

DECLARATION

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

Signature: _____

Date: _____

Leah Wanjiru Gatonye

Reg. No.: D61/68521/2013

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

Signature: _____

Date: _____

Mr. Victor Ndambuki

Department Of Business Administration

School Of Business,

University Of Nairobi

DEDICATION

This project is dedicated all the mothers who sacrifice time and go back to school to further their knowledge while still caring for their young children.

ACKNOWLEDGEMENT

Firstly, my sincere gratitude to the Almighty by whose grace I was able to undertake and complete this study.

I would like to offer my gratitude to my supervisor Mr. Victor Ndambuki for giving me valued guidelines that enabled me to work efficiently. Without his kind supervision, I would never have had the chance to complete my research work on time.

Special thanks go to my family for believing in me, the moral support and prayers during the entire period; and finally to my colleague, Ms. Elizabeth Mungai thank you for always being there, you encouraged me on even when things proved tough and almost dropped out.

My special tanks to my husband, Dr Otieno for support, encouragement and faith in my abilities.

TABLE OF CONTENTS

DECLARATION.....	i
DEDICATION.....	ii
ACKNOWLEDGEMENT.....	iii
LIST OF ABBREVIATIONS.....	vii
ABSTRACT.....	viii
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the study.....	1
1.1.1 The Concept of strategy.....	3
1.1.2 Diversification strategy.....	4
1.1.3 Insurance industry In Kenya.....	5
1.1.4 UAP Insurance Company.....	7
1.2 Research Problem.....	9
1.3 Research Objective	10
1.4 Value of The study.....	10
CHAPTER TWO: LITERATURE REVIEW.....	12
2.1 Introduction.....	12
2.2 Theoretical Background.....	12
2.2.1 Ansoff Matrix.....	12

2.2.2 Resource Based View.....	13
2.2.3 Dynamic capabilities.....	14
2.3 Strategy implementation.....	15
2.4 Challenges in Strategy implementation.....	16
CHAPTER THREE: RESEARCH METHODOLOGY.....	21
3.1 Introduction.....	22
3.2 Research Design.....	22
3.3 Data Collection.....	22
3.3 Data Analysis.....	23
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION.....	23
4.1 Introduction.....	23
4.2 Interviewee background.....	23
4.2.1 Level of Education.....	23
4.2.2 Period worked.....	24
4.3 Challenges in implementing diversification strategy.....	24
4.4 Over Coming Challenges in Diversification strategy implementation.....	27
4.5 Discussion of findings.....	28
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMEDATIONS.....	30

5.1 Introduction.....	30
5.2 Summary of findings.....	30
5.3 Conclusion.....	31
5.4 Recommendations of study.....	32
5.4 Recommendations for policy and practice.....	32
5.4 Limitations of the study.....	34
5.5 Suggestions for further research.....	34
REFERENCES.....	35
 APPENDICES	
Appendix I: Interview Guide.....	41

LIST OF ABBREVIATIONS AND ACRONYMS

AKI: Association of Kenya insurers

IRA: Insurance Regulatory authority

PWC: Price Waterhouse Coopers

RBV: Resource based view

C.E.O: Chief Executive officer

ABSTRACT

Strategy implementation is an enigma in many companies and may have good plans which will never be implemented. Strategy implementation and its success is influenced by how the organization interacts with its environment and adjusts to changes within its context. Strategy implementation involves organization of the firm's resources and motivation of the staff to achieve objectives. Strategy implementation differs completely from the formulation process and requires much more discipline, planning, motivation and controlling processes. Strategy implementation in organizations is important because its success or failure rate may have a significant impact on the success and sustainability of the business as the firms gains competitive advantages. However the success of strategy implementation is not assured. Strategy Implementation is recorded to have a unsatisfying low success rate in most organizations. The objective of the study was to address the challenges of implementing diversification strategy at UAP Insurance Ltd... The study adopted a case study where primary data was gathered using the interview guide. Data obtained from the interview was analyzed qualitatively to derive findings, conclusions and recommendations. The results indicated that the industry forces especially competition, government regulation, internal factors and changes in economic conditions greatly influence strategy implementation in UAP Insurance Ltd. Further results indicated that employees and managers were fully involved in strategy implementation but competing projects affected the success of implementation of Diversification strategy. Recommendations provided that strategy implementation process should create high level staff involvement, periodically evaluate the firm's strategy plans and critically analyze external environment prior strategy implementation to ensure success.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizations operate as open systems. The business environment is ever changing hence the organizations need to formulate strategies that help them to retain or gain competitive advantage in a turbulent business environment. The organizations have to come up with strategies that can assist them to respond to the dynamic environments. In order to achieve their organization objectives and gain competitive edge, organizations has to formulate strategies and implement them effectively. Strategies are a critical element in an organizational functioning and survival. Strategic management can be defined as a continuous process aimed at keeping an organization as a whole appropriately matched to its environment (Certo and Peter, 1988).

Igor Ansoff developed a model of analyzing the growth – market strategies. The Matrix has four quadrant whose main axes are new or existing products and new or existing markets. According to the model the market penetration strategies involves penetrating the market with existing products in the existing markets. This quadrant is the safest and has the lowest risk to strategy. Market development strategies involves the organization developing new markets for the existing products. The strategies have a higher risk as the firm seeks to develop new market segments in new geographical areas that may call for new licensing, new distribution channels and registrations. New product development involves the organization coming up with new products for new markets. The cost outlay may be massive to support production and marketing of the new products.

According to Ansoff diversification is the final alternative. It calls for a simultaneous departure from the present product line and the present market structure (Ansoff, 1998) Diversification are

corporate growth strategies that the firm undertakes in order to enter into new markets or develop new products. Diversification strategies are risky as the firm enters in new market and new product development cycles that it may have no experience in. The organization may also acquire or merge with other organizations in order to acquire new markets or product. Diversification strategies are the most risky but have higher returns.

Corporate strategy has been described as an organization's 'sense of purpose' Ansoff, (1965). Without excellent strategies the organization will not achieve competitive advantage in the ever changing environments. The organizations must also look for ways to grow their market share. Ansoff growth strategies include market penetration, market development, and product development and diversification strategies. The organization must choose any of these strategies in order to grow and gain competitive strategies against its competition. Firms are guided by the resources that they command in choosing the strategic choices. Competitive advantage derives ultimately from the ownership of a valuable resource. Superior performance derives from developing a 'competitively distinct' set of resources and deploying them in a well-conceived strategy. Resources can be physical, intangible, or organizational capabilities.

UAP insurance Company Ltd is one of the leading insurance and financial service providers in the East Africa. The company has been in business for over 80 years. The company vision is to be African revolutionary financial services provider. The company transacts both short term and long term insurance products in general insurance, Health insurance and Life insurance covers. UAP Insurance also have investment arm that deals with short term and long term investments and wealth management. It also in property market with major construction projects underway. The company has expanded its operation in the greater East Africa regions through diversification

strategies to enable it gain competitive advantages through starting up operations in new markets and products development.

1.1.1 Concept of Strategy

According Antony (1965) strategy is the process of deciding on objectives on the resources used to attain these objectives and on the policies that are to govern the acquisition use and disposition of these resources. Strategy means looking at the long-term future to determine what the company wants to become, and putting in place a plan, how to get there. Without a strategy, the organization is like a ship without a rudder.

Strategies helps an organization survive during terms of uncertainty and beat competition during changes of business environment. The process of strategy involves setting out the long term objectives, taking appropriate actions and allocating resources.

According to Johnson & Scholes, (1984), strategy is the direction and scope of an organization that ideally matches the results of its changing environment and in particular its markets and customers so as to meet stakeholders' expectations. Strategy is management's action plan for running the organization business and conducting operations in order for the organization to achieve its business objectives. It is a unifying pattern of decision that defines the organization and purpose and positioning of the organization in the environment so as to gain competitive advantage. An organization will be considered effective if its business objective are aligned to its formulated strategies.

According to Chandler (1962) while writing on the classic study of the relationship between an organization's structure and its strategy, he defined strategy as "the determination of the basic

long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources for carrying out these goals.”

Corporate strategy has been described as an organization’s ‘sense of purpose’ Ansoff, (1965). Crafting and executing a good strategy are the heart and soul of managing a business enterprise, Mintzberg and Waters, (1985).

According to Porter (1980) competitive strategy is “a broad formula for how a business is going to compete, goals should be, and what policies will be needed to carry out those goals. Strategy provides overall framework for guiding an organization thinking and action in the turbulent business environments. According to Mintzberg (1994) strategy have several meanings, all of which are useful. He indicated that strategy is a plan, a pattern, a position, a perspective and, in a footnote, he indicated that it can also be a ploy, a maneuver intended to outwit a competitor.

1.1.2 Diversification Strategy

According to Ansoff, diversification is the name given to the growth strategy where a business markets new products in new markets. This is an inherently more risk strategy because the business is moving into markets in which it has little or no experience (Ansoff, 1987). The strategies are seen as more rewarding where the organizations can be compensated by higher rate of return in attractive new markets and the overall reduction of the business portfolio risks.

Organizations may opt to diversify in markets while growth is stagnant or declining. Other motives could be the organization wants to spread its risks of its portfolio by spreading the financial risks over different markets and products.

Diversification strategies can be employed by organizations who want to utilize the excessive resources and capabilities in new markets. Managerial competences found within the organization

may be successfully used in the other markets where they may be successfully transferred to other markets to gain competitive advantages. Managers might also seek to diversify their organization as a way to reduce total firm risk and thereby reduce their personal risk (Amihud and Lev, 1981). While diversification may help reduce the risk to the manager, it may not be in the best interest of the stakeholders whose earnings may drop in unsuccessful business ventures. And even if the organization's top management team is not subject to such agency risks, it is more difficult for them to monitor divisional managers as the distance between Managers at the headquarters and those at the satellite branches increases. (Berger and De Young 2001). Diversification strategies can be related or unrelated. In related diversification strategies companies expand their operations beyond their current markets and products but stay in the same or existing related types of businesses or value networks.

Unrelated diversification are also referred to the conglomerate strategies where organizations markets and products transcends beyond their existing resources and capabilities in order to increase the organizations profitability and core competences in new markets and products. It is important for companies to realize the possible danger of diversifying its scope too much too soon. Companies might risk neglecting its fundamental competences and become too diversified, where too many different products supplied to different markets might have negative effects on products and services, where for example product quality or uniqueness might suffer due to the shift in focus on different products and markets. (Gluck, 1985)

1.1.3 Insurance Industry in Kenya

The insurance companies are governed by The Insurance Regulatory Authority (IRA). This body was formed under the insurance Act 2006 Cap 487 of the Kenyan law. It's mandated with regulatory, supervision and development of the insurance industry in Kenya. IRA performs key roles in the country among them being; licensing and registration of the insurance providers in Kenya, this include all persons involved in conducting of the insurance business like insurance and reinsurance companies, insurance and reinsurance intermediaries, loss adjusters and assessors, risk surveyors and valuers. The body also promotes the development of the insurance sector by advising the government on the national policy to be followed to ensure adequate insurance protection for the national assets and properties. Consumer protection is another role that the IRA body is mandated with. This ensures that customer's interests are addressed in any insurance contract made. They do this by issuing supervisory guidelines on how the insurance contracts are to be administered and inform the consumer of their rights through consumer education forums (Insurance Act 2013). The Insurance Industry grew by 20.3% in 2014. Gross Premium in 2014 was Ksh 157.21 billion. Non-Life Insurance Premium was Ksh 100.24. Life Insurance Premium was Ksh 56.97. The industry incurred net claims of Ksh 82.36 billion in 2014 compared to Ksh 65.47 billion in 2013, an increase of 25.8%.

There are fifty one (51) insurance companies in Kenya that provides insurance services IRA (2014). In consultation with the IRA, these companies are involved in the development of new products aimed at increasing the level of industry penetration in the country. There have been several new entrants in the industry especially from foreign countries for example Sanlam, Prudential, and Barclay's insurance company. The entry of multinationals has driven local insurance firms into developing tailored and sophisticated products like political risk coverage and

agricultural insurance schemes. The Foreign entrants see low insurance penetration rate (insurance market size/GDP) as a sign of high growth potential in the industry. The changing environment is forcing the local companies to come up with strategies to enable them compete.

The insurance industry is dominated by a few companies, with a market share of more than 50%. Some of the companies are owned by both foreign and local investors while others are fully owned by the local investors. The Kenyan law requires at least one third of the company board members are Kenyan citizens. Only six companies are listed on the Nairobi Security Exchange with the hope that many will be listed in the future. The insurance sector has continued to experience a low penetration in the Kenyan market with the percentage of the penetration in 2012 at 3.16% compared to 3.02% in 2011. This is quite low compared to the level of penetration in some African countries like South Africa which has 11% penetration. The industry recorded a gross written premium of kshs.108.54billion in 2012 compared to kshs.91.60billion in 2011. Profit before tax also increased to kshs.14.80billion in 2012 from kshs.9.68billion in 2011. (Insurance Industry Annual Report 2012). The low penetration level can be attributed to the following factors: A general lack of saving culture among Kenyans, low disposable income for the majority of the population, with close to 50% of Kenyans living below the poverty line; Inadequate tax incentives that could encourage the middle class to purchase insurance products and a perceived credibility crisis of the industry in the eyes of the public particularly with regard to claims settlement (PWC, 2013). Efforts are being put in place to increase the level of this penetration.

1.1.4 UAP Insurance Company

UAP insurance Company Ltd is one of the leading insurance and financial service provider in the East Africa. The company has employed diversification strategies by opening new companies in

six countries in the greater East Africa region and developing new products for new markets. The insurance company was the first insurance company to start transacting insurance business in South Sudan and also has embarked in construction of modern office blocks in Juba. It has six subsidiary companies spread across the East and Central Africa countries, which include Kenya, Uganda, Tanzania, Rwanda, DR Congo and Southern Sudan. In Kenya, UAP insurance Ltd has different branches spread across the country. Its head quarter is situated in Nairobi-Kenya at Bishop Garden Towers. UAP origins can be traced back over 80 years ago. The current UAP Company was formed as a result of merger between Union Insurance and Provincial Insurance in 1994. The Company was fully owned by Kenyans in 2000 following divestment of AXA Company.

Old Mutual Holding limited acquired 60.6% shareholding thus gaining a control share for the company in 2015. Old Mutual holding limited is a global brand with headquarters in London and South Africa. Old Mutual PLC is a public company limited by shares, incorporated in England and Wales. UAP insurance ltd is one of the leading insurance companies in Kenya with a consistent high growth rate over the years which have attracted investors like Old Mutual holdings. The company clarity of purpose through the formulation of the strategy has enabled the company to grow its assets and revenue greatly over the years. The company has formulated and implemented strategies in line with its key business pillars, among them being Customer centric, excellent business processes, Product variety/ Distribution Champion, Technology innovators, and being the Employer of choice of the top class talents. It provides variety of products among them; general insurance products, life insurance and pension administrative services to both corporate and to individual customers. The company strength has been drawn from the good customer service, with

all the staff in the company signing a customer service charter as a way of committing to good services.

The company has a vision of being the Africa's revolutionary financial service group, through the development of global standards while operating in the Africa market. UAP has been growing fast, with its strategic intent of being the most innovative insurance company in Africa. This is by offering outstanding customer service, in fast speed market needs. The company has been awarded the highest credit of AA by the Global Rating Company, which the highest credit is given to any Insurance company in East Africa region. This shows how the investors have confidence on the company and its strength has been proven by the global companies.

The company has been known to implement its strategies effectively in the industry.

1.2 Research Problem

A lot of strategies that are formulated by organization are never implemented. Implementing diversification Strategy is not easy for many organizations that if not dealt with properly, can lead to Implementation failure. Lynch (2009) states that when an organization diversifies, it moves out of its current products and markets into new areas. Clearly this will involve a step into the unknown and will carry a higher degree of business risk. Business losses may be massive and the company may be unable to recoup the invested resources in the long run. UAP insurance move to operate in war torn countries like south Sudan whose economy and infrastructures are still not developed may not realize any commercial benefits soon. The Company has also faced challenges in exporting experience labor in the new markets due to labor laws that require the company to

employ the local talent. A major issue that will be raised by the study is whether the company benefits or suffers from their diversification strategy.

Research in diversification has attracted a lot of researchers in strategic management over the years. Aosa (1992) conducted an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. Maithulia (1995) did an empirical investigation of portfolio diversification among commercial banks in Kenya. Musyoka, (2011). Carried out a study on Challenges of Strategy Implementation in Jomo Kenyatta foundation. Machuki (2005) investigated the Challenges to Strategy Implementation at CMC Motors Group limited and concluded that resources allocation plays a major role in strategy implementation. Companies in Kenya. Njoroge (2006) acknowledged that Kenol/Kobil uses diversification to build competitive advantage. This study seeks to answer the following questions: what are the challenges that UAP Insurance Company face while implementing diversification strategies?

1.3 Research objective

The objective of this study was to determine the challenges facing the implementation of diversification strategy at UAP Insurance Company.

1.4 Value of the study

The findings from this study will be useful to the top management of UAP insurance Company that it will enable them to understand the challenges ahead and prepare accordingly to any changes in the environment so that they safe guard the shareholders assets and value. This study will also

be very useful to other insurance companies who are looking at diversification as a means to gain competitive advantage in the market

Policy makers and the Government Agencies like the insurance regulatory authority (IRA) and association of the Kenya insurers (AKI) will find the study useful as they promote the uptake of insurance service in Kenya. The policy makers will be better informed when to enable them advise local companies when they want to diversify in foreign markets. They will in a better position to deal with new entrants in the market through mergers and acquisitions.

The results of this study would also be invaluable to researchers and scholars as it will form a basis for further research. Students and academics will use this study as a basis for discussions on the diversification strategies adopted by the insurance entities and the challenges that the industry may face in trying to implement the diversification strategies.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

This chapter presents theoretical and empirical literature relating to strategy implementation. It summarizes the information from other researchers who have carried out their research in strategy implementation. It covers specific areas I theory, approaches to strategy implementation as well as challenges to strategy implementation.

2.2 Theoretical Background

A Theoretical framework is a collection of interrelated concepts, like a theory but not necessarily so well worked-out. A theoretical framework guides the research, determining what things to measure, and what statistical relationships to look for. A theoretical framework provides a particular perspective, or lens, through which to examine a topic. These study is based on Ansoff matrix, Resource based view (RBV) and Dynamic capabilities Model.

2.2.1 Ansoff's matrix

Ansoff (1999) views strategy in terms of products and market choices. According to the author strategy is seen as the common thread among the organization activities and the market. Ansoff model focuses on the company's present and potential future products or areas of engagement. The matrix consists of four strategies which are set out in a four-box matrix that depicts simply the logical combination of two available "positioning variables";

Existing and potential products against existing and potential markets as follows; Market penetration is the name given to a growth strategy where the business focuses on selling existing products into existing markets in order to gain market dominance and also secure and increase the

product usage by existing customers, Market development is the name given to a growth strategy where the business seeks to sell its existing products into new markets like in new geographical regions and new distribution channels with the hope of targeting new markets and customer base, Product development is the name given to a growth strategy where a business aims to introduce new products into existing markets. Organizations usually result in this strategy in order to have differentiated products that are differentiated hence resulting in competitive advantages. Diversification is the name given to the growth strategy where a business markets new products in new markets or enter into acquisition and mergers. This is an inherently more risk strategy for organizations because the business is moving into markets in which it has little or no experience and the cost implications are massive but it is highly rewarding if the ventures are successful

2.2.2 Resource based view

The resource-based view is a model that sees resources as key to superior firm performance. The Organization abundant resources enables the firm to gain and sustain competitive advantage. The premise of this model is that organizations should look inside the company to find the sources of competitive advantage instead of looking at competitive environment for it. The RBV suggests that the resources possessed by a firm are the primary determinants of its performance, and these may contribute to a sustainable competitive advantage of the firm (Hoffer & Schendel, 1978; Wenerfelt, 1984).

According to Barney (1991), the concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, people etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness (Barney, 1991) If the organization resources can easily be copied and replicated by

competitors, even though the resources are the source of competitive advantage of the organization, then the competitive advantage will be lost.

The organization must have the capability to deploy the resources it holds in order to gain the competitive advantage. No matter how abundant a firm's resources are, without the capacity to utilize them the firm can convert the resources into outputs that benefit it. While resources are the source of a firm's capabilities, capabilities are the main source of its competitive advantage (Grant, 1991). The organization's resources must meet the criteria of being valuable, rare, In-imitable and Non-substitutable in order to create a competitive advantage. Organizations must allocate adequate resources to the strategy implementation activities in order to successfully implement the strategies. Diversification strategies like acquisition and Mergers demand the organization to set aside large sums of money hence acquisition of other firms may not be ideal for organization that are struggling to raise capital.

2.2.3 Dynamic Capabilities

Dynamic capability is the ability of an organization to adapt adequately to changes that can have an impact on its functioning or the ability to use the organization resources adequately. The concept is defined by Teece et al. (1997) as "the firm's ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments. Dynamic capabilities, also refers to "the capacity of an organization to purposefully create, extend, or modify its resource base" (Helfat et al., 2007). The premise of the model is that organization core competencies should be used to modify short-term competitive positions that can be used to build longer-term competitive advantage. Dynamic capabilities view focuses more on the issue of competitive survival rather than achievement of sustainable competitive advantage in a turbulent environment.

According to Teece's concept of dynamic capabilities what matters for business is corporate agility: "the capacity to sense and shape opportunities and threats, to seize opportunities, and to maintain competitiveness through enhancing, combining, protecting, and, when necessary, reconfiguring the business enterprise's intangible and tangible assets." The combination of intangible and tangible assets of the organization gives a firm a more sustainable competitive advantage. (Teece, 2009 and Douma & Schreuder, 2013). Three dynamic capabilities are necessary in order to meet new challenges. Organizations and their employees need the capability to learn quickly and to build strategic assets. New strategic assets such as capability, technology, and customer feedback have to be integrated within the company. Existing strategic assets have to be transformed or reconfigured.

2.3 Strategy Implementation

Few strategies are implemented in their entirety in which they were formulated in many organizations. A lot of work goes into strategy planning and formulation but less work is done at the stage of strategy implementation and execution. Strategy itself can be seen as a plan for an organization. After recognizing the need for strategic change, the manager sets goals for the organization to achieve. Then he must determine actions to achieve those goals with the resources he has available in the firm. According to Pearce & Robinson (2007) implementing and executing strategy is an operation driven activity revolving around the management of people and business processes and systems. Pearce and Robinson (1991) also cited that the organization's primary operating structure, organization top management leadership, organization culture and individual organization key staff members particular key managers as being important determinants for successful strategy implementation and execution.

People are according to Lorange (1998) the key strategic resource; therefore it is essential for organizations to effectively utilize the know-how of their employees at the right places. The staff motivation and engagement towards the strategy achievement must hence be achieved. Top management leadership must monitor the progress of the strategy initiatives implementation and reviewing the process and may intervene where there is deviation towards the goals, or motivating staff or where resource may need reallocation. According a study by Gatimu (2011) Strategy implementation and execution is aimed at sharing the performance of core business activities in a strategy-supportive manner. It is easily the most demanding and time consuming part of the strategy management process.

According to Raps (2005), the implementation process covers the entire managerial activities, including such matters as motivation, compensation, management appraisal, and control processes which entail cascading strategy to all functional areas in such a way as to achieve both vertical and horizontal logic and enhance implementation of policies.

Hendry & Kiel (2004) also pointed that for effectively strategy implementation the organization top leadership must direct and control the use of the firm's resources, decide on the organizational structure, information systems, leadership styles, organization culture assignment of key managers, budgeting, rewards and control systems etc.

2.4 Challenges in strategy implementation

In Many organizations strategic plans frequently remain in the form of untouched documents, failing to be executed by the management. Research indicates that 90% of organizations fail to effectively execute their strategic plans since strategy implementation is more challenging than the strategy planning. Al Ghamdi (2005) found that 92 percent of strategy implementation by firms

took more time than originally expected, that major problems surfaced in 88 percent of companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in 75 percent and distractions from competing activities in 83 percent cases. In addition, key tasks were not defined in enough detail and information systems were inadequate in 71 percent of the respondents. What is interesting is that there is congruence between these findings, which implies that lessons have still not been learned; as Al Ghamdi states, “the drama still continues” (Al Ghamdi, 2005, p. 322). Sterling (2003), identified reasons why strategies fail as unanticipated market changes; lack of senior management support; effective competitor responses to strategy application of insufficient resources; failure of buy in, understanding, and/or communication; timeliness and distinctiveness; lack of focus; and bad strategy poorly conceived business models.

According to Chandler (1962) corporate strategy is the determination of long-term goals and objectives, the adoption of courses of action and associated allocation of resources required to achieve goals; structure is defined as the design of the organization through which strategy is administered. During strategy implementation the organization may not change the operating structures to adopt new ones since changes in an organization's structures may lead to new administrative problems thus impacting negatively to successful implementation of the new strategy.

Organization new strategy implementation demands organization structure adjustments in order to align with the new strategy. Mintzberg (1993) argues that “structure follows strategy as left foot follows right”, and this implies that the two are interrelated in many ways According to Raps (2004) strategy implementation processes frequently results in problems if the assignments of responsibilities are unclear. Strategy must be cascaded down to other staff members by the top managers. All staff in the organization must understand where the firms want to go in the long

term. In many organization the top managers may disregarded the role of junior staff in strategy implementation. Inadequate communication and cascading of the strategy limits flow of information to organization staff on new requirements, tasks and activities to be performed towards successful strategy implementation. Unclear strategic intentions and conflicting priorities, top-down senior management style, ineffective senior management team, poor vertical communication, weak coordination across functions or departments and business, limits the success of strategy implementation.

The Top management must be committed to the strategy implementation. Where there are no buy in or resistance by some section of managers' effective strategies implementation will not be achieved. According Kinu et al (2012) on review of Upper Echelons Theory, top executives make decisions and engage in behaviors that effect the progress of the organizations. Thompson (1993) observes that many organizations compete in uncertain, dynamic and turbulent environment where change pressures are continuous and changing. Organizations must be prepared to implement their strategies at these times. Resources allocation at the period of uncertainty may be a challenge to strategy implementation as priority will be given to organization short term survival needs than long term financial gains.

Strategy implementation must be aligned to the organization culture; the norms, beliefs, behaviors and shared values of the organization. Nyakeriga (2012) noted that a stable culture, one that will systematically support strategy implementation, is one that fosters a culture of partnership, unity, teamwork and cooperation among employees. This type of corporate culture will enhance commitment among employees and focus on productivity within the organization rather than resistance to rules and regulations or external factors that prohibit success.

Organizations must communicate the strategies effectively to the teams. Communication plays a vital role in strategy implementation. Poor communication in teams or where organization silos exist leads only to miscommunication, unhealthy competition and lack of support to the firm's strategic initiatives. Monitoring and evaluation of the progress of the strategies implementation by the organization is vital. The firm must know where they are deviating from the plans that they set to achieve and put mechanisms in place to correct the deviations. Organization use balance score cards to ensure that the strategies in the business units are monitored frequently and achieved. Johnson and Scholes (2002) emphasizes on putting efforts in linking organization's reward system to strategic performance. Staff Incentives such as pay raise, fringe benefits, job promotions, recognitions must be tied to the achievement of the strategy initiatives.

According to Thompson and Strickland (2007), to implement any strategy, necessary adequate resources must be available. The resources may be financial, physical, human or technological. Organization resources compete with various needs in the firm as the firms business as usual activities must still be carried out. In most instant the resources that are committed to strategy implementation are limited and competed for by other projects in any organization. Critical factors that are required for the firm to effectively implement the strategies includes : support by top leadership, organizational structure that aligned to the strategy, adequate human resources capacity, clear communication thought the organization, information systems and technology support.

In conclusion then we can say most researchers have come identified a number of factors that determine the success or failure of strategy implementation in any organization. The organization then needs to address these matters effectively and monitor closely the implementation process in order to be successful. Organization structure should be aligned to strategy as it impacts the success

levels of any strategy implementation. Top management support, cascading of the strategy, communication of the strategy to staff and ensuring adequate resources are available are also key in ensuring strategy is successfully implemented

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

In this section the research identified the procedures and techniques that were used in the collection, processing and analysis of data. Specifically the following subsections were included; research design, data collection and data analysis.

3.2 Research Design

This study was conducted through a case study design. According to Yin (1984), a case study allows an investigation to retain the holistic and meaningful characteristics of real life events. It involves a careful and complete observation of social units. A case study method gives an in depth and detailed understanding of a single entity being studied. It provides a fairly comprehensive and clear insight into an organization operation without comparing to others. The study focused on challenges on implementation of diversification strategy at UAP Insurance Company Ltd

3.3 Data Collection

Primary data was collected using interview guide. An interview guide is a set of questions that the interviewer asks when interviewing The respondents from UAP insurance Limited include the CEO and six heads of departments that included Finance department, Operations Department, claims department, Marketing department, Human resources department and underwriting departments. Other staff that were interviewed include, two unit Managers and two underwriters. These individuals are involved in strategy formulation, implementation, monitoring and evaluation of the company strategy. Face to face interviews were also carried out. Permission from the

organization was sought and consent from individual managers were requested through a formal introduction letter. Two research assistants were used for administering the interview guides.

3.4 Data analysis

Content analysis was used to analyze the data collected considering the qualitative nature of the data shall be collected through in depth personal interview. The data obtained from the interview guide was analyzed qualitatively. Qualitative data analysis makes general statements on how categories or themes of data are related. The qualitative analysis was adopted in this study because the researcher was able to describe, interpret and also criticize the subject of the research since it is difficult to do so numerically. The qualitative analysis was done using content from the interview guide. Content analysis is a research technique for the objective, systemic and quantative description of manifest content of communication. It involves observation and detailed description of object items or things that comprise the study. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Hsieh and Shannon, 2005). It involves observation and detailed description of objects, items or things that comprise the object of study. The themes that are used in the analysis were informed by the variables identified in literature. This analysis technique that was used allowed the researcher to learn and understand the underlying issues on challenges of implementing Diversification strategy in UAP insurance.

CHAPTER FOUR: DATA ANALYSIS, RESULT AND DISCUSSION

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The data collected was done by use of an interview guide which was designed in line with the objectives of the study. The study findings were in line with the objectives of the study; the challenges of implementing diversification strategies at UAP Insurance Ltd

4.2 Interviewees background

A total of eleven (11) interviewees responded to the interview. This was a 100% response rate which was sufficient enough to draw conclusion and make recommendations. The interviewees for this study were drawn from claims department, retail and mass distribution department, underwriting department, marketing department, finance department. They included six heads of department, the C.E.O and two unit managers and two underwriters.

4.2.1 Level of Education

From the findings, seven respondents had attained post graduate degrees, and three had university degree as their highest level of education. This indicated the influence the level of education has on the decision making in the organization. Education enables the managers to make better decisions when faced with challenges of implementing the diversification strategy and manage their departments better from the skills acquired throughout the education system.

4.2.2 Period worked

In regard to the working experience, three respondents had worked in the insurance company between 16-20 years, three had worked between 10-15years, and four had worked for five years. Staff experience is necessary in delivery of desired goals and objectives of the company in relation to making effective strategy implementation and deal with any challenges that they encountered. This is because experienced staff takes relatively shorter time to effect strategic plans compared to those with little or no experience at all.

The respondents had all served in their current position between three to seven years with only one having served in the current position for one year. Having being in the same position for more than three years enables these individuals to learn the mistakes done in the previous years, anticipate challenges in implementation of diversification strategy and work toward bettering the way things are done in the company. The one who had been in the current position for one year had been recruited from a different company and was necessary to bring change in the way operations were done. New ideas are very important in effecting quick strategy implementation, dealing with challenges of implementing diversification strategies and thus lead to better organization performance.

4.3 Challenges in implementing diversification strategy

The interviewees mentioned challenges that the organization has gone through in the process of implementing the diversification strategy were due to weak or inappropriate strategy in the company: During the course of strategic planning, the lack of a realistic and honest assessment of the firm lead to the development of a weak, inappropriate or potentially unachievable strategy. A weak strategy also resulted from overly aspirational or unrealistic views from top Managers who

adopt an ill-fitting strategy with respect to the Company's current position or market competition. The interviewees mentioned a case in point where the organization started selling insurance through stat packs in Uchumi supermarkets. It was clear the organization never understood the consumers buying behaviors and the customer's financial capabilities in Uchumi supermarkets. The diversification strategy was never successful due to lack of adequate sales and support from the chain of supermarkets. Without a viable strategy, the firm struggle to take actions to effectively implement the plan identified.

The interviewees also mentioned that Insufficient staff buy-in in the company was another source of challenges that the organization faced while implementing diversification challenges: In conducting strategic planning, the company top leadership and staff involved in the process develop a strong understanding of the business imperative behind the chosen strategy and the need for change in order to achieve company's goals. However, staff removed from the process may struggle to identify with the goals and strategies outlined by company top leadership. These staff may not see a need for change, and without understanding the background and rationale for the chosen strategy, these staff may never buy-in to strategic plan and, as a result, will passively or actively interfere with the implementation process. The interviewees gave example of where the organization had "project one" strategy where the organization wanted to make the firm lean and introduce common communication in all the business units which failed as the staff never bought in.

The interviewees also identified the resistance to change as a challenge encountered while implementing diversification strategies in the company. More often than not, executing on strategy requires adopting a change in approach and new ways of doing things. In the context of insurance companies, this translates to convincing staff members of the firm that change is needed and that

the chosen approach is the right one. Staff members may not warm up in the new way of doing things or to new products hence frustrating the implementation of the diversification strategies. The interviewees also indicated that they faced the challenge of implementing the diversification strategy due to time allocated to successfully implementing the strategy. They cited there was a tendency to implementation time being underestimated since some business units had ambitious activities which they did not achieve. Similarly, the interviewees cited inadequate funding of some of the diversification strategies and competing projects priorities, for example the organization chose to expand to southern Sudan and build modern office blocks instead of focusing on growing insurance business which then stagnated.

The interviewees indicated external factors that brought challenges in implementation of diversification strategy to include competition influences, economic changes such as unemployment, and changes in interest rates and legal environment. Further, the marketing manager illustrated that the presence of Insurance regulator's control on the pricing of insurance products like motor insurance in order to protect customers against unfair prices charged by insurance firms and also to minimize the effects of claims in insurance organizations interfered with the pricing strategies that the insurance company had wanted to employ.

The interviewees also specified that the industry forces greatly influenced the diversification strategy implementation. For instance, analysis of Porter's Industry forces which constitute of the industry factors that affect strategy implementation include, among others; competition which may be categorized as the threat of new entrants, threat of substitute products or services from other insurance firms and bargaining power of insurance clients. They mentioned that new entrants in the market have affected the implementation of diversification strategies due to severe competition. The Insurance brokers who also control most accounts are also demanding overriding

commissions and sales agreements that affect pricing strategies. The interviewees also mentioned internal factors at UAP insurance that caused challenges in implementation of diversification strategy included Some of the competing activities in the organization, resistance to change by some staff members, lack of cohesive inter departmental linkages causing several departments to have unhealthy competition, lack of effective communication and feedback channels causing the strategy to be poorly cascaded , and lack of a defined organization structure or poorly aligned structure to the diversification strategy.

4.4 Overcoming Challenges in Diversification strategy implementation

Recommendations from the management on challenges of implementation of diversification strategy, indicates that the top leadership must take early lead and aggressive action to ensuring that the strategy is well formulated, researched and implemented within the agreed timelines. The CEO further indicated that the managers involved in strategy formulation and implementation plan showed commitment and interest in strategy implementation whether it was a new strategy or a strategy that needed to be reviewed or changed. This as he indicated, led to greater overall support for the strategic plan and the changes inherent in its execution.

The responses further indicated that to improve employees ‘acceptance to diversification strategy and avoidance of resistance to change, reward management practices must be aligned to the achievement of the strategy initiatives. UAP insurance Ltd uses the Key performance Indicators to gauge the achievements of the strategy by the staff. On the challenges brought about by the environment and industry factors, results indicated that strategic planning process should carry out environmental scanning before embarking on strategy implementations and more so periodically

evaluate the firm's strategy in light of internal and external changes and incorporating lessons learned in previous years into the implementation plan. This key component of strategy implementation ensures that the firm's strategy remains dynamic and relevant in order for the firm to gain competitive advantages. On the challenge of resources allocation; that is financial and human resources, the responses showed that in order to mitigate the resources challenges UAP Insurance must prioritize the strategy that will support the firms' growth and profitability plans.

4.5 Discussion of Findings

From the results, it is identified that external factors and internal factors can be a great challenge during strategy implementation. Adequate resources both financial and human resources should be employed to the strategy implementation. Further, the management in UAP Insurance Ltd requires to employ communication as a tool in order to cascade the diversification strategy and reduce staff resistance. These findings support those of Olson, Slater and Hult (2005) who state that human resource is important in strategy implementation. Human resource therefore requires the management to consider the organization's communication needs so that those charged with developing the corresponding action steps fully understand the strategy to implement.

Strategies if not well communicated and well administered to employees to facilitate ease in adoption can be a challenge during strategy implementation. These are findings from the study results which confer with those of McCarthy et al, (1986). McCarthy et al, found that the behavior of individuals ultimately determines the success or failure of organizational endeavors and top management concerned with strategy and its implementation must realize this. Further this

findings from the study support those of Okumus (2003) who found that the main barriers to the implementation of strategies include lack of coordination and support from other levels of management and resistance from lower levels including lack of or poor planning of activities.

Competition, economic changes and lack of adequate resources are some of the challenges that this study identified to hinder implementation of diversification strategy. This study confers with Sterling (2003) who identified reasons why strategies fail as unanticipated market changes; lack of effective competitor responses to strategy, and insufficient resources. Strategy implementation efforts may fail if the strategy does not enjoy support and commitment by the majority of employees and middle management as indicated by Heracleous (2000). These also findings confer with those of the study which found out that UAP Insurance Ltd has successfully managed to gain management and employees commitment in strategy implementation.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter discusses summary of the findings on the challenges of implementing Diversification strategy at UAP Insurance Ltd. The chapter provides the summary of the findings, conclusion and gives recommendations based on the result discussed in the previous chapter.

5.2 Summary of the Findings

On challenges of implementation of diversification strategy , the study found that strategic implementation problems related to organizational factors included a lack of support from some senior managers , competing projects in the organization were also seen as a major handicap hence poor funding and delays in decision making for some of the key projects, inadequate research before the company embarked in selling new insurance products, lack of a clear communication to staff members that lead to staff not understanding the company strategy and limited awareness of the strategic plan among some staff in some departments leading to resistance to change.

The study also found that unhealthy competition among Departments lead to challenges to implementation of the diversification strategy. It was noted that the department competition lead to loss of resources, blame game and delays or failure of implementation of diversification strategies. The interviewees also noted that slow implementation of some projects was due to staff turn over to other insurance firms. It was also noted that the organization took up projects which demand more money hence ignoring the strategic plans like in southern Sudan., some departments

had ambitious, unachievable targets and set unrealistic work plans with targets they could not achieve, , inadequate internal and over dependence on consultants to interpret the needs of the organization lead to poor implementation of strategy. The study also found that the organization faced the challenge of implementing diversification strategy with respect to underestimation of required time since some departments had ambitious targets which they did not achieve.

The study also found that the external environment contributed to the challenges of implementation of the diversification strategy at the organization mainly the government control of pricing of insurance products in motor insurance, the control of commission payments by the regulator also affected the pricing strategy, bargaining powers of brokers, unemployment and government legislations. Some countries also controlled the exportation of key talents to those countries hence causing challenges in implementation of diversification strategic plans.

5.3 Conclusions

From the finding of the study, it can be concluded that the multiple factors come to play during strategy implementation. Both internal and external environments has an adverse impact in strategy implementation at UAP insurance ltd if not well managed. The study concludes that government regulations, competing priorities, staff resistance, inadequate appreciation of strategic planning by most staff, including heads of department who are meant to be strategy implementers, inadequate prioritization of projects, lack of integrated framework to guide the role of various department that caused unhealthy completion between business units. Inadequate time allocation and poor external environment scanning also impacted on the success of the strategy implementation.

The study also concludes that the requirements for a successful strategy implementation at UAP insurance Ltd includes adequate communication to staff on strategy, organizational structure through defined jobs, roles and responsibilities of various departments, HR planning by ensuring sufficient and appropriately skilled staff, training and development interventions, policies and procedures to guide in implementation of objectives and prioritization, committed team of implementers, support from senior management and availability of resources to implement strategy.

5.4 Recommendations of the Study

The study makes specific recommendations guided by the objectives of the study. The study recommends that organizations should create higher levels of involvement of members in the organization in strategy implementation. Companies also ought to establish institutionalized resource process policies so as to efficiently regulate resource allocation to ensure strategy implementation is a success and competing projects are well catered for. Further recommendation to companies is that implementation of diversification strategies requires well studied external environments in which organization resides and operates. However, environmental scanning between these perspectives is not enough, for diversification strategy to be successfully implemented; the correct internal and external attributes must be analyzed and planned for in order to meet resource allocation and foresee any conflicts that may arise in future.

5.4.1 Recommendations for Policy and Practice

The organization diversification strategy should be cascaded effectively to all staff members. Some staff might fail to support the organization strategy because they do not fully understand it, strategies should be allowed time to implementation and to mature so that their real benefits can be seen. When different departments are swift to implement strategies in order to meet the departmental score card, failure results. Too many strategies being implemented at the same time create traffic in the implementation process, monitoring and evaluating such strategies might not be easier. Too many strategies bring about competition for resources hence some key strategies may be missed out. The organization top leadership must also be committed to the implementation of the strategies. A reward system for ideas that work can be implemented, the management should have, Smarter, Attainable, Measurable, Timely and realistic strategies to enhance commitment.

The company management should ensure that the organizational structure is aligned to the strategy in order for implementation to be successful. The company departments should work together where necessary and develop workable action plans that support all the activities and initiatives for strategy achievement. There should be planning policy in place in order to ensure environment scanning is done adequately and continues monitoring to review strategies being implemented to avoid any delays and mistakes that may be encountered in the implementation process.

The management should ensure that all staff involved in the strategy implementation process are well conversant with the strategic mapping of the organization's overall objective in order to reduce staff resistance.

5.4 Limitations of the Study

The respondents were reluctant to provide information for fear that the information sought would be used to victimize them or paint a negative image about them or the organization. The researcher handled this problem by carrying an introduction letter from the University and assured the respondents that the information they gave would be treated with confidentiality and was used purely for academic purposes. The study depended on interviews and discussions with management and the employees of the organization. It would have been of value to obtain the views of those served by the organization or other stakeholders in the firm.

The study faced both time limitations. The period over which the study was to be conducted was limited, hence exhaustive and extremely comprehensive research could not be undertaken on the challenges of implementing diversification strategy at the UAP Insurance Ltd. The researcher, however, minimized these by conducting the survey only at the office where decisions are made.

5.5 Suggestion for further research

This study concentrated on the challenges of implementing Diversification strategy at UAP Insurance Ltd the findings cannot be generalized because other insurance companies and sectors face varied challenges such a political interference, government legislations, changes in interest rates. There is therefore need to do more research in other sectors in order to get a broader view on challenges of implementing diversification strategy. A replica study can be done on a different company in a different industry in order to compare the results with those of these studies

REFERENCES

- Ansoff, H. (1988). *Corporate Strategy*, London: Penguin. Bell,
- Al-Ghamdi, S. M. (2005). *Obstacles to Successful Implementation of Strategic Decisions in Saudi Petrochemicals Industry*. The Saudi Case.
- Aosa, E. (1992). *An Empirical Investigation of Aspects of Strategy Formulation and Implementation within Large Private Manufacturing Companies in Kenya*, Unpublished PHD Thesis, University Of Strath Clyde, Scotland, Feb.
- Al Ghamdi, S. M. (1998), *Obstacles to successful implementation of strategic decisions: the British experience*, European Business Review, Vol. 98 No.6, pp.322-7.
- Anyango, R. (2008), *Challenges of Strategy Implementation. A Survey of Multinational Manufacturing Companies in Kenya*. Unpublished MBA thesis, university of Nairobi
- Borelson, Bernard. (1952) *Content analysis in communication research*. New york: free press, 1952.
- Barney, J. B. (1991), "Firm Resources and Sustained Competitive Advantage," Journal of Management, Vol.17, No.1, pp.99-120.
- Certo, S.C. & Peter P.J., (1988) *Strategic Management: Concepts and Applications*, Random House, Business Division
- Chandler A.D. (1962). *Strategy and Structure: Chapter in the history of the industrial Enterprise*: Cambridge mass: MIT Press

Grant, R. M. (1991) “*The Resource-Based theory of competitive advantage: implications for strategy formulation*”, California Management Review, Vol.

Glueck W.F. & Jauch L.R., (1984) The Academy of Management Journal, New York: McGraw-Hill.

Gatimu (2011) *strategy implementation at city council of Nairobi*. Unpublished MBA Project, University of Nairobi

Helfat, C. E., & M. A. Peteraf (2003), “The Dynamic-Resource-Based View: Capability Lifecycle,” Strategic Management Journal Vol.24 (Special Issue), pp.997-1010.

Hoffer, C. W., & D. Schendel (1978), *Strategy Formation: Analytical Concepts*. St. Paul, MN: West).

Johnson, G. and Scholes, K (2002), *Exploring Corporate Strategy*, Prentice Hall, 6th Edition

Kinnu et al (2012) *a review of Upper Echelons Theory and empirical literature 28 years later*: Prime journal of business Administration and management ISSN 2251-1261

Lynch, R. (2000). Corporate Strategy, 2nd edition. Financial Times-Prentice Hall, England.

Lorange, P., (1998). “Strategy Implementation: the New Realities”, Long Range Planning, Vol. 31, No. 1, pp. 18 to 29.

Machuki N.V. (2005). *Challenges to Strategy Implementation at CMC Motors Group Limited*. Unpublished MBA Project, University of Nairobi

Musyoka, L.W. (2011). *Challenges of Strategy Implementation in Jomo Kenyatta*

Foundation. *International Journal of Current Research*, 3(11):301-308.

Mintzberg (1993) Mintzberg, H. (1993), *Structure in Fives: Designing Effective Organizations*, Prentice-Hall, Englewood Cliffs, NJ.

Nyakeriga (2012) *Factors influencing strategic plan implementation in the newly established public universities in Kenya*, Unpublished MBA Project, University of Nairobi

Ndinda, C (2011) *Strategy implementation challenges facing Kenya Bureau of Standards*: Unpublished MBA Project

Pearce, J. A. & Robinson, R. B. (1991). *Strategic management: Formulation, implementation and control (9th edition)*. Boston: Mc Graw Hill.

Pearce, J. A. & Robinson, R. B. (2007). *Strategic management: Formulation, Implementation* (3rd edition). Richard D. Irwin, Inc.

Porter, M (1980), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Free Press, New York, NY.

Raps, A. (2004). *Strategic Management Implementing Strategy: Tap into the power of four key factors to deliver success*.

Raps, A. (2005), *Strategy Implementation, an insurmountable obstacle?* Handbook of Business Strategy. Emerald Group Publishing Limited, 141-146.

Thompson, A., Strickland, A. and Gamble, J. (2005). *Crafting and executing strategy-the Quest for competitive advantage*. 14th ed. Boston, M.A: McGraw-Hill

Thompson, S. (1993). *Strategic management: Concepts and cases*, New York: Prentice Hall.

Sterling, N. (2003), *Translating strategy into effective implementation: dispelling the myths* 33
No. 3, Spring 1991, pp. 114-35.

Teece, D. J. (1984), “*Economic Analysis and Strategic Management,*” *California Management Review Vol. 26, No.3, pp. 87-110.*

(Teece, 2009 and Douma & Schreuder, 2013) *The Theory of Economic Development,* (Cambridge, MA: Harvard University Press).

Teece, D. J, Pisano, G., & A. Shuen (1997) , “Dynamic Capabilities and Strategic Management,”
Strategic Management Journal Vol. 18, No.7, pp.509-33.

INTERVIEW GUIDE

CHALLENGES OF IMPLEMENTATING DIVERSIFICATION STRATEGY AT UAP INSURANCE LTD

Kindly respond to the following questions to the best of your knowledge.

PART A: GENERAL INFORMATION

1. Name (optional)
2. What is your highest level of education?
3. Period worked in the Company?
4. How many years have you worked in the current position?

PART B: STRATEGY IMPLEMENTATION PRACTICES

5. How important is strategy implementation in the organization?

.....
.....

6. Who is involved in the strategy implementation in the organization?

.....
.....

7. How would you rate strategy implementation success in the organization?

.....
.....

8. How does your company adopt the use of balance score card in its strategy implementation?

.....

.....

9. How does your company communicate the strategy to staff?

.....

.....

10. How does your Company monitor its diversification strategy implementation?

.....

.....

11. How does your company document the diversification strategy implementation plans?

.....

.....

PART C: CHALLENGES OF IMPLEMENTATING DIVERSIFICATION STRATEGY

12. What are some of the challenges of implementing diversification strategy in your organization?

.....

.....

13. Do you think that your company's performance is realized when good diversification strategy is implemented well?

.....

.....

14. Does your company linked its diversification strategy to the environment in which the organization is operating on to enhance its performance?

.....
.....

15. Are staff members in the organization involved in the strategy formulation, as well as its implementation?

.....
.....

16. How does the level of participation and involvement of support staff affect strategy Implementation?

.....

17. What has been the results of strategy implementation in your organization?

.....

18. In your opinion, what measures does the organization need to deal with challenges of strategy implementation?

Thank you for your time and participation

