

**STRATEGY IMPLEMENTATION IN TECHNOLOGY BUSINESS  
INCUBATION: A CASE STUDY OF I-HUB KENYA**

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## DECLARATION

This research project is my original work and has not been presented to any university or institution of learning for the award of any diploma or degree.

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

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## **DEDICATION**

This study is dedicated to my family especially my wife Hellen and My son Glenn for their constant moral support through the challenging journey. Special dedication goes to my Mother, Gladys, for providing me with great care and ensuring that I got Education and finally achieved my long cherished dream.

## **ACKNOWLEDGEMENT**

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My appreciation goes to all the Members of I-Hub community who played a critical role in providing useful information through interviews and other materials for this study. I am truly grateful for taking time off your busy schedules to provide critical information needed to make this study a success.

To my family I say thanks for your moral support and encouragement during this academic journey. To you all I owe you success.

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## **ABSTRACT**

In any organizational environment, strategy implementation is critical in creating and sustaining competitive advantage. In today's unpredictable and competitive environment, there is an increasing recognition of the need for more dynamic approaches to formulating as well as implementing strategies. Implementing strategy is tougher and more time-consuming than strategy-making. Each implementation situation occurs in a different context, affected by different factors such as business practices and competitive situations, work environments and cultures. Strategy implementation is the critical phase of strategic management process as it involves translating strategic thought into organizational action. Strategy implementation is concerned with how the choices will be put into action and how to manage changes required in the process. This study was investigating the strategy implementation at I-Hub and determine challenges encountered by the Organization in implementing its strategies. The findings of this study will contribute to building the existing body of knowledge in strategic management and specifically on strategy implementation. A case study approach was taken on I-hub. To obtain primary data, I-Hub departmental heads and CEO were interviewed with a guidance of an interview guide. Secondary data was obtained from the organization's website and printed records. Data was analyzed in accordance with the objectives of the study using content analysis method. The results revealed the company's strategy implementation process and challenges faced by the organization in the process. It is recommended I-Hub needs to allocate more resources in terms of finances towards making the exercise smoother. Additionally, I-Hub should develop an employee retention plan to ensure that critical employees do not leave the organization particularly in the process of strategy implementation. The organization should also develop a plan to professionally review the progress made during the strategy implementation process. There were limitations of the study. The responses were likely to be biased since the interviewees were the actual people involved in strategy implementation. Availability of informants was also a challenge due to engagements such as leave and fieldwork. Further research is suggested to study strategy implementation across many firms in the Technology Business Incubation sector



# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

The business world is entering a new frontier composed of rapid, unpredictable change and substantial uncertainty that is transforming the nature of competition. Success in today's business world requires new managerial mind sets that emphasize global markets, strategic flexibility, and the ability to tolerate and harness change (Hitt, Ricart, and Nixon, 1998). To survive in the current unpredictable business environment; organizations have found it extremely important to craft and implement winning strategies that ensure their successful existence and sustenance.

Effective strategy implementation results when organization, resources and actions are tied to strategic priorities, and when key success factors are identified and performance measures and reporting are aligned (Deloitte and Touché, 2003). As noted by Sterling (2003) organizations do not find it difficult to formulate strategies but the difficulty comes in implementation.

Effective strategy implementation is very difficult and the more radical the degree of change required by the strategy, the more difficult strategy implementation becomes. The strategy implementation process varies across organizations as each organization is unique and faces unique challenges depending on the environment in which it is operating.

Technology business incubation in Kenya is a sector that is growing and attracting attention and support from the Government and global corporations. This is because it is a channel for economic growth as it nurtures entrepreneurs by providing them with the required financial support which is critical at their infancy.

In Kenya, I-hub is an organisation that is on the forefront in nurturing technology based business start-ups since 2007. I-Hub has seen the realization and growth of innovative ideas and solutions that have shaped lives in Africa and the world. In order for I-Hub to grow and continue its operations, it needs to implement innovative strategies that will enable it survive the dynamic economic environment.

### **1.1.1 Strategy Implementation**

Strategy implementation is one of the components of strategic management and it refers to a set of decisions and actions that result in the execution of long term plans designed to achieve organizational objectives (Pearce and Robinson, 1997). Strategy implementation is critical to an organisation's success as it addresses the who, where, when, and how of reaching the desired goals and objectives.

According to Harrington (2006), strategy implementation is an iterative process of implementing policies, programs and action plans that allows an organisation to utilize its resources to take advantage of opportunities in the competitive environment. Hrebiniak and Joyce (2001) described implementation as a series of interventions concerning

organizational structures, key personnel actions, organizational systems designed to control performance with respect to desired ends.

Well-crafted strategies will fail if not properly implemented and a sound strategy is only part of the success equation. Regardless of how good the formulated strategy is, the organization will not benefit if it is incorrectly implemented. Pearce and Robinson (1997) noted that in order for organizations to achieve their goals and objectives it is necessary for them to adjust to their environment hence managers have the task of translating the organizations strategy into organizational action and move from planning their work to working their plans as they shift focus from strategy formulation to strategy implementation.

According to Woodside (2010), systems theory, organizations can be open or closed depending on the presence or absence of the organization's interaction with the surrounding environment. Organisations are open systems since they interact with the external environment which is increasingly becoming unpredictable prompting organizations to craft and implement working strategies more than ever before. The strategy implementation process in an organization needs the keen attention and commitment of all involved failure to which results in the actual implemented strategy being very different from what was initially planned.

Alexander (1985) identified inadequate planning and communication as two major obstacles to successful implementation of strategy. Converting strategic plans into actions

and results tests a manager's ability to direct organizational change, motivate people, build and strengthen company competence and competitive capabilities to meet the set performance targets.

According to Thompson and Strickland (2007) strategy implementation can be considered successful if things go smoothly enough that the company meets and beats its strategic and financial performance targets and shows good progress in achieving its strategic vision. When implementing a strategy, it is important not to ignore the existing environment that range from organizational structure, cultural aspects, and trends in the industry, human resources and organizational objectives. It is within the existing environment that clarity of the strategy and the intended results are communicated together with assigning responsibilities.

As noted by Collins (1996), communicating with employees on strategy implementation should be done coherently throughout the strategy implementation process so as to have them feel as being part of the process and thereby reducing the chances of resistance to intended strategic changes. In addition, this will make the employees take ownership of the implementation process and stop viewing the whole process as a management issue but an organizational issue. Therefore organization should ensure consistent communication from strategy formulation to strategy implementation.

### **1.1.2 Technology Business incubation in Kenya**

Technology business incubation (TBI) is relatively a recent sector in Kenya and Africa in general. TBI is a part of the larger industry of business incubation which focuses on nurturing technology related business start-ups. The National Business Incubation Association (2009) defines business incubation as a support process that accelerates the successful development of business start-ups and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

Business incubation provides infrastructure and services designed to nurture new and small businesses by helping them to survive and grow through the difficult and vulnerable early stages of their development. Since the 1980s business incubation has become a popular policy instrument to foster entrepreneurship, innovation, and regional development (Centre for Strategy and Evaluation Services, 2002). Incubation can be viewed as a way of addressing market failures, which limit the ability of start-up organisations to overcome uncertainty and obstacles associated with the early stages of organisation development (Organization for Economic Cooperation and Development, 1997). Market failures stem from the relatively high costs and risks associated with providing support to start-up companies.

Technology business incubation in Kenya is steadily gaining importance and support from the government and private sector. This is because business incubation is viewed as a catalyst to accelerate the entrepreneurial process systematically, thereby institutionalizing the support of ventures with potential for high growth (Hansen, Chesbrough et al. 2000). The Kenya government through the Kenya Industrial Research Development Institute (KIRDI) in July 2006 established the Technology Business

Incubator programme with the aim of enhancing technology transfer and dissemination of the institute's findings that have a national impact on economic development. Through this programme, KIRDI aimed to support start up technology based enterprises in the development, assimilation, absorption, and utilization of requisite technology to accelerate their successful development. Since then, the government has established the Kenya ICT board whose mandate includes supporting and nurturing the development of technology business start-ups that drive economic growth of the country.

### **1.1.3 I-Hub**

I-Hub is a technology business incubation organization in Nairobi aimed at providing infrastructure and an amble working environment such as space for technology enthusiasts and ICT investors in Kenya. It is Nairobi's Innovation Hub for the technology community and technology investors in the Kenya. The organization focuses on young entrepreneurs, web and mobile phone programmers, designers and researchers. The organization also has a number of initiatives designed to build an ecosystem around the Kenyan technology entrepreneur such as I-Hub Research, I-Hub Consulting, I-Hub Supercomputing Cluster, and the I-Hub User Experience Lab.

I-Hub was officially launched in March 2010, and opened its doors to members in November of the same year. Nairobi already had a vibrant technology community way before the year 2007 inform of an online community called Skunkworks. The Skunkworks group joined hands with Kenyan bloggers abroad to develop Ushahidi platform, as a response to the 2007/8 post-election violence in Kenya. Ushahidi then

managed to get funding to open up a Nairobi office in 2010, which was built as an open space to house this technology enthusiastic community

I-Hub supports its activities primarily from donations and grants from corporates and Multinational organizations. Some of the major organizations funding operations at I-hub include Hivos, Omidyar Network, infoDev, Google, Intel, Microsoft, Samsung and Nokia. I-Hub intends to move towards self-financial sustainability and as such fourout of its six initiatives (Research, Consulting, Cluster and UX Lab) are profit-oriented and put 20 percent of their profits back into the organization.

I-Hub is not a monopoly in the technology business incubation sector in Kenya. Other organizations in this sector include Nailab and Nairobi Garage. Technology Business Incubation in Kenya is also being undertaken by institutions of higher learning with support from donors and private sector organizations. This has seen the emergency of Technology business incubators run by Institutions of higher learning in Kenya such as the University of Nairobi's C4D Lab, the Kenyatta University's Chandaria Business innovation and incubation centre, and the Strathmore University's-lab Africa. Strategy implementation will be of great importance to I-hub because in line with the current business environmental challenges it needs to ensure that it adopts the right process to implement its strategy so that it remains relevant in the market amidst competition.

## **1.2 Research Problem**

Strategy implementation is an integral component of strategic management process and is viewed as the process that turns the formulated strategy into a series of actions and then results to ensure that the vision, mission, strategy, and strategic objectives of the

organization are successfully achieved as planned (Thompson and Strickland, 2003). Strategy implementation has attracted much less attention in strategic and organization research than strategy formulation or strategic planning. Alexander (1991) suggested that a reason for this is that strategy implementation is less glamorous than strategy formulation and people overlook it because of a belief that anyone can do it. On the contrary people are not exactly sure what it includes or where it begins and ends. Furthermore there are only a limited number of conceptual models of strategy implementation that can act as a professional guide in the process of strategy implementation

Strategy implementation is usually a challenge to many organizations. Effective Strategy Implementation is very difficult and the more radical the degree of change required by the strategy, the more difficult strategy implementation becomes. As noted by Kaplan and Norton (2001), many companies develop good strategies that they do not fully implement due to various reasons. This is partly due to the fact that strategy implementation is more involving as it will usually involves organization restructuring, changes in organization systems and processes, policy changes and in some cases changes in organization leadership.

I-Hub has been instrumental in the creation of several innovative solutions such as M-Farm, a mobile Information Resource Centre that focuses on delivering real time information to the farmers and Uhasibu, an award-winning online accounting system for SMEs. For I-Hub to continue nurturing similar innovative ideas it needs to create and maintain operational sustainability which requires implementation of inventive and winning strategies. I-hub operates in an open and very dynamic business environment

where challenges are expected in its strategy implementation process. For instance, it is also impossible to predict organizational sustainability since factors such as political, economic and technological changes pose a great challenge on the sustainability of donor funding and by extension hindering the continuity of its operations.

A number of researchers have conducted studies on strategy implementation. Catherine (2008) studied Strategy Implementation at Kenya Commercial Bank. Karimi (2007) carried out a study to determine the strategic responses of Kenya Commercial Bank to a changing competitive environment. The study focused mainly on strategies that can be adopted in a competitive environment. However her study did not cover the challenges in the implementation phase. Aiko(2009) focused on what factors influence the development and implementation of strategy at GlaxoSmithKline, Koske(2003) looked at the challenges in strategy implementation in Public Corporations a case of Telkom Kenya. These studies found that strategy implementation was affected by many factors some of which are organizational factors like structure and culture and environmental factors such as competition.

Many studies have been conducted on strategy implementation in different organizations which reveal that the process varies across organizations. This has been attributed to the uniqueness of factors in each organisation's internal and external environment. This research aims at studying the process within the technology business incubation sector in Kenya which is relatively new. How is I-hub implementing its strategies?

### **1.3 Research Objectives**

This study had three objectives. These were:

- i) To establish how I-Hub has been implementing its strategies.
- ii) To determine challenges faced by I-Hub in strategy implementation.
- iii) To establish how I-hub has been able to overcome strategy implementation challenges.

### **1.4 Value of the Study**

The findings of this study will be important to current and future scholars who may need to research on strategy implementation within the technology business incubation sector in Kenya. The findings will contribute to increasing the existing knowledge on strategy implementation within organizations. More specifically results of this study will provide the management of I-Hub with a picture of the challenges that they may face while implementing new strategies and also help them in preparing adequately for the future and also enable them to know how to successfully implement strategies that will not fail once developed as they will know what implementation of strategies entails.

This research is also important since it seeks to establish whether people in charge of strategy implementation process in organizations understand the various concepts in the strategy implementation process. A replication of this study within a similar context would be ideal as it will seek to verify the findings from this study and also seek to establish whether the strategic implementation process adopted by I-Hub is unique to the organization or it can be replicated at similar organizations.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter seeks to review the previous studies that have been done on strategy implementation by various researchers, scholars, analysts and authors. The chapter is hence broken down into various sub-topics such as the theoretical foundation, strategy implementation, strategy implementation models and challenges of strategy implementation

### **2.2 Theoretical foundations of the study**

Strategy implementation is one of the key perspectives of the strategic management process of an organization. Strategy implementation in organisations is a process that is informed and guided by the resource based view and stakeholder theories.

#### **2.2.1 Resource Based View**

The resource-based view (RBV) is a theory that highlights availability of organisation resources as an important element to superior firm performance as they enable a firm to gain and sustain competitive advantage (Rothaermel, 2012). As noted by Rothaermel (2012), organisational resources of the right quality and quantity are important for strategy implementation. Resource based view of the firm points out that the desired outcome of a managerial effort within the firm is a sustainable competitive advantage (SCA). Achieving a SCA allows the firm to earn economic returns over and above-average. This essentially focuses attention on how firms can achieve and sustain competitive advantages using existing organisational resources.

The resource-based view further contends that the possession of certain key resources, that is, resources that have characteristics such as value, barriers to duplication and relevance. A SCA can be obtained if the firm effectively deploys these resources in its product-markets. The Resource Based View therefore emphasizes the importance of implementing the correct strategic choice, tasking the firm's management with the important tasks of identifying, developing and deploying key resources to maximize return.

The resource based view brings to light the fact that rival organizations may not perform at a level that could be identified as considerable competition for the organizations that have been well established in the market because they do not possess the required resources to perform at a level that creates a threat and competition. An organization should exploit existing business opportunities using the present resources while generating and developing a new set of resources to sustain its competitiveness in the future market environments. To achieve this, it requires successful implementation of working and winning strategies.

### **2.2.2 The Stakeholder Theory.**

Stakeholder theory examines the organization in the context of a wider range of implicit and explicit constituents known as stakeholders. Such stakeholders include employees, creditors, customers, suppliers, government and the community in which an organization operates. In this theory competitors are sometimes counted as stakeholders since they have capacity to affect a firm. Mallin (2010) notes that these stakeholders have legitimate

expectations, urgent claims, purpose, needs and control regarding the firm hence are affected by and affect the activities of the organization.

As explained by Philips (2003), the stakeholder view of strategy is an instrumental theory of the corporation, integrating both the resource-based view as well as the market-based view, and adding a socio-political level. This view of the firm is used to define the specific stakeholders of a corporation as well as examine the conditions under which these parties should be treated as stakeholders.

A stakeholder approach identifies and models stakeholder groups of a corporation and recommends methods by which management can give due regard to the interests of those groups. The theory attempts to address the principle of who or what really counts in the influencing the long term direction and mission of an organization (Freeman, 1984).

In the traditional view of a company, the shareholder view, only the owners or shareholders of the company are important, and the company has a binding duty to put their needs first, to increase value for them. Stakeholder theory instead argues that the other parties involved have capacity to affect a firm and its stakeholders hence they should be taken into account when creating and implementing strategies of an organization

### **2.3. Strategy Implementation in organizations**

An Organization's ability to successfully implement a formulated strategy is an important source of competitive advantage. Formulating strategy is difficult. Making strategy work by implementing it throughout the organization is even more difficult. Without effective

implementation, no business strategy can succeed. According to David (1997) successful strategy formulation does not guarantee successful strategy implementation. Unfortunately, most managers know far more about developing strategy than they do about implementing it (Hrebiniak et.al, 2001).

Various researchers studying strategy implementation in the past have identified different reasons why strategy implementation in organizations fails. Alexander (1991), states that one key reason why implementation of strategy fails is that practicing executives, managers and supervisors do not have practical, yet theoretically sound models to guide their actions during implementation. Without adequate models, they try to implement strategy without a good understanding of the multiple factors that must be addressed, often simultaneously to make implementation work

In a survey conducted by Robert Kaplan and Business intelligence (Rousseau and Rousseau, 1999), more than 40 percent of senior managers and more than 90 percent of all employees stated that they did not believe they had a clear understanding of their company's strategy. This means that successful strategy implementation is determined by the logical decisions and actions of all employees at all levels of the organization, and not just by the people who originally defined the strategy. Therefore the key to successful implementation is to recognize that senior-level leaders ought to act right, upon reflection and validation, rather than what they say-which is often prejudiced by their need to preserve their image and influence in the organization (Beaudan, 2001). Therefore, in

order to be efficient, an organization strategy needs to be complemented by an equally well-thought-out implementation plan.

According to Grant (2003), strategy implementation cannot succeed unless the strategy itself is designed to be executable, and the execution will not result in outstanding performance unless it is designed around the goal of maximizing financial value. According to Kotter (2012), 70 percent of all major change efforts in organizations fail because the organizations do not take the holistic approach required to see the change through. These are alarming statistics emphasize the need for more attention on the implementation part of the strategic change process.

As noted by Lynch (2003), strategy implementation involves everybody in the organization. The more ineffective the top management's decisions are, the more ineffective the choices made at lower levels of management become. Similarly if top management's strategic choices are to be successful, it reflects favorably on choices made in other parts of the organization.

For a successful strategy implementation process to occur, it requires sound mechanisms for directing activity and behavior of all organization members involved. This includes effective communication systems as well appropriate strategic and management controls through the strategy implementation process.

Strategy implementation involves both operationalization and institutionalization of strategy. Operationalization is concerned with turning strategic intent into operational reality. Armstrong (2014) argue that there is often more to operationalizing strategy than making structural changes, redesigning processes and training staff. They advise that for strategies to be truly successful, leaders need to create the conditions that enable the organization to pull itself into an improved future, a future that not only reflects the strategic intent of the organization, but also becomes operational reality. For this to happen, institutionalization must occur.

## **2.4 Models for strategy implementation**

The strategy implementation literature presents various models showing the organizational characteristics suggested as significant factors for effective strategy implementation. Starting in the early 1980s, frameworks have been developed that are largely conceptual and/or descriptive (Okumus, 2003). Some of the common strategy implementation models include Bullock and Batten's four stage model and McKinsey's 7S model.

### **2.4.1 Bullock and Batten's four stage model (1985)**

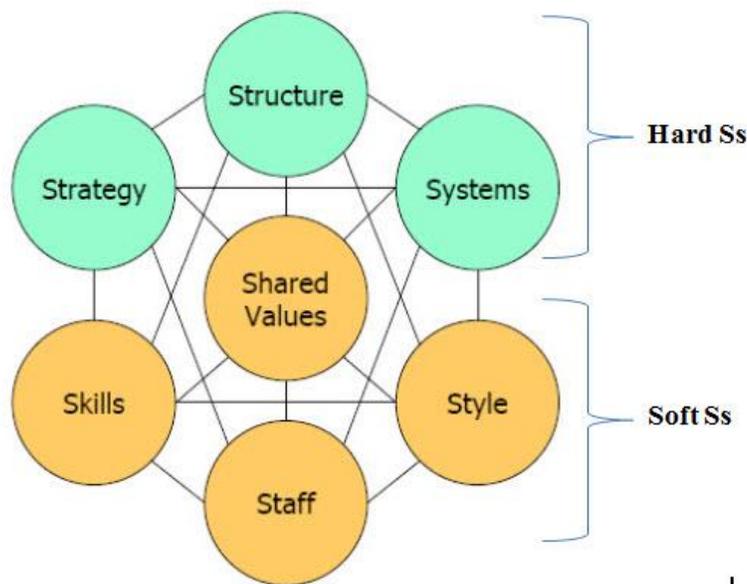
Bullock and Batten (1985) provides a model in which they viewed strategy implementation in organizations as involving four broad stages. They identified these stages as exploration, planning, action and Integration. They explained the exploration phase as the initial stage where the organization has to make decisions on the need for

change. This includes exploring and deciding on the need for change, identifying what changes are required as well as identifying the resources required to effect this change.

The planning phase is the stage where the organization understands the problem, collects information, sets change goals, designs action plans and agrees with stakeholders on the need to implement the strategy. The action phase involves the implementation of changes and getting buy in from all employees affected and then conducting an evaluation of strategy implementation activities. The final stage is the Integration phase and involves consolidating and stabilizing change and then reinforcing the new behaviours into the organization

## 2.4.2 McKinsey's 7 S Model

Figure 2.1 McKinsey 7s Model



Source : Trenholm, B., and Bradshaw, M. (2009, April 4). *Business Strategy Tools*.

Retrieved July 6, 2015 [http://www.strategytools.blogspot.com/2009\\_04\\_12](http://www.strategytools.blogspot.com/2009_04_12)

One of the models describing the key variables for effective strategy implementation is the McKinsey's 7S model. Developed in the early 1980s by Tom Peters and Robert Waterman from McKinsey and Company consulting firm, the basic premise of the model is that there are seven internal aspects of an organization that need to be aligned if it is to be successful. The 7S' (strategy, structure, systems, staff, skills, style, and shared values) and stated that interconnections among these 7 variables facilitate organizational change and progress. This model depicts the multiplicity of 7 variables affecting the organization's ability to execution of the planned strategies. The model helps to focus managers' attention on the importance of linking the chosen strategy to a variety of activities that can affect the implementation of that strategy (Waterman, R.et al, 1980).

As explained by Fleisher and Bensoussan (2007), the seven factors in the framework are categorized as either hard or soft elements. Strategy, Structure and Systems are classified as hard elements as they are easier to define, identify and management can directly influence them. The Soft elements, on the other hand, can be more difficult to describe, are less tangible and more influenced by culture. They are also more likely to be continuously developing and changing since they are highly determined by the people at work in the organization. Although the soft "S" factors are below the surface, they can have a great impact of the hard Structures, Strategies and Systems of the organization.

As noted by Collins (2002), the soft factors can make or break a successful strategy implementation process, since new structures and strategies are difficult to build upon inappropriate cultures and values. Hence soft Ss'are as important as the hard elements if

the organization is going to be successful in implementing its strategy. The lines connecting each element identify the mutual dependency between each element. Strategic failure may be attributable to lack of attention to one or a combination of seven elements. The circularity of the model focuses the analyst's attention on the absence of hierarchical dominance.

As explained by Collins (2002), in order to use the 7s model in strategy implementation, one needs to visualize the end result in mind. This requires one to understand the change needed and work backwards while asking questions on how the organization can best be aligned across all the seven elements of this model in order to achieve success. The 7S model can help strategy implementers to analyse the current organization situation, the organization future goal and then identify the inconsistencies between them and then adjust the elements towards achieving this goal.

### **2.4.3 The Balanced Score card Model**

The Balanced Scorecard (BSC) framework by Kaplan and Norton (2001) is a strategic performance and a management tool that provides a framework for business units to translate company's vision and strategy into implementation. It measures four perspectives namely financial, customer, internal business process, learning and growth. The BSC model in implementing strategies use four main implementation factors: translating vision and strategy into objectives, planning and target setting, communication and linking, and strategic feedback and learning. It helps to manage, evaluate, and control strategy (David, 1997).

According to Kaplan and Norton (2000), the balanced score card model is a conceptual framework for translating organization's vision into a set of performance indicators distributed among fewer perspectives. They are financial, customer, internal business process and learning and growth. Gekonge (2003) observes that balanced score card is a methodology suited for deploying organization's strategic direction, communicating its expectations to all employees and measuring its progress towards agreed objectives.

The first perspective is financial one which includes financial performance measures that indicate whether the company's strategy implementation and execution are contributing to bottom line improvement. Kaplan and Norton do not disregard the traditional need for financial data (Averson, 1998). The point is that the current emphasis on financial leads to imbalanced situation with regard to other perspectives.

Secondly there is customer perspective that emphasizes customer focus and customer satisfaction in any business. Poor performance from this perspective is thus a leading industry decline regardless of the current financial picture (Averson, 1998). The core outcome measures include customer satisfaction, customer retention and new customer acquisition and profitability (Kaplan and Norton, 1998).

The third is the internal business perspective which focuses on internal business processes. Processes have great impact on customer satisfaction and achieving the organizations financial objectives (Kaplan and Norton, 1998). These measures allow the manager to know how well their business is running and whether its products and

services conform to the customer requirement and must therefore be carefully designed by those who know these processes most intimately (Averson, 1998).

Lastly is the learning and growth perspective which includes employees training and corporate cultural attitudes related to both individual and corporate self-improvement. Matches are put in place to guide managers in focusing training funds where they can help most.

Kaplan and Norton (1998) emphasize that learning is more than training. It also includes other factors like mentors and tutors within the organization as well as that ease of communication among workers that allow them to readily get help on a problem when it is needed. This perspective identifies the infrastructure that the organization must build to create long term growth and improvement. Kaplan and Norton (2000) observe that successful balance score card implementation enable employees at all levels of organization to understand the rules in meeting organization's strategic objectives.

## **2.5 The Challenges of Strategy Implementation**

Implementing strategy is tougher and time consuming than crafting the strategy due to a variety of managerial activities required, people management skills and a number of be challenging issues to be worked on. Problems in strategy implementation may, arise due to selection of an inappropriate strategy whose implementation can become a futile exercise. Researchers on the strategy implementation process have revealed a number of problems in strategy implementation.

Aosa (1992) pointed out that lack of compatibility between strategy and culture can lead to high organizational resistance to change and demotivation. Organizational culture can impede or facilitate change since it can resist change, respond to change, accept change and initiate change. Therefore it is the responsibility of those formulating a strategy to choose a strategy that is compatible with the prevailing corporate culture.

According to Byars(1996) the challenges of strategy implementation arises from Lack of proper understanding of strategy, poor planning, ineffective communication, flawed vision and unclear organization goals. Al-Ghamdi (1998) identified competing activities that distract attention, changes in responsibilities of key employees, key formulators of strategic decision not playing active role in implementations, key implementation tasks not clearly designed, overall goals not sufficiently understood by employees, advocates and supporters of strategic decision leaving the organization during implementation, Implementations taking too long than originally advocated and finally inadequate resources as the major challenges facing strategy implementation.

Okumus(2003) identified the main challenges to strategy implementation as of coordination, lack of support from other levels of management, resistance from lower levels and poor planning activities. Wessel (2003) identified too many and conflicting priorities, a top down management style; inter-functional conflicts and poor vertical communication as some of the challenges affecting implementation of strategies in organizations.

Raps (2005) identified Commitment of top management, involvement of middle management, clear assignment of responsibilities as the challenges facing strategy implementation. He singled out top management commitment as the most important factor in strategy implementation because they are responsible for the determination of organizational structure such as information flow decision making process and job assignments. The management must also recognize the existing organizational culture and learn to work within or change its parameters.

According to Muell and Shani(2008), inadequate or insufficient human resources contribute significantly to an organizational challenge of successful implementation of strategies. Due to the skill shortage, it is not only difficult to recruit the right talent but also to retain that talent. High executive turnover sees too many key managers depart before a strategy is fully executed.

According to Corboy and O'Corrbui (1999), risks due to internal and external factors that could affect the implementation of strategy ought to be identified properly before the start of and during the implementation. Major problems can occur during the implementation which causes delays and inability to implement the strategy. Executives have stated that top management is likely to underestimate the likelihood of risks and may even be blind to the risks they face

Pearce and Robinson (2003) noted that competitive positioning in an organization's operating environment is a key factor that needs keen attention. Anticipated new

substitute or competing products may render the organization's products uncompetitive. Operating environment changes such as the customer profiles need to be anticipated and strategies adjusted to match customer expectations. Major cost increases due to cost hikes by creditors or suppliers may present unprecedented challenges. Lack of clarity on the objectives of the strategy, responsibilities, tasks and activities that employees should take could also have an adverse impact on the implementation of strategy.

## **2.6 Measures to Mitigate the Challenges of Strategy Implementation**

For a firm to be able to handle strategy implementation successfully, it should embrace approaches that will minimize /address the implementation challenges. For strategy implementation to be successful, top managers must demonstrate their willingness to give energy and loyalty to implementation process.

One reason why most strategies fail is the vagueness of the assignment of responsibilities (Pearce & Robinson 2007). Cross functional relations are representatives of an implementation effort. Over bureaucracy can end up in a disaster for the implementation. To avoid these problems, there should be clear assignment of responsibilities regarding implementation activities.

For successful strategy implementation, firm leaders must take early and aggressive action to institutionalize the strategy within the firm. The top management must demonstrate visible ownership of the strategy and communicate it clearly. They should seek input and support from stakeholders. This will assist in generating buy in among

members leading to greater support for the strategic plan and the changes inherent in its execution. When employees do participate in the strategy execution, they feel more valuable as they see results of their action (Thompson and Strickland, 1997).

To support effective implementation of the strategy, the firm needs to have the right leadership, governance and operational structure. The organization structure should be in line with the strategy to be implemented (Pearce and Robinson, 2002). Underestimation of strategy implementation time can be complex during execution. It is always difficult to estimate an appropriate time limit. The best way will be to work with line managers to work on the extra time required for unexpected incidences that might occur.

A key component of success in implementation involves holding leaders and employees accountable for actively driving and supporting execution. Assessments are crucial in ensuring that action is taken and progress is made on strategy execution (Pearce & Robinson, 2009). Engaging employees at all levels of an organization in the strategy planning and implementation is key to eventual success in the process.

Information flow from the lowest levels of the company up to the decision makers brings valuable enterprise information to guide strategy planning and implementation process. Top management must fully be aware of how the company operates and how strategic change will affect operations (Musyoka, 2011). Effectively communicating the need of strategic change to all stakeholders is very important in gaining their buy in, support and enthusiasm in making the process a success.

Change often causes paranoia among employees. Making them feel they are an important part of the change process and educating them about the details will help to create enthusiasm and cooperation instead of paranoia (Pearce and Robinson, 2002). Obtaining buy-in by all key employees and stakeholders involved in implementation, is necessary for success no matter how brilliant top management thinks the strategy is (Cole, 2002).

As noted by Pearce and Robinson (2002), conducting training and information sessions to achieve a comfort level with new strategic processes and procedures is also important. The training sessions provide important time and opportunity to make any necessary changes to the strategic plans as gaps and mistakes are often noted. Information sessions also often elicit helpful suggestions from staff and line employees.

As suggested by Johnson and Scholes (2004), the other measure that organizations can use to mitigate challenges of strategy implementation is continuous review of organization policies. These are specified guidelines, methods, procedures, rules, forms and administrative practices established to support and encourage work towards stated goals. There is need to use new, revised policies to establish standard operating procedures which will facilitate strategy implementation. Connected policies help enforce strategy implementation by channeling action, behavior, decisions and practices that promote strategy implementation. Policies should be regularly reviewed to be aligned to current strategy.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This section describes details of the research design and the procedure to be followed to achieve research objectives. The section includes a brief statement describing the general research methods to be followed, description of the approaches and methods to be applied in collecting primary and secondary information. It also describes in the data analysis section the process to be used in analysing research data.

### **3.2 Research Design**

In this research, a case study approach at I-Hub was adopted. This research design was used because it involves collecting data in order to answer questions concerning the current status of the subjects in the study. As explained by Kothari (1990), a case study approach is a very popular form of qualitative analysis and involves a careful and complete observation of a social unit, be that unit is a person, a family, an institution or the entire community.

With this approach, the researcher aimed to obtain first hand data from interviewees so as to formulate rational conclusions and recommendations for the study. In addition to this, the use of a case study approach arose out of the desire for the researcher to better understand and retain holistic and meaningful first-hand knowledge of organizational and managerial processes involved in strategy implementation process

### **3.3 Data Collection**

The study used both primary and secondary data. Primary data was collected using an interview guide which was referenced to during the interview sessions with management and staff members at I-Hub. Interviewing is a way to collect data as well as to gain knowledge from individuals. Kvale (1996) regarded interviews as an interchange of views between two or more people on a topic of mutual interest thus underpins the centrality of human interaction for knowledge production, and emphasizes the social impact of research data.

The interview guide was preferred over other methods of collecting data because of its capability to extract information from the respondents as well as giving the researcher a better understanding and a more insightful interpretation of the results from the study. Interview guide was also preferred because it enabled the researcher obtain more up to date information as well as elicit more information which might not have been captured with the other data collection techniques. Secondary data was obtained from the organisation's annual reports, publications and website.

### **3.4 Data Analysis**

The data for this study was collected from interviews and publications and was be qualitative in nature. The qualitative content analysis approach was adopted in this study because with it, the researcher was able to describe, interpret and also criticize the subject of the research since it is difficult to do so numerically. Hayes (2012) defined content analysis as any technique for making inferences by objectively and systematically identifying specified characteristics of messages. Content analysis was preferred by the

researcher because it enabled him to shift through large volumes of data in a systematic fashion with relative ease.

Before embarking on content analysis, the researcher assessed the quality of the responses gathered from the interviewees in order to ensure that it accurately represented what was sought for as per the interview guide. The researcher then listed and summarized the major issues contained in the responses. This enabled him to structure the data in a way that can make it possible to analyse and interpret it.

## **CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION**

### **4.1 Introduction**

This chapter presents the analysis and findings of the study. The chapter covers the respondents' profile, the strategy implementation process at I-Hub, the challenges faced by I-Hub in the process and what the organisation is doing to address them. At the end of this chapter, the researcher discusses how the findings from this study are comparable to the existing theoretical knowledge and results from previously done studies.

The researcher aimed to achieve the objectives of the study as highlighted in chapter one. The view presented is a convergence of the opinions of the respondents who are currently at management level at I-hub and have in-depth knowledge of the operations of the organization. The raw data collected was grouped together and evaluated to clearly depict how strategy is implemented I-Hub and the challenges of strategy implementation.

### **4.2 Respondents Profile**

The researcher interviewed the CEO and three management team members at I-hub. The CEO has worked with the organization for a period of 2 years; two of the respondents had worked in their position for 2 years and a total of 4 years in other positions within the organisation. One respondent had worked for a period of two and half years in his position at I-hub.

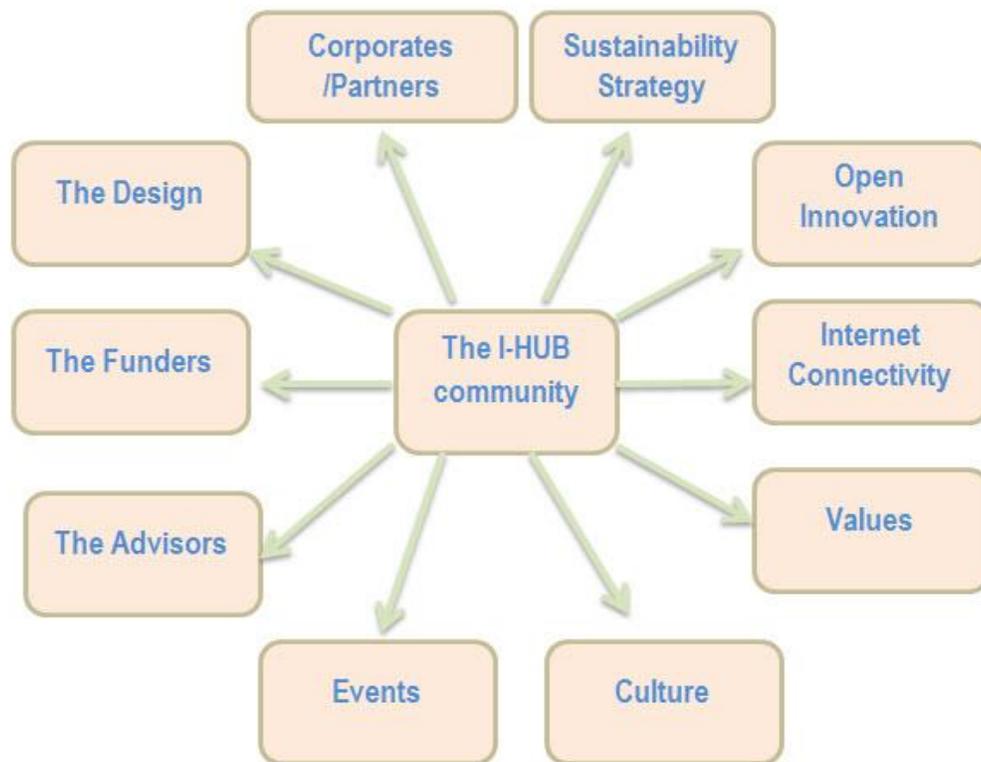
The job position of the respondents required that they were directly involved in strategy formulation and implementation within the organisation. All the interviewees had a University degree.

## 4.3 Strategy Implementation process at I-Hub

### 4.3.1 Overview of the I-Hub model and Strategy

I-Hub is an organization committed to ensuring successful nurturing of technology entrepreneurs in the Kenya. It is with this commitment that it strives to grow and continue in existence by remaining focused and guided by an elaborate strategy. As one of the core pillars of the I-hub model, the Sustainability strategy directs the organization and enables it achieve self-sustenance in its operations

**Figure 4. 1: Factors that make up the I-Hub model**



**Source:** Hilda, M. (2014). I-Hub Model: *Understanding the Key Factors of the iHub Model*. I-Hub Research. Retrieved from <http://research.ihub.co.ke/downloads>

I-Hubs commitment to nurturing Technology entrepreneurs is also guided by a mission and a set of core values. The organization's Mission is Catalyzing technology. I-Hub aims to catalyze technology by connecting technology entrepreneurs, supporting start-ups and surfacing valuable information to the community whether they are engineers, web-designers, investors or government. The organization has four core values which are: openness, innovation, inclusivity and connectivity.

The I-Hub sustainability strategy guides the organization in its quest to generate revenue for its operations. The strategy factors in all aspects of the business operations to produce a sustainability guideline for the management. The organization has different channels of generating revenue that enables it to remain sustainable and competitive.

The organization generates its revenue through a number of approaches which include: Red Membership desk rentals to individuals at USD 120 per month, through events where corporate partners and other organizations pay a fee to run an event on at the I Hub space, Jobs Board posting of jobs on the website at a monthly fee of Ksh1,000 per post and Corporate Membership where large organizations contribute to I Hub's operating costs and in return they have greater access to the I Hub community through their initiatives.

The Organization also generates its revenue through its research and Consulting arm. This is made up of a team of researchers and consultants working with I-hub. The team focuses on paid technology research and consultations in Kenya and Africa. The

organization foresees that more than fifty per cent of future income will be coming from this initiative.

#### **4.3.2 I-Hub strategy implementation approach**

The study found out that I-Hub embraced the McKinsey's 7s Model in its strategy creation and implementation process. Given the ever changing and unpredictable nature of the industry it is operating in, the organization has learnt to align the seven elements of the model when charting its strategic direction is critical to success in its performance.

As explained by Collins (2002), in order to use the 7s model in strategy implementation, an organisation ought to visualize the end result in mind. This requires the organization to understand the change needed and work backwards while asking questions on how the organization can best be aligned across all the seven elements of this model in order to achieve success. It also requires the strategy implementation team of an organisation to remain up to date with the changes happening in the organisation's internal and external environment so as to ensure that their strategy is adjusted relevantly.

The respondents indicated that the strategy covers a period of 5 years and is reviewed annually to ensure that it remains relevant amidst changing environment. The respondents indicated that the organisation adopts a participatory and consultative approach in developing and implementing the strategy. Each of the four departments of I-Hub is involved in the process and contributes actively and freely in the process.

The respondents indicated that the organisation is implementing a sustainability strategy. The organisation looks forward to realizing an increase in the number of successful technology entrepreneurs it nurtures. It also anticipates achieving an increase in the

number of individual technology savvy youths it helps nurture. Self-financial sustenance in the operations of the organization is also an expected goal upon successful implementation of the strategy at I-hub.

The researcher found out that I-hub has one overall strategy document at organisational level and a number of mini-strategy documents found at departmental level. These mini-strategy documents assist departmental heads to drive strategy implementation in their departments. The respondents revealed that each department meets once every two weeks to review their mini-strategies and track the progress they are making towards its achievement

The respondents revealed that there were clear defined roles for each stakeholder in the strategy implementation process at I-hub. The departmental heads met once a month to review their tasks and goals in the strategy implementation process and also address any emergent challenges. However, they revealed that the organisation is yet to conduct an organisation wide survey to evaluate the effectiveness of the process.

Respondents indicated that the implementation of the organization's strategy has been smooth as employees who are the actual implementers participate fully in the process. The respondents also indicated that they encounter minimal resistance in the process, a factor they attributed to the all-inclusive nature of the strategy development and implementation process at I-hub. They further indicated that the flat organization structure at I-hub reduces the amount of time it takes to make decisions thus making the process faster.

Respondents indicated that the organisation had for a long time continued to operate without a strategic plan, a factor that had hindered its quest for self-sustenance and growth. Employees in the organisation are currently motivated and enthusiastic in seeing the organization grow and follow a clear strategic path to success.

Respondents indicated that the strategy implementation process at I-hub is seen to have borne fruit. This is evident as the organization has largely managed to achieve self-sustenance by successfully turning three out of its four initiatives into income generating ventures that support its operations. This has seen the organisation reduce its dependence on donor funding to a much greater extent in the past two years.

#### **4.4 Challenges in Strategy Implementation at I-Hub**

The study was aimed to establish the strategy implementation challenges experienced at I-hub. The nature of the industry that I-Hub operates is very dynamic and challenging thus the company has to constantly change its business strategy in order to remain relevant in the turbulent environment.

The respondents indicated that there is a high turnover rate for the subordinate staff is a challenge that is facing strategy implementation at I-hub. There is frequent departure of critical members of staff who are participants of the various strategy implementation projects at I-hub. This has hindered the strategy implementation process as the organization is forced to hire afresh, train and re-adjust its implementation plans.

The respondents acknowledged that I-Hub being a young organisation does not yet have in place a clear human resource retention strategy to retain exemplary staff. This further

makes I-hub's operations costly because a new person needs time to learn and understand operations of the organisation which leads to delay in productivity and the implementation of strategy related departmental projects.

The research revealed that the nature of work at I-hub is a challenge to strategy implementation. More often, members of the strategy implementation team are involved in outreach events that require them to spend considerable amount of time away from the office. This often puts on halt important strategy implementation activities that require critical consultative decisions to be made as it becomes hard to convene meetings to arrive at an agreeable decision. This was identified as a challenge that constrains strategy implementation in the organisation.

The study revealed that inadequate budgetary allocation for strategy implementation activities is a challenge facing the organization. The research established that outreach events meant to advertise and promote services offered by the organization to more clientele require large amounts of money which the organization cannot always provide. This has seen the organization resort to working within a constrained budget on these activities thus not optimally achieving their intended goals.

The respondents revealed that the organization did not have in place a training program to further equip the strategy implementation team with the required set of skills to adequately implement the I-hub strategy. This has seen the strategy formulation and implementation team rely on an expert at the early stages of its strategy development

process. Additionally, the respondents indicated that the strategy implementation process needs more people to see the exercise run smoothly to completion

The interviewees revealed that intra-industry competition constrained strategy implementation. Players in Technology Business Incubation industry are growing and this meant competition for clients who are critical in ensuring sustained existence of I-hub. The emergence of organizations within Nairobi such Start-up Garage necessitated regular changes to the pricing and marketing strategies from time to time so as to remain attractive to clients hence remain competitive.

The respondents also revealed that lack of an elaborate strategy implementation monitoring plan is a challenge facing the process at I-Hub. According to the respondents, the organization is yet to set up a strategy monitoring and evaluation guideline and team that will provide regular reports on implementation status to the Board and management team. The lack of this mechanism and team has made it difficult for the organization to professionally monitor the achievement of Key Performance Indicators in the strategy implementation process.

#### **4.5. Measures taken to mitigate the challenges of strategy Implementation**

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, organizational culture, resources and leadership. Just as the strategy of the

organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation.

However, challenges in the implementation of the company strategy have not been taken lightly by the organization. Various measures have been taken to overcome the challenges and move the organization towards the realization of its objectives. The respondents indicated that the involvement of the senior management in strategy implementation and communication of benefits of changing the strategy to all staff were key ways to overcome most of the challenges realized in strategy implementation.

Respondents indicated that I-hub regularly takes its employees through the benefits of implementing organization changes through strategy. Through this approach coupled with effective communication channels, I-hub has managed to reduce challenges in strategy implementation such as resistance and fear of job loss.

I-Hub is a flat structured organization. This structure reduces bureaucracy and speeds up the process of decision making. I-Hub has leveraged on this structure to encourage cohesiveness, teamwork, and partnership in implementing its strategies. The respondents also agreed that the values and beliefs shared by the organization members have helped curb challenges to the process of strategy implementation. This is because I-Hub's values and beliefs resonate well with its employees and customers and help them focus in the same direction of achieving growth through technology.

As regards competition as a challenge facing strategy implementation at I-Hub, Respondents indicated that the organization was investing in research and development to improve its income generating services to make them more unique and favorable to its customers. Additionally, the organization is increasing its search for customers in a wider geographical scope as it is now exploring markets in East African countries.

## **4.5 Discussion**

### **4.5.1 Comparison with Theory**

Chaos theory suggests a need for a continuous strategy development and implementation process that involves all organizational members in the creation of a flexible, fluid plan. Formal strategic planning and implementation needs to be a continuous process because of rapid changes, uncertainties, and shifts in the environment. Such an approach would increase an organization's knowledge, environmental fit, and flexibility as it evolves a sound business strategy (Bechtold, 1997). The study findings are in agreement with the theory.

There were emergent issues like sudden reduction in donor and partner funding that made the organization review its strategies. Also the emergence of a stiff competition from new entrants in Technology Business Incubation industry in Kenya necessitated the review of I-hub's sustainability strategy to enable it explore and exploit new sources of revenue. This revision increased the organization awareness of the dynamism in the Technology business incubation environment in Kenya and re-ignited the zeal of the organization to implement a winning sustainability strategy

Mintzberg (1979) theory of emergent strategies indicates that a strategy is a stream of decisions. There is contrast between deliberate strategies, that is, patterns intended before being realized and emergent strategies, that is, patterns realized despite or in the absence of intentions. Emergent strategies were rather common in the organization. The researcher is in agreement with this theory in that despite the completion of strategy development and review, there were still emergent issues from time to time necessitating changes.

According to Woodside (2010) theoretical framework, organizations are open systems that actively interact with their external environment in the context of the wider prevailing economic, political and social forces. The study notes that as an open system, I-Hub's strategy making and implementation was greatly influenced by forces in the external environment.

#### **4.5.2 Comparison with Other Studies**

Findings from this study are comparable with other studies done on the subject of strategy implementation in organizations. Smith and Grimm (1987) found that adapting an organization's strategy under conditions of major environmental change raises both its chances of survival and its financial performance potential, with firms responding timely to environmental change being able to outperform those with longer reaction times. Firms need to co-evolve with their environment which makes continuous adaptation to changes within a firm's environment a basic prerequisite for effective strategic management (Chakravarthy and Lorange, 2007).

Respondents revealed that in its start-up years, I-Hub depended more on donor and corporate funding to sustain its activities. Over time, rapid changes in Technology business Incubation sector in Kenya occurred. Factors such as competition for funding from other new entrants such, tight donor funding policies on how donation money is spent and reduced budgetary allocations for such ventures within the donor and corporate organizations led I-Hub to change tactic. This is in agreement to the findings of Smith and Grimm (1987) regarding adapting an organization's strategy under conditions of major environmental change

Involvement of stakeholders during planning and strategy implementation is necessary for the stakeholders to own the plans by feeling that they are important to the organization since they contribute to the strategic plans and are involved during the implementations. Failure to involve stakeholders results in resistance to change and hence sluggish implementation practice as noted by Porter (1979) where he asserted that failure to involve all stakeholders in the industry to a given extent always causes doom. Results from the study reveal that the success of strategy implementation at I-Hub is attributable to the organization's all-inclusive approach in the process. Respondents revealed that I-hub involves its employees throughout the process resulting in less resistance in the exercise

## **CHAPTER 5: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter provides a summary of the study findings and draws conclusion in line with the objectives of the study. It also discusses the findings, implication to policy and their contribution to theory and practice. It gives recommendations related to the strategy implementation framework, challenges identified and what coping mechanisms are applicable to the challenges. It also proposes areas for further studies related to the study and finally, highlight some of the study limitations.

### **5.2 Summary of findings**

This study aimed at determining how strategy is implemented at I-Hub and the challenges that the organization faces during the process. The study found out that I-Hub adopted the McKinsey 7 s approach to implement its strategic plan. The organization has learnt to align the seven elements of the model when charting its strategic direction and reviews their interaction with each other to ensure that the strategy that the organization is implementing remains relevant and implementable.

The study further found out that I-Hub is has adopted an all-inclusive approach both in strategy formulation and implementation. There are clearly defined roles for each member and department at I-Hub to perform in the strategy implementation. This is the

preferred way of crafting and implementing strategies as employees of the organization feel valued and thus reduced resistance in strategy implementation process.

The study also found out some challenges facing I-Hub in its strategy implementation process. The challenges include the high rate of staff turnover of its employees particularly those involved in strategy implementation process. The high staff turnover was attributed to lack of a proper employee motivation and retention programme at the organization.

Another challenge facing the organization in the strategy implementation process as revealed by the study is inadequate budgetary allocation for the strategy implementation process. Respondents revealed that strategy implementation activities such as events organization which are part of I-Hub's strategy implementation process require big budgets to completely implement. The organization could not allocate enough financial resources towards them forcing the strategy implementation team to work with constrained resources thus not effectively achieving the desired results.

Another challenge as revealed by respondents is the rapid changes in the Technology business industry in Kenya. The study found out that increased competition from other players and unpredictable funding from donors and sponsors makes it difficult to stick to planned strategy. This therefore forces the organization to constantly revise its strategy in order to remain relevant. This necessitated change of strategy goals from time to time.

Other challenges uncovered by the study include the Nature of work at I-hub which sees part of the strategy implementation team members spend extended periods of time away from office thus interfering with the normal plan of strategy implementation. Lack of a clear strategy monitoring and evaluation process and plan was also a challenge faced by the organization. This makes the organization lack a true picture of the progress made, milestones crossed and targets achieved in its strategy implementation exercise

Overall, the management feels that the strategy implementation process at I-hub is achieving notable success in the short period it has been implemented. This they say can be seen as the organization has now managed to gain self-sustenance to a much extent. As a result of implementing a sustainability strategy, the organization has managed to turn three of its initiatives into income generating ventures that support the organization's operations

### **5.3 Conclusion**

This study affirms that two sets of factors primarily shape a company's strategy and these include External factors and internal factors. The external factors include the organization's macro environment, competition within the industry and the organization's customers. Internal factors include the organization's resources, its competences, culture and structure. An organization must carefully take into consideration factors in its internal and external environment during strategy formulation and implementation. Any major changes in these factors should be carefully monitored and the strategy adjusted to accommodate it

Strategy implementation carries with it many inherent challenges which include the amount of time required to develop, deploy and implement the strategy as well as aligning people around its strategies. Strategy implementation focus on how chosen strategies are put into effect and managing the required changes. The strategy implementation challenges experienced by the I-Hub were both in its internal and external environment. The company did not have much control over these factors hence it had to review its strategy to make it meaningful in its industry which is unpredictable and less stable.

#### **5.4 Recommendations**

Ansoff (1990) noted that product responsiveness and marketing effectiveness are important determinants of success, but their relative importance needs to be reviewed regularly and adjusted by management in response to the changes in the environment. I-Hub should have a policy of monitoring and evaluating the strategic plans as regularly as possible through the creation of an independent monitoring and evaluation team. The team should be in a position to review the current position and recommend changes where necessary thereby keeping the strategic plan on track.

Strategy implementation should be effectively coordinated since it is the coordination of goals and tasks, resources and control that enables an effective strategy implementation process. When an organization develops a strategy, it must put into consideration aspects of the environment it is operating in in order to make the strategy an implementable success. The whole organization needs to be focused on supporting the vision and mission so as to enable it move together as a coordinated unit in the same direction. How

every activity is performed and individuals operate needs to be integrated so all the effort and resources support the strategy.

Human resources are a critical element in the success of an organization. In regards to this, I-Hub should develop and implement effective human resource policies that address employee retention, reward and promotion. As noted by Phillips (2003), organizations that have such policies in place are successful as employees are motivated and feel valued by the organizations for the services they offer

The study reveals that organizational culture and procedures support strategy implementation to a large extent. For I-Hub to fully implement its documented strategy it is recommended that it obtains enough resources, particularly financial resources. It should allocate in its financial plan a budget that will enable it access enough funds for strategy implementation.

The findings of the study reveal that the challenges encountered during strategy implementation eventually works against the implementation team. It follows that when issues concerning this team are ignored, the implementation process is bound to be affected. It is therefore recommended that the management of I-Hub be on the lookout on strategy implementation challenges with the main focus being to empower and strengthen the implementation team. This empowerment includes providing enough resources both financially and human expertise

The main aim of strategy implementation is to align the activities and capabilities of the organization with its strategies. The average strategy implementation performance at I-Hub may be attributed to lack of fit and coordination among various departmental strategies. The organization should endeavor to align departmental strategies with its corporate strategy. It should also ensure that there is congruence and coordination at the level of functional strategies. This will ensure that the organization implements its programmes as documented in its corporate strategy as well as ensuring that there is harmony in implementation of departmental strategies.

## **5.5 Limitations of the Study**

The researcher encountered some limitations in the process of conducting this study. Due to tight work schedules for the management and strategy implementation team members in the organization, the researcher encountered difficulties in getting time to sit down with the interviewees. On many occasions the researcher had to keep rescheduling his time to align with the availability of the informants.

Additionally, information relating to strategy implementation is always treated with sensitivity. This caused difficulties in convincing the informants of the importance of giving sincere answers to the asked questions. The researcher found out that interviewing management team in the organization on strategy implementation is like asking for a self-evaluation. It demands that the informant makes a judgment on the institution they work for thus resulting to being reserved in giving all the information requested freely. This fear however, was minimized as the researcher assured the informants that the information was to be used solely for academic purposes.

## **5.6 Suggestions for further research**

This study cannot be considered exhaustive in addressing all major aspects of strategy implementation in I-Hub and in the Technology Business incubation industry. What this research has achieved in this area of study is minimal thus requiring further research. The researcher recommends the following which should act as a direction for further research.

There is need to undertake further research in strategy implementation in Technology Business Incubation industry in Kenya. A cross-section study should be conducted so as to make detailed comparisons between various players in this industry. This will bring to the fore a more conclusive view of the strategy implementation process and challenges facing it in Kenya. It will also reveal mitigating factors which can deal with the challenges of strategy implementation, variances that have taken place and a comparison with the current data done.

Evaluation of this research work from time to time is also suggested to ensure that they conform to the emerging challenges in the environment. The study can also be replicated in similar set-ups within East Africa region as Technology Business Incubation is an industry that is critical to economic growth of a country .The suggested studies if carried out soon can promote objectivity as well as validate the findings of this study.

This research was a qualitative study that dwelt deeper into the reasons behind what, how, and why. A quantitative research could be conducted in future to survey strategy implementation across several firms in the Technology Business industry in Kenya and to identify the aggregate position.

There is need to study the practices adopted to evaluate progress towards strategy implementation in organizations as they provide a feedback to inform revision. Further, adoption of such progress report will validate the findings and make it possible for future researchers to undertake studies along the same line.

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## APPENDIX

### APPENDIX I: INTERVIEW GUIDE FOR STAFF OF I-HUB

#### Interview guide on Strategy Implementation at I-hub

*This interview guide is designed to collect data that will help in better understanding the strategy implementation process at I-hub. The researcher aims to interview the departmental managers and staff involved in strategy implementation process at I-HUB. The data collected by this interview guide will be held with strict confidentiality.*

1. Kindly give a brief outline of the I-hub Strategy implementation process
2. Who are the main stakeholders in the strategic implementation process?
3. How effectively do you think the strategy implementation process at I-hub has been communicated to the stakeholders?
4. What role does each of the stakeholders play in the strategic implementation process at I-Hub?
5. How receptive are the stakeholders to strategy implementation process at I-Hub?
6. How does the environment affect the strategy implementation process at the organization?
7. What form of resistance is experienced in strategic planning and implementation?
8. What resources are critical in the strategy implementation process at I-Hub?
9. How does the organization evaluate the strategy implementation process?
10. Do you think strategy implementation exercise at I-Hub has been successful?
11. What are the main challenges to effective strategy implementation at I-Hub?
12. How is the organization addressing the existing strategy implementation challenges?

## **APPENDIX II: AUTHORIZATION TO COLLECT DATA**