

**STRATEGY IMPLEMENTATION AND ORGANIZATIONAL
PERFORMANCE: A CASE STUDY OF KENYA MEDICAL
TRAINING COLLEGE**

By

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DECLARATION

This research project report is my original work and has not been presented for a degree in any other University for any academic award.

Signed..... Date.....

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

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DEDICATION

To my parents: Mr. and Mrs. Jonathan Mutuku who encouraged me throughout the programme and my fiancé Ms. Regina Kachakwale.

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I am greatly indebted to all those who encouraged me and supported me in their own ways during the entire programme and contributed to making this project a success. My appreciation goes to my parents Mr. and Mrs. Jonathan Mutuku for encouraging me to start the programme and standing with me during the coursework you are a true source of inspiration to me.

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ABBREVIATIONS AND ACRONYMS

CEO - Chief Executive Officer

CDF- Constituency Development Fund

GOK- Government of Kenya

HIV/AIDS -Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome

HSM- Health systems Management

HSS- Health Systems Strengthening

ICT -information and communications technology

IGA- Income Generating Activity

ISO – International Organization for Standardization

KMTC- Kenya Medical Training College

LDP- Leadership Development Program

MOH – Ministry Of Health

PC – Performance Contracting

SPT- Strategic Planning Team

SWOT- Strengths Weakness Opportunities Threats

USAID - United States Agency for International Development

USIU-United States International University

VVOB- Flemish Association for Development Cooperation and Technical Assistance

ABSTRACT

Proper implementation of strategy is key to realization of set key result areas through the achievement of strategic objectives in an organization's strategic plan. strategy implementation is a vital component of strategic management process. Implementation involves putting into action the logically developed strategies. It is the summation of activities in which people use various resources to accomplish the objectives of the strategy. This study aimed to examine the strategy implementation process in public middle-level colleges like Kenya Medical training college (KMTC) has impacted on its performance over the last decade of strategic management in the institution. The study adopted a case study research design .The research utilized both secondary and primary data. Primary data was collected from senior managers namely: Former Strategic Plan In-charge, Deputy Director Finance and Administration, Human Resource Manager, External Liaison Officer, Public Relation Officer, Deputy Registrar Research, Chief Procurement Officer and the Institutional Advancement Officer. Secondary data was collected through desk review of the strategic plans implementation and financial reports. The nature of data collected was qualitative and was therefore analyzed using content analysis technique. The empirical findings and analysis conducted in KMTC shows that strategic Implementation directly contributes to organizational performance. The study concludes that strategy implementation and organization performance in KMTC involves drawing from national context and global plans and priorities to shape and ensure strategy alignment and relevance. The study recommended that KMTC should institute an operational office specifically dedicated to strategic planning processes. The organization should improve awareness of the strategic plan at different levels through launching and proper dissemination, it should also support participatory planning and implementation of project activities within the organization with the aim of enhancing the performance. Additionally, the organization needs to allocate adequate resources needed to realize the different key result areas in the strategic plan and thus actualize the targeted objectives.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic management is the set of decisions and actions that result in the formation and implementation of plans designed to achieve a company's objective and comprises of critical tasks which include formulation, implementation and control. (Pearce and Robinson, 2005). According to Alexander (1985), the most frequently occurring strategy implementation problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact. Without proper strategic implementation the whole process does not attain its threshold to yield the expected benefits to the organization. (Thompson and Arthur, 2007)

Achieving a competitive advantage position and enhancing firm performance relative to their competitors are the main objectives that business organizations in particular should strive to attain. Stakeholder theory is a conceptual framework of business ethics and organizational management which addresses moral and ethical values in the management of a business or other organization. It is based on the relationships found between an organization and others in its internal and external environment (Shiller, 2003). It also looks at how these relationships affect how the organization conducts its activities. Stakeholders can come from inside or outside of the organization. They may include customers, employees, stockholders, suppliers, non-profit community organizations, government, and the local community among many others.

The whole point of a strategy is that it will be implemented and implemented successfully. Effective implementation results when organization resources and actions are tied to strategic priorities. It is also based on how the company operations will be run efficiently with the aim of achieving the set targets and goals. This study focused on the impact of strategy implementation on performance in public middle level colleges with reference to Kenya Medical Training College (KMTC). Strategy implementation is critical for the success and survival of every organization. Successful implementation allow the organization to be more proactive rather than reactive. The study sought to establish the link between strategy implementation and positive performance in order to enhance Kenya Medical Training College ability to enhance their operations.

1.1.1 Strategy Implementation

Strategy implementation is done through action plans detailing the tactics and actions that will be taken in each functional activity. The organization has to get work of the business done efficiently and effectively so as to make the strategy work. Successful strategy implementation depends upon skills of working through others (delegation), organization, and motivation, culture, building and creating strong fits between strategy and how the organization does things. (Pearce and Robinson, 2003).

Grant and Robert (2005) observes that, strategy is about winning, it is not a detailed plan or program of instructions; it is a unifying theme that gives coherence and direction to the actions and decisions of an individual or an organization. Once corporate strategies have been agreed upon and long term objectives set, the strategic management process moves into critical new phase- translating strategic plans into organizational action. In others words from “planning their work” to “working their plan”. Managers successfully make

this shift when they do four things well that is: identify short term objectives, initiate specific functional tactics, and communicate policies that empower people in the organization and design effective rewards (Pearce and Robinson, 2005).

Strategy implementation entails identification of measurable, mutually determined annual objectives which convert long-term objectives into specific, short-term goals. It also includes the development of specific functional strategies which translate grand strategies at business level into current action plans for sub units of the company. Thus execution must be controlled and evaluated if the strategy is to be successfully implemented and adjusted to changing conditions. However, during implementation, various challenges are encountered and need to be addressed if the strategy is to be realized. (Odhiambo, 2006).

Mintzberg (1994) noted that, the plan rather than the implementation comes in for scrutiny when a strategy fails because it is less problematic to analyze. Successful strategy implementation, it is suggested, requires sound mechanisms for directing activity and behaviour, especially including effective communication systems as well as appropriate strategic and management controls. The importance of enabling sound “two-way” communications within organizations is seen as fundamental to the effective implementation of strategy with a particular emphasis on facilitating useful feedback and “bottom-up” messages (Otley, 1999). Other challenges will come in the form of finding the fits between strategy and internal organization structure, strategy and allocation of budgets and staff size, strategy and organizational systems of reward and incentives, strategy and internal policies, practices and procedures, and internal organization. These factors play a big role during strategy implementation, (Thompson and Strickland, 2003).

1.1.2 Organizational performance

Organizational performance endorses a process perspective where the focus is on the internal process of quantifying the effectiveness and the efficiency of action with a set of metrics. Therefore performance is measured in terms of output and outcome, profit, internal processes and procedures, organizational structures, employee attitudes, and organizational responsiveness to the environment among others . Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as: financial performance (e.g. shareholder return), customer service, social responsibility (e.g. corporate citizenship, community outreach) and employee stewardship. Performance Contracting (PC) is also being used to measure performance since PC defines expectations (the work, the results to be attained and the attributes) and competencies required to achieve results. PC also identifies the measures used to monitor, review and assess performance (Armstrong 1994).

1.1.3 Kenya Medical Training College

KMTC, the only public middle level health training institution under the Ministry of health, started in 1927 with four students at Kenya Institute of Administration (KIA), Kabete. Situated about three kilometers on the northern side of Nairobi city, Kenya, KMTC headquarters and the main campus, Nairobi, stand on a 20-acre piece of land, opposite Kenyatta National Hospital, along Old Mbagathi Road. In 1990, it became a Semi-Autonomous Government Agency through an Act of Parliament, Cap.261, Legal Notice No. 14, Laws of Kenya. In 1994, the name Kenya Medical Training College was adopted as a unifying title for the College. Since then KMTC operates independent of the Ministry

Of Health under a Board of Management

With over 22, 000 students attending more than 50 medical courses, KMTC makes the biggest contribution to the health sector in Kenya. KMTC currently produces more than 6000 graduates every year for both the Kenyan public and private health sectors, this accounts for more than 80 percent of the hospitals' workforce. The institution has over 1,500 members of staff. The national distribution of the College is its biggest uniqueness. With 42 constituent colleges spread throughout the country as far as Lodwar and Garissa, Loitoktok and Kisumu, the impact of the College in improving healthcare is felt in all parts of the country. KMTC is found almost in every corner of this country, strategically located next to a provincial or district hospitals where students go for clinical attachment.

Today, more than eight decades since it was established, KMTC has grown tremendously, carving a niche for itself as one of the largest medical training institution in East and Central Africa- drawing students from Uganda, Tanzania, Burundi, Rwanda, Namibia, Sudan and Nigeria. (About -us, KMTC, 2008).KMTC is currently in the process of implementing the strategic plan (2013-2017) most of it based on the experiences of the previous strategic plans (2005-2010) and (2008-2012).The implementation status of the two previous strategic plans is well outlined in the consecutive plans creating an avenue for critical analysis to establish the implementation outcomes and how that has influence organizational performance at KMTC with reference to its various strategic objectives.

1.2 Research Problem

It is evident that many firms have experienced delayed organizational performance due to lack of adequate understanding of the process of strategy implementation. It is important during strategy formulation and implementation that everyone in the firm understands where it is going and how it will get there. Actual implementation of strategic programs and projects starts at the lowest level in the organization and it is therefore important that all staff members understand the direction the organization is going in order to make sense out of their own contribution which collectively contributes to the organization performance. In light of this, it is necessary to find out more about the strategy implementation process at KMTC and how it has influence its performance.

Public middle level training institutions such as KMTC are facing several operational challenges such as inadequate financial resources, political interference, high staff turnover and competition from other institutions of higher learning, the courses offered by such institutions especially diplomas are slowly losing their demand as degree courses are now easily available to the same market. (KMTC, 2013). This calls for an effective strategy implementation and excellence in performance in order to counter the turbulence in the environment. However, despite having well drafted strategic plans at KMTC there is no study yet linking strategy implementation at KMTC and its organizational performance.

Previous studies done in the area of strategy implementation and or performance include: Serfontein (2010) who did a research on the impact of strategic leadership on the operational strategy and performance of business organizations in South Africa. Nyongesa (2009) did a study on the balanced Score Card approach in Implementation of Corporate

Strategy at Standard Chartered Bank Kenya Limited, Ngonze (2008) conducted a study based on Factors influencing Strategy Implementation at the Cooperative Bank of Kenya, Wakaba who conducted a study on Factors that influence outsourcing strategy in Kenya Power and Lighting Company Limited. They did not focus much on the impact of strategy implementation on performance in middle level health training institutions. This study therefore sought to evaluate strategy implementation and its impact on performance of middle level health training institutions by focusing on Kenya Medical Training College. This study sought to fill that knowledge gap by answering the following research questions: “What is the strategy implementation practice at the Kenya Medical training college? How does strategy implementation influence institutional performance at the Kenya medical training college?”

1.3 Research objectives

This study addressed the following specific objectives;

- i. To determine the number of strategies KMTC has developed for implementation in the last ten years.
- ii. To establish how many strategies KMTC has implemented over the last ten years.
- iii. To determine how strategy implementation has influenced organizational performance at KMTC.

1.3 Value of the study

The study is significant in four major ways. First, this study will validate the already existing theories thus building into the already existing body of knowledge and enriching this area of strategic management. There are many researches on strategy implementation but this one provides a peculiar context of middle level health training institutions.

Secondly, the findings of this study will avail knowledge on strategy implementation and organizational performance thus filling the knowledge gap that exist concerning how strategy implementation has influenced organizational performance in the context of health training institutions in Kenya.

Thirdly, to the scholars this study will highlight areas of further research on strategy implementation in health training institutions in Kenya. The study will add to the pool of knowledge useful to other researchers for reference regarding to strategy implementation and organizational performance at KMTC.

Finally, the study will aid KMTC, other training institutions and other interested parties and stakeholders providing vital information on gaps that exist in the institution in relation to strategy implementation and organizational performance, it will further guide in policy formulation and managerial practices within the institutions in order to enhance organizational performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature by examining what other scholars and authors have said about the theoretical foundations on which the study is anchored, success factors in strategy implementation and the various challenges encountered in strategy implementation challenges are also reviewed.

2.2 Theoretical Foundations

Okech (2013) asserts that, strategic management has many theories that guide it. There are emergent theories and perspective theories of strategic management. Emergent theories include survival based theories, uncertainty based theories, human resource based theories and innovation and knowledge based theories of strategic management. Perspective theories of strategic management are industry and environment based theories, resource based theories, game based theories and cooperation and network based theories of strategy.

It is evident that a business that engages all its employees in decision making activities impacts the performance of the organization. The stake holder theory focuses on how relationships affect how the organization conducts its activities. Implementation of strategies requires gathering of information and effective problem solving. The core idea behind the stakeholder theory is that organizations that manage their stakeholder relationships effectively will survive longer and perform better than those organizations that don't (Shiller, 2003). This is based on the theory of stakeholder that is a conceptual framework of business ethics and organizational management which addresses moral and

ethical values in the management of a business or other organization it is suggested that organizations should develop certain stakeholder competencies. This involves making a commitment to monitoring stakeholder interests. Strategy is a deliberate search for a plan of action that will develop a business's competitive advantage and compound it. For any company, the search is an iterative process that begins with recognition of where you are now and what you have now. It is the process of specifying the organization's objectives, developing policies and plans to achieve these objectives, and allocating resources to implement the policies and plans to achieve the organization's objectives (Thompson, Strickland and Gamble, 2007). While according to Johnson and Scholes (2002), strategy is the direction and scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholders' expectations.

Proponents of the contingency theory argue that there is no one or single best way or approach to manage organizations. Organizations should then develop strategy based on the situation and condition they are experiencing (David, 2005). Strategic management and contingency theory, a strategic fit between strategic considerations and organizational capabilities and resources is critical to competitive advantage development. In an environment characterized by intense global competition and technological dynamism, firms may seek to provide product/service at lowest feasible costs or to make differentiation in serving some particular geographic markets and/or customer groups (Porter, 1980). Firms rely only on their own capabilities will be at a competitive disadvantage. Therefore, firms may choose to form alliances to complement and reinforce a firm's knowledge and capability base should reflect its strategic intents and focus (Mody, 1993).

Aulakh and Kotabe (1997) suggested a contingency approach by associating two or more independent variables with a dependent outcome to explain the effects of strategy-structure alignment on organizational performance. Following the contingency argument, this study proposes the competitive advantage through an identified variable must match strategic factors, and organizational capabilities, and this fit is the critical determinant of company performance. Accordingly, a fit is defined as the degree of conformity to the theoretically derived relationships between the antecedent variables and thus competitive advantage can be developed (Horton and Richey, 1997).

2.3 Success Factors in Strategy Implementation

Implementation of strategy is the process through which a chosen strategy is put into action. It involves the design and management of systems to achieve the best integration of people, structure, processes and resources in achieving organizational objectives. Once the creative and analytical aspects of strategy formulation have been settled, the managerial priority is one of converting the strategy into operationally effective action. Indeed a strategy is never complete, even as formulation until it gains a commitment of the organization's resources and becomes embodied in organizational activities. Therefore, to bring the result, the strategy should be put to action because the choice of even the soundest strategy will not affect organizational activities and achievement of its objectives. Therefore, effective implementation of strategy is a must for the organization. Judging from this definition, it can be observed that the scope of managerial activities associated with strategy implementation is virtually coexistence with the entire management process. This is because the entire management process is geared up according to the needs of the strategy (Kinyoe, 2012).

Pearce et al (1997), categorize components of strategy implementation that managers have to take into consideration during implementation into; the structure, systems, shared values (culture) and leadership. The stronger the 'fits' created between these components, the greater the chances of successful strategy implementation. McCarthy and Curran (1996), organizational structure and behaviour within an organization must be in harmony with and support the strategy of an organization. It's important for managers to understand and utilize organizational structure to aid them in the implementation of the strategy. Pearce et al (1997) the four fundamental elements that must be managed to fit a strategy if the strategy is to be effectively institutionalized are; organizational structure, leadership, culture and rewards.

The level of success of a strategy depends on the degree of participation in planning and on acceptance of the goals, indicators and targets set. Therefore effective implementation of strategy plan is likely to be successful if it rests on meetings and consensus between the management and staff, rather than a top down imposition of plans and targets (Song, 1983). Goal setting involves managers and subordinates jointly establishing and clarifying employee's goals. The first element of goal setting is establishing goals that are perceived as challenging but realistic and to which there is high level of commitment. It involves having employees participate in the goal setting process so as to increase motivation and performance. Participation also convinces employees that the targets are achievable and can increase their commitment to achieving them. Participation in goal setting is likely to be seen as legitimate, resulting in the desired commitment to the implementation of a strategy (Cummings & Worley, 2005).

Okumus (2001) identifies ten key variables that are important for successful strategy implementation. The factors are; formulation, environment uncertainty, organizational structure, culture, operational planning, communication, resource allocation, people, control and outcome. Pearce and Robinson (2003) assert that to effectively implement strategy, mechanisms such as organizational structure, information systems, leadership styles, assignment of key managers, budgeting and rewards and controls systems must be in place.

Hrebiniak and Joyce (1984), implied that a well-articulated strategy is the first critical ingredient of the implementation process. This is then followed by the design of a primary organisational structure, establishing operating-level objectives, the design of operating structures and, finally, the creation of proper incentives and control mechanisms that support the implementation. In implementing strategies based on the described process companies therefore constantly switch between planning and organisational design, starting at the top organisational levels and then moving down to lower hierarchical levels. Most of the concepts included in Hrebiniak and Joyce's (1984) model also constitute models that have been proposed recently. Naturally, the recent models also include other concepts. McKinsey and company designed the 7S's framework to help organizations understand the factors the organization's ability to implement new strategies. It illustrated that the job of implementing strategies is achieved by bringing all the 7S's of strategy into harmony and that manager should focus more on the components in order to achieve effective execution. The 7S's were identified as; strategy, structure, systems, skills, style, staff and culture (Thompson and Strickland, 2003). Pearce and Robinson (1997) organized

the components into four basic elements that is; culture, systems, leadership and structure. They argued that the stronger the fits that are created between these components, the greater the chances of successful strategy implementation.

Higgins (2005), for example, proposes a revision of McKinsey's original "7S" model and proposes an "8S" model (consisting of Strategy, Structure, Systems and processes, leadership Style, Staff, resources, Shared values, and Strategic performance) to help managers better focus on strategy execution. Along with the models representing the most important factors of strategy implementation, authors also investigate how the implementation of certain activities, which represent certain steps or tasks that need to be accomplished in the implementation process, influences strategy implementation and through that company performance. An extensive literature review identified 12 of the most commonly addressed strategy implementation activities that can be classified in four broad groups namely: planning, organizing, leadership and controlling activities. This activities included: Formulating and implementing development programmes done through programming and budgeting, developing programmes, budgets and procedures (Wheelen/Hunger, 2006).

Planning and implementing projects by translating strategy into projects and managing projects; Using an efficient annual planning system through establishing operating-level objectives, tactical (annual) planning and annual business planning; by applying action planning thus turning strategy into action (Pucko, 2006).Organizing for strategy implementation by fitting the organization to the strategy, designing a primary and operating organizational structures, organizing for strategy implementation, organizing for

action and developing organizational structure, while Kaplan (2005) adds that, allocating strict responsibility for strategy implementation by translating enterprise-level plans into lower unit-level plans, allocating responsibility for strategy implementation and involving people from all organizational levels are key activities in successful strategy implementation. Other factors seen to play a pivotal role in successful strategy implementation include: using leadership to direct employees, using formal communication, applying MBO (management by objectives), applying human resource management activities, using an efficient tactical control system and applying the balanced scorecard (Kaplan & Norton 1996, 2006).

According to Thompson et al (2007). Effective strategy implementation depends on the competent personnel and effective internal organization systems. For successful strategy implementation an organization needs to attract, motivate and retain talented managers and employees with suitable skills and intellectual capital. The employees should understand how to achieve company goals, which is imperative to realizing full implementation. Helping employees gain the knowledge, skills and abilities involved in implementing the strategy requires attention to the hiring process and training. Ensuring that management and staff are well-equipped to handle your current strategy and any changes will keep everyone working together to attain financial goals.

Involvement of middle managers' valuable knowledge because the success of the implementation effort depends on the level of commitment and involvement of middle managers. Often the input of the middle managers knowledge is underestimated in strategy formulation. Kaplan and Norton (2001) found that as few as five percent of a typical

workforce understand their organizations strategy. Senior management sometimes bypasses middle management, and directly obtains information from and gives orders to the lower level employees, causing ineffective communication lines in the implementation team. Additionally, this causes a situation in which conflicts are avoided and value-adding discussions on decision-making are lost. Beer et al (2000) state that leadership in many teams does not make the necessary trade-offs they face during the implementation. Instead, they create vague strategic objectives which do not provide effective direction for implementation.

Communication aspect should be strongly emphasized in the implementation process. Even though studies point out that communication is a key success factor within strategy implementation, communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized. Communication should be done to employees about new requirements, tasks and activities to be performed by the affected employees. Also the findings of Peng and Littlejohn (2001) show that effective communication is a key requirement for effective strategy implementation.

Successful strategy implementation depends on a large part on how an organization is structured. Organization structure is the pattern in which the various parts of the organization are interrelated or interconnected. It prescribes relationships among various positions and activities. Symptoms of an ineffective organization structure include too many people, too much attention being directed at solving interdepartmental conflicts, too large span of control and too many unachieved objectives (David 1986). The structure

helps an organization identify its activities and the way in which it will coordinate them to achieve the firm's strategic objective. For implementing strategy, the organization structure should be designed according to the needs of the strategy. The correct organizational structure is crucial to enable the organization to implement its strategy. To facilitate the achievement of the strategic and organizational objectives, organizational structure coordinates and integrates the tasks executed by all employees in the organization, that is employees at all levels, and across all divisions and functions (Hill et al, 2009).

2.4 Strategy implementation and its impact on Performance

Strategy is all about developing action plans that enables an organization to deploy its enterprising strength within its sphere of business operations (Gerry, 2010). For strategy to achieve its purpose there is the need for a deep thinking. To outsmart competitors is not an ordinary task. When an organization strives to maintain a superior edge over competitors, the thought pattern of one helmsman should be different.

A notable ingredient that is lacking in business organizations today is proper strategy implementation. Strategy is considered the master plan for any organization to achieve its goals within specified time frames. Strategy needs to be embraced to engender sustainability of competitive advantage. The overall purpose of business strategy is competitive advantage. Strategy came into being due to competition (William, 1994). The whole essence of strategy implementation is to enable an organization to gain a sustainable edge over its competitors. There is the basic need to leverage an organization's strength in a most efficient way over its competitors. This is the whole essence of a corporate strategy.

It is conceptualized that firms that have effective strategy implementation, record better performance compared to those that have not. David (1997) argues that firms record improved performance once they effectively embrace strategic planning. By defining a company's purpose and goals, strategic planning provides direction to the organization and enhances coordination and control of organization activities. The linkage between strategy implementation and organizational performance needs analysis to get a better understanding how effective strategy implementation will improve organizational performance. Strategic planning often fails due to problems or barriers encountered at the implementation stage. Mixed evidence about the relationship between strategy implementation and organizational performance makes the debate about its effectiveness as a tool of strategic management an ongoing one (Wagner, 2006).

Organizations need people with a combination of analytical skills and mental endowments. Analyses are not just done as routine exercises but should be programmed to achieve desired results. The CEO and other top management executives are not expected to conduct analyses to support their preconceived ideas. This will not deliver results and the organization can never achieve successful strategy implementation to outwit its competitors. The need to take a critical look at the resources available is important (William, 1994). The implication of this is that an organization will be able to adjust the allocation of resources at its disposal to strengthen its capabilities in the industry. An organization needs to allocate new resources in the most effective way to gain significant advantage over competition. To strengthen the strategic base of any organization, the point of differentiation between an organization and its competitors needs to be leveraged for an impact. This calls for a total look at the entire gamut of an organization's operations to

utilize the difference in the composition of resources to gain leverage. The unique selling proposition of an organization should differentiate its product and service quality from the competitor's. This is a visible way to gain advantage in the market place.

A workable strategy demands unconventional approach to achieve desired results. To dislodge an established competitor, an organization can challenge the accepted norms in doing business in the industry. This is based on an aggressive platform to re-invent the rules and change the equation (William, 1994). This will definitely enable an organization to gain a competitive business advantage. Innovation is fundamental to business strategy. The deployment of innovative techniques can strengthen an organization's grip on the industry. Innovation can occur through new product development, marketing initiatives and opening up new market opportunities. Occupying a space untouched by competitors is also an innovative approach.

Allocation of resources is an impact of strategy on performance. This is based on the fact that the major purpose of reviewing divisional plans at the corporate level is to make effective allocations of capital, manpower, and other scarce resources among divisions. Often the capital appropriation requests of the divisions add up to more than headquarters can provide. An organization's strength should be leveraged upon to explore a business advantage. The major weapon to outwit competitors is strategic thinking. Organizations need to devise a channel through which they can break established competitive barriers. Insightful strategy leads to superior edge and business growth (William, 1994). This should be visible and discernible in the performance of the organization. The practice of strategy planning has today gained prominence worldwide and across businesses, public and

private. Various writers have argued that effective strategy implementation facilitates effective organization performance. The prescriptive strategic management literature implies that there is a positive association between strategy implementation and organization performance. The aim of Strategy implementation is to improve the effectiveness of management, deliver results and impact for an organization. This in turn led to direct improvement in performance. Strategy implementation is a critical success factor in performance

In general, the concept of organizational performance is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose (Alchian & Demsetz, 1972; Barney, 2001; Jensen & Meckling, 1976). Those providing the assets will only commit them to the organization so long as they are satisfied with the value they receive in exchange, relative to alternative uses of the assets. As a consequence, the essence of performance is the creation of value. So long as the value created by the use of the contributed assets is equal to or greater than the value expected by those contributing the assets, the assets will continue to be made available to the organization and the organization will continue to exist. Therefore, value creation, as defined by the resource provider, is the essential overall performance criteria for any organization.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The purpose of this study was to establish the challenges Kenya Medical Training College experience in the implementation of its strategic plans. This chapter on research methodology highlights the overall approach that will be taken in the research in terms of the Research Design, Data Collection, Data Collection Tools, Data Collection Procedure and Data Analysis.

3.2 Research design

This study adopted a case study research design. A case study is a popular form of qualitative analysis which involves a careful and complete observation of a social unit such as a person, a family, an institution, a cultural group or a community. It is effective in situations where an in depth understanding of a subject concerning a particular unit is required. Considering the fact that organizations are unique in terms of structure, culture, leadership styles and resources employed, the challenges faced are also unique, hence the use of a case study. Understanding research design is fundamental in the sense that it will inform the researcher's thinking when putting up appropriate foundations of a project design (McNeill and Chapman, 2005).

Some of the studies which have been done by the use of case study as research design include: Muthuiya (2004), Koske (2003) Karuri (2006).

3.3 Data Collection

The research utilized both secondary and primary data. Secondary data was collected through desk review of the strategic plans implementation and from previous performance indicator records such financial reports as documented in the years of the strategy implementation. This information was used to supplement the information gathered from the in-depth interviews.

Primary data was collected through in-depth interviews. This was guided by a pre-planned, unstructured guide. The respondents were drawn from top–level management at the KMTC headquarters and some junior officers. The kind of information sought required much insight into realities of strategic implementation and could only be provided by these persons: Former strategic plan in-charge, Chief Manager Finance, Human Resource manager, external liaison officer, public relation officer, deputy registrar research, chief procurement officer and the institutional advancement officer.

3.4 Data Analysis

Qualitative data analysis aimed at making general statements based on how categories and themes of data were related. The data collected from the respondents was qualitative in nature. Data collected will first be categorized into topics. The researcher used content analysis to analyze the data through describing phenomena, classifying it and seeing how the concepts interconnected as indicated by the respondents and using the same approach to relate trends (Nachmias, 1996). Content analysis according to Mugenda (2003) is a technique used for making inferences. This is either by systematically and objectively identifying specified characteristics of messages.

Content analysis is a systematic qualitative description object or material composition in relation to the study. The data obtained from the study originates from various management team members who belong to different departments. That data is then compared against each other. This enables it to gain more revelation based on the issues found in the study. The interview schedules will enable the research to yield qualitative data. Analysis of the data collected will be compared using theoretical approaches and documentations that have been cited in the literature review. Financial trends over the strategic plan period was drawn to test the influence of the various strategies on the financial performance of the organization.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis, presentation and interpretation. The objective of this study is to determine the strategies applied by KMTC and the performance of the organization. The study targeted the former Strategic plan in-charge, Chief Manager Finance, Human Resource Manager, External Liaison Officer, Public Relation Officer, Deputy Registrar Research, Chief Procurement Officer and the Institutional Advancement Officer. All the interviews were conducted successfully. According to Mugenda and Mugenda (2003), a response rate of 50% and above is a good for statistical reporting. The compiled and filled interview guides were edited in order to ensure completeness and consistency. Qualitative data analysis was applied with the aim of making general statements based on how categories and themes of data are related. This is based on the fact that the content analysis was used to analyze the data. Content analysis according to Mugenda (2003) is a technique used for making inferences.

4.2 Vision and Mission statements

The study asked the interviewees to indicate if the organization had vision and mission statements. They consented, indicating that KMTC Vision is “a model institution in the training and development of competent health professionals”; while its Mission is “to produce competent health professionals through training and research, and provide consultancy services.”

4.3 Department Involved in Strategic related matters

The study further asked the interviewees to indicate how the department responsible for strategic related matters has been in charge of strategies related to organization performance. The study found out that the Strategic Planning Team was vested with overall responsibility for KMTC strategy planning. Review of the organization performance annually of every strategy period. The team oversees and has demonstrated overall management and coordination of strategy review and supervision of strategy development over the periods. The team provides technical support to consultants and external strategy peer review teams. The Strategic Planning Team (SPT) is set with the role to manage strategy review, strategy development and coordinates participation of stakeholders who have a critical involvement in the reviews and new Strategy development process. SPT composed of all members of the KMTC Board of management and KMTC senior management. The preparation of the strategic plan includes the contributions from KMTC academic board, the Ministry of Health and other public sectors as well as consultants. The researcher established that there was a need to involve both the teaching and non-teaching staff since they were involved in implementation of the strategic plan. It was felt by the respondents that this was key to create ownership of the strategic plan throughout the organization.

Most respondents articulated that Monitoring and Evaluation of the strategic plan implementation needed to be conducted and periodic reviews done including impact assessments. Monitoring and evaluations outcomes and reports needed to be shared with staff and stakeholders to generate continuous program adjustments necessary to keep the strategy implementation on track. There was a felt need to create a strategic plan coordination office which would oversee the launching of the strategic plan, dissemination,

implementation, conduct monitoring and evaluation, sharing the findings with the relevant stakeholders and be held accountable for outcomes: most of the respondents felt that that would yield better outcome on the planned targets

4.4 Strategies and processes adopted

On Strategy development process, majority of the interviewees cited that KMTC strategy development steps involve intensive participatory driven processes. The SPT collects and captures ideas, convergence, consensus and divergent views from stakeholders. SPT then organizes consultation, focus group discussions and workshops. External consultants with expertise on corporate strategy are hired to read and comment on each of the drafts.

The study also asked the interviewees to give other strategies and processes which were adopted by their organization to enhance its performance. From the study findings, majority of the interviewees cited that KMTC sees strategic planning as means to support accountability and performance, a useful tool in succession planning, planning for organizational procurement processes, a tool to help managers to focus on core activities as per the plan, an avenue to link up with interested partners and stakeholders it was also seen to contribute to the national agenda of reaching the country “VISION 2013” and millennium development goals, and most importantly as a fundamental effort to develop Kenya’s health sector.

KMTC uses multiple systems and has adopted a number of strategies to enhance its performance. Most of the interviewees articulated that quality management systems aims to improve KMTC’S approaches and quality of its work in order to achieve its mission. Quality Management systems conformance is ensured through planned internal audits and other monitoring and evaluation processes. Other strategies employed to monitor

performance included Development of performance contracts, annual operational plans from which quarterly reports are obtained from all the staff in the organization to track conformance to the set annual targets.

The management, monitors and evaluates implementation process by mid-term strategy reviews quarterly staff returns end of strategic plan reviews which found the basis of lessons learned in the future plans: monitoring and evaluation framework are fundamental strategies used by KMTC to deepen performance. Majority of the respondents further cited that there was a need for monitoring and evaluation, tracking change in given situations, systems and assess strategy implementation progress and impact. KMTC needed to use monitoring and evaluation to identify what was working well or otherwise; as management tool to inform decision-making, re-plan and to demonstrate accountability. Monitoring continuously tracks performance against what was planned by analyzing data on the indicators established. This would provide information on whether progress is being made towards achieving key result area (outputs, purpose, and goals) through regular reporting systems and would also identify success areas and gaps.

Performance information generated from monitoring enhances learning from experience and improves decision-making. The respondents indicated that monitoring system would determine whether KMTC was achieving what it intends to achieve or failed to achieve and why, how its achieving intended or unintended results or if not why; whether the organization had used appropriate strategies that address its four key result areas namely: training competent health professionals, research and consultancy, institutional capacity and financial sustainability. Further, monitoring and evaluation would determine whether the organization was using the methods it planned to use or not and why; the obstacles/gaps in the implementation of the different strategies, learning from the achievements,

challenges or missed opportunities and identify what else needed to be done to achieve goals and other factors or contributors to what has been achieved.

4.5 Strategy Implementation Practices

The interviewees were asked to comment on how some strategy implementation practices utilized by KMTC in enhancing performance. The interviewees also reiterated that the level of commitment of top management contributes to strategy implementation at KMTC in that a very high degree of commitment by hierarchy of top management leads to an effective implementation whereas the opposite leads to failure in strategy implementation and demoralizes staff, and if the communication is well planned accountability and planning of strategies becomes effective which contributes to success. The interviewees also agreed that low levels of commitment among few staff impacted negatively on strategy implementation.

The study proceeded to determine how communication process contributed to successful strategy implementation at KMTC. All interviewees agreed unanimously that there was a need for an effective communication process in order to achieve successful strategy implementation for KMTC's programs. It was felt that effective communication enables the implementation process to proceed smoothly with no barriers; otherwise, some process becomes tedious to an extent that it bothers in the actual operation. They also said that effective and efficient communication to the staff enables them to understand what their requirements are; this should be a written communication; clear and precise to avoid ambiguity. This will lead to successful implementation and even give motivation to the strategy implementers. The interviewees further confided that lack of effective communication slows down the pace of strategy implementation; the most important thing is that the

frequency should be communicated to be understood and discussed among the staff to avoid friction.

To the question on what causes delay in communicating with employees concerning issues related to strategy implementation, the interviewees cited lack of good communication strategy and resources, lack of appreciation of the roles they can play or contributions employees can make, poor leadership, limited knowledge in the strategy at hand and poor planning which lead to fire fights among staff and development partners as well as donors.

The interviewees further indicated that lack of communicating the plans and not developing a strategy for communication with staff may lead to underdevelopment and recommended that planning should be done in advance to be developed in the communication plan. The interviewees also indicated that there were disruption in the management structure which happens in the mid of implementation of strategies for KMTC resulting to the exit of the sitting CEO have negative influence on strategic plan implementation.

The interviewees were asked to state the management practices that would contribute to better strategy implementation for KMTC. All the interviewees unanimously agreed that management practices that would contribute to better strategy implementation for KMTC include creating an strategic plan implementation office which should be equipped with dedicated staff to steer the whole strategic planning process, launching of the strategic plan, dissemination, monitoring and evaluation as well as giving of feedback to stakeholders was key in achieving better strategy implementation. Adding that quarterly and monthly planning meetings, team building activities, creating awareness among the staff, continuous monitoring and evaluation and culture of trust and transparency. Others cited include regular meetings to update staff on the strategy achievements and direction. The

interviewees also added other practices such as regular annual staff appraisals done in consultation with one's supervisor which resulted to fairness and were considered to be key drivers of successful strategy implementation. The interviewees also indicated that there should be a reward system to motivate staff who excel in strategy implementation. There was also need to have regular meetings to review positions in respect to new developments along the implementation of the strategic plan.

They also added that attitude towards change or rather people refusing to change with times with language such as "This is how we do things here" which is organizational politics play a big role to the implementation of strategy that may fail if the attitude is negative and succeed if the attitude is positive. Other aspects of organizational culture that contribute to strategy implementation for KMTC include team work , accountability and integrity responsiveness, equity, teamwork, professionalism, creativity and innovation.

4.6 Recommendations for strengthening the relationship between strategy implementation and performance

The study in this section sought to find out recommendations from interviewees on ways to strengthen the relationship between strategy implementation and performance at the KMTC. The interviewees agreed that the organization's vision and mission provide the direction for the business's future. By detailing the core values of the organization, the vision and mission statements target the central ideas that every employee should focus on during their employment. When organizational leaders design new vision and mission statements, they must clearly communicate them to employees to keep everybody on the same page, moving forward. Effective communication of the new vision and mission is handled in person to the employees. There was need for KMTC to use both bottom-up and

top – down approaches in planning in order to create ownership of the strategic plan and hence improve performance. Addressing the resource gap to finance strategy implementation was also seen as a key step in enhancing better relationship between strategy implementation and performance. Tracking of the key result areas indicators was also cited.

The study also established that, formulation of a procurement policy customized to KMTC, exclusion of vested interest in the procurement process, initiation of e-procurement to strengthen efficiency, adherence to statutory obligation, adherence to budgetary provisions, and allocation of realistic amount of resources, mid-term review on budgets with regard to procurement as well as submission of quarterly reports to the public procurement oversight authority was vital in strengthening performance in-line with the set strategies.

The interviewees also recommended that all evaluations, even strategy evaluations that assess relevance, performance and other criteria need to be linked to outcomes as opposed to only implementation or immediate outputs; continuous training to ensure all stakeholders clearly understood KMTC's processes for long term strategies. Most of the interviewees recommended that early opportunity needs to be taken to institutionalize and effectively communicate the various key result areas and expected outcomes to the operational levels of the organization. Strategic plan launching, appointment of strategic plan champion in various regions and proper cascading of the strategic direction throughout the organization was seen to be critical in strengthening the link between strategy implementation and organizational performance.

4.7 implementing Strategies

4.7.1 Process of Implementing Strategies

The interviewees stated that in order to be successful means knowing how to use your talent and resources to best advantage, and it's very difficult to "win" if you don't have this game plan in place. They agreed that Identifying Strategic Options plays a major role in the process of implementing strategies within the organization.

The interviewees stated that they schedule meetings to discuss progress reports. Presenting the list of goals or objectives, and let the strategic planning team know what has been accomplished was perceived to be important. Whether the implementation is on schedule, ahead of schedule, or behind schedule, assess the current schedule regularly to discuss any changes that need to be made. Establish a rewards system that recognizes success throughout the process of implementation. Additionally, they responded by stating that they involve the upper management where appropriate. Keep the organization's executives informed on what is happening, and provide progress reports on the implementation of the plan. Letting an organization's management know about the progress of implementation makes them a part of the process, and, should problems arise, the management will be better able to address concerns or potential changes.

The interviewees also responded by stating that Strategic implementation is critical to an organization's success, addressing: the who, where, when, and how of reaching the desired goals and objectives. It focuses on the entire organization. Implementation occurs after environmental scans, SWOT analyses, and identifying strategic issues and goals. Implementation involves assigning individuals to tasks and timelines that will help an organization reach its goals. Therefore, a successful implementation plan will have a very

visible leader, such as the CEO, as he communicates the vision, excitement and behaviors necessary for achievement. Everyone in the organization should be engaged in the plan. Performance measurement tools are helpful to provide motivation and allow for follow-up. Implementation often includes a strategic focus, which identifies and maps the key result areas this is broken down to strategic objective and further to strategies that will direct performance.

4.7.2 Challenges that have been Encountered in Implementation of Strategies and How have they been Dealt With

The interviewees agreed that much of the shortcomings in strategy are attributable to failures in the implementation process rather than in the formulation of strategy itself. One of the interviewees stated that the senior management team must come together to review, discuss, challenge, and finally agree on the strategic direction and key components of the plan. Without genuine commitment from the senior team, successful implementation is unlikely. This has enabled them to deal with the shortcomings.

The interviewees also agreed that the biggest mistake they made in strategic implementation is not developing ownership in the process. Also, a lack of communication and a plan that involves too much are common pitfalls. Often strategic implementation is too fluffy, with little concrete meaning and potential, or it is offered with no way of tracking its progress. The organization will often only address the implementation bi-annually, allowing management and employees to become caught up in the day-to-day operations and neglecting the long-term goals. Another pitfall is not making employees accountable for various aspects of the plan or powerful enough to authoritatively make changes. This posed as a challenge based on their views that in order to successfully implement your

strategy, several items must be in place. The right people must be ready to assist you with their unique skills and abilities. You need to have the resources, which include time and money, to successfully implement the strategy. The structure of management must be communicative and open, with scheduled meetings for updates. Management and technology systems must be in place to track the implementation, and the environment in the workplace must be such that everyone feels comfortable and motivated. There was need to institute an office dedicated to strategy implementation in order to actualize the implementation process as there was a felt gap in that aspect.

4.8 Strategic Evaluation

4.8.1 How to Monitor Success of the Strategic Plan

The interviewees responded that the strategic plan is measured primarily by monitoring progress against the key result areas that it identifies. They also agreed that KMTC is involved in mid-term review of its strategic plan. However, a clear sense of the decisions that need to get made and an understanding of who makes these decisions often pose as a challenge in the review of the strategic plans.

The interviewees also responded by stating that the strategic plans are measured by identifying Strengths and Weaknesses that may arise in the organization. Additionally, they also stated that they identify opportunities and threats and other critical issues that may arise in the organization. Additionally, they stated that in order to monitor the success of the strategic plan, the right people must be ready to assist you with their unique skills and abilities. You need to have the resources, which include time and money, to successfully implement the strategy. The structure of management must be communicative and open, with scheduled meetings for updates. Management and technology systems must be in

place to track the implementation, and the environment in the workplace must be such that everyone feels comfortable and motivated. It was also felt that involvement of the strategic plan implementers in the review process and inclusion of lessons learned from the previous strategic plan could far more enrich the review process.

4.8.2 Continuous Review of its Strategic Plan

The interviewees agreed by answering that all strategies are subject to constant modifications as the internal and external factors influencing a strategy change constantly. It is essential for the strategist to constantly evaluate the performance of the strategies on a timely basis. Strategic evaluation and control ensures that the organization is implementing the relevant strategy to reach its objectives. It compares the current performance with the desired results and if necessary, provides feedback to the management to take corrective measures; KMTC carried mid-term reviews as a way to monitor the implementation process.

The interviewees also mentioned that continuous review of the strategic plans is an in-depth look at all the factors likely to have the greatest impact on the future of your society. It involves gathering data and facts from a variety of sources and confirming that this information is accurate. Other components include identifying the strengths and weaknesses that are within the control of your organization these includes, inadequate financial resources, low staff numbers, skilled executive, open communication networks and discussing the effect on the ability of your group to accomplish its mission. Continuous review also involves identifying opportunities and threats. This is in relation to identifying the outside influences over which you have little control; political/legal, economic, social/cultural and technological factors. This may also include new government policies,

changing customer preferences, and activities of competitors and explore how these will relate to your mission.

The interviewees also stated that the continuous review involves identifying critical issues. These involves issues that may arise from the identified strengths, weaknesses, opportunities and threats. The issues in relation to these are positive or negative issues that will impact on your future and must be addressed by your planning team if not, they will become barriers to achieving your mission

4.9 Changes that have been observed in Kenya Medical Training College Performance

The interviewees agreed that the changes that have been observed in Kenya Medical Training College performance involve a change in performance measures within the organization, improved alignment of processes as it resulted in review of policies, procedures, charters, and internal guidelines to align them with the leadership and integrity. Strategy implementation was viewed as a key avenue to collaboration with partners such as Constituency Development Fund (CDF) in different counties, donors such as Funzo-Kenya: A bargaining tool in lobbying for resources in the form of grants from the government of Kenya (GOK). It also viewed as a fulfillment of government regulation and a guide in performance contracting.it enabled the organization to prioritize and reallocated funds in accordance to the needs highlighted in the strategic plan.

The interviewees also agreed that the organization had managed to enhance their allocation of resources. They stated that a major purpose of reviewing divisional plans at the corporate level is to make effective allocations of capital, manpower, and other scarce resources within the organization. The key achievement first Strategic Plan 2005-2010 includes;

Expansion of constituent colleges from 27 in 2004 to 29 in 2007. This expansion is aimed at increasing training opportunities to match increased eligible applicants; Increased more training programs added into existing campuses such as Kilifi Medical Training College; Additional training programmes for nursing, in Medical Engineering, Pharmacy course are being conducted at Mombasa and Machakos Medical Training Colleges. Physiotherapy programme also has additional class running at Port Reitz MTC; improved infrastructure in various colleges to ensure quality education for instance Muranga, Nairobi, Msambweni Medical Training Colleges, improved college educational strategies through review of 11 curricula and semesterization of 10 training programmes;

Other changes that were realized included: Improved corporate image by developing a Quality Management System, acquiring ISO certification and implementing an open door policy to customers and other stakeholders; Developed and implemented Distance Learning in Nursing profession; Improved networking with partners such as USAID, VVOB of Belgium Government in capacity building with a focus on health workers in the areas of HIV/AIDS and strengthening health systems by conducting Health Service Management courses for Provincial and District Health teams in collaboration with USIU and Galilee College from Israel; Improved ICT in the college through purchasing of computers, staff capacity building in computer applications. Initiation and co-ordination of KMTC consultancy services with the ministry of Health: consultancies so far carried out included LDP, HSS, HSM training for senior managers in the Ministry of Health, Malaria case management, among others

It was observed that there was strengthened computerization of college operations for example admission of students; Improved social responsibility by carrying out outreach services through scheduled medical camps conducted by students in selected needy areas;

Development of a web site through which information relating to the college can easily be accessed; Development of the Human Resource Manual as a reference document for human resource development in order ensuring employee satisfaction; Improved college transport infrastructure by purchasing minibuses and buses which are distributed to various colleges for students field visits; Recruitment of 106 new employees as support staff in various colleges; Harmonized staff salaries with those in the Government while still pursuing full benefits as agreed with MOH/Treasury; Successful implementation of Government reform by signing Performance Contract based on the agreed targets and outputs.

In addition the general achievements from the Implementation of the strategic plan 2008-2012 included: establishment of centers of excellence, increased student population, initiation of bi- annual scientific conferences, boosting of research activities through training, initiation and development of Kenya Institute of Health Systems Management, offering consultancy services to the Ministry of health in training health Managers, staff promotion and increase in employee satisfaction among others.

Other achievements included Improved revenue base to over KES 631Million within two years through implementation of college fees policies of no fees no class and direct banking of revenue, mounting of short courses as IGA to narrow down our resource gap which overtime has impacted negatively on quality of training;

Table 4.1 Financial Reports

YEAR	TOTAL NET ASSETS IN '000		TOTAL REVENUE COLLECTED IN '000	ASEET TURNOVER
2006	4,371,849.30		651,593.60	0.149043015
2007	4,481,394.50		791,352.40	0.176586194
2008	4,927,872.80		929,108.80	0.188541555
2009	5,149,695.01		1,068,730.20	0.207532718
2010	5,180,127.40		1,027,981.50	0.198447146
2011	5,196,579.50		1,026,245.50	0.197484807

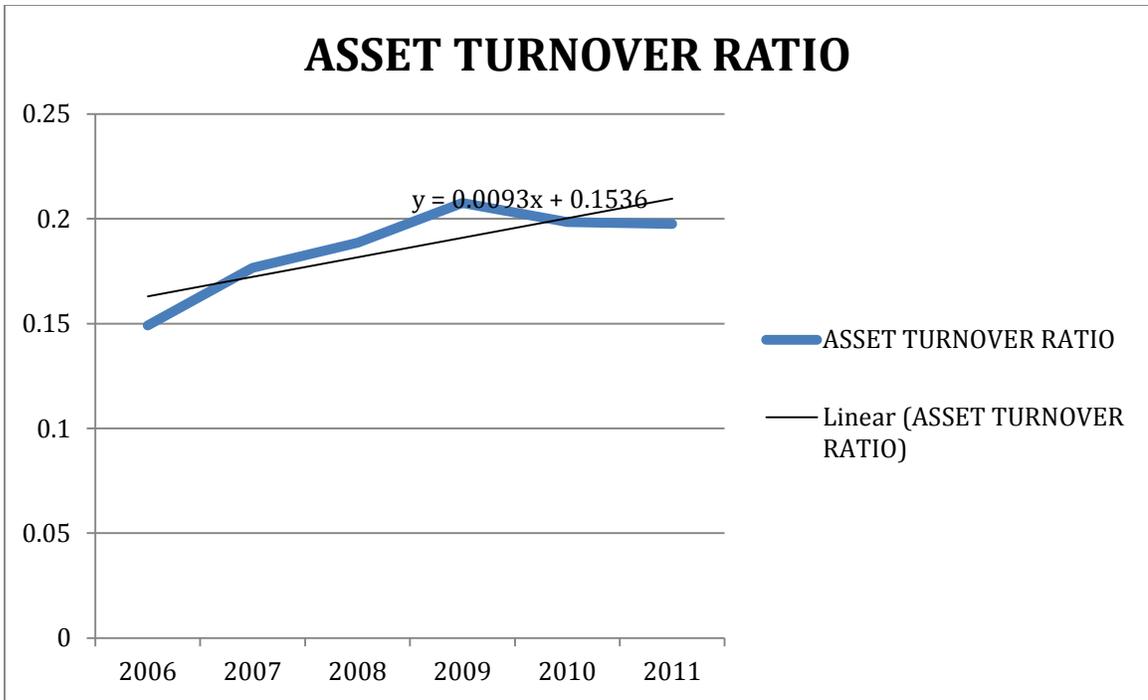


Figure 4.1. Asset Turnover Ratio

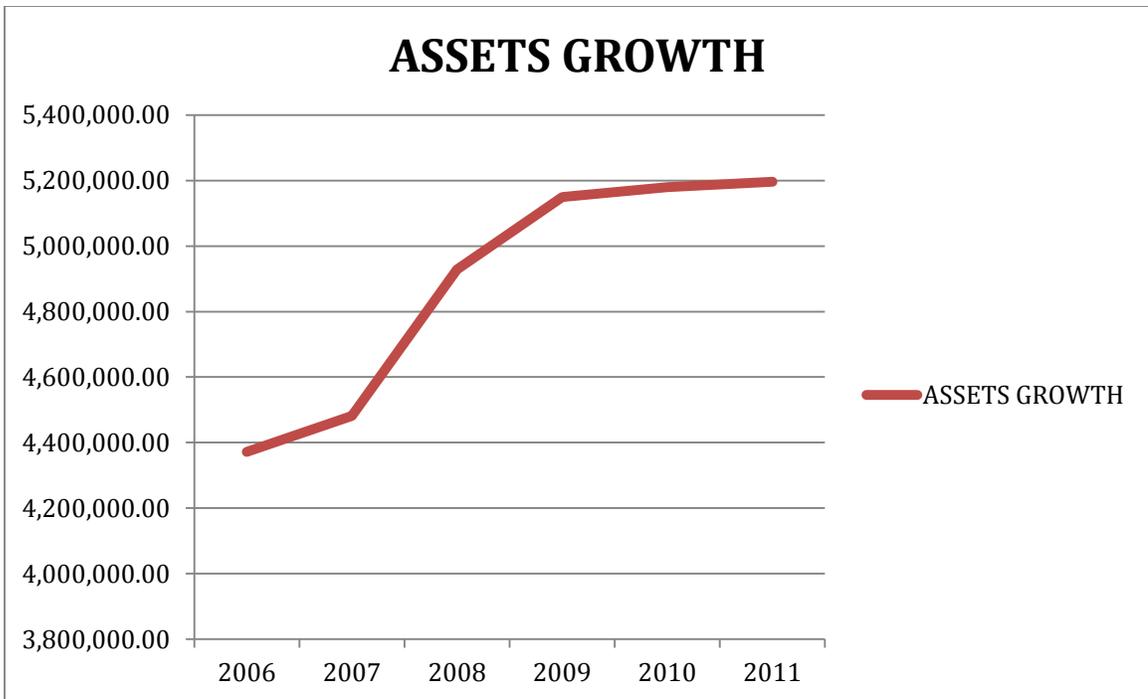


Figure 4.2. Assets Growth Verses Time In Years

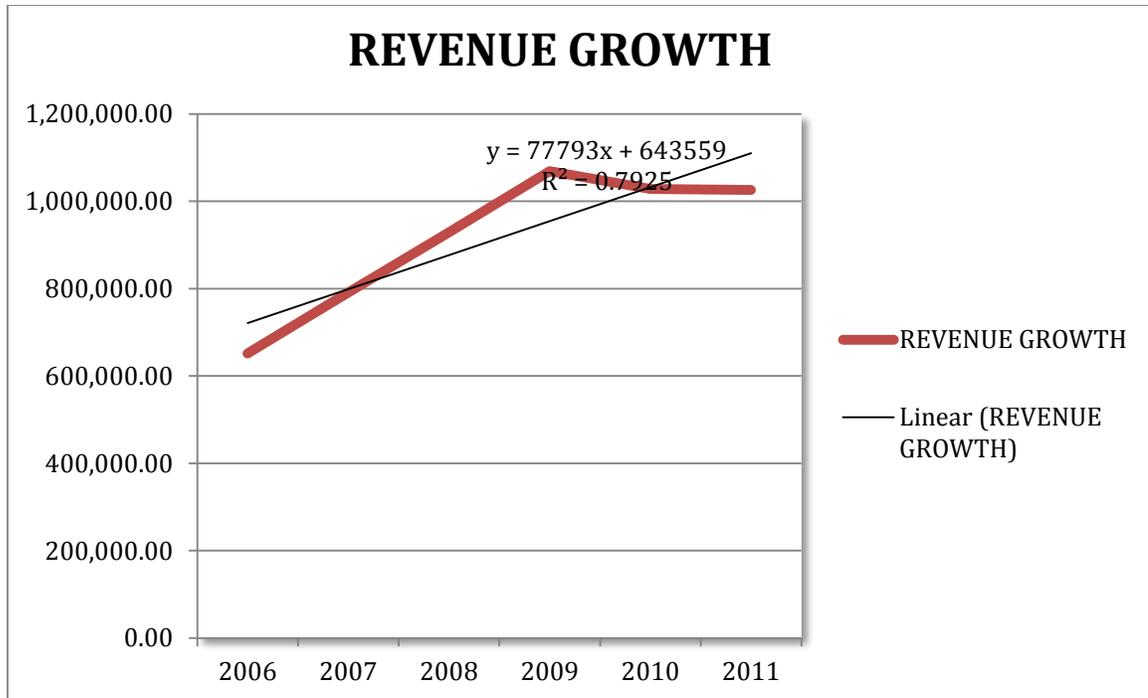


Figure 4.3 Revenue Growth Verses Time In Years

As depicted in the table and charts above, from 2006 to 2009, the revenue base and the assets were on an upward trend, this could be attributed to the strategies that were instituted and were implemented during that period. But however how good strategies are, they are tailored for a specific reason, and may become obsolete, as the technological advancement and better business models are adopted. The period between 2009 and 2011 shows a flat trend in both the revenue growth and asset growth, this period coincides with a period in which higher education institutions expanded very fast and the new universities were chartered. The existing universities also expanded into new areas, by opening campuses in different parts of the country. This brought a lot of competition to the learning institutions as they were all competing for the same market share. Owing to the shift in competitors' strategies, it could indicate that the strategies implemented in 2006 were becoming obsolete and hence the need to formulate new ones in order to be competitive in the market.

4.5 Discussion of the Study

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

4.5.1 Link to Theory

This study is anchored in the conceptual framework of business ethics and organizational management. The key points of the stakeholder theory are based on the relationships found between an organization and others in its internal and external environment. The theory also looks at how these relationships affect how the KMTC conducts its activities. Stakeholders can be drawn from inside or outside of the organization. They may include customers, employees, stockholders, suppliers, developmental partners, government, and the local community among many others.

4.5.2 Link to Other Studies

According to Slack (2002), Strategies at a corporate level are concerned with the overall purpose and scope of the business to meet stakeholder expectations. This is a crucial level since it is heavily influenced by investors in the business and acts to guide strategic decision-making throughout the business. He also states that corporate strategy is often stated explicitly in a "mission statement". Business Unit Strategy is concerned more with how a business competes successfully in a particular market. It concerns strategic decisions about choice of products, meeting needs of customers, gaining advantage over competitors, exploiting or creating new opportunities etc. Operational Strategy is concerned with how each part of the business is organized to deliver the corporate and business-unit level strategic direction. Operational strategy therefore focuses on issues of resources, processes, people etc.

KMTC strategy concentrates on a narrow segment and within that segment attempts to achieve either a cost advantage and product differentiation. A firm using a focus strategy often enjoys a high degree of customer loyalty, and this entrenched loyalty discourages other firms from competing directly. However, firms pursuing a differentiation-focused strategy may be able to pass higher costs on to customers since close substitute products do not exist. Firms that succeed in a focus strategy are able to tailor a broad range of product development strengths to a relatively narrow market segment that they know very well.

From the research findings, it was evident that long term planning is essential for the success. This is based on the fact that it ensures that there is commitment to the set objectives. Additionally, it also creates ease in checking the performance against the set objectives. The long term planning also plays a major role in clarifying the organizations vision. He states that this is essential since it helps in rallying the staff to move in the same direction as well as setting priorities in use of the resources. It was also found that KMTC's strategy is all about developing action plans that enables an organization to deploy its enterprising strength within its sphere of strategic objectives at operational levels. For strategy to achieve its purpose there is the need for a deep thinking. To outsmart competitors is not an ordinary task.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study findings, conclusions and recommendations. The findings are summarized in line with the objectives of the study which was to determine the strategies applied by KMTC and the performance of the organization.

5.2 Summary

The study established the challenges facing the implementation of strategies in the organization through the information obtained from the interviewees and also by examining the implementation status of the last two strategic plans already implemented in the organization. The study also established the challenges facing the implementation of the strategies by focusing on the process applied in the launching, dissemination, monitoring and evaluation. It is evident that KMTC during the process of developing the vision and mission statements involved a vivid description of the organization as it effectively carries out its operations.

The study also reveals that the lack of a designated office for strategic planning poses as a challenge in the dissemination as well evaluation process. However, Kenya Medical Training College is involved in continuous review of its strategic plan: The key strategic objectives have played a major role in the achievement of the organizations aim which is to attain its key result areas over the years of strategic planning and keep the organization focused on its core activities as well as support activities. This has enabled the organization to enlarge its niche and expand enormously over the years, remain competitive in the

market, and offer its services ensuring that it continuously provides quality service delivery and enhance its compliance to government requirements.

The study reveals that all strategies are subject to constant modifications as the internal and external factors influencing a strategy change constantly. The interviewees identified that it is essential for the strategist to constantly evaluate the performance of the strategies on a timely basis. Continuous review also involves identifying opportunities and threats. This is in relation to identifying the outside influences over which you have little control; political/legal, economic, social/cultural and technological factors. This may also include new government policies, fragmented markets, changing lifestyles, activities of competitors and explore how these will relate to your mission.

5.3 Conclusion

This research was aimed at determining the strategies applied by KMTC and the performance of the organization. The interviewees agreed that Strategic planning is a critical step in the management of any organization, regardless of the level. They also believe that transfer of knowledge between department workers whether they are departing voluntarily or involuntarily or due to retirement or other reasons are necessary to ensure continuity and minimal impact on productivity and effectiveness. A strategy for transferring knowledge is critical. The interviewees highlighted the urgent need to initiate an office dedicated to strategic management processes in order to actualize the strategies as stipulated in the strategic plan.

Change management models and research are still relevant for the twenty-first century. It is evident that the business world is ever changing with the advancement in technology, shifting employee's needs, changing financial market trends, changes in ethical values and

need for business expansion. As business entities grow, they expand their operations, and this indeed call for improved technology, increased work force, train the manpower to acquire performance dimensions that are in line with the expanding business. KMTC's strategy is all about developing action plans that enables an organization to deploy its enterprising strength within its sphere of business operations. For strategy to achieve its purpose there is the need for a deep thinking. To outsmart competitors is not an ordinary task, when an organization strives to maintain a superior edge over competitors, the thought pattern of one helmsman should be different. Organizational performance dimensions include profitability, liquidity, growth, and stock market performance. Organizational performance and the construct validity of a comprehensive set of indicators at the operational level had been published before.

The research found out that strategic management is the comprehensive collection of ongoing activities and processes that organizations use to systematically coordinate and align resources and actions with mission, vision and strategy throughout an organization.

5.4 Recommendations

The study recommends that the organization should dedicate an operation office to be in-charge of strategic management matters to oversee all the processes from planning to monitoring and evaluation; improve awareness in regards to the mission and vision statement. It is also recommended that the organization should support participatory rapid appraisal, planning and implementation of project activities within the organization with the aim of enhancing the performance. The study also recommends that the decentralization of the monitoring and evaluation function to all levels of the organization in order to track strategic plan implementation at all levels. The researcher further recommends more involvement of both internal and external stakeholders in the strategic planning process to

further identify gaps in the implementation process and establish mechanisms of filling those gaps and also create ownership of the strategic plan by the operational level staff. Additionally, the organization needs to allocate adequate resources needed to realize the different key result areas in the strategic plan and thus actualize the targeted objectives. The organization should also conduct strategic evaluation based on their performance indicator; this information can be obtained through involvement of the operational level managers at constituent colleges of KMTC. The researcher recommends the initiation of a fully dedicated well equipped and resourced strategic management office to oversee the process of strategy implementation, identify and fill the gaps, this in return will enable them to assess the organizational performance effectively and make changes where necessary.

5.5 Limitation of the study

The study did not look into how the various challenges to implementation of strategy had affected strategic management processes in KMTC. The study also failed to quantify strategies applied by KMTC in order to attempt a correlation analysis of between strategies applied and organizational performance.

The researcher was faced with financial limitation and time constrained. Though the respondents were readily available and time allowed for the interviews was limited on account of the busy work schedule of the management team. Financial reports for some of the earlier years needed more time to be retrieved this was a limitation in getting all the data required for the study to be more comprehensive.

5.6 Suggestions for Further Research

The study suggests further research on the effectiveness of strategies applied in KMTC and their effect on performance. The study will supplement the findings of this study by providing information on the strength and weaknesses experienced in the implementation of strategies in the organization. This research therefore should be replicated in other government owned parastatals in order to establish whether there is consistency among the Government owned organizations on the effect of strategic implementation on organizational performance.

Additionally, further studies should be carried out in order to determine opportunities and threats that may be associated with strategy implementation. This is in relation to identifying the outside influences over which you have little control; political/legal, economic, social/cultural and technological factors. This may also include new government policies, fragmented markets, and activities of competitors and explore how these will relate to your mission.

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APPENDICES

Appendix I: Interview Guide

Relationship between strategy implementation and organization performance in middle level training institutions

1. Does KMTC have vision and mission statements?
2. What strategies and processes are adopted by your organization to enhance its performance?
3. How has the department responsible for strategy related matters been in charge of strategies related to organization performance?
4. How are the following strategy implementation practices done by KMTC in enhancing performance: communicating developed strategies, operationalizing strategies, managing resistance to change monitoring strategy implementation and Establishing Priorities, Assessing and sustaining organizational competence and impact?
5. Recommend the various ways to strengthen the relationship between strategy implementation and performance in your organization
6. Describe the process of implementation of strategy.
7. How does your organization undertake evaluation and control of strategies?
8. How are the staff and stakeholders been involve?
9. How has strategy implementation enhanced performance of KMTC?

Appendix II Data Collection Authority Letter



UNIVERSITY OF NAIROBI

MOMBASA CAMPUS

Telephone 020-2059161
Telegrams "Varsity", Nairobi
Telex 22095 Varsity

P.O. Box 99560, 80107
Mombasa, Kenya

DATE: 07th August, 2015

TO WHOM IT MAY CONCERN

The bearer of this letter, **Mutua Caleb Muendo** of Registration number **D61/76188/2009** is a Master of Business Administration (MBA) student of the University of Nairobi, Mombasa Campus.

He is required to submit as part of his coursework assessment a research project report. We would like the student to do his project on "**Strategic Management and Organizational Performance: A Case study of Kenya M.T.College**". We would, therefore, appreciate if you assist him by allowing him to collect data within your organization for the research.

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

Thank you.


Dr. JOSEPH ARANGA

ASSIST.CO-ORDINATOR, SOB-MOMBASA CAMPUS



Appendix III Letter of Authorization from KMTC

Telegrams: "MEDTRAIN" Nairobi
TELEPHONE: NAIROBI 2725191, 2725711/14
Fax: 2722907 Email: info@kmtc.ac.ke
Please address all correspondence to:
The Director
When replying please quote



KENYA MEDICAL TRAINING COLLEGE
P.O. BOX 30195-00100
NAIROBI

Ref. No. KMTC/ADM/74/VOL.II Date 11th September, 2015

Dr. Caleb Mutua
KMTC Mombasa Campus
P O Box 87946
MOMBASA

PERMISSION TO COLLECT DATA

We acknowledge receipt of your letter dated 14th August, 2015 requesting for authorization to collect Data KMTC on "*Strategic Management and Organizational Performance*" a case study of KMTC with thanks.

This is to inform you that your request has been granted. Please note that you are required to report to the relevant Principal before embarking on the study.

On completion of the study, you are expected to submit one (1) Hard and a Soft copy of the research report to the Director's office.

Thank you.



Peter K. Tum
Ag. DIRECTOR

KMTC ISO 9001:2008 CERTIFIED