

**IMPACT OF STRATEGY IMPLEMENTATION ON  
PERFORMANCE AT KENYA URBAN ROADS AUTHORITY**

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## DECLARATION

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

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This research project has been submitted with my approval as the university supervisor.

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## **DEDICATION**

This research is dedicated to my late parents Mr. and Mrs. James Mucheru without whom my dreams of acquiring an education would not have been possible.

## ABSTARCT

Strategic planning is a concept that concerns decision making as organizations seek to craft the best strategies to achieve their vision. Strategies chosen must be implemented effectively and efficiently in order to achieve strategic objectives set. The purpose of the study was to establish what strategy implementation approaches are used by the Kenya Urban Roads Authority and how strategy implementation has impacted on performance of the organization. The study adopted case study research design and targeted senior management from various departments and members of the strategic planning secretariat. The study used both primary and secondary data to gather the required information. Primary data was collected from respondents using a structured interview guide while secondary data was collected from desk review of documentation available at the Kenya Urban Roads Authority. The data was analyzed using content analysis. The study found out that strategic planning is coordinated by the department of planning and environment led by the General Manager. Kenya Urban Roads Authority carries out environmental scanning using SWOT and PESTEL analysis to inform its strategic planning process. Stakeholders are also consulted in strategic planning. Chosen strategies are implemented by breaking them into more detailed implementation matrix and work plans which contain periodical targets that are allocated resources through a budget. Individual targets are drawn from the main implementation matrix and cascaded to all staff members for implementation. The study established factors affecting strategy implementation to be inadequate funding, inadequate capacity both internal and industry capacity, ecological factors as well social political factors. The study found out that Kenya Urban Roads Authority carries out monitoring of the strategy implementation by monitoring the implementation matrix. Performance measurement tools used include comparison of Actual to standards, performance contracting, staff performance appraisal as well as benchmarking with peers. The study concludes that strategy implementation has improved performance at the Kenya urban roads authority as demonstrated through improved operational efficiency and improved decision making. The study also concludes that performance has been improved though customer and stakeholder satisfaction. The study recommended that plans should be reviewed continuously to ensure targets remain realistic during the financial year. The study further recommends involvement of lower cadre staff in strategy formulation to ensure ownership of chosen strategies by all staff as this will ensure effective implementation and improve performance further.

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## **ABBREVIATIONS AND ACRONYMS**

CEO	Chief Executive Office
KENHA	Kenya National Highways Authority
KeRRA	Kenya Rural Roads Authority
KRB	Kenya Roads Board
KURA	Kenya Urban Roads Authority
KWS	Kenya Wildlife Service
MoTI	Ministry of Transport and Infrastructure
MTP	Medium Term Plan
NEMA	National Environment Management Authority
PC	Performance Contracting
PESTEL	Political, Economic, Social, Technological, Ecological, Legal
R2000	Roads 2000
RSIP	Roads Sector Investment Program
SP	Strategic Plan
SWOT	Strengths, Weaknesses, Opportunities' and Threats

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background

The output of strategic planning is a strategic plan which plays out the company's future direction, performance targets and its strategy (Thompson Jr., Strickland III, & Gamble, 2008). Strategic management is a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives. (Pearce II & Robinson Jr, 1991).

Strategy can also be defined as a plan, ploy, position and perspective of the organization as it seeks to realize competitive advantage in the industry it operates (Mintzberg et al, 2002) and is about deployment of resources to achieve the intended objective. Every organization implements a chosen strategy in order to match its competencies and resources to the opportunities' available in the environment while at the same time responding to the threats inherent in the environment.

#### 1.1.1 Concept of Strategy

Strategy can be defined as a unified pattern of decisions that define the organizations' purpose, goals and objectives that deals with the organization's competitive advantage as well as positioning of the organization in the environment and defines the business of the organization in terms of products and market scope. "Strategy is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objective" (Pearce II & Robinson Jr, 2011). It is a company's game plan and a future oriented plan for interacting with the environment to achieve a company's objective. Strategy can also be viewed as the direction and

scope of an organization over the long term which achieve advantage for the organization (Johnson & Scholes, Exploring corporate strategy, 1999), or as a firm's theory of how to achieve high levels of performance in the market and industries within which it is operating (Barney, 2007).

Some Authors have argued that there is no single, universally accepted definition of strategy. Different authors will use the term differently with some including goals and objectives as part of strategy and others distinguishing the two. According to (Mintzberg *et al*, 2002) strategic decisions are those that determine the overall direction of an enterprise and its ultimate viability in light of the predictable, the unpredictable and the unknown changes that may occur in its most important surrounding environment. Based on this belief, they define strategy as a Plan, a Ploy, a pattern, a position and as a perspective.

Strategies can either be formal or informal. Traditional strategic management tends to focus on formal strategic planning as opposed to informal strategies'. Formality refers to the degree to which participants, responsibilities; authority and direction in decision making are specified (Pearce II & Robinson Jr, 2011).It is associated with the size of the firm and its stage of development (Pearce II & Robinson Jr, 1991). External factors such as technology, competition and economics also affect the degree of formality in planning.

Strategic decisions are about the long term direction of an organization. They involve the scope of an organization as it tries to gain sustainable competitive advantage over its competitors by building organizational capabilities (Pearce II & Robinson Jr,

2011). Strategic issues require top management decisions as they cut across several areas of the organization and require large sums of the organizations resources. They are future oriented and affect long term prosperity of the organization (Pearce II & Robinson Jr, 1991).

The levels of strategy include corporate level strategy, Business level strategy and operational level strategy. Corporate level strategy is concerned with the overall purpose and scope of an organization and how value will be added to the different parts of the organization (Johnson & Scholes, 2002). It is formulated by the board of directors, Chief executive officer and top administrative officers who are responsible for the financial performance, image and social responsibility of the firm (Pearce II & Robinson Jr, 2011). These strategies are more value oriented, conceptual and less concrete. Decisions at this level tend to be more unstructured as compared to other levels of strategy. Business and functional strategies developed will depend on the corporate strategy. Business level strategy is developed by the strategic business unit managers and is about how to compete successfully in a particular market while operational level strategy is concerned with how the component parts of the organization deliver effectively the corporate and business strategies in terms of resources, processes and people (Johnson & Scholes, 2002).The strategies determine how the organization will compete by identifying and securing the most promising market segments (Pearce II and Robinson, Jr, 2011). “A strategic business unit is a part of the organization for which there is distinct external market for goods and services”. (Johnson & Scholes, 1999).

According to (Johnson & Scholes, 2002) strategic planning process is the managerial process of crafting and executing strategy and consists of five interrelated and integrated phases namely; Developing strategic Vision setting objectives and using them as yardsticks for measuring performance , crafting a strategy to achieve the objectives , implementing and executing the chosen strategy effectively and efficiently and Evaluating performance and initiating corrective action in the organization's long term direction. "The process by which managers jointly formulate strategy has been given the name strategic planning" (Ansoff, 1990).

Strategic planning concept has been used for several decades as the first step in strategic management was taken in the late 1950's when firms invented a systematic approach to deciding where and how to do future business (Ansoff, 1990).The concept of strategic management is just as important to the public sector as it is in private commercial firms. Nationalized corporations are similar to private firm in many aspects with the major difference being in the nature of ownership and control (Johnson & Scholes, 2002).

### **1.1.2 Strategy Implementation**

Implementation is the action stage of the strategic management process. It is the most difficult and complex stage and involves mobilization of employees and managers. The goal of implementation is to unite total organization behind strategy and involves all units in the organization though top management should initiate it and will succeed if employees are fully involved (Musa, 2014).

Strategy implementation is comprised of a series of sub activities which are primarily administrative with the purpose of determining how resources of the organization must be mobilized to accomplish its strategy in a cohesive manner (Mintzberg *et al*, 2002). How well a management team performs this task plays a big role in determining whether an organization performs to its potential. “A good strategy and good implementation are the most trustworthy proof of good management” (Thompson Jr & Strickland III, 1989).

Converting strategic plans into actions and results tests a manager’s ability to direct organizational change, motivate people, build and strengthen the organizations competencies and competitive capabilities as well as create and nurture strategy (Thompson Jr & Strickland III, 1989). To be effectively implemented, strategy must be institutionalized. That is to mean it must permeate the day to day life of the organization (Pearce II & Robinson Jr, 1991).

### **1.1.3 Organizational Performance**

Organizational performance relates to how well an organization achieves successful outcomes in relation to its set objectives. It is the Ability of an organization to acquire and utilize scarce resources in the most cost effective manner to achieve its operational and strategic objectives. The business dictionary defines organizational performance as an analysis of a company’s performance as compared to goals and objectives.

Many Public organizations employ strategic planning practices in order to enhance organizational performance (Abdi, 2014). Organization performance is the measure of the extent to which an organizations goals have been achieved (Okwako, 2013).In business organizations, three primary outcomes analyzed are financial market and shareholder value.

Performance measurement is important as it helps to determine how effectively the organization is utilizing its resources, ensure that best quality is being offered and raises level of innovation (Hill & Jones, 2001). Some of the approaches used by state corporations in Kenya to measure performance include benchmarking, performance appraisal and performance review wich involves comparison of actual performance against set standards (Koletit , 2012).

#### **1.1.4 Roads Infrastructure Sector in Kenya**

At the National level, the responsibility for the development, maintenance and management of the road network falls under the Ministry of Transport and Infrastructure. Implementation of roads projects is however the responsibility of State Corporations and relevant departments under the Ministry with the County governments also playing abig role in the management of Roads in their respective Counties. Currently, Kenya Roads Act 2007 and the sessional paper no. 5 of 2006 on the development and management of roads subsector for sustainable development provides the legal frame work for management of Roads in the Country. Other policy documents that provide guidelines for the optimal development of the roads sector include R2000, and RSIP.

Kenya Roads Act, 2007 was enacted in September 2007 establishing five Agencies under the road Sub-sector to implement the mandate of the Ministry of Transport and Infrastructure namely; Kenya National Highways Authority (KeNHA) mandated with the responsibility of class A,B and C roads; Kenya Rural Roads Authority (KeRRA) mandated with the responsibility of Class D,E and others; Kenya Urban Roads Authority (KURA) mandated with the responsibility of managing, developing, rehabilitation and maintaining public roads in cities and major towns; Kenya Wildlife Service (KWS) and Kenya Roads Board (KRB) (Kenya Roads Act ,2007). KeNHA, KeRRA, KURA and KWS are responsible for planning and implementation of road works programmes under their jurisdiction while KRB is responsible for the management of Road Maintenance Levy Fund (RMLF) ( Ministry of roads and infrastructure, 2014).

### **1.1.5 Kenya Urban Roads Authority**

The Kenya Urban Roads Authority (KURA) is a statutory body established by the Kenya Roads Act, 2007 with the overall mandate of the management, development, rehabilitation and maintenance of all public roads in cities and municipalities except where these roads are categorized as national roads. According to the Roads sector investment program, the total road Network in the country is approximately 160,886 Km. KURA is responsible for a road network totalling approximately 12,549 km and was expected to increase its coverage to 15,077 km in the year 2014. The Authority is managed by a Board of Directors who are appointed by the Ministry of Roads and who will be drawn from various industry representatives. The Authority's management is led by a Director General who is an *ex-officio* member of the Board (Kenya Roads Act ,2007).



The vision of KURA is to be “global leader in the provision and management of urban roads network” while its mission is to “professionally provide quality, safe and adequate urban roads network that satisfies stakeholders needs”. KURA aims to uphold the following guiding principles: quality service and corporate governance and includes, professionalism, integrity, equity and fairness, recognition and personal development, team spirit, hard work and visionary leadership. The Authority has had two five year strategic plans (2008-2012) and (2013-2017). The rationale for the review of the strategic plan 2008-2012 was to realign the Authority’s goals to the second MTP of the Vision 2030 targets, align its strategies with the constitution of Kenya 2010 which had redefined the governance system and introduced devolved government, as well as prioritize its activities in accordance with the MoTI ‘s RSIP. Other factors that led to review include changes in the operating environment.

## **1.2 Research Problem**

Strategic planning has become an integral part of management in many organizations. This is because managers have seen the importance of planning and view lack of planning as planning to fail. Planning enhances decision making as well as resource allocation towards achieving organizational goals as it lays out the organizations future direction, performance targets and its strategy(Thompson Jr., Strickland III, & Gamble, 2008). Strategic planning is a process that involves formulation of vision, mission, objectives and action plans to be undertaken to achieve those objectives. For the process to be relevant, the planners must undertake an in-depth analysis of the organization internal analysis through the process of SWOT analysis to establish is opportunities, weaknesses, threats and strengths so as to measure is ability to implement the chosen strategy.

Although formal planning is important, it is not automatic that well laid plans will lead to success of the organization. This is because the process of formulation and implementation is highly complex and interactive whereby policies, values organizational culture and management styles often determine or constrain strategic decisions (Mintzberg et al, 2002). Strategy, structure and systems often mix to influence outcome. In this regards therefore, it is important that strategy implementation is closely monitored and evaluated to ensure the organization stays on course towards its vision through performance measurement.

Monitoring will assist managers to find out if they need to change their strategy or implementation approaches if they are not meeting the desired performance levels. One of the Key reasons Road Authorities in Kenya have embraced strategic management practices is to improve performance and reduce costs (Kihara, 2010). It is therefore important to establish how performance of such corporations have been impacted by strategy implementation. Strategic planning is commonly practiced to enhance organizational performance (Abdi, 2014). This Author found out that strategic planning increases effectiveness, helped to build strong teams and led to a good fit between external environment and internal capabilities of an organization which in turn impact on the performance of the organization.

Other researchers who have carried out studies in the local arena to establish the relationship between strategy and performance include;(Akello, 2014): Strategic Planning and performance at the Nairobi Water and Sewerage Co. Ltd, (Okwako, 2013): Strategic planning and performance of Public Schools in Rarieda District, (Ongange, 2013): Relationship between Strategic planning and organization

performance in NGOs :A case of Action Aid Kenya and (Wakahia, 2014): Strategic Planning practices and performance of Kenya Women Holding ltd. All these studies have found out that well implemented strategic plans lead to improved organizational performance. Organizations operate in different contexts and therefore one cannot assume that findings in one industry will be the same in a different industry.

Several research studies have been done on strategic management practices by Road Infrastructure Corporation's in Kenya but have mainly focused on strategic planning and implementation. Ngatia (2011) did a study on strategic management at Kenya Rural Roads Authority, Musa (2014) carried out a study on Strategy implementation at the Kenya Urban Roads Authority Jeptoo (2012) researched on Strategy implementation at the Kenya National Highways Authority while Masita (2013) did a study on strategic management practices by government Agencies in the Road Contruction industry in Kenya.

These studies demonstrated that players in the road infrastructure industry apply strategic management practices in their operations. However, none of them examined effectiveness of the implementation process and the impact of the strategy on organizational performance. A well implemented strategy should translate in improved organizational performance in the long run as it helps an organization achieve its set objectives. This study seeks to establish how strategy is implemented by Kenya urban Roads Authority and what impact it has had on the Authority's performance by answering the question, how is strategy implementation carried out at Kenya Urban Roads Authority and what impact does it have on performance?

### **1.3 Research Objectives**

- a) To establish the strategy implementation approaches used by Kenya Urban Roads Authority.
- b) To establish the impact of strategy implementation at Kenya Urban Roads Authority on the Authority's performance.

### **1.4 Value of Study**

The study will be of significance to Kenya Urban roads authority management as it will provide feedback on the effectiveness of their strategy implementation process and the impact it has on performance thereby helping them improve on the strategy and implementation tactics in the future to enhance achievement of objectives. It will also be of significance to other employees and stakeholders of Kenya urban roads Authority by helping them understand the concept of strategic planning as practiced in Kenya urban roads Authority. The study will also be of significance to researchers and scholars who may want to carry out further research in the area of strategy and performance of organizations. This study will help scholars and other researchers in identifying gaps in existing research.

Further, the study will be of significance to policy makers in public sector and especially in the Road infrastructure sector in policy formulation regarding planning and delivery of efficient and reliable road network to the public. Findings of this study can assist policy makers in advising on best management practices of the sector in general.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter comprises of literature review, the theoretical foundation the strategic planning process, the planning process and practices as well the impact of strategy on organizational performance.

This includes a theoretical review on strategy implementation and organizational performance and empirical literature review of studies carried out on strategy and performance. It therefore links strategy implementation and performance with existing theories of strategic management.

#### **2.2 Theoretical Foundation**

Strategic management is not a new concept as the first step in evolving of strategic management was taken in the late 1950's when firms invented a systematic approach to deciding where and how the firm will do its future business (Ansoff, 1990). This was as a result of changing business environments after the Second World War.

Strategic management has evolved to become an important concept in the management of modern firms both in the private and public sector who want to gain and sustain competitive advantage through formulation and implementation of superior strategies that will enhance performance.

### **2.2.1 Contingency Theory**

This theory is about effective leadership and was advanced by Fiedler in the 1960's. Burnes (2000), in reference to the Contingency Theory, argues that there is no best way of managing organizations. This is because organizations operate in diverse context with factors such as structure, culture ,size ,type and complexity vis a vis the organization's external environment determining what strategy would lead to organizational success.

The theory contends that there is no universal way to manage and design an organization and its subsystems must 'fit' with the environment (Awino & Karuiki, 2012).This is because the organization depends on the environment for resource inputs and produces goods and services for consumption by the environment.

The theory affirms the complexity dynamism and unpredictable nature of the environment which suggests that traditional approaches to strategic Management may not always work. It is therefore important that each organization understands the environmental context in which they operate and how those factors affect their operations for them to come up with responsive strategies and implementation tactics that would impact positively to achievement of their set objectives.

Nzuve & Njeru (2013), found out that some of the perceived factors affecting performance management among local Authorities in Kenya include stakeholder involvement, organizational culture and leadership commitment. This means that the behaviour of a firm's leadership has an impact on the success of strategy implementation and ultimate performance of the firm. Therefore a successful strategic

move by one firm could be a total failure in another firm depending on the effectiveness of the leadership. Proponents of the theory argue that classical theories failed because they neglected the fact that management style and organizational structure are influenced by the various aspects of the environment. Ideally, there are two categories of leadership behavior that are necessary for effective leadership. These include relation oriented behavior which refers to a leaders ability to build rapport and interpersonal relationships and task oriented behavior that provide structure to the organization for example through role assignment, planning and scheduling to ensure tasks completion and goal achievement.

### **2.2.2 Behavioral Theory of the Firm**

Many government Corporations have embraced the concept of strategic planning in the recent past to enhance their performance through better decision making. This is because it has been argued that planning enhances decision making (Thompson Jr., Strickland III, & Gamble, 2008). Performance Management is essential for enhancing organizational effectiveness and organizations need to put in place performance management systems that clearly define expectations and helps align employee behavior with the culture and business needs of the organization.

Nzuve & Njeru (2013) argue that there is need to understand the relationship between Strategy ,People, Organiztional Design and performance systems for performance management to succeed. The behavioral theory of the firm takes the organization as the basic unit of Analysis by attempting to predict behavior with respect to price, output and resource allocation decisions. The theory argues that while small firms may operate under the guidance of the entrepreneur, such a simple model cannot

describe large Corporations. The large corporations are a coalition of individuals or groups which may include Managers, stockholders, workers and suppliers. These Coalitions are affected by decisions made in the organizations. The theory argues that Firm's sets goals which must be implemented through decision making at top and lower level of management.

To succeed, knowledge, skills, experience and perspectives of the wide range of people must be integrated (Nzuve & Njeru, 2013). Integration will be achieved through effective decision making to allow for prioritization in allocation of financial and human capital resources. Decisions have to be made on how to prioritize strategic action by carrying out financial assessment to assess availability of resources and improvement measures to assess whether the proposed actions improves the health of the firm.

According to behavioral perspective, managers develop aspirational performance levels for their firms based on historical firm performance and observed performance of peers or reference groups. Performance below aspiration indicates potential problems in attaining long term goals (O'Brien & David, 2014). This means that the firm must form time to time review their performance to see if the strategies they are implementing and the way they are implementing them is on course towards achieving their set aspirations.

However, decision making is not always rational since organizations are political Systems' made up of coalitions of people with at least partially conflicting goals and interests. Strategic decision making is best described as a combination of rational and



political insights where rationality shapes the cognitive limits and looping of strategic decision processes and the political perspective shapes the social context of the organization (Eisenhardt & Zbaracki, 1992).

### **2.3 Strategy Implementation and Organizational Performance**

There is an assumption that strategy is formulated then implementation follows in a clear sequential manner. In reality, strategy formulation and implementation are intertwined in a complex interactive process in which policies, values, organizational culture and management styles determine or constrain strategic decisions. Strategy, structure and systems mix together to influence outcomes (Mintzberg et al, 2002). Formulation involves setting of organizations objectives, coming up with alternative courses of action that can help in achieving the set objective and selection the best among those alternatives given an organizations key competencies and external environment. Strategy formulation must be based on highly aggregated, incomplete and uncertain information about the various strategic options to be analyzed. (Ansoff, 1990).

Managing the internal activities of the organization is not the only work of modern day executives. Executives today have to respond to the challenges posed by the organizations immediate and remote environment. Strategic management is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objective and involve large scale, future oriented plans for interacting with the environment to achieve these objectives (Pearce II & Robinson Jr, 1991). Some of the remote environmental factors include competitors, government, suppliers and scarce resources.

Implementation is the action stage of the strategic management process. It is the most difficult and complex stage and involves mobilization of employees and managers. The goal of implementation is to unite total organization behind strategy and involves all units in the organization though top management should initiate it and will succeed if employees are fully involved (Musa, 2014) Strategy implementation is comprised of a series of sub activities which are primarily administrative with the purpose of determining how resources of the organization must be mobilized to accomplish its strategy in a cohesive manner (Mintzberg et al, 2002).

How well a management team performs this task plays a big role in determining whether an organization performs to its potential. “A good strategy and good implementation are the most trustworthy proof of good management” (Thompson Jr & Strickland III, 1989). Converting strategic plans into actions and results tests a manager’s ability to direct organizational change, motivate people, build and strengthen the organizations competencies and competitive capabilities as well as create and nurture strategy (Thompson Jr & Strickland III, 1989). To be effectively implemented, strategy must be institutionalized. That is to mean it must permeate the day to day life of the organization (Pearce II & Robinson Jr, 1991).

Strategy formulation and implementation does not guarantee automatic achievement of the set objectives. This is because the organization operates in a dynamic environment and ordinarily, a lot of time lapses between strategy initial implementation and achievement of the intended results during which time a lot of investments are made and actions taken to implement the strategy. Changes take place both in the internal and external environment and hence the need for strategic

controls. These controls provide the basis for adopting the organizations actions and direction is implementing its strategy to those developments' and changes (Pearce II & Robinson Jr, 1991).

The linkage between strategy and performance is central to strategic Management. Nevertheless, empirical studies have produced mixed results on the nature of this relationship (Luona, 2015 ). The Author argues that a firm should adopt hybrid strategies to achieve superior performance. A firm's management style, organizational design, human resource practices and corporate Culture have an impact on the performance. An accurate assessment of the impact of strategy on organizational performance requires not only financial evaluation criteria but also non-financial evaluation criteria (Pearce II & Robinson Jr, 1991).

Performance measurement involves establishing whether the organizations chosen strategy is achieving objectives. Strategic management is incomplete until the strategy implemented is continually monitored to ensure the organization stays on course. This helps answer the questions; is the organization on track? How is the implementation process moving? Strategy evaluation is the trigger point for deciding whether to continue or change the company's vision, objectives, strategy or strategy execution methods (Thompson Jr & Strickland III, 1989). If the company's direction and strategy seem well matched with the industry and competitive conditions and performance targets are being met, management can then focus on fine tuning the strategy and continue the efforts to improve execution.

Strategy evaluation answers the questions as to whether the objectives, major policies and plans of the organization appropriate and whether the results obtained to date confirm or refute assumption on which the strategy rests (Mintzber et al, 2002). Strategic managers must watch for early signs of market place response to their strategies and provide monitoring and control methods to ensure their strategic plan is followed (Pearce II & Robinson Jr, 1991). The process of evaluation should be an ongoing one and not an on and off task (Thompson Jr & Strickland III, 1989), it involves continuously evaluating performance and initiating corrective action in the company's long term direction, objectives and strategy.

According to Ngatia (2011), government parastatals should adopt strategic management so as to formulate reforms, enhance management and improve performance and service delivery. Although it is argued that the correlation between performance and strategy has not been conclusively established, and that strategic planning is not the sole contributor to performance, firms with excellently executed strategies perform better than their counterparts (Okwako, 2013). Letting (2009) in his study on the link between leadership, Strategic management and firm performance found out that existing conceptual and empirical contributions indicate that the two concepts are closely related and influence performance of organizations'. Ongange (2013), in his study on the relationship between strategic planning and organizational planning in Non-governmental Organizations in Kenya, found out that strategic planning played a key role in improving performance at Action Aid Kenya. Abdi (2014) found out that strategic planning increases effectiveness, built strong teams and led to a good fit between organizations external environment and its internal capabilities thereby improving performance.

Akello (2014) found out that strategic planning positively impacted performance at the Nairobi City Water and Sewerage Company. The studies also established that for strategies to work, Managers and CEOs must be key participants in strategy evaluation (Kinuthia, 2012). However, all employees should be involved in the process to ensure its success.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section details the various stages that were followed to complete the study. It describes the type of research that was carried out. This entails a description of the research design chosen by the researcher depending on the type of data intended to be collected analyzed.

The section also includes a blue print of what data was collected and what tools were used to collect data. It details how the data collected was measured and analyzed in order to assist the researcher answer the research question.

#### **3.2 Research Design**

The study employed case study research design. Case study is a detailed investigation of a single individual or group in a holistic approach aimed at capturing all the details of the particular individual or group. In this case, an in-depth examination of the subject of study was carried out as well as its contextual conditions. Case study design emphasizes on depth as opposed to breath of the subject matter.

The researcher is able to collect information about the behavior, perception and attitudes of individuals or phenomena. Emphasis on detail provides valuable insight for analysis of the information (Cooper & Schindler, 2003).The aim of this study will be to establish perceptions of respondents on the impact of strategy implementation on performance at the Kenya Urban Roads Authority.

### **3.4 Data Collection**

The study relied on primary and secondary qualitative data. Primary data is often relied upon due to its credibility as the information is collected directly from respondents. Primary Data was collected using an interview guide consisting of carefully phrased open ended questions aimed at encouraging free and open responses'. This was to ensure capturing of respondents perceptions on the study topic in their own words.

These data was collected by administering personal interviews using an interview guide. The target respondents were ten staff members drawn from Kenya Urban Roads Authority's top management and members of the strategic planning and performance management secretariat in the Planning and environment department.

Secondary data was collected from organizations documents such as the current and past strategic plans, Annual work plans, financial and Non-financial performance reports, industry publications and reports as well as other relevant material available to the researcher.

### **3.5 Data Analysis**

This study employed qualitative data analysis of both primary and secondary data collected using content analysis which aims at extracting key themes, concepts and arguments. Content analysis is a form of qualitative data analysis that enables the researchers to critic the information collected in detail.

Content analysis enables huge volumes of data to be sifted through in a systematic fashion and is a useful technique in discovering and describing the focus of individual, group, institution or social attention. It allows inferences to be made which can be collaborated with data collected and analyzed using other methods (Weber, 1990).



## **CHAPTER FOUR**

### **DATA ANALYSIS, RESULTS AND DISCUSSION**

#### **4.1 Introduction**

This chapter presents and discusses the analysis of data that was collected from the various respondent's as well as well as from secondary sources'. The data is analyzed using procedures laid down in chapter three.

Primary data analyzed is based on the interview guide that was presented to the respondents. The data is presented in prose form according to the areas covered in the interview guide.

#### **4.2 General Information**

The study sort to collect some background information about the respondents that were interviewed. The interviewee's were requested to indicate the position they held at Kenya Urban Roads Authority (KURA). From the responses', interview worked in various departments including planning and environment, Design and construction and Finance and administration. Interviewees were either General Managers in the departments or members of the Strategic planning secretariat. This ensured that the data collected was representative of the whole organization.

The study further sort to establish how long respondents had worked in KURA. Interviewees responded that they had worked in KURA for a period of between 3 to six years with majority of them having worked for 5 years. These was because the Authority has been in existence for six years.

The study further sort to establish whether according to the respondents Kenya Urban Roads Authority carried out strategic planning and if so what the span of planning was. Respondents reported that Kenya urban Roads Authority carries out strategic planning with a planning span of five years.

Interviewees reported that Kenya urban roads Authority had a dedicated division known as department of planning and environment which coordinated strategic planning and implementation. KURA has had two cycles of planning with the first being the 2008 -2012 strategic plan which was reviewed to come up with the current plan that runs from 2013 to 2017.

### **4.3 Strategy Implementation**

The study sort to find how Kenya Urban Roads Authority went about strategy formulation by requesting respondents to describe how the Authority carried out strategic objective setting, environmental scanning, stakeholder and staff involvement as well as making strategic choices. From the interviewees responses', the basis for strategic direction is drawn from the Mandate of KURA as described in the Kenya Roads Act 2007.

From the responses', KURA carries out internal environmental scanning through a SWOT analysis. This is done to establish the core competences and resource availability such as human resources, funding level, funding sources and the reliability of the same. SWOT analysis is coordinated by the strategic planning secretariat and involves a review of the current operations of the Authority. A representative sample of staff drawn from General Managers, Managers and chief officers are involved in the Analysis. The select group constitutes a strategic planning

committee. A retreat is organized for the committee for the purpose of internal environment analysis. The Authority also carries out external environment scanning through consultation and analysis of PESTEL factors in the country and the country's legislative framework. External environment scanning is done mainly using desk review of government circulars, relevant legislations, press releases and other government publications. Scanning is also done by holding stakeholder forums and meetings with project affected persons.

#### **4.3.1 Strategy Implementation Approaches**

The interviewees were requested to identify some of the approaches used to ensure effective implementation of implement strategies selected. From the responses', KURA's current strategic plan consists of five strategic objectives. Interviewees identified a number of approaches that are employed to ensure effective implementation of strategy including coming up with detailed activities to achieve each strategic objective. Interviewees reported that a cost for each of these activities is established and a detailed budget is formulated to finance the whole strategic plan.

The other approach is to come up with a detailed implementation schedule for the entire plan. These schedule is further broken down into periodical targets which cover one financial year.

Interviewees noted that from the Annual work plans are prepared to achieve the annual targets as per the implementation schedule. From this work plan a detailed implementation matrix is developed. This matrix indicate each activity to be carried out, the staff members' responsible, resources allocated, expected output and indicator of achievements. From this matrix, individual targets are set and communicated to

each staff member. Interviewees also reported that, the Authority has invested in information technology to build the internal capacity of employees. This included automation of all operations through installation of Enterprise resource planning and procurement of modern ICT equipment for all staff.

#### **4.3.2 Factors Affecting Strategy Implementation**

The study sort to establish what factors affected implementation of strategy in KURA. For their responses, interviews sighted a number of factors as having the greatest impact on implantation including funding levels and sources and reliability of the same. KURA depended on funding from government and development partners to finance its strategic plan and has no control over the amount of funding allocated to it during the financial year. Inadequate funding therefore means not all strategies can be implemented.

The other factor sighted by respondents was inadequate organizational capacity in terms of human resource and industry capacity in terms of consultants and contractors. This affects the quality of work and efficiency of operations.

Respondents also reported environmental factors such as the weather as a challenge in implementation of strategies since road construction is adversely affected by heavy rains thus affecting achievement of targets set in the strategic plan. Social political factors such as encroachment to road reserves, pressure for civil society and political interference by project affected persons were also reported as factors affecting strategy implementation.

Interviewees were requested to suggest ways that management can respond to the implementation challenges and some of the responses' given by interviewees were broadening funding sources, creation of secured fund for infrastructure development and capacity building through training of staff and other stakeholders.

#### **4.4 Monitoring and Evaluation of Strategic Plan**

The study sort to find out if the KURA carried out monitoring of the strategic plan. Interviewees indicated that this is done by monitoring the strategic plan implementation matrix. Requested to state how monitoring is done and how often, interviewees responded that each section or department monitors itself and reports to the strategic planning secretariat under the General Manager Planning and Environment. They further reported that monitoring is dome quarterly basis to track progress of annual targets. Reports are prepared quarterly and annually.

The study further sort to find out how feedback on monitoring of strategic plan is given to stakeholders and interviewees reported that Monthly, quarterly and Annual progress reports are submitted and made available to stakeholders. The study sort to establish what performance measurement tools are used by KURA. From the responses', the following tools are used to measure performance

##### **4.4.1 Actual Versus Planed**

The Authority monitors actual results in each strategic area and compares these to what was planned at the beginning of the period. This is usually done every quarter and reported to the Ministry of Transport and Infrastructure as well as the National Treasury.

Where performance does not match the planned targets, corrective action is initiated by management and actioned by the respective staff where performance is below targets. Measures done include budget absorption and project completion milestones. Respondents reported that the Authority has achieved more than 80% budget absorption rate in the financial year 2013/2014 as a result of proper planning.

#### **4.4.2 Performance Contracting**

This is a requirement for all government Agencies as per the law. Kenya Urban Roads Authority has linked its performance contracting to the strategic plan whereby annual targets in the PC are drawn from the strategic plan and resources are allocated on this basis. Performance contracting involves coming up with a detailed annual work plan with specific actions that are monitored through quarterly reports.

These reports are then discussed by management and submitted to the MoTI, the National treasury and the performance contracting department under the ministry of Devolution. The department of performance contracting conduct midyear reviews to establish progress and an Annual evaluation to establish achievement of targets. For the period that performance contracting targets have been linked to the strategic plan, KURA has been rated “VERY GOOD” as per annual PC Guidelines.

#### **4.4.3 Benchmarking**

Interviewees reported that the Authority benchmarks with other players in the Road infrastructure sub sector in the country as well as outside the country to evaluate its performance. This is done through exchange of sector consultation forums organized by the MoTI as well as visits to other countries for fact finding missions.

As a result of these, training of technical staff is prioritized on areas where the Authority has inadequate capacity to improve performance. The Authority also engages experts from foreign countries to assist in road designs and construction to benefit from best practices.

#### **4.4.4 Staff Performance Appraisal**

Interviewees reported that KURA carries out staff performance appraisal where individual targets that are drawn from the strategic plan. Annual targets are cascaded from senior managers to the lower cadre staff who are expected to achieve them. This helps in operationalization of the strategic plan.

Standard appraisal tools has been developed by the human resource department which is used to appraise staff twice a year. Interviewees reported that during staff appraisal, training needs assessment is carried out to facilitate capacity building to achieve strategic objectives.

#### **4.5 Strategy Implementation and Performance**

The study sort to get the opinion of respondents regarding to what extent Kenya Urban Roads Authority had achieved its strategic objectives over the years. From the responses', majority of the respondents felt that the Authority had achieved strategic objectives set while some felt that objectives set in the first strategic plan 2008-2012 had not been fully met due to various factors. One respondent alluded that "in the 2008-2012 strategic plan, strategies were more abstract and not easily operationalized because the plan was made when the Organization was too young and it was not easy to carry out comprehensive environmental scanning.

There was also inadequate human resource capacity”. Kenya Urban Roads Authority was formed in the year 2007 and started operations in 2008. All respondents report that in their opinion, KURA is on course to achieving the strategic objectives set out in the current strategic plan. The study sort to establish how strategies implemented by KURA have impacted on performance.

#### **4.5.1 Improved Decision Making**

Respondents reported that strategy implementation has resulted in improved decision making due to existence of well laid out plans that are communicated in advance to all stakeholders. Management presents work plans to the Board of Directors drawn from the strategic plan and these are easily approved for implementation.

Decision making at departmental and individual level are also improved. This also ensures that KURA remains focused towards achieving its mandate as per the Law. With clear plans, prioritization is also possible to achieve maximum impact within the planning period.

#### **4.5.2 Operational Efficiency and Effectiveness**

The study sort to find out if implementation of the strategic plan has impacted on operations efficiency and effectiveness. Interviewees reported that indeed strategy implementation had improved efficiency in the day to day operations as a result of improved customer service, prompt payment of contractors and efficient allocation of resources both human and financial.



Implementation techniques that had mostly contributed to improved operational efficiency included Automation of all activities of the Authority through implementation of Microsoft Dynamics Enterprise resource planning in the financial year 2013/2014 and training of staff on the use of the system. Training and capacity building on technical areas of road construction and project management also assisted in improving efficiency. The other technique carried out was ISO certification. The Authority has gone through the process of ISO certification and acquired ISO 9001:2008 certification in the financial year 2014/2015 and this has greatly improved day to day operations and service delivery.

#### **4.5.3 Stakeholder Satisfaction**

The study sort to find out how the process of strategy implementation has impacted on stakeholder satisfaction. Respondents indicated that the strategic plan laid down mechanisms to ensure stakeholder participation in that all stakeholders are involved when setting strategic objectives'. There is public consultation in all major road projects where social impact assessment is done before embarking on a new project.

Environmental impact assessments are carried out in consultation with the National Environmental Authority (NEMA) as well as periodic contractors' conference. All this is part and parcel of the strategic Plan 2013-2017 and they all have resulted in stakeholder satisfaction.

#### **4.5.4 Customer Satisfaction**

The interviewees were requested to give opinion as to whether strategy implementation had impacted on customer satisfaction. Most interviewees reported that customer satisfaction has improved with implementation of the strategic plan

since operational efficiency has been improved. These customers include staff as internal customers, suppliers, contractors and the general public who use the infrastructure constructed by KURA.

Interviewees reported that KURA carries out customer satisfaction surveys each year as part of the strategic plan implementation and the results have improved over the years. Interviewees also reported that as part of strategy implantation, the Authority had an active website where the public gets all information regarding projects being carried out at any particular point.

## **4.6 Recommendation to Improve Performance through Strategy**

### **Implementation**

Interviewees were requested to recommend ways of improving performance through strategy implementation. Some of the interviewees recommended increased sensitization of staff to ensure ownership of strategic the strategic plan thus making it easier to operationalize the plan, while other interviewees felt that there is need to set realistic targets taking into account all factors affecting the operations of the Authority.

Other interviewees also recommended that the Authority should look for ways of broadening funding source to ensure all planned activities are carried out as per the strategic plan. Others felt that Annual plan should be reviewed to take into account funding shortfalls during the financial year.

## **4.7 Discussion of Findings**

The study found out that Kenya Urban Roads Authority carries out strategic planning and implementation which is coordinated by the department of planning and environment. To come up with strategic plan, the organization carries out environmental scanning to understand the factors that are existent in its environment and how they influence its strategies. This agrees with the contingency theory which argues that there is no best way to manage an organization (Burnes, 2000). Organizations operate in diverse context with factors such as culture, size, type and complexity as well as external environment determining the strategy chosen. (Awino & Karuiki) (2012), argue that organizations depend on the environment for resource inputs and produce goods and services for consumption by the environment.

Kenya Urban roads Authority depend on the environment for resources such as funding and legislation and provide services that are required by the environment (public and stakeholders). Management has therefore to select strategies that will produce optimal results to satisfy their environment. The study also revealed that Kenya Urban roads Authority uses a participatory approach in strategic planning where all stakeholders are involved in formulation of strategic objective through stakeholder forums and management retreats.

The study also revealed that the effective implementation of strategies depend on decisions made by management. Management makes decisions that are implemented by the whole organization. This study found out that in Kenya Urban Roads Authority, a committee made up of senior management, managers and chief officers is constituted to come up with strategies to be implemented and come up with an

implementation matrix that is cascaded to the other staff to implement. This is in agreement with the behavioral theory of the firm which advances that large corporation are a coalition of individuals or large groups including managers, stockholders', workers and suppliers and decisions made by members of the coalition affects the whole coalition. Organizational goals are set at top management and must be implemented at all levels. For implementation of strategies to succeed, Knowledge, skills, experiences and perspectives of a wide range of people must be integrated (Nzuve & Njeru, 2013). This integration is achieved through effective decision making.

The study found out that KURA carries out performance measurement to establish how whether they are on course to achieving their strategic objectives using tools like benchmarking, performance contracting, comparison of actual Vs planned as well as staff performance appraisal. This is because strategy implementation is not and end in itself and strategies must be evaluated from time to time. This agrees with Thompson Jr & Strickland III ( 1989) who urge that Performance measurement answer the questions; is the organization on track? How is the implementation process moving? Strategy evaluation is the trigger point for deciding whether to continue or change the company's vision, objectives, strategy or strategy execution methods. This finding also agrees to the behavioral theory perspective which advances that managers develop performance levels for their firms based on historical performance and observed performance of peers and monitor their performance against these levels. Performance below aspirations indicate potential problems in attaining goals (O'Brien & David, 2014).

The study revealed that all members of staff and departments' are involved in performance measurements as departments monitor their own part of the implementation matrix and report to management on the progress periodically. This agree with Kinuthia (2012) who found out that although managers and Chief Executive Officers are key participants in strategy evaluation, all employees must be involved in the process to ensure success.

The study revealed that strategy implementation has improved performance at KURA through improved decision making, operational efficiency, improved customer and stakeholder satisfaction. Improved decision making and operational efficiency has let to provision of better services to the public. This agrees with Abdi (2014) who found out that strategic planning increases effectiveness, builds strong teams and led to a good fit between an organizations external environment and its internal capabilities. Akello (2014) also found out that strategic planning positively impacted on performance at the Nairobi City Water and sewerage Company.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter summarize the findings of the research and draws conclusions from the major findings. The study was about strategy implementation at the Kenya Urban Roads Authority and the impact it has on performance of the Organization.

This Chapter also summarizes the recommendations' of the study based on the data collected. It also outlines the limitations encountered during the research and gives suggestions for further research.

#### **5.2 Summary of Findings**

Implementation of the strategic plan at Kenya urban roads Authority is coordinated by the department of planning and environment. The strategic plan is broken down into more detailed Annual strategies. The organization comes up with an annual budget which allocates resources to the specific strategies and activities. This is then translated into an implementation matrix that details each activity to be carried.

This schedule indicates who is responsible for implementing each activity, what outputs are expected from each activity and resources' allocated to the activity. Periodical targets are drawn from the strategic plan and are cascaded to all cadre of staff. Those targets are the basis of performance measurement. The authority has undertaken measures to ensure effective strategy implementation such as automation of operations through installation of Enterprise resource planning and acquisition of ISO 9000:2008 certification.

Several factors affect strategy implementation including inadequate funding which sometimes results in some activities not being carried out. Another factor that affects implementation is inadequate capacity in terms of human resources as well as industry capacity. Environmental factors such as adverse weather conditions and social political factors such as encroachment to road reserves' and issues to do with project affected persons affect implementation. Management can mitigate the effects of these factors by broadening the funding source, training and development and timely compensation and resettlement action plans for project affected persons.

Strategy implementation is monitored through monitoring of the implementation matrix. Various tools of measurement including comparison of Actual performance against set targets, performance contracting, staff performance appraisal as well as benchmarking with peer organizations. Feedback on performance is given in terms of monthly, quarterly and annual reports to management and other stakeholders.

Performance is measured to establish the impact of strategy implementation in terms of stakeholder satisfaction, customer satisfaction as well as decision making in the organization. Operational effectiveness and efficiency are also impacted by strategy implementation.

### **5.3 Conclusion**

From the finding, the study concludes that Kenya Urban roads Authority carried out formal strategic planning and strategy implementation is well coordinated by the department of planning and environment. Implementation of strategy is a well-coordinated process which involves all members of staff by use of the implementation matrix. In order for strategies to be effectively implemented, they must be Broken

down into workable detailed workplans with specific activities geared towards achievement of the set objectives. Management engages in prioritization of activities through decision making and allocation of human resources as well as other resources'. ICT has been used to enhance effective strategy implementation by the Authority.

From the findings the study concludes that strategy implementation at the Kenya Urban roads Authority has improved performance of the organization which can be demonstrated by improved decision making due to formal planning. With well-organized implementation plan decisions are made faster and easily. Strategy implementation has also improved performance through operational efficiency and effectiveness that is made possible by well planned activities and an implementation matrix that details what each person is expected to. Further, use of ICT as one of the strategic approaches has greatly improved operational efficiency. The study also concludes that performance has been improved as can be demonstrated by improved customer and stakeholder satisfaction.

#### **5.4 Recommendations**

The study found out that implementation is coordinated using the implementation matrix developed at the planning stage. Due to environmental factors, targets that were set at the beginning of the period may not be realistic due to issues such as funding shortfalls that may occur during the financial year or adverse weather conditions that make it difficult to implement the activities as planned. The study therefore recommends that plans should be reviewed continuously during the year to ensure targets being measured are more realistic.



The study further recommends that staff who are not in management should also be incorporated in the planning process so that all cadres can own the strategies and thus make implementation of the selected strategies easy. This will improve decision making as a result of decentralization of the planning process and would further improve performance.

Management should ensure that operational action plans are in line with the overall strategies and are communicated to all staff in good time to facilitate operationalization of the strategies for smooth and successful implementation. Staff performance measurement should then be based on these tactical plans. There should also be a well understood process of rewarding good performance so that staff are motivated to perform even better. This will ultimately translate to improved organizational performance. Management should also ensure continuous improvement of skills of all staff to improve performance through training and development.

## **5.5 Limitation of the Study**

Limitation for this study is any condition that may have affected the achievement of the research objectives. Some of the limitations encountered include that fact that the research was carried out within a limited time period. Being a case study that required collection of data from senior managers using an interview guide, it was difficult to get adequate time to interview some of the managers due to their busy schedule. In some instances, the interview had to be interrupted and continued at a later time.

The second limitation arose from the fact that information require was subject to perceptions, attitudes of interviewee's which could not be quantified or verified objectively by the researcher.

## **5.6 Suggestion for Further Research**

The study was a case study which concentrated on Kenya Urban Roads Authority which is one of the various Government agencies in the Road infrastructure sub sector in Kenya. The study recommends that further studies be carried out in the other Agencies who are involved in construction and maintenance of road networks in the country to allow for generalization of findings.

The study was carried out by interviewing senior managers of the organization and recommends that in the future research on other Agencies, information can be collected from staff drawn from all cadres of staff to get their perceptions so that the findings are more representative of the entire organization.

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# APPENDICES

## Appendix I: Letter of Introduction



**UNIVERSITY OF NAIROBI**  
**SCHOOL OF BUSINESS**  
**MBA PROGRAMME**

Telephone: 020-2059162  
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P.O. Box 30197  
Nairobi, Kenya

DATE: 31/8/15

### TO WHOM IT MAY CONCERN

The bearer of this letter... MBATIA ELIZABETH MURUGI

Registration No... DG1/68401/2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

**PATRICK NYABUTO**  
**MBA ADMINISTRATOR**  
**SCHOOL OF BUSINESS**



## **Appendix II: Interview Guide**

The purpose of this interview Guide is to evaluate the Strategy implementation process and assess the impact it has on performance of Kenya Urban Roads Authority

### **SECTION A: STRATEGY IMPLEMENTATION PROCESS**

1. What is your position at Kenya Urban Roads Authority?
2. How long have you worked for the Authority?
3. Does Kenya Urban Roads Authority carry out strategic planning and if so, what is the span of planning
4. Does the Authority have a dedicated division that coordinates strategy formulation?
5. Describe how the Authority carries out the following: Setting strategic direction, environmental scanning, setting strategic objectives, stakeholder and staff involvement in strategy formulation, Making strategic choices
6. What strategy implementation approaches does the Authority employ to achieve its set objectives
7. How does the Authority operationalize the chosen strategies in the day to day activities of employees
8. What factors in your opinion affect strategy implementation at Kenya Urban Roads Authority?
9. What would you recommend to management as measures to respond to the challenges encountered in strategy implementation



## **SECTION B: STRATEGY AND PERFORMANCE**

1. In your opinion, to what extent has Kenya Urban Roads Authority achieved its strategic objectives
2. In your opinion, how do you think the strategies implemented by Kenya Urban Roads Authority have impacted on performance
3. In your opinion, which strategy implementation techniques have contributed the most to performance
4. What performance measure tools are used by Kenya Urban Roads Authority?
5. Who are involved in performance measurement at Kenya Urban roads Authority
6. How does Kenya urban roads Authority carry out evaluation of its strategic plans?
7. How often is evaluation done and what role does your division and staff in your division play in the process?
8. How is feedback on performance disseminated to stakeholders? How often
9. How does the Authority ensure the following aspects of performance in the strategy implementation process
  - a. Stakeholder satisfaction
  - b. Operating efficiency
  - c. Customer satisfaction
  - d. Operationalization of strategies
10. Recommend ways of improving performance through strategy implementation process.

### Appendix III: Research Gaps Summary

Title	Author	Focus	Outcome/Findings	Year	Gap
Strategic planning and performance of Kenyan Banks: a case study of NBK	Adan Salah Abdi	➤ Strategy and performance at NBK	<ul style="list-style-type: none"> <li>➤ Strategic planning is commonly practices to enhance organizational performance</li> <li>➤ SP increase effectiveness, built strong teams and led to a good fir btn external environment and internal capabilities</li> </ul>	2014	Focus on Road infrastructure subsector and impact of strategy on performance
Strategic planning and organizational performance at the Nairobi City Water and sewerage Co ltd	Violet AwinoAkello	Strategy ad performance	SP has positively impacted performance	2014	Focus on Ro Focus on Road infrastructure subsector and impact of strategy on performance

The link between leadership, strategic management and firm performance; A critical literature review	Nicholus K. Letting Unpublished PHD thesis UON	➤ Examined the concept of strategic management and what it entails in the context of dynamic business environment and their impact on firm performance	➤ Existing conceptual and empirical contributions indicate that the two concepts are closely related and influence the performance of organizations	2009	Focus on Road infrastructure subsector and impact of strategy on performance
Strategic Planning and performance of public	OkwakoAwanyaDamary	➤	➤ Although it is argued that the correlation of SP and performance	2013	Focus on Road infrastructure subsector and

secondary schools in Rarieda District Kenya			<p>has not been clearly established, and that although SP is not the only contributor to firm performance, firms with excellently executed strategies perform better than their counterparts</p> <p>➤ Most schools in the district practiced SP and SP is positively correlated to performance</p>		impact of strategy on performance
Relationship between SP and organization performance in NGOs : A case of	Ongange Julian	Establish how SP has assisted Action Aid to improve performance	SP directly contributes to organizational performance	2013	Focus on Road infrastructure subsector and impact of strategy on

ActionAid Kenya					performance
SP practices and performance of Kenya Women Holding ltd	TeresiaNyamburaWakahia		Commercial banks that employ SP achieve operational excellence and effectiveness' which in turn impact positively on performance	2014	Focus on Road infrastructure subsector and impact of strategy on performance
Strategic management practices by Government agencies in the Road Construction industry in Kenya	MasitaWilliam Okari	➤ Analysis of strategic management practices at six road construction agencies in Kenya	➤ All the six road construction agencies in Kenya applied strategic management practices though no uniform process was followed	2013	Impact of strategy on performance
Strategy implementation at Kenya Urban roads	Musa Esha Husein	Establish how Kenya Unban roads Authority carried out implementation	➤ Kenya urban roads Authority implemented five year strategic plans	2014	Impact of Strategy

Authority		of strategic plans	➤ Senior management played a key role in strategy implementation		implementation on performance
Strategic Management at Kenya Rural Roads Authority	Ngatia Eunice W.	<ul style="list-style-type: none"> <li>➤ To establish the extent to which strategic management is adopted at the Kenya Rural Roads Authority</li> <li>➤ Establish the Challenges faced by the Authority in strategic planning process</li> </ul>	<ul style="list-style-type: none"> <li>➤ Kenya Rural Roads Authority adopted strategic management practices led by their senior management</li> <li>➤ Challenges encountered include inadequate resources ,staff resistance and inadequate use of Information technology</li> </ul>	2011	Impact of Strategy implementation on performance
Change management practices by Kenya roads Authorities	Kihara Stephen K.	<ul style="list-style-type: none"> <li>➤ Establish reasons for adopting change management and factors affecting adoption of change management by roads Authorities in Kenya</li> </ul>	<ul style="list-style-type: none"> <li>➤ Change management in Roads Authorities in occasioned by the need to improve performance and reduce costs</li> <li>➤ Factors affecting adoption of</li> </ul>	2010	Evaluation of strategy implementation and Impact on performance

			<p>change management include  level of communication, staff  involvement technology  strategic choice and resource  availability</p>		
<p>Strategic responses’  by the Ministry of  Roads to the  challenges facing the  roads sub-sector in  Kenya</p>	<p>Mokaya Elmelda</p>	<p>To establish challenges facing  roads sub-sector in Kenya and  strategic responses implemented  by the ministry of Roads to  overcome the challenges</p>	<ul style="list-style-type: none"> <li>➤ Challenges faced by the  roads sub-sector in Kenya  included inadequate funding  and cumbersome institutional  framework</li> <li>➤ Strategic responses’ applied  include diversification of  funding sources, privatization  of some roads construction  components ,staff training  Legislation to address the  cumbersome institutional  framework through the  Kenya Roads Act 2007 and</li> </ul>	<p>2010</p>	<p>Evaluation of  the strategy  implementation  and its impact  on performance</p>

			technological advancement		
Strategy implementation at Kenya National Highways Authority	Jeptoo Maswan	To establish how the Authority carried out strategy implementation and factors that influences the process	The Authority implemented its strategy me dividing it into short term, medium and long term strategies and for ease of implementation. Factors influencing strategy implementation were organizational culture, poor communication and insufficient resources.		Impact of Strategy implementation on performance