and the chief operating officer. The interview guide was administered through personal interviews in order to get their opinions on effect of communication strategy on strategic planning in African Banking Corporation Kenya

3.4 Data Analysis

The data for the research is qualitative in nature. The qualitative data was done using content analysis. Qualitative data analysis seeks to make general statements on how categories or themes of data are related. Mugenda and Mugenda (2003) define content analysis as a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study.

The data was obtained from the various management team members belonging to different departments and compared against each other in order to get more revelation on the issues under study. This research yielded qualitative data from the interview

schedules and analyzed using content analysis because the study sought to solicit data that is qualitative in nature. Analysis of data collected was compared with the theoretical approaches and documentations cited in the literature review.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter entails data analysis and interpretations of the study findings. The main objective of the study was to determine the challenges facing implementation of communication strategy on strategic planning at African Banking Corporation in Kenya.

4.2 General Information

Data was collected using interview guides administered to human resources director, the chief finance officer, the public relation manager, the corporate banking director, the country head of treasury and the chief operating officer in African Banking Corporation in Kenya. The organization has been in existence for 30 years. It was found that majority of the interviewees had worked with ABC Bank for over 3 years. The organization has a total of about 300 employees in all their branches.

4.3 The Effect of Communication Strategy on Strategic Planning

This objective was formulated in order to identify the effect of communication strategy on strategic planning.

4.3.1 Development of Communications Strategic Goals and Visions

The interviewees indicated that the senior management is in charge of developing a communications strategic goals and visions at African Banking Corporation Kenya. CEO is the supreme head in the organizations and he led the employees and workers to achieve the goals. They give directions and their behaviors sets the culture in the work setting that how to fulfill the objectives and achieved the vision and mission.

The interviewees indicated that the board is also responsible. The board is the advisory body for African Banking Corporation, providing guidance and final approval for project activity plans and budgets. They are also responsible for providing strategic direction. Regular information must flow between the board and other internal stakeholders.

Most African Banking corporation internal messages should originate from the communication department, which should also determine which internal channel or tool is most appropriate for each message. Regardless of the channel or tool used, the communication manager should communicate consistent and unambiguous messages to key internal stakeholders. The Board should also regularly communicate messages to African Banking corporation staff and other internal stakeholders that emphasize that their input is both valued and necessary to the organization's overall success. The Board should continually encourage staff to take the initiative and suggest key messages that they believe need to be communicated.

4.3.2 Communication Channels Strategy in African Banking Corporation Kenya

The interviewees indicated that African Banking Corporation Kenya has developed various communication Channels strategies. One of the strategy used to communicate to external stakeholders is through a customer magazine. African Banking Corporation Kenya publishes a customer magazine. The aim is to provide an interesting insight into the Bank's activities and field of competence. The customer magazine also forms a platform for debate and may include interviews of prominent external figures. Communications department has the overall editorial responsibility for the customer magazine. African Banking Corporation Kenya also publishes an annual Report: The Annual Report provides for an official account of the Bank's activities for a calendar year.

The interviewees indicated that African Banking Corporation Kenya uses the Internet as a channel of communication: The website is the central platform for all external information African Banking Corporation Kenya produces. It is upto-date, reader-friendly and it clearly communicates African Banking Corporation Kenya mission. The interviewees indicated another channel used is the Intranet: The intranet is the most important channel for African Banking Corporation Kenya internal communication. African Banking Corporation Kenya staff can easily find the information they need to perform their daily work. Internal news is updated in a timely manner. African Banking Corporation Kenya organizes and participates in seminars with key target groups. The Bank also participates actively in panels, providing speakers or discussants for relevant sessions. With a view to its own seminars (e.g. lending seminars), efforts are to be made to serve also the media whenever appropriate. Communications is responsible for updating a calendar of

these forthcoming events, which is to be published both internally and externally. Other functions have the responsibility to inform Communications of these events.

4.3.3 Implementing Communications Plans to Enhance Communication Strategy

Responsibility for external and internal communication: The CEO and Communications director have the overall responsibility for African Banking Corporation Kenya external and internal communication. However, the responsibility is shared depending on the key target groups. For example, with a view to external communication, Lending is in continuous contact with customers and Treasury takes care primarily of the investors. Communications assists these functions by providing communications services to support these contacts. In internal communication, responsibility is shared by Human Resources and Communications.

Spokespersons for the Bank: As regards public statements on behalf of the Bank, a basic rule is that the key spokespersons for the Bank (i.e., persons giving on-the-record comments to the media) are the CEO and the Communications Director. However, decentralization of communication is sought whenever there are valid arguments for it: e.g., expertise or language skills. However, prior consultation with the Communications is desirable in case information is given that is not in the public domain. The management and staff of African Banking Corporation Kenya are encouraged to identify opportunities for external communication.

Coordination of communication is an integral part of the Bank's overall processes. Key policy messages are discussed in the decision-making bodies of the Bank. When items are discussed in the decision-making bodies there should be a short suggestion on how they will be communicated both externally and internally. Information on public appearances by African Banking Corporation Kenya representatives is to be sent in a timely manner to Communications. Separate processes for the information flow on loan lists and funding activities are in place. All interview requests and media contributions are to be channeled through Communications Unit.

4.3.4 Identification of the Target Audience in Communication Strategy

Key stakeholders can be engaged in different ways. Aside from events, publicity, and personification of the vision and strategy by key leaders, stakeholders can be engaged by soliciting their input on the current state of the organization and the vision. Involving stakeholders in this manner should be done seriously, with an intent to use their distinct perspectives; this can add to the soundness of the analysis. Asking for opinions and then ignoring them can arouse distrust and resentment. As the strategic plan and performance measures are being created, the organization must make sure that they are aligned with the systems, structure, culture, and performance management architecture. The best plans may fail because the reward systems motivate different behaviors than those called for in the strategy map and measurement design. For example, if a team approach to business development is outlined in the plan, but sales commission remains individual, organizations will be hard pressed to see a team focus.

4.3.5 Communicate on Resource Allocation in Terms of Finance and Work Plan

The interviewees indicated that in strategic *planning*, *resource allocation* is a *plan* for using available resources, for example human resources, especially in the near *term*, to achieve goals for the future. This communication is routed through electronic devices since the information might be confidential and therefore it is communicated to personal emails.

Staff/board forums create a platform for information sharing and consultation. Such forums take place regularly and provide an opportunity for African Banking Corporation board, staff and other key internal stakeholders to exchange views and ideas, discuss challenges and consider developments within the organization.

4.4 Challenges Facing Implementation of Communication Strategy

The second objective was aimed at finding out the challenges facing implementation of communication strategy. The responses of the interviewees are indicated as per the questions below

4.4.1 Factors Affecting Implementation of Communication Strategy

The interviewees indicated that one of the factors affecting implementation of communication strategy is the authority structure: The organization's authority structure has a similar influence on communications effectiveness. Status and power differences in the organization help determine who will communicate comfortably with whom. The content and accuracy of the communication will also be affected by

authority differences. For example, conversation between a company CEO and a clerical worker may well be characterized by somewhat strained politeness and formality. Communication plays the crucial role to success in any relationship undoubtedly. When there are barriers in the flow of communication in the organization within very short period of time it becomes the source of serious problems among employees. The situation goes out of control and employees find it extremely unpleasant and restraining to work on daily basis in such environment if this improper communication continues leading to the barriers go intense. As a result performance of employees decline sharply. Inadequate verbal and nonverbal exchange gradually leads to bitterness and thus a huge gap is created among employees and organizational authority.

4.4.2 Challenges that may lead to Appropriate Management Style Communication

Interviewees indicated that one of the challenges faced is the new methods of outreach: There are now many more avenues available to reach the public than the now-crumbling empires of advertiser-sponsored newspapers, magazines, and television. For example, a scientific or arts organization might simultaneously pitch stories to journalists, write a blog for the public, and post to Facebook and Twitter.

Another challenge as indicated by the interviewees is consistency & coordination: There is a greater need for consistency between departments, since the public can easily Google anything online. More coordination is also needed, as the same communication channels (e.g., Facebook) are useful for education, marketing,

education, advocacy, etc, and organizations need to strike a balance between getting out important messages and also attracting readers.

4.4.3 Effects Channel of Communication on Strategic Planning

The interviewees indicated that channels of communication influence communication effectiveness in two ways. First, the formal channels cover an ever widening distance as organizations develop and grow. For example, effective communication is usually far more difficult to achieve in a large retail organization with widely dispersed branches than in a small department. Second, the channels of communication can inhibit the free flow of information between organizational levels. An assembly line worker, for example, will often communicate problems to a supervisor rather than to the manager. While this accepted restriction in the channels of communication has its advantage such as keeping higher level managers from getting bogged down in information, it also has its disadvantages such as sometimes keeping higher level managers from receiving information they should have.

Effective communication of information and decision is an essential component for management-employee relations during strategic planning. The manager cannot get the work done from employees unless they are communicated effectively of what he wants to be done. The manager should also be sure of some basic facts such as how to communicate and what results can be expected from that communication. Most of management problems in strategic planning arise because of lack of effective communication. Chances of misunderstanding and misrepresentation can be minimized with proper communication system.

4.4.4 Positive Effects of Organizations Communication

Interviewees indicated that effective communication in organizations enables employees to be clear on information required to carry out their jobs. As a result, employees who experience a lack of information about how to perform a task are likely to suffer higher levels of frustration than those equipped with the necessary information to easily negotiate a work task.

Interviewees indicated that communication plays a vital role in the working of any business. ABC bank have to communicate to carry out their business activities. Interviewees indicated that ABC bank cannot meet their goals unless they have effective communication. In the triumph of any organization, the relationship between manager and his subordinates plays the significant role. In any business activity manager is a key player. Communication is a ribbon, which binds the management and its official together, and is very obligatory for the success and excellent performance of any organization. The interviewees went ahead and indicated that effective communication increases the efficiency and productivity. And also make the employees more satisfied. Interviewees illustrate that effectual and well-organized communication positively relates to the job satisfaction, performance and positive attitudes of employees.

Interviewees indicated that through communication we can better understand each other's feelings, opinion, beliefs and principles. Communication makes it possible for the organizations to perform their daily management functions e.g. organizing, planning, controlling and leading. Co-ordination is an essential element to carry out the business actions. When there is no effective internal communication, co-

ordination of work also becomes impossible. And organizations have to suffer a lot in this situation. Co-operation also becomes impossible because people will not discuss their ideas and feelings with others. This will lead to low productivity and low performance in the organization. Innovation also stumps in this way.

Communication is the stream of information, material, knowledge and insight between different people and various departments of any organization. It influences each and every action of the organization. In fact, it is a chain of perceptions which moves the organizations towards their goals. Organizations cannot meet their goals and challenges until they communicate well. Good communication leads to good results, and toward more satisfied, motivated and dedicated employees. And boost their morale as well. Communication is possibly the most imperative thing for the continued existence of any business. The purpose to have good communication in any organization is to have employee involvement in the organization. There should be good communication between management and their officials, because internal communication plays a fundamental role in the performance of any organization.

Communication serves as the foundation of every facet of strategic planning at African Banking Corporation. Thus communication is the building block of the organization and the study established the benefits of effective communication skills in strategy implementation. Communication keeps the foundation of motivation in the strategic planning process. It helps the employer to know how a job is being performed and to improve performance if it is not up to the mark. Communication acts as a source of information and helps in the decision making process and helps in identifying the alternative course of action during strategic planning. Communication

also helps in building people's attitude. A well informed person will always have better attitude than a less informed person. Different forms of communication like magazines, journals and meetings will help the employees to form different attitudes on strategy implementation.

4.4.5 Social Influence within the Organizations of the Communicator to Strategy Implementation

The interviewees indicated that social influence processes in organizations involve the demonstration of particular behavioral tactics and strategies by individuals to influence behavioral outcomes controlled by others in ways that maximize influencer positive outcomes and minimize negative outcomes. Such processes necessarily draw from labeled impression management, self-presentation, interpersonal influence, and organizational politics. Social influence in communication of strategy is mainly influenced by relationships, peer pressure and politics.

The interviewees indicated that *social networking* has become so common and broad-based in its *use* that *banks* have no choice but to incorporate *social networking* into their operations. Social media is more than just a means to listen to consumer sentiment, social media is now being used by African Banking Corporation to acquire, engage, cross-sell and retain customers. It is also used improve operational efficiency and reduce risk. The key is to align business goals with the appropriate social media strategy.

African banking corporation can seize opportunities from social media by understanding social audiences, mapping customer needs to a meaningful social experience and ensuring that the organization has the right capabilities to deliver every time. Social media provides consumer insights such as attitudes, behaviors, beliefs and needs that can improve personalization as firms try to acquire new customers and build engagement with existing customers. Using techniques such as interest graph analysis and activity feed analysis combined with marketing automation, needs and life events can be monitored and acted upon in highly personalized, well-timed communication. Growth can also be achieved by encouraging loyal customers to spread their influence on comparison sites and to their friends and family.

Using social analytics, African Banking Corporation can identify, analyze and interpret interactions and associations over social media, measure their impact and strengthen decision-based marketing. With the rapid development of text analytics and sentiment analytics, African Banking Corporation can uncover insights into customer behavior that were otherwise unknown to them.

4.4.6 Challenges of Effective Communication in Strategic Planning

The interviewees identified several challenges to effective communication in strategic planning in African Banking Corporation Kenya. One of the challenges identified is perceptual Barriers: The most common problem faced these days is that of the difference in opinion between two people. The varied perceptions of every individual give rise to a need for effective communication. Emotional Barriers: Another main

barrier is the fear and mistrust that form the roots of our emotional barrier which stop us from communicating effectively with our co-workers. Language Barriers: Language that describes what we would want to express and communicate to others, may at times, serve as a barrier to them. In today's global scenario, the greatest compliment we can pay to another person is by speaking and effectively communicating to them in their local language. We need to understand that the native language of employees can be different from anyone else's. Cultural Barriers: The world is made up of diverse cultures. A cultural barrier arises when two individuals in an organization belong to different religions, states or countries. Physical Barriers: one of the key factors in building strong and integrated teams is proximity. Most offices have closed doors and cabins for those at higher levels of the organizational ladder while the large working areas are physically placed far apart. This kind of barrier forbids team members from effective interaction with each another.

The interviewees indicated that employees need to understand the communication in order to give their best support to the organization during the process of strategic planning. Too many well-designed change management programmes fail to achieve their full potential because the message is not properly communicated to the people whose support is needed to implement the new strategy. It should be noted that it is not so much the actual amount of communication that occurs, but how employees perceive this amount.

4.4.7 Possible likely Solution to Challenges of Communication Strategy

The study established that effective communication in strategic planning at African Banking Corporation can be achieved through development of an integrated communications plan. An integrated communications plan is essential both during and after implementation of strategy to ensure efficient flow of information to all units in a timely fashion. There should be a two-way-communication program during strategic planning. The organization being faced with the challenge of lack of a two-way-communication program that permits and solicit questions from employees about issues regarding the formulated strategy experience slow implementation of strategic plans. The lack of a two-way-communication cause harm to strategy implementation as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees.

Communication in strategic planning can be improved by clearly outlining the extent and scope of strategic plans and the approaches outlined in the related policy document. It is through the communication that employees submit their work reports, comments, grievances and suggestions to their seniors or management. Organization should have effective and speedy communication policy and procedures to avoid delays, misunderstandings, confusion or distortions of facts during strategic plans and to establish harmony among all the concerned people and departments.

4.6 Discussion of the Study

The discussion of the study is divided into the following two sections

4.6.1 Link to Theory

The study was guided by communication theory and the stakeholder's theory. Communication theory states that the everyday view of communication is quite different from the view of communication taken by communication scholars. The study found that communication is an important aspect of everyday life in an organization.

Freeman (1984) framed and demarcated stakeholders as elements of corporate strategic planning, he most importantly demonstrated the urgency of stakeholders for the mission and purpose of the company, and in doing so, also suggested the positive financial implications of better relationships with stakeholders. In line with Freeman's (1984) thinking, many other scholars have pursued exploration of the link between communication and strategic plan implementation.

4.6.2 Link to Other Studies

The study established that communication process and strategic plans at African Banking Corporation. The study established that before the launch of the strategy at the African Banking Corporation, plans for communication are prepared that include what will be communicated, when, by whom and at which events. A key issue is the ability to manage communication about the strategy as part of the strategic plan. Communication also helps in the controlling process of management and in particular strategic plan. It allows the managers to know about the grievances of the subordinates and helps the subordinates to know about the policies of the

organization. Communication is instrumental in raising the morale of the employees during strategic plan. It is through communication, verbal or non-verbal, that people submit different feedback and requirements to the management of strategic plan process. Communication is a basic tool for motivation, which can improve morale of the employees in an organization. Effective communication of information and decision is an essential component for management-employee relations during strategic planning. The study findings is similar to that of Peng and Litteljohn (2001) who show that effective communication is a key requirement for effective strategy implementation. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation. In fact, communication is pervasive in every aspect of strategy implementation, as it relates in a complex way to organizing processes, organizational context and implementation objectives which, in turn, have an effect on the process of implementation.

On the challenges facing implementation of communication strategy, the study found that some of the challenges include the authority structure, language barrier and lack of communication effectiveness. Management style is not appropriate for the strategy being implemented. Other barriers include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities. This findings are in line with a study done by Alexander (1985), who found that the ten most frequently occurring implementation of communication strategy problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact. Studies by Okumus (2003)

found that the main barriers to the implementation of communication strategy include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary, conclusion and recommendations from the study findings. The main objective of the study was achieved through determination of the challenges facing implementation of communication strategy on strategic planning at African Banking Corporation in Kenya.

5.2 Summary of the Study Findings

The study established that before the launch of the strategy at the African Banking Corporation in Kenya, plans for communication are prepared that include what will be communicated, when, by whom and at which events. A key issue is the ability to manage communication about the strategic plans. There are a number of ways of communicating information during strategic planning namely: intrapersonal (internal communication or what an individual think of strategic planning process), interpersonal (one to one, small group, emails, telephone calls and other activities that allow personal listening and response during strategy implementation), organizational (lectures, seminars, debates, meetings, memos, intranets, newsletter, workshops, displays), community (local radio, talks, seminars, debates, local newspapers, bill boards) public media (newspapers, television, radio, internet, mobile phones).

Effective communication is important for successful implementation of strategy at the African Banking Corporation in Kenya.. Communication helps the managers to

perform the basic functions of strategic management which include planning, organizing, motivating and controlling. Communication serves as the foundation of every facet of strategy implementation at the African Banking Corporation in Kenya. Communication keeps the foundation of motivation in the strategy implementation process. It helps the employer to know how a job is being performed and to improve performance if it is not up to the mark. Communication acts as a source of information and helps in the decision making process and helps in identifying the alternative course of action during strategy implementation. Communication also helps in building people's attitude.

The study found that some of the challenges that affect communication include the authority structure. The organization's authority structure has a similar influence on communications effectiveness. Status and power differences in the organization help determine who will communicate comfortably with whom. The content and accuracy of the communication will also be affected by authority differences. There was also lack of consistency & coordination: There is a greater need for consistency between departments. The most common problem faced these days is that of the difference in opinion between two people. The varied perceptions of every individual give rise to a need for effective communication.

5.3 Conclusion

Effective communication is important for successful implementation of strategy at the African Banking Corporation in Kenya.. The benefits of effective communication include: helping the managers to perform the basic functions such as planning, organizing, motivating and controlling; serving as the foundation of every facet of

strategy implementation; sustaining motivation, helps the employer to know how a job is being performed, helps in the decision making process, helps in identifying the alternative course of action, building people's attitude, controlling the process strategic planning, allows the managers to know about the grievances of the subordinates and helps the subordinates to know about the policies of the organization and, raising the morale of the employees during strategy implementation.

The challenges facing implementation of communication strategy include the authority structure, language barrier and lack of communication effectiveness. Management style is not appropriate for the strategy being implemented. Other barriers include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities.

5.4 Recommendations of the Study

Effective communication in strategic planning at African Banking Corporation in Kenya can be improved through development of an integrated communications plan. An integrated communications plan is essential both during and after implementation of strategy to ensure efficient flow of information to all units in a timely fashion. There should be a two-way-communication program during strategy implementation. Communication in strategy implementation can be improved by clearly outlining the extent and scope of strategic change and the approaches outlined in the related policy document.

5.5 Limitation of the Study

The researcher encountered un-cooperative respondents who do not understand the significance of the research and the researcher explained to them the importance of this study and the way assist their working lives in the organization. The study was carried out for a short time.

Information relating to communication and strategic plan is always treated with sensitivity. This may cause difficulties in convincing the respondents of the importance of giving sincere answers to the asked questions evidenced through reluctance of accepting invitation to participate in the study to counter the challenge, the research had to inform the respondents in advance the purpose for the research study being carried out, that it was meant for academic purpose only and not for other investigations.

5.6 Suggestion for Further Research

The study recommends that another study needs to be done on strategy communication practices in organizations. The same study can also be done in organizations in other sectors other than the banking sector.

REFERENCES

- Aaltonen, P. and Ikavalko, H. (2001). *Implementing Strategies Successfully. A Paper Presented at the XII World Productivity Congress, San Jose, CA.*
- Alexander, L.D (1985), Strategy implementation: Nature of the problem, *International Review of Strategic Management*, Vol. 2 No.1, pp.73-91
- Allison, M., and Kaye K. (2005), *Strategic planning for nonprofit organizations: A practical guide and workbook*. 2d ed. Hoboken, NJ: Wiley.
- Andrew L. and Samantha M.(2006), *Stakeholders: Theory and Practice*, London UK, Oxford University Press
- Ansoff, H. I. (1965), *Corporate Strategy*. New York: McGraw-Hill.
- Argenti, P.A. & Forman, J. (2002). *The Power of Corporate Communication. Crafting the Voice and Image of Your Business*, McGraw-Hill, Boston, MA.
- Armstrong, J.S. (1998). The value of formal planning for strategic decisions: review of empirical research, *Strategic Management Journal*, 197-211.
- Austin, Erica W. and Pinkleton, Bruce E. 2000. *Strategic public relations management: planning and managing effective communication programmes*. NJ: Lawrence Erlbaum Associates.
- Barnard, C.I. (1938). *The functions of the executive*, Harvard University Press, Cambridge, MA.
- Boomer, L. (2007), Strategy Execution and Alignment, *Accounting Today, Issue Review*, pg 24. Vol 21
- Botan, C. (2006). Grand strategy, strategy, and tactics in public relations, in Botan, C. and Hazleton, *Public Relations Theory*, Lawrence Erlbaum, Mahwah, NJ, 223-47.

- Bresser C. and Bishop G. (2003), Strategic Responses to Market Changes, *International Journal of Medical Marketing*, 3(1): 80-85.
- Bronn, P.S. (2001). Communication managers as strategists. Can they make the grade, *Journal of Communication Management*, 5(4): 313-26.
- Broom, Glen M. and Casey, Shawna and Ritchey, James. 1997. Toward a concept and theory of organisation – public relations. *Journal of public relations research*. 9(2), pp83-98.
- Bryson, J. M. (2008), *A Strategic Planning Process for Public and Non-Profit Organizations*. Long Range Planning 21 (1): 73-81.
- CBK (2015). *Central Bank of Kenya*
- Christensen, L.T., Morsing, M. & Cheney, G. (2008), *Corporate Communications. Convention, Complexity, and Critique*, Sage, Los Angeles, CA.
- Clemen, Robert and Reilly, Terence. 2001. *Making hard decisions with decision tools*. CA: Duxbury.
- Cohen, M., March, J. & Olsen, J. (2005). A garbage can model of organizational choice, *Administrative Science Quarterly*, 17 (1) 1-25.
- Cornelissen, J. (2009). *Corporate Communication. A Guide to Theory and Practice*, 2nd ed., Sage, Los Angeles, CA.
- Daft, R.L. & Weick, K.E. (2001). Toward a model of organizations as interpretation systems, *Academy of Management Review*, 9(2):284-95.
- Dale, E. (1969). *Audiovisual methods in teaching*. New York: Holt, Rinehart, and Winston.
- Daugherty, Emma. 2003. Strategic planning in public relations: a matrix that ensures tactical soundness. *Public relations quarterly*. 48(1), pp21-26.

- Dolphin, R. R. & Fan, Y. (2000). Corporate communication a strategic function, *Management Decision*, 38(2):99-106
- Donaldson, T. & Preston, L.E. (1995). The stakeholder theory of the corporation: concepts, evidence, and implications, *Academy of Management Review*, 20(1): 65-91.
- Dozier, D. M. (2002). The organizational roles of communications and public relations practitioners, *Excellence in Public Relations and Communication Management*, Lawrence Erlbaum, Hillsdale, NJ, 327-55.
- Dozier, David M. and Grunig, James E. and Grunig Larissa A. 1995. *Managers guide to excellence in public relations and communication management*. NJ: Lawrence Erlbaum Associates.
- Eden, C. & Ackerman, F. (2004). Making Strategy: *The Journey of Strategic Management*, 5th ed., Sage, London.
- Eisenberg, E.M. (2000). Ambiguity as strategy in organizational communication, *Communication Monographs*, 51(3): 227-42.
- Erica, O. (2012). *Strategic Planning Kit for Dummies*, 2nd Edition. John Wiley & Sons, Inc
- Fassin, Y. (2009). The stakeholder model refined, *Journal of Business Ethics*, 84(1):113-35.
- Flynn, T. (2006). A delicate equilibrium: balancing theory, practice, and outcomes, *Journal of Public Relations Research*, 18, 2, 191-201.
- Fombrun, C. J. & Van-Riel, C.B.M. (2004). Fame and Fortune: How Successful Companies Build Winning Reputations, *Pearson Education*, Upper Saddle River, NJ.

- Grant, R.M. (2005), *Contemporary Strategy Analysis*. 6th Ed. Blackwell Publishing. USA.
- Grant, R.M. (2005), *Contemporary Strategy Analysis*. 6th Ed. Blackwell Publishing. USA.
- Grunig, James E. and Grunig, Larissa A. 2000. Public relations in strategic management and strategic management of public relations: Theory and evidence from the IABC excellence project. *Journalism studies*. 1(2), pp303-323.
- Heracleous, L. (1998). Strategic Thinking or Strategic Planning, *Long Range Planning*, 31:481-87.
- Higgins, James M. 1979. *Organisational policy and strategic management: texts and cases*. Hinsdale, Illinois: Dryden.
- John M. B, and Farnum K. A. (2004). *Creating and Implementing Your Strategic Plan: A Workbook for Public and Non-profit making organisations*, New York, Penguin
- Johnson G. and Scholes (2002). *Exploring Corporate Strategy*. 6th New Jersey: Prentice Hall, USA.
- Lorenzen, M. (2006). Strategic Planning for Academic Library Instructional Programming. *In: Illinois Libraries*, 86, 2 : 22-29.
- Mintzberg, H. (2004), Learning, planning: Reply to Igor Ansoff, *Strategic Management Journal*, 12, 463-466
- Mintzberg, Henry and, Quinn, James Brian (1996), Strategy implementation: a technique for organizational design, *Journal of Management Studies*, Vol. 34. 3, 465-85.

- Mintzberg, Henry and, Quinn, James Brian (1996). *The Strategy Process: Concepts, Contexts, Cases*. Prentice Hall. ISBN 978-0-132-340304.
- Muchinsky, P. (1977). Organizational communication: Relationships to organizational climate and job satisfaction. *Academy of Management Journal*, 20, 592–607
- Mugenda O. and Mugenda A. (2003), *Research methods. Quantitative and Qualitative approach*.
- Mulary, J. & Ngugi, K. (2003). Effects of communication to the efficiency and success of the banking industry in Kenya. A case study of ABC bank Limited, *Unpublished MBA Project*, University of Nairobi
- Mwende, J. (2014) Overview of banking industry in Kenya: Accessed from, <http://www.kenyanbusinessreview.com/557/banking-industry-in-kenya/>
- Njoki V. (2009), Strategy implemetation in the Insurance Companies in Kenya, *Unpublished MBA Project*, University of Nairobi.
- Ochieng, M. (2009). Strategic planning problems and coping strategies among commercial Banks in Kenya, *Unpublished MBA Project*, University of Nairobi
- Okumus, F. (2003). *A framework to Implement Strategies in Organizations Management Decisions*, vol. 41.9.
- Oluoch, A. (2007). Evaluation of communication strategies at the Nairobi Stock Exchange, *Unpublished MBA Project*, University of Nairobi
- Patrick, R. (2009), Strategies used by classified hotels in major cities in Kenya. *Unpublished MBA Project*, University of Nairobi.
- Pearce, J.A. and Robinson, R.B. (2007). *Strategic Management: Implementation and Control*, 3rd edition, Boston: Richard D. Irwin McGraw-Hill, USA
- Porter, M.E., (2009), *How competitive forces shape strategy. Harvard Business Review*, 57 (2), pp. 140-143.

- Raps, A. and Kauffman, D (2005), *Strategy implementation – an insurmountable obstacle? Handbook of Business Strategy*, Volume 6, Number 1, pp 141-146
- Reed, R., and Buckley, R.M. (1988). Strategy in action: techniques for implementing strategy, *Long Range Journal of Planning*, Vol. 21 No.3, pp.67-74
- Rubens, B. D. (1984). *Communication and human behavior*. New York: Macmillan Publishing Co.
- Schoemaker, J. H. (1998). *Twenty Common Pitfalls in Scenario Planning, Learning from the Future* John Wiley and Sons, Ward, John Peppard, Joe.
- Schramm, W. (1954). How communication works. In W. Schramm (Ed.), *The process and effects of mass communication*. Urbana, IL: University of Illinois Press.
- Smith, Ronald D. 2005. *Planning for public relations*. NJ: Lawrence Erlbaum.
- Temple, Richmond K. 2002. Setting CLEAR goals: the key ingredient to effective communication planning. *Public relations quarterly*. 47(2), pp32-34.
- Thompson, A. A., Strickland II A. J. G. and Jain A. K. (2008), *Crafting and Executing Strategy. The Quest for Competitive Advantage: Concepts and Cases*. 16thEdition. Tata Mc Graw-Hill, New Delhi.
- Wang, Y. (2000), *Strategy Implementation* TU: Seminar Study in Strategy and International Business, Helsinki University of Technology, Institute of Strategy and International Business, Unpublished Report.

APPENDICES

APPENDIX I: INTERVIEW GUIDE

The following sections provide sample questions to be used in to the identification of the responses to effect of communication strategy on strategic planning in African Banking Corporation Kenya

Section A: General Information

1. What is the title or position of the respondent in the organization?

.....

2. For how long has the organization been in existence?

.....

3. How long have you been with this organization?

.....

4. How many employees are in the organization?

.....

Section B: the effect of communication strategy on strategic planning.

5. Who is in charge of developing a communications strategic goals and visions at African Banking Corporation Kenya

.....

.....

.....

6. Which are the Communication Channels strategy in African Banking Corporation Kenya?

.....
.....
.....

7. How and who develop and implementing communications plans to enhance communication strategy than leads to strategic planning in African Banking Corporation Kenya?

.....
.....
.....

8. How do you consider the Identification of the target audience in communication strategy and strategic planning in African Banking Corporation Kenya?

.....
.....
.....

9. When do you consider applying appropriate channels in strategy implementation in African Banking Corporation Kenya?

.....
.....
.....

10. How do you communicate on resource allocation in terms of finance and work plan?

.....
.....
.....

Section C: challenges facing implementation of communication strategy

11. What are the factors affecting implementation of communication strategy in African Banking Corporation Kenya?

.....
.....
.....

12. What are the challenges that may led to appropriate management style communication in strategic planning in African Banking Corporation Kenya?

.....
.....
.....

13. What are the effects channel of communication on strategic planning in African Banking Corporation Kenya?

.....
.....
.....

14. What are the positive effects of organisations communication in African Banking Corporation Kenya?

.....
.....
.....

15. What are the social influence within the organisations of the communicator to strategy implementation in African Banking Corporation Kenya?

.....
.....
.....

16. What are the challenges of effective communication in strategic planning in African Banking Corporation Kenya?

.....
.....
.....

17. What are possible likely solution to challenges of communication strategy in African Banking Corporation Kenya?

.....
.....
.....

APPENDIX II: LIST OF AFRICAN BANKING CORPORATION KENYA

BRANCHES

- i. Head Office - ABC Bank House, Woodvale Grove, Westlands, Nairobi
- ii. Koinange Street Branch - Koinange Street, Nairobi
- iii. Libra House Branch - Libra House, Mombasa Road, Nairobi
- iv. Industrial Area Branch - ABC Bank Building, Dar es Salaam Road, Nairobi
- v. Kisumu Branch - Jubilee House, Oginga Odinga Road, Kisumu
- vi. Meru Branch - Moi Avenue, Meru
- vii. Eldoret Branch - Zul Arcade, Oginga Odinga Road, Eldoret
- viii. Mombasa Branch - Shariff Nasser Investment Building, Moi Avenue, Mombasa
- ix. Nakuru Branch - Saifee House, Kenyatta Avenue, Nakuru
- x. Lamu Branch - Seafront, Lamu