

**CHALLENGES FACING THE IMPLEMENTATION OF
STRATEGIES WITHIN THE KENYA ARMED FORCES
MEDICAL INSURANCE SCHEME**

BY:

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DECLARATION

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

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

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ABSTRACT

DEDICATION

This project is dedicated to my wife, Peris Wanjiru, for the many nights she stayed up late to ensure everything was ideal for my studies and for ensuring that I did not get sidetracked from the main goal all through my time in school.

ABSTRACT

Medical insurance, like other forms of insurance, is a form of collectivism by means of which people collectively pool their risk, in this case the risk of incurring medical expenses. The collective is usually publicly owned or else is organized on a non-profit basis for the members of the pool, though in some countries health insurance pools may also be managed by for-profit companies.

Before the development of medical expense insurance, patients were expected to pay all other health care costs out of their own pockets, under what is known as the fee-for-service business model. During the middle to late 20th century, traditional disability insurance evolved into modern health insurance programs. Today, most comprehensive private health insurance programs cover the cost of routine, preventive, and emergency health care procedures, and most prescription drugs, but this is not always the case.

The Kenya armed forces insurance scheme was initiated in 1996, when the Kenyan Military leadership realized that their retirees were becoming vulnerable to ill health since their entitlement for healthcare ceased immediately upon retirement. This realization led to the introduction of the Kenya Armed Forces Medical Insurance Scheme (KAFMIS) whose goal was to give a chance to the serving members to contribute a small portion of their basic salaries that would accumulate over a period of 15 years or so to be able to take care of their healthcare together with their dependents in their retirement.

The study used descriptive study and it sought to gain deeper understanding on to find out the challenges of new strategies implementation within the medical insurance industry in Kenya to determine the response of KAFMIS to the challenges of strategies implementing in the scheme and challenges encountered by KAFMIS in the implementation of strategies. This study also sought to gain a deeper understanding as to why certain challenges arise in implementing strategy at KAFMIS.

This study further gave recommendations on the findings made on how KAFMIS can use the challenges that it faces to create a competitive advantage and to ensure it is able to remain in business in the long-term. Consequently, the study recommended that the area of challenges facing KAFMIS be interrogated further to establish why the specific challenges arise, if they are specific to KAFMIS and if they can be harnessed to offer operational advantage to KAFMIS vis-à-vis the competitors.

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ABBREVIATIONS

KAFMIS – Kenya Armed Forces Medical Insurance Scheme

CEO – Chief Executive Officer

RIMS – Risk and Insurance Management Society

QIC – Quality Insurance Congress

CPCU – Chartered Property Casualty Underwriters

SWOT – Strengths Weaknesses Opportunities Threats

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Medical insurance, like other forms of insurance, is a form of collectivism by means of which people collectively pool their risk, in this case the risk of incurring medical expenses. The collective is usually publicly owned or else is organized on a non-profit basis for the members of the pool, though in some countries health insurance pools may also be managed by for-profit companies. It is sometimes used more broadly to include insurance covering disability or long-term nursing or custodial care needs. It may be provided through a government-sponsored social insurance program, or from private insurance companies. It may be purchased on a group basis or purchased by an individual. In each case, the covered groups or individuals pay a fee, premium, or tax, to help protect themselves from unexpected health care expenses. Similar benefits paying for medical expenses may also be provided through social welfare programs funded by the government. By estimating the overall risk of health care expenses, a routine finance structure (such as a monthly premium or payroll tax) can be developed, ensuring that money is available to pay for the health care benefits specified in the insurance agreement. The benefit is administered by a central organization such as a government agency, private business, or not-for-profit entity (International Operations Management, 2002).

Before the development of medical expense insurance, patients were expected to pay all other health care costs out of their own pockets, under what is known as the fee-for-service business model. During the middle to late 20th century, traditional disability insurance evolved into modern health insurance programs. Today, most comprehensive private health insurance

programs cover the cost of routine, preventive, and emergency health care procedures, and most prescription drugs, but this is not always the case. Hospital and medical expense policies were introduced during the first half of the 20th century.

1.1.1 Concept of Strategy

Strategy, a word of military origin, refers to a plan of action designed to achieve a particular goal. In military usage strategy is distinct from tactics, which are concerned with the conduct of an engagement, while strategy is concerned with how different engagements are linked. How a battle is fought is a matter of tactics: the terms and conditions that it is fought on and whether it should be fought at all is a matter of strategy, which is part of the four levels of warfare: political goals or grand strategy, strategy, operations, and tactics. Building on the work of many thinkers on the subject, one can define strategy as "a comprehensive way to try to pursue political ends, including the threat or actual use of force, in a dialectic of wills – there have to be at least two sides to a conflict. These sides interact, and thus a Strategy will thus rarely be successful if it shows no adaptability.

However, the insurance industry sectors in Kenya have recently embarked on implementation of various new strategies with an intention of improving the health care services and ensuring that all Kenyans get the benefits of medical care. With the current dynamic world that is developing rapidly, all organizations need to implement new strategies in order to fit in the current world. Specifically, the medical information systems need a lot of improvements owing to the fact that the information technology has been currently emphasized on both by the government and the entire public, the reason for the medical insurance standing to also come up with the newest

strategies. Nevertheless, the implementation of the new strategies is not always very simple since a number of challenges are encountered in the process, thus hindering the implementation processes.

1.1.2 Strategy Implementation Challenges

Medical insurance in Kenya has come a long way. The industry has gone through its ups and downs and is now quite comprehensive and efficient. Very few companies cover HIV/AIDS and other chronic illnesses. Age limitation is also a great hindrance as the elderly do fall more ill. Most medical insurance is private. The National health insurance fund helps in paying hospital bed charges and is now being piloted in two districts to test outpatient coverage. There are plans to implement a social health insurance fund which will mean taxing everyone with an income, whether or not they have other private insurance, to meet the costs of providing health-care for the majority poor. This has resulted in a court injunction against the Government which is accused of bypassing stakeholder consultations and acting as a lone cowboy. The health care in Kenya has many serious problems and most of the basic requirements cannot be met. The total health care spending is well below the average of other developing countries, and most of the population is living in poverty.

1.1.3 The Kenya Armed Forces Medical Insurance Scheme

The Kenya armed forces insurance scheme was initiated in 1996, when the Kenyan Military leadership realized that their retirees were becoming vulnerable to ill health since their entitlement for healthcare ceased immediately upon retirement. This realization led to the introduction of the Kenya Armed Forces Medical Insurance Scheme (KAFMIS) whose goal was

to give a chance to the serving members to contribute a small portion of their basic salaries that would accumulate over a period of 15 years or so to be able to take care of their healthcare together with their dependants in their retirement. The scheme was registered on 1st September 2001 as a Trust under the name “The Kenya Armed Forces Medical Insurance Scheme Registered Trustees” and there after issued with a certificate of incorporation on 31st January 2002. The Trust is constituted under the Trustees (Perpetual Succession) Act Chapter 164 and all other enabling provisions of the Laws of Kenya and places the control of the scheme under a Board of Trustees to represent the stakeholders. The objective of the scheme remains to give a chance to the serving members of the Armed Forces to participate while they are serving. Serving members would put aside a small amount of money (3.1% of ones basic salary), which would build up over a period of fifteen years or so (depending on the length of service of the contributor). The money so contributed would be used to provide members and their families with Medicare services after retirement, without further subscription.

1.2 Research Problem

Medical insurance industry in Kenya has really developed over the years since its inception. Moreover, there has been an increasing development in the sector, the same rate at which the world is changing to become a global village with every service being centralized in it. There have been various recent changes occurring in this industry, and since it is in a fast-paced world, there has been a need to implement new strategies in all departments. Implementation of strategies requires a well laid down procedure by the management, which has been the case for most of the Kenyan industries. However, there have been rampant challenges facing the industry over the years since the process of strategies implementation is not always about proposing but

putting into action the proposed strategies. Additionally, not all the people/ employees concerned with sectors are willing to get involved in the new processes. The main problem within the Kenyan industrial sectors is the fear of losing. All new strategies and discoveries are always seen as objects that arise to drain a corporation's resources. Therefore, the medical insurance industry is not an exception since it is always deemed as a hard project. Moreover, key players within an organization must develop a heart that is committed into working towards achieving their goals. Previous studies, notably those of Wells & Stafford (1995), the Quality Insurance Congress (QIC) and the Risk and Insurance Management Society (RIMS) (Friedman, 2001a, 2001b), and the Chartered Property Casualty Underwriters (CPCU) longitudinal studies (Cooper & Frank, 2001), have confirmed widespread customer dissatisfaction in the insurance industry, stemming from poor service design and delivery. Ignorance of customers' insurance needs (the inability to match customers perceptions with expectations), and inferior quality of services largely account for this.

This study seeks to investigate into the challenges facing the implementation of new strategies within the medical insurance industry in Kenya. Additionally, it will be aimed at establishing the main challenges facing a specific medical insurance scheme, being the Kenya armed forces medical insurance. It will also seek to find out the various strategies that have recently been focused on by the medical insurance industry. Moreover, it will establish the need for the various strategies being implemented in the medical insurance industry. Furthermore, it will provide an overview of the response of the Kenya armed forces insurance scheme to implementation of new strategies.

- i. What challenges are encountered in the implementation of strategies?

- ii. What is the response of the Kenya armed forces insurance scheme to the challenges of implementing strategies?

What role does the government play in the implementation of new strategies within the Kenya armed forces medical insurance industry in Kenya?

1.3 Research Objectives

The main objective of this study was to find out the challenges of strategies implementation within the Kenya Armed Forces Insurance Scheme and specifically:

- i. To determine the response of the Kenya Armed Forces Medical Insurance Scheme to the challenges of strategies implementing strategies.
- ii. To determine the challenges encountered by Kenya Armed Forces Medical Insurance Scheme in the implementation of strategies.

1.4 Value of the Study

The study was intended to be useful for individuals interested in implementing new strategies in the health insurance schemes to enhance appropriate operations. The Kenya Armed Forces Medical Insurance Scheme management will benefit from the findings of the study of the key into challenges facing the implementation of new strategies within the medical insurance industry in Kenya, the elements of new strategies implementation within the Kenya armed forces medical insurance scheme as well as the challenges that commonly face the practices that have already been put into place. It will be very important to the medical insurance departments in the various health institutions for they will evaluate their performance. On the other hand, they will be able to address the common challenges and be set to implement proper strategies of

counteracting them in future. Academicians wishing to study more about credit risk management can use this material for future research. The Kenyan Government who would wish to support the economy by providing an enabling environment for health institutions focusing on the lower end of the populace will be able to access this information and take the most relevant strategies in doing so. Further Research work is recommended since the study is not exhaustive. However the study will provide valuable information and data relevant for future studies related to challenges facing the implementation of new strategies within the medical insurance industry in Kenya.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

In this chapter, emphasis will be on what other researchers and authors have said about the strategy. Specifically, the chapter will focus on theories of strategy execution, the key factors to consider when implementing the strategies, the implications of new strategy discharge as well as challenges encountered. The chapter will also look to set the basis for strategy realization, the various models to choose from when accomplishing a strategy and finally the response of Kenya Armed Forces Medical Insurance Scheme in view of the new strategies.

2.2 Strategy Implementation Process

According to Miller and Dess, (2006), strategies implementation involves general plan outlining decisions of resource allocation, priorities, and actions necessary to achieve strategic goals. Strategic plans have a strong external orientation and cover major functional areas of the organization. A strategic plan is usually set by the top management echelon and has a time horizon consistent with the scanning abilities of the organization and set at the risk level that planners feel is appropriate for their organizations. The specifics of the plan should address questions of scope, resource requirements, competitive advantage, quality expectations, social responsibility issues, and synergy (Micklethwait, 2000).

Kenya Armed Forces Medical Insurance Scheme has grown in leaps since its inception. Its growth story forms a serious learning agenda for many developmental institutions (Dorothy McCormick*2003) recognized Kenya Armed Forces Medical Insurance Scheme's growth

potential and impact in the microfinance sector as early as 2002 as indicated in this statement. The United Nations Conference for Women in 1975 may look like mustard seed in the distance now, the smallest seed in the world that was planted in the ground. Kenya Armed Forces Medical Insurance Scheme has also improved its relationship with clients, intensifying its client training efforts and handing over more power to groups to manage their own affairs. At the same time that Kenya Armed Forces Medical Insurance Scheme was expanding its rural operations. The experience of Kenya Armed Forces Medical Insurance Scheme shows that calculated risks can pay off when they are backed up by thorough planning. The remarkable success may well serve as a model for similar projects elsewhere in Africa.

Often overlooked are the five key components necessary to support implementation: People, Resources, Structure, Systems and Culture. All components must be in place in order to move from creating the plan to activating the plan.

People: The first stage of implementing your plan is to make sure to have the right people on board.

Resources: Sufficient funds are required and enough time to support implementation. Often, true costs are underestimated or not identified.

Structure: The structure of management should be well set along appropriate lines of authority, and have clear, open lines of communication with your employees. A plan owner and regular strategy meetings are the two easiest ways to put a structure in place.

Systems: Both management and technology systems help track the progress of the plan and make it faster to adapt to changes. As part of the system, build milestones into the plan that must be achieved within a specific time frame.

Culture: Appropriate implementation of strategies can be achieved through creating an environment that connects employees to the organization's mission and that makes them feel comfortable.

2.3 Challenges of Implementing Strategies

Implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals. Implementing your strategic plan is as important, or even more important, than your strategy. The critical actions move a strategic plan from a document that sits on the shelf to actions that drive business growth. Sadly, the majority of companies who have strategic plans fail to implement them. According to a Fortune cover story in 1999, nine out of ten organizations fail to implement their strategic plan for many reasons. A strategic plan provides a business with the roadmap it needs to pursue a specific strategic direction and set of performance goals, deliver customer value, and be successful. However, this is just a plan; it doesn't guarantee that the desired performance is reached any more than having a roadmap guarantees the traveler arrives at the desired destination, (Kotter, 2009).

Once strategies have been agreed on, the next step is implementation; this is where most failures occur. A common method of implementation is hoopla—a total communication effort. This can involve slogans, posters, events, memos, videos, Web sites, etc. A critical success factor is whether the entire senior team appears to buy into the strategy, and models appropriate

behaviors. Success appears to be more likely if the CEO, or a very visible leader, is also a champion of the strategy. Strategic measurement can help in implementing the strategic plan. Appropriate measures show the strategy is important to the leaders, provide motivation, and allow for follow-through and sustained attention. By acting as operational definitions of the plan, measures can increase the focus of the strategy, aligning the workforce around specific issues. The results can include faster changes (both in strategic implementation, and in everyday work); greater accountability (since responsibilities are clarified by strategic measurement, people are naturally more accountable); and better communication of responsibilities (because the measures show what each group's primary responsibility is), which may reduce duplication of effort (Kotter, 2009).

Creating a strategic map (or causal business model) helps identify focal points; it shows the theory of the business in easily understood terms, showing the cause and effect linkages between key components. It can be a focal point for communicating the vision and mission, and the plan for achieving desired goals. If tested through statistical-linkage analysis, the map also allows the organization to leverage resources on the primary drivers of success. The senior team can create a strategic map (or theory of the business) by identifying and mapping the critical few ingredients that will drive overall performance. This can be tested (sometimes immediately, with existing data) through a variety of statistical techniques; regression analysis is frequently used, because it is fairly robust and requires relatively small data sets. This map can lead to an instrument panel covering a few areas that are of critical importance. The panel does not include all of the areas an organizational measure, rather the few that the top team can use to guide decisions, knowing that greater detail is available if they need to drill down for more intense

examination. These critical few are typically within six strategic performance areas: financial, customer/market, operations, environment (which includes key stakeholders), people, and partners/suppliers. Each area may have three or four focal points; for example, the people category may include leadership, common values, and innovation.

Once the strategic map is defined, organizations must create measures for each focal point. The first step is to create these measures at an organizational level. Once these are defined, each functional area should identify how they contribute to the overall measures, and then define measures of their own. Ideally, this process cascades downward through the organization until each individual is linked with the strategy and understands the goals and outcomes they are responsible for and how their individual success will be measured and rewarded. Good performance measures identify the critical focus points for an organization, and reward their successful achievement. When used to guide an organization, performance measures can be a competitive advantage because they drive alignment and common purpose across an organization, focusing everyone's best efforts at the desired goal. But defining measures can be tricky. Teams must continue to ask themselves, "If we were to measure performance this way, what behavior would that motivate?" For example, if the desired outcome is world-class customer service, measuring the volume of calls handled by representatives could drive the opposite behavior (Kotter, 2009).

Many theories of strategic management tend to undergo only brief periods of popularity. A summary of these theories thus inevitably exhibits survivorship bias itself an area of research in strategic management. Many theories tend either to be too narrow in focus to build a complete

corporate strategy on, or too general and abstract to be applicable to specific situations. Populism or faddishness can have an impact on a particular theory's life cycle and may see application in inappropriate circumstances. See business philosophies and popular management theories for a more critical view of management theories. (Johnson, 2008).

Gary and Hamel (2000) coined the term strategic convergence to explain the limited scope of the strategies being used by rivals in greatly differing circumstances. He lamented that strategies converge more than they should, because the more successful ones are imitated by firms that do not understand that the strategic process involves designing a custom strategy for the specifics of each situation. Ram and Charan (2000), aligning with a popular marketing tagline, believes that strategic planning must not dominate action. It is tempting to think that the elements of strategic management: reaching consensus on corporate objectives, developing a plan for achieving the objectives and marshalling and allocating the resources required to implement the plan – can be approached sequentially. It would be convenient, in other words, if one could deal first with the noble quest on of ends, and then address the mundane question of means.

Lack of ownership has greatly contributed to failure in implementation of new strategies in many industries. The most common reason a plan fails is lack of ownership. If people don't have a stake and responsibility in the plan, it'll be business as usual for all but a frustrated few. It is always crucial that the involved parties become part of the projects that are in the implementation process to enhance a sense of belonging. Nevertheless, in most industries, and especially the medical insurance industry do not involve most employees in the processes, thus they don't develop the correct attitudes towards the processes at hand, leading to failure.

Poor communication among the strategy implementation parties is a great hindrance to the processes. The plan doesn't get communicated to employees, and they don't understand how they contribute. Whenever the top management thinks of a plan, they should consider this a vision for the company, where it should be communicated to all the stakeholders of the organization. However, this is a quality that lacks in most organizations, the medical insurance industry being no exception. Poor communication leads to a poor perception, intimidation and lack of confidence as well.

Lack of accountability by the major players in the implementation of new strategies is also another challenging fact. Accountability and high visibility help drive change. This means that each measure, objective, data source, and initiative must have an owner. Although accountability may provide strong motivation for improving performance, employees must also have the authority, responsibility, and tools necessary to impact relevant measures. Otherwise, they may resist involvement and ownership. It's easier to avoid pitfalls when they're clearly identified. Now that you know what they are, you're more likely to jump right over them

2.4 Theoretical Perspectives of Strategy

Contemporary theories of management tend to account for and help interpret the rapidly changing nature of today's organizational environments. As before in management history, these theories are prevalent in other sciences as well. (Lamb, 2004)

Contingency Theory: Basically, contingency theory asserts that when managers make a decision, they must take into account all aspects of the current situation and act on those aspects that are

the key to the situation at hand. Basically, it's the approach that it depends, for example, the continuing effort to identify the best leadership or management style might now conclude that the best style depends on the situation. If one is leading troops in the Persian Gulf, an autocratic style is probably best. If one is leading a hospital or university, a more participative and facilitative leadership style is probably best. (Johnson, G, 2008).

Systems Theory: Systems theory has had a significant effect on management science and understanding organizations. A system is a collection of part unified to accomplish an overall goal. If one part of the system is removed, the nature of the system is changed as well. A system can be looked at as having inputs, processes, outputs and outcomes. Systems share feedback among each of these four aspects of the systems. (Christen *et al.*, 2004)

Inputs would include resources such as raw materials, money, technologies and people. These inputs go through a process where they're planned, organized, motivated and controlled, ultimately to meet the organization's goals. Outputs would be products or services to a market. Outcomes would be, e.g., enhanced quality of life or productivity for customers/clients, productivity. Feedback would be information from human resources carrying out the process, customers/clients using the products, etc. Feedback also comes from the larger environment of the organization, e.g., influences from government, society, economics, and technologies. This overall system framework applies to any system, including subsystems in the overall organization. (Christen *et al.*, 2004)

Systems theory may seem quite basic yet, decades of management training and practices in the workplace have not followed this theory. Only recently, with tremendous changes facing organizations and how they operate, have educators and managers come to face this new way of looking at things. This interpretation has brought about a significant change (or paradigm shift) in the way management studies and approaches organizations. The effect of systems theory in management is that writers, educators, consultants, etc. are helping managers to look at the organization from a broader perspective.

2.5 Approaches to the Implementation of Strategies

According to Social psychologist Kurt Lewin, (2005) there are 2 forces that are prevalent in the environment: Driving forces that push organizations towards a new state of affairs and they include globalization, virtual work and a changing workforce and restraining forces that maintain status quo which is more or less resistance to change. (Lewin, 2005) proposes that effective change will occur by unfreezing the current situation, moving to a desired condition and then re-freezing the system. Due to the presence of the 2 forces, there is equilibrium since one force repulses the other to a stable condition. To effect change however, disequilibrium has to take place whereby the driving forces must be stronger than the restraining forces. This will then weaken the resistance to change and will force change to occur.

There is no one perfect strategic planning model for each organization. Each organization ends up developing its own nature and model of strategic planning, often by selecting a model and modifying it as they go along in developing their own planning process. The following models

provide a range of alternatives from which organizations might select an approach and begin to develop their own strategic planning process.

Kurt Lewin Action Research Approach: This is a model also designed by (Kurt Lewin, 2006). It states that meaningful change is a combination of changing attitudes and behavior and research. It involves diagnosing current problems and applying interventions that resolve these problems. Data therefore must be collected to understand the problems more effectively and to evaluate how well the theory will work in place. Planned Change is in four phases (Bullock and Batten, 2005): Exploration Phase; there is need for change, search for consultation to assist with the planning and implementation of changes planning Phase; This stage involves data gathering to understand problem, establish correct diagnosis and change goals; action Phase: Changes implemented based on the planning will move the organization from its current state to the desired state intended by the organization and integration Phase: Once the changes have been implemented successfully. It is concerned with consolidating and stabilizing changes that the desired effect becomes the day to day operations in the organization (Anthanassiou and Nigh, 1999).

Basic Strategic model: A process typically followed by organizations that are extremely small, busy, and have not done much strategic planning before. The process might be implemented in year one of the nonprofit to get a sense of how planning is conducted, and then overstated in later years with more planning phases and activities to ensure well-rounded direction for the nonprofit. Planning is usually carried out by top-level management. The basic strategic planning process includes: Identify your purpose (mission statement), selecting the goals your

organization must reach if it is to accomplish your mission. Identify specific approaches or strategies that must be implemented to reach each goal. Identify specific action plans to implement each strategy being met and whether action plans are being implemented. Perhaps the most important indicator of success of the organization is positive feedback from the organization's customers (Chaffec, 2005).

Issue-Based / Goal-Based model: Organizations that begin with the basic planning approach often evolve to using this more comprehensive and more effective type of planning. It involves: External/internal assessment to identify SWOT (Strengths and Weaknesses and Opportunities and Threats), strategic analysis to identify and prioritize major issues/goals design major strategies (or programs) to address issues/goals design/update vision, mission and values. Establish action plans (objectives, resource needs, roles and responsibilities for implementation) , record issues, goals, strategies/programs, updated mission and vision, and action plans in a Strategic Plan document. and attach SWOT, develop the yearly Operating Plan document, develop and authorize Budget for year one, Conduct the organization's year-one operations and evaluate Strategic Plan document.(Hamel & Prahalad,2006).

Alignment Model: The overall purpose of the model is to ensure strong alignment among the organization's mission and its resources to effectively operate the organization. This model is useful for organizations that need to fine-tune strategies or find out why they are not working. An organization might also choose this model if it is experiencing a large number of issues around internal efficiencies.

2.6 Kenya Armed Forces Medical Insurance Scheme Response to Strategies

A common perception about insurance in most African countries is that carriers generally fail to honor policy contracts when insured losses occur, and in most cases resort to fine prints embedded in these insurance contracts to either deny claims or substantially reduce claim payments. Such is the refrain heard not only among insurance policyholders and customers but with alarming regularity from the general public, thus resulting in the adverse and low penetration rate of insurance products and services in most African countries. Though several factors can be readily identified as drivers of this perception including the lack of adequate understanding of the insurance contract, its terms and conditions, limitations, coverages, exclusions and deductibles including the legal and regulatory framework in various countries; the focus of this article is how the role of insurance marketing and sales, including its technological, regulatory and management strategies, can be utilized as an effective educational vehicle in changing not only the above perception but making the claims process more transparent and beneficial to the policy holders.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter described the methods that were used in collection of data pertinent in answering the research questions. It was divided into research design, target population, description of research instruments, description of the data collection procedures and description of data analysis procedures.

3.2 Research Design

This was a case study research. In general, a case study is a qualitative study that has been narrowed down to a specific unit but comprehensive enough to give representative information for similar units operating in the same environment. The use of case study in research is of particular importance taking in to account the advantages that come along with it. It is the easiest research free from material bias and enables one to intensively study a particular unit. This may not be possible with other methods of study. Nevertheless, scientific generalizations with respect to similar units operating in the same environment but in different geographical regions may be done with minimum complexity.

3.3 Data Collection

According to Ngechu (2004), a population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated. By population the researcher means about a complete census of the sampling frames. The population of study consisted of various members of the management staff of the Kenya armed forces medical

insurance. This was an attempt to receive diversified opinions about the subject of study. The population was manageable given the time and resources limitation.

Data was collected using open ended questions. This design was vital to ensure that analysis of data collected was simple. It also improved objectivity of the study. This design however, limited the researcher's ability to identify some qualitative information that could have been very instrumental to the study.

Open-ended questions allow respondents to include more information, including feelings, attitudes and understanding of the subject. This allows researchers to better access the respondents' true feelings on an issue. Closed-ended questions, because of the simplicity and limit of the answers, may not offer the respondents choices that actually reflect their real feelings. Open-ended questions cut down on two types of response error; respondents are not likely to forget the answers they have to choose from if they are given the chance to respond freely, and open-ended questions simply do not allow respondents to disregard reading the questions and just "fill in" the survey with all the same answers (such as filling in the "no" box on every question).

The interview guide approach was preferred due to limitation of time and other resources.

3.4 Data Analysis

The research was both quantitative and qualitative in nature. This implies that content analysis was employed to analyse qualitative data. Once the data was be collected it was be checked for completeness ready for analysis. The data from the field was first coded according to the themes

researched on the study. Analysis was done using content analysis. Content analysis is a method for summarizing any form of content by counting various aspects of the content. This enables a more objective evaluation than comparing content based on the impressions of a listener. Content analysis, though it often analyses written words, is a quantitative method. The results of content analysis are numbers and percentages.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter focuses on the questionnaire return rate, demographic information of the respondents, presentation, interpretation and discussion of findings. The presentation was done based on the objectives of the study.

4.2 Questionnaire Return Rate

Questionnaire return rate is the proportion of the sample that participates in the survey as intended in all the research procedures. Out of the fourteen respondents who participated in the survey, all of them returned the questionnaires constituting 100% questionnaire return rate hence a good representation of the population.

4.3 Demographic Information of Respondents

This sectors deal with the demographic information of the respondents who constitute the senior management team the group charged with the responsibility of making decisions concerning KAFMIS.

4.3.1 The Gender of Respondents

The respondents were asked to indicate their gender, this aimed at establishing whether KAFMIS consider gender when prompting people to management positions. The distribution of the gender is as indicated by figure 4.1

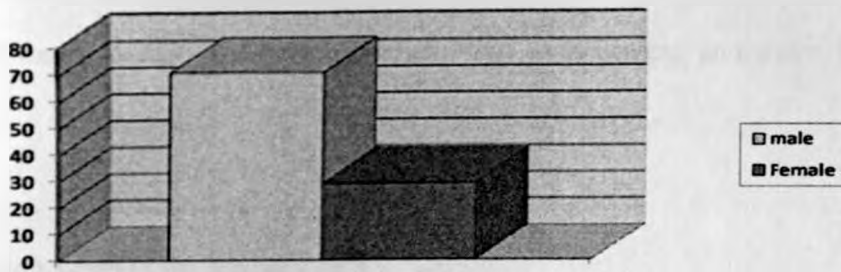


Figure 4.1 Gender Distribution

Figure 4.1, shows that the number of males supersedes the number of females in the management positions at 71% and 29% respectively

4.2.2 Age of the Respondents

The respondents were asked to indicate their age in order to establish age distribution of the management team at KAFMIS. The responses are as in figure 4.2

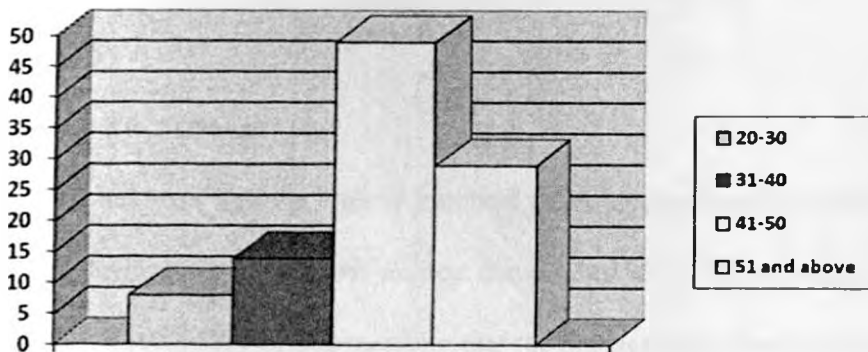


Figure 4.2 Age Distribution of Management Team

Figure 4.2 shows that majority of the respondent who constitute the management team of KAFMI are in age category 41-50 years at 49% followed by those above 51 years at 29%. The

rest are between 20-30 and 31-40 at 8% and 14% respectively. This implies that the management team is well experienced on matters of organization management and more particularly on outsourcing.

4.2.3 Education Level of the Respondents

In order to establish the competence of the respondents in relation to the merit the respondents were asked to indicate their highest level of education. The results are as in figure 4.3.

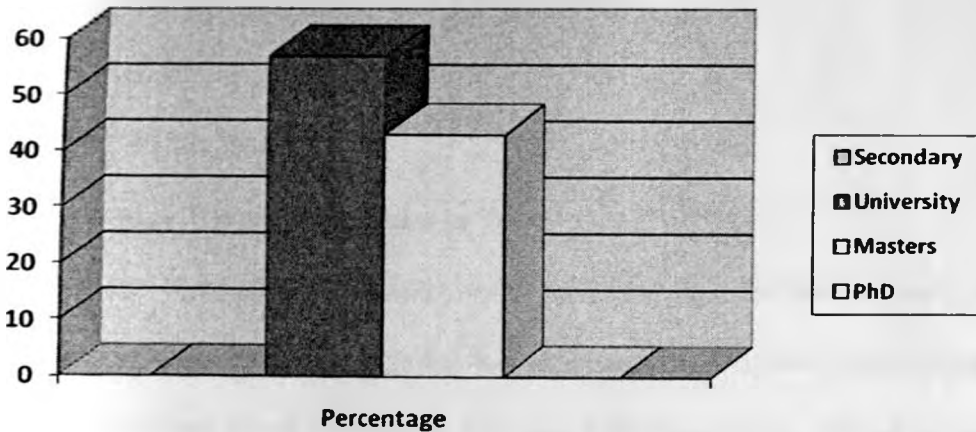


Figure 4.3 Educational Level

Figure 4.3 indicates that the highest numbers of the management team have university degree at 57% and the rest have masters' degree comprising 43%. No one has a PhD degree or does anyone has a secondary degree meaning that the management team qualifies on merit bases to be in the management team.

4.2.4 Experience of Employees

In order to seek the experience of the employees in relation to the year of service in the organization, the respondents were asked to indicate the number of year they served in KAFMI.

The responses as indicate in table 1

Work experience in years

Durations	Frequency	Percentage
1-5	4	29%
6-10	3	21%
11-20	5	36%
20 and above	2	14%

Table 4.1 Work Experience in Years

Table 4.1 shows that majority of employees in senior management position have experience of 11-20 years making 36%. another group has experience of 1-5 years constituting 29% while others have 6-10 and above 20 years at 21% and 14% respectively. This is an indication that majority of employees have long years of service at KAFMIS and therefore they understand the policies of the organization especially on strategies implementation. Based on the experience they are able to have detailed information on strategy implementation.

4.2.5 Designation of the Employees

The study sought to establish the designation of the employees with the view of establishing whether all the employees are involved on decisions more particularly concerning strategy implementation. The results are as in table 3

Designation of Employees

Designation	Frequency	percentage
CEO	1	8%
Directors	2	14%
Managers	6	46%
Marketing officers	3	23%
Financial managers	2	15%
Total	13	100

Table 4.2 Designation of employees

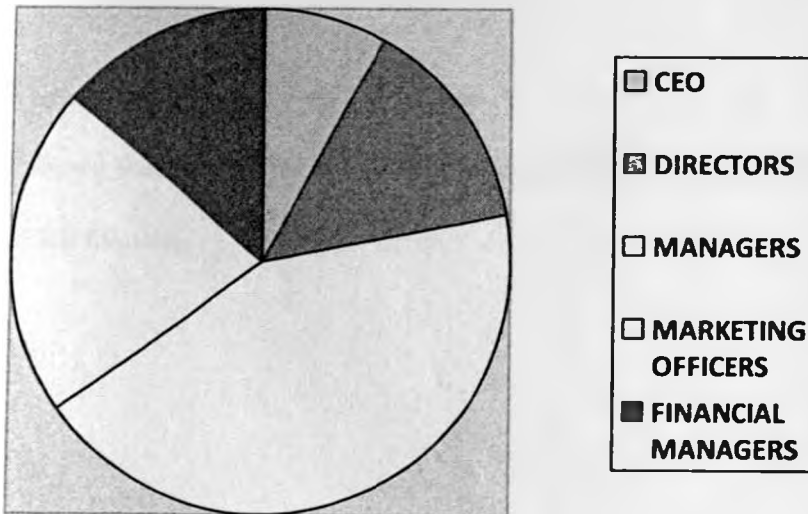


Table 4.2 indicates that senior management team of the organization was involved in the research. Managers' comprised the highest percentage at 43% this is because they carry the bulk of decision making at business level. 8% of the respondents represented the Chief Executive Officers (CEO) make corporate level strategies. The other group was made up of the financial

officers and marketing officers who are charges with the responsibility of implementing functional level strategies. This implies that all the top organ groups in decision making within KAFMIS were involved in the study.

4.3 The liability for Implementation of Strategies at KAFMIS

The study also sought to establish the need for the implementation of various strategies within KAFMI. The results are as in table 4

	Need to implement strategies
Yes	80%
No	20%

Table 4.3 Need for Strategies Implementation

Table 4.3 shows that 80% of the respondents thought there was a need to implement strategies while 20% felt no need.

Extent of need to implement new strategies



One of the objectives of the study was to establish the need to implement specific strategies within KAFMIS. The respondents were asked to indicate the need for the following strategies – management, information communication technology facilities, financial management information systems, change management and leadership management. This aimed to establish whether all the top organs in the organization are involved in strategy implementation and the specific opinion as to the need for the implementation of specific new strategies. The outcome is as shown in table 4.4

The Opinion on the Need to Implement Specific Strategies

The strategies	Frequency	Percentage
Management	2	16%
Information communication technology facilities	4	29%
Financial management information systems	4	29%
Change management	2	16%
Leadership management	1	10%
Total	14	100

Table 4.4. The Need for Specific Strategies Implementation

Table 4.4 indicates that it is only 10% of the respondents viewed leadership management as the particular strategy that need to be focused on at KAFMIS. It could be viewed as a vote of confidence in the current leadership management style. A significant percentage 58% of the respondents viewed information technology as a critical area that needed to be addressed by KAFMIS. Specifically, there was need to adopt strategies that addressed the areas of information communication technology and financial management information systems. A significant percentage 71% of the respondents saw the strategy need for implementation of strategies focusing on management. 16% of the respondents had strong opinion of general management, and equal percentage on change management while as stated earlier, 10% leadership management 29% on financial management information systems. The greatest challenges in strategy implementation within KAFMIS are focused on management and its various facets. There is need to address this as it could have a direct effect on the long-term operations of KAFMIS.

The respondents were asked to state why they thought implementation of strategies play a major role in the performance and productivity of KAFMIS. This was in a bid to establish the areas that needed urgent attention.

The results are as in table 4.5

Reason for implementing strategies	Frequency	Percentage
We have no strategies going forward	1	8%
We felt it was more cost effective	6	43%
The quality of these services needed improving	4	29%
We had a strict time limit on a project and strategy change was the only option	3	21%
Total	14	100

Table 4.5 Reasons for Implementing Strategies

Table 4.5 shows that KAFMIS must adopt strategies in order to cut cost of the service; this was attested by 43% of the respondents who said that strategy implementation is done because it is cost effective. 29% of the respondents also said that strategy implementation improves the quality of the services while 21% reported that they implemented strategies because there is limited time for the project therefore they need strategy implementation in order to hasten the completion of the project. However, 8% of the respondents reported that they implanted change because they do not have any clear strategy within KAFMIS. It is clear that most of the respondents (92% of the respondents) thought KAFMIS had the right strategies to implement but needed to be implemented because they played a major role in the performance and productivity of KAFMIS

The respondents were also asked to indicate the challenges of strategy implementation within KAFMIS. Some of the challenges were the organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated programs, lack of effective management programs causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees, determining why it is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion, the need for an integrated implementation plan to be developed at KAFMIS to enhance adoption of strategies. What emerged from the respondents was that this factors that posed a challenge to KAFMIS were also areas of comparative advantage to KAFMIS. They were areas that brought to the fore the strengths that set KAFMIS apart in the industry.

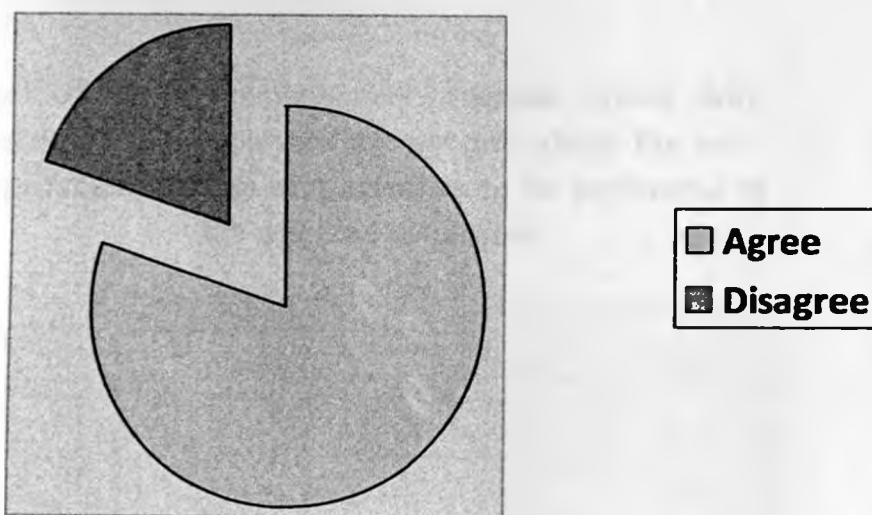
In order to establish the extent of the challenges faced by KAFMIS, the respondents were asked to indicate the status of each challenge and the extent they felt it affected strategy implementation within KAFMIS. The results are as in table 4.7.

Strategies play a significant role within KAFMIS	KAFMIS is faced with the challenge of lack of a two-way-communication program that permits and	Lack of effective management programs causes more harm as the employees are not told	It is essential both during and after an organizational change to communicate information about KAFMI	An integrated implementation plan must be developed at KAFMIS to enhance adoption of strategies
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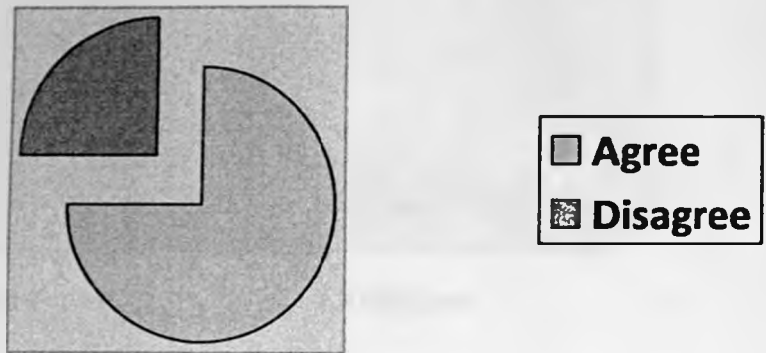
		solicits questions from employees about issues regarding the formulated programs	about the requirements, tasks and activities to be performed by the affected employees	developments to all levels in a timely fashion	
Agree	80	75	80	90	85
Disagree	20	25	20	10	15

Table 4.6 Extent of Challenges Faced by KAFMIS

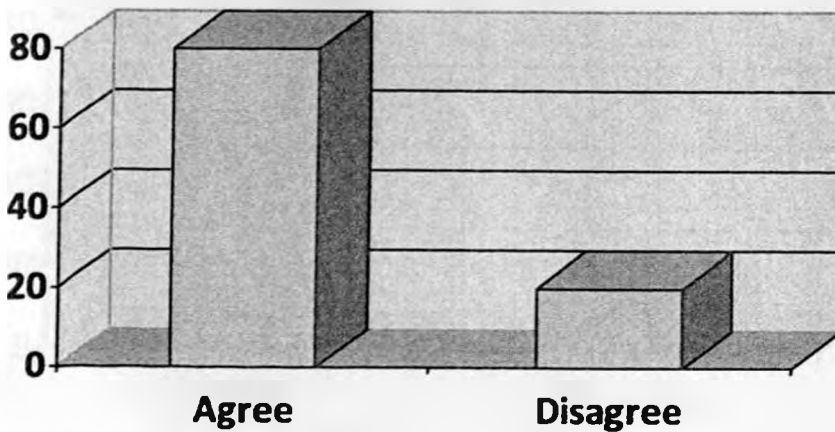
New strategies play a significant role within KAFMIS



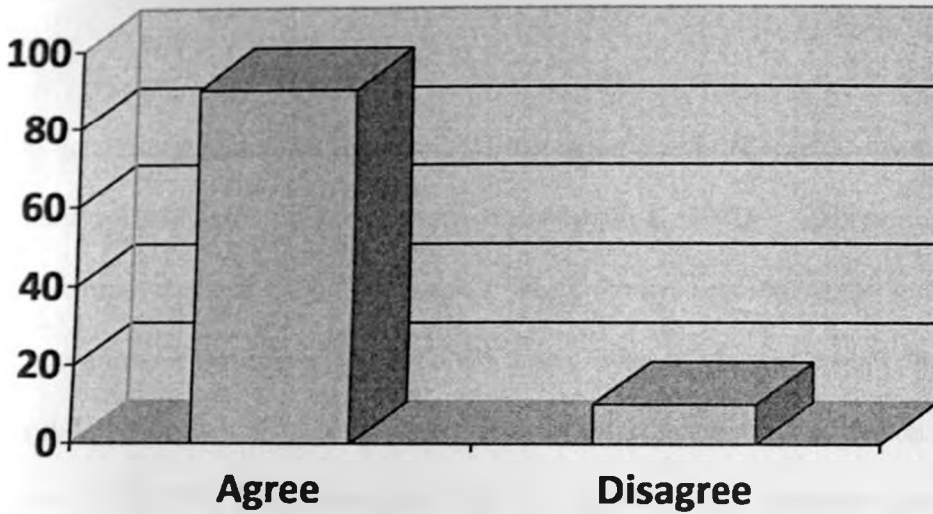
KAFMS is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated programs



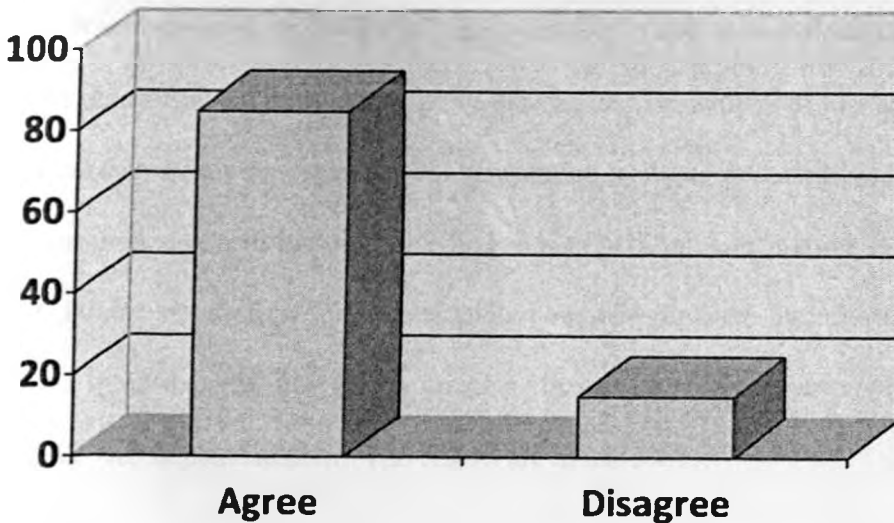
Lack of effective management programs causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees



It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion



An integrated implementation plan must be developed at the organization to enhance adoption of strategies



4.4: The Need for Strategies Implementation Within KAFMIS

The other objective of the study was to determine the need for strategy implementation within KAFMIS, the respondents were asked to state their opinion on particular statements as shown in table 4.8.

In order to establish the need for strategy implementation within KAFMIS, respondents were asked on their opinion on the need to implement strategy in KAFMIS. Additionally, they were expected to express their opinion on the extent to which the need for strategy implementation is essential to ensure that people across KAFMIS know what to do and ensure that they stay focused on the key targets under the everyday pressures that relate to coordination of activities and its effect on KAFMIS implementation; Why they agree that the strategic control systems provides a mechanism for keeping today's actions in congruence with tomorrow's goals that relate to coordination of activities and its effect on KAFMIS implementation; Why they agree that the effectiveness of strategy implementation is a problem in most of the firms and distractions from competing activities in some cases that relate to coordination of activities and its effect on KAFMIS implementation; Why they agree that additional key strategies are well defined in enough detail and strategy implementation systems are adequate in KAFMIS that relate to coordination of activities and its effect on KAFMIS implementation and Why they agree that silent killers of strategy implementation comprise unclear intentions and conflicting priorities and weak co-ordination across functions that relate to coordination of activities and its effect on KAFMIS implementation. The results are in table 4.7

Statement	Strongly Disagree	Disagree	Disagree somewhat	Neutral	Agree somewhat	Agree	Strongly Agree
<p>Strategy implementation is essential to ensure that people across KAFMIS know what to do and ensure that they stay focused on the key targets under the everyday pressures that relate to coordination of activities and its effect on strategy implementation.</p>							✓
<p>Strategic control systems provide a mechanism for keeping today's actions in congruence with</p>							✓

<p>tomorrow's goals that relate to coordination of activities and its effect on KAFMIS implementation.</p>							
<p>Effectiveness of strategy implementation is a problem in most of the firms and distractions from competing activities in some cases that relate to coordination of activities and its effect on strategy implementation.</p>					✓		
<p>Addition key strategies are well defined in enough detail and strategies implementation systems are</p>						✓	

adequate in KAFMIS that relate to coordination of activities and its effect on strategy implementation.							
Silent killers of strategy implementation comprise unclear intentions and conflicting priorities and weak co-ordination across functions that relate to coordination of activities and its effect on strategy implementation.						✓	

Table 4.7: The Need for Strategies Implementation

4.5: The Significance of Strategies Implementation

The respondents were asked for their opinion on the extent to which the implementation of strategies affects the running of KAFMIS. Additionally, they were interrogated on their view of the extent to which implementation of new strategies enhance organizational performance in the implementation of strategies within KAFMIS; the extent to which motivation of employees and customers of KAFMIS can be boosted through the implementation of strategies; the extent to which difficulties and obstacles are acknowledged in the process of implementation and are acted upon; the extent to which the strategies have a rationale of improving the organizational image and economic outlook: the extent to which the new strategies at KAFMIS are considered as a genuine step towards the anticipated globalization by; and the extent to which conscious and unconscious symbolic acts are taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees) as an important factor in strategies implementation. The results are in

Table 4.8

Statement	Not at All	Not Satisfied	Somewhat	Satisfied	Extremely Satisfied
The extent to which implementation of strategies enhance organizational performance in the implementation of strategies within KAFMIS					✓
The extent to which motivation of employees and customers of KAFMIS					✓

can be boosted through the implementation of strategies				
The extent to which difficulties and obstacles are acknowledged in the process of implementation and are acted upon			✓	
The extent to which the strategies have a rationale of improving the organizational image and economic outlook			✓	
The extent to which the strategies at KAFMIS are considered as a genuine step towards the anticipated globalization by major medical insurance organizations				✓
The extent to which conscious and unconscious symbolic acts are taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees) as an important factor in strategies implementation			✓	

Table 4.8: The Significance of Strategies Implementation

Table 4.8 indicates that the respondents are extremely satisfied by the importance accorded to the different critical factors in determining the significance of new strategies. There is common consensus among all respondents that all the factors under consideration have a significant contribution in the implementation of strategies. Further it can be surmised that attending to this critical factors centrally significant to the implementation of new strategies will greatly improve the overall operations, efficiency and effectiveness of KAFMIS operations.

4.6 The Components of Strategies Implementation

The study also sought to determine the components of strategies implementation at play in the case of KAFMIS. The respondents' were asked to rank the various components according to the importance they attached to each. This is as shown in table 4.9.

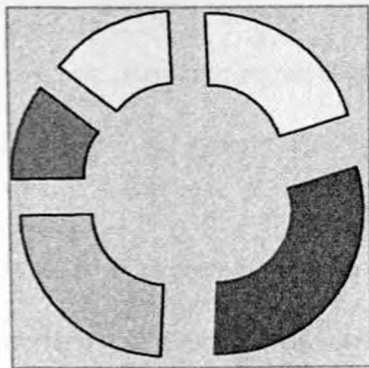
Components of Strategies implementation	Frequency	Percentage
Vision/Mission statement	4	24%
Goals/Objectives	2	11%
Roles and responsibilities	2	14%
Timeliness	3	21%
Effective planning	5	31%
Total	14	100

Table 4.9: Components of Strategies Implementation

Table 4.9 shows that respondents had different opinion on the importance of the components of strategies implementation. The highest percentage 31% stated that effective planning is critical to

overcoming strategy implementations challenges while 24% state that the vision and mission statements are the most critical components. Closely similar to this finding is the 21% of respondents who had the opinion that timeliness was a critical component in overcoming strategic implementation. Goals/objectives and roles and responsibilities also emerged as critical components but were not very highly valued by respondents.

Components of strategies implementation



- Vision/Mission statements
- Goals/Objectives
- Roles and responsibilities
- Timeliness
- Effective Planning

4.7 Discussion

The main objective of this study was to find out the challenges of strategies implementation within KAFMIS. The study's specific objectives were listed as follows:-

- i. To determine the response of the Kenya Armed Forces Medical Insurance Scheme to the challenges of strategies implementation in the scheme

From the study it is evident that 80% of the respondents thought there was a need to implement strategies by KAFMIS as opposed to 20% who felt the status quo should be maintained. This compares favorably with other research of the challenges of strategy implementation.

It emerges that according to Miller and Dess, (2006), strategies implementation involves general plan outlining decisions of resource allocation, priorities, and actions necessary to achieve strategic goals. Strategic plans have a strong external orientation and cover major functional areas of the organization. A strategic plan is usually set by the top management echelon and has a time horizon consistent with the scanning abilities of the organization and set at the risk level that planners feel is appropriate for their organizations. The specifics of the plan should address questions of scope, resource requirements, competitive advantage, quality expectations, social responsibility issues, and synergy (Micklethwait, 2000).

Ideally, it would be expected that the management would embrace strategies implementation wholly. However the existence of some strategy implementers who think that there is no need for strategies implementation is a precursor to the challenges encountered.

- ii. To determine challenges encountered by Kenya Armed Forces Insurance Scheme in the implementation of strategies.

A strategic plan provides a business with the roadmap it needs to pursue a specific strategic direction and set of performance goals, deliver customer value, and be successful. However, this is just a plan: it doesn't guarantee that the desired performance is reached any more than having a roadmap guarantees the traveler arrives at the desired destination. (Kotter, 2009). Lack of ownership greatly contributes to failure in implementation of new strategies in KAFMIS.

Additionally, poor communication among the strategy implementation parties could be a great hindrance to the processes. Finally, lack of accountability by the major players in the implementation of strategies is also another challenging factor.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter summarizes the findings of the study and presents the summary, discussion conclusions, recommendations and suggestions for further research.

5.1 Summary

The purpose of this study was to investigate the challenges facing the implementation of strategies within KAFMIS. Additionally, it was aimed at establishing the main challenges facing KAFMIS. Additionally, it also sought to find out the various strategies that have recently been focused on by KAFMIS. Moreover, it endeavored to establish the need for the various strategies being implemented in KAFMIS. Furthermore, it did provide an overview of the response of the KAFMIS scheme to implementation of strategies.

In order to achieve the objectives stated the study used the following research interview guide; what are the various strategies liable for implementation in KAFMIS? Is there need for strategies implementation within the KAFMIS? What is the significance of strategies implementation, and lastly; what are the components of strategy implementation?

The study applied descriptive research design because the variables could not be manipulated by the researcher and they were reported as they had taken place. the study targeted Kenya Armed Forces Medical Insurance Scheme (KAFMIS) where the sample was arrived at through stratified random sampling. The respondents were categorized and then random sampling was used to pick

14 respondents who participated in the survey. The study used the interview guide to collect data which was later analyzed and presented using frequency of tables and measures of central tendency.

The study revealed that the majority (80%) of the respondents felt strongly that there was need to implement strategies at KAFMIS. Additionally, responding on their opinion on the need to implement specific strategies, information communication technology facilities and financial management information systems (26% each) emerged as the most critical factors to the respondents. Additionally, management and change management at 16% exhibited the need by KAFMIS to focus on them. Leadership management unfortunately emerged the least important component among the respondents.

The study also revealed the reasons for implementing strategies had a direct effect on improving KAFMIS performance and productivity. This was attested by 43% of the respondents who said that they engaged strategy implementation, KAFMIS would reap the fruits of cost effective operations. However 8% of the respondents said that KAFMIS operated in a manner to suggest it did not have any strategies moving forward. Overall, the majority of the respondents (92%) felt KAFMIS had the right strategies in place which needed to be implemented given they played a major role in the performance and productivity.

On the question of whether strategies play a significant role within KAFMIS, a majority of respondents felt strongly it did. Indeed, a majority of the respondents felt strongly that KAFMIS is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from product consumers about issues regarding the formulated. It emerged that the lack of effective management programs causes more harm as the product consumers are not

told about the new requirements, tasks and activities to be performed by the affected product consumers. A similar majority felt that it was essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. Finally, respondents felt strongly that an integrated implementation plan must be developed at KAFMIS to enhance adoption of strategies.

KAFMIS realize the need for strategies. This was attested by the strong response received with respect to strategy implementation been essential to ensure that people across the organization know what to do and ensure that they stay focused on the key targets under the everyday pressures that relate to coordination of activities and its effect on strategies implementation. Further, a significant majority felt strongly that strategic control systems provided a mechanism for keeping today's actions in congruence with tomorrow's goals that relate to coordination of activities and its effect on strategies implementation. In a bid to expose the significance of strategies implementation respondents were extremely satisfied with the extent to which implementation of strategies enhance organizational performance in the implementation of strategies within KAFMIS. Additionally, they were extremely satisfied with the extent to which motivation of the members of KAFMIS can be boosted through the implementation of strategies. Finally, the majority of the respondents were extremely satisfied with the extent to which the strategies at KAFMIS are considered as a genuine step towards the anticipated globalization by major medical insurance organizations.

It was also revealed that 31% of the respondents ranked effective planning as a strategic implementation component as the most important to KAFMIS. It is the respondents' view that vision/mission statements and timeliness are the next most important components. Overall,

components that shape and espouse KAFMIS core values (76%) rank highly among the respondents. This is evidence of the strengths that KAFMIS has turned from challenges.

5.3 Conclusion

From the foregoing discussion it is evident that there indeed exist challenges to strategy implementation within KAFMIS. However what has clearly emerged from the study is that KAFMIS has managed to turn-around the challenges to opportunities and ultimately strengths. It has done this with the aim of improving the quality of product and service it offers its members. The study shows that the respondents view KAFMIS as having been strategically placed to tackle challenges emerging as a result of strategy implementation.

5.4. Recommendations

In light of the research findings, the research recommends the following:

KAFMIS should focus on its response to what challenges are encountered in the implementation of strategies. The study revealed that KAFMIS has managed to turn these challenges into opportunities.

The other recommendation is that KAFMIS should fully embrace modern technology in its operations. As it emerged in the survey, operations that are based on the e-management platform, (financial management information systems and information communication technology) have been viewed as the most important. This is clearly in line with emerging trends where the medical insurance industry specifically and the whole economy in general have adopted the use of modern technology to facilitate operations.

All businesses today have to focus on core processes. For most of them the list is not only short but fairly standard: product development, activities around membership drives and product selling, and customer service. Challenges encountered while implementing strategies should not be taken lightly. Rather when overcome should be used as points of learning in the future.

At the same time it is becoming increasingly difficult for KAFMIS to maintain expertise in all these areas. There is a global 'war for talent' underway with the best people understandably preferring employers that can offer the greatest opportunities in their chosen field.

To remain an expert in all core processes becomes increasingly difficult. Few organizations would contemplate giving up product development - that generally is their key differentiator. It is the same with sales and marketing - brand image and compliance are increasingly important.

As such, it is imperative that KAFMIS make all effort to ensure it is able to overcome all challenges arising and hindering strategy management. This will not only ensure efficient and effective management of KAFMIS, it will also ensure the long-term survival. Additionally, it overcoming strategy implementation challenges should propel KAFMIS to market leadership and allow it to compete favorably with private companies.

5.5. Suggestions for Further Research

Based on the findings the researcher suggests further studies in terms of;

- a) A replicate of the study to capture more organizations.
- b) There is also need to carry out a study on the factors that need to be in place to ensure KAFMIS maintains its competitive advantage and long-term profitability and operation viability.

5.6 Limitations of the Study

In pursuit of this study, several limitations were anticipated. First is the cost in terms of time and finance to carry out an extensive and exhaustive research. Second is the confidential nature of the organization that was very reluctant to give out any information. Thirdly, the study relied on qualitative and quantitative data collected through structured questionnaire of which collection, analysis and interpretation was not free from human errors. Fourthly, considering the other academic obligations that the researcher was involved in at the time to conduct this study, it was not possible for the researcher to carry out this study with a wider coverage necessary to obtain responses from all medical insurance schemes.

5.7 Implication on Policy, Theory, and Practice

The findings of this research have clearly demonstrated not only the real challenges faced in the implementation of new strategies at KAMFIS but have also revealed various opportunities that exist in the insurance industry that if well researched and implemented could lead to well managed organizations.

Organization culture bears much burden in determining the direction that the organization is bound to take in terms of the strategies that need to be implemented. It is of paramount importance to institute strategies that enhance the organizational culture towards the strengthening of the organization's mission and vision. Thus the strategy implementation policy should align itself with the existent organization culture.

Information technology is certainly another key area that determines the ease with which new strategies are implemented. Based on the findings of this research, information communication technology and financial management information systems are key areas that respondents felt were critical towards ensuring efficient delivery of services both internally and externally. This

implies that if not well thought out, its implementation is bound to stagger the progress towards achieving an efficient output system. This is also tied towards ensuring that more is also done towards developing a broader based customer focused strategy that drives the organization to achieve its core value.

Change in organization culture, embracing Information technology, and customer focused strategies.

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APPENDIX 1: INTERVIEW GUIDE COVER LETTER

“CHALLENGES FACING THE IMPLEMENTATION OF STRATEGIES WITHIN THE KENYA ARMED FORCES MEDICAL INSURANCE SCHEME (KAFMIS)”

Dear Respondent

Attached is an interview guide to collect data on the challenges facing the implementation of strategies within Kenya Armed Forces Medical Insurance Scheme (KAFMIS).

You are kindly requested to provide the required information in the interview guide as per instructions given. Any information and opinions obtained in connection to this study are important and will remain confidential to be used only for this research. No individual responses will be reported.

Results from this study will be of importance to the Kenya Armed Forces Medical Insurance Scheme as well as anyone interested in this area, in addition to understanding the key issues that face managers when making strategic decisions.

You are part of a carefully selected group that has been asked to participate in this survey, and we appreciate your assistance. Should you require a summary of the results, please do not hesitate to contact the researcher on the address below.

Once again thank you for your cooperation and time.

GIDEON M. GITHAIGA

P.O. BOX 78001 – 00400

NAIROBI.

Email: gideon.githaiga@jubileekenya.com

APPENDIX 2: INTERVIEW GUIDE

About this Interview Guide

The objective of this **interview guide** is to gather information on the current challenges facing the implementation of strategies at Kenya Armed Forces Medical Scheme. It will provide an insight into the following areas: - What strategies is KAFMIS implementing? - What challenges are being faced in implementing them? - What are the impacts of the challenges on the smooth running of KAFMIS? The information collected from this **interview guide** will be used to write a research paper, a requirement of the University of Nairobi Master program.

SECTION A: DEMOGRAPHIC INFORMATION

For how long have you served in organization?

Less than 2 years	
2 – 5 years	
6 – 10 years	
11 years and more	

What is your highest level of education?

Certificate	
Diploma	
Higher National Diploma	
Bachelors	
Masters	
PhD	

5. Given the different organizational levels (Corporate, Business, functional, dynamic and operational), what is your opinion as to the extent to which the medical insurance industry faces challenges in new strategy implementation?

SECTION B: MAIN ISSUES

I. Various Strategies Liable for Implementation in the Medical Insurance Industry

1. Do you think various strategies need to be implemented within KAFMIS?

Yes.....

No.....

If yes, elaborate to what extent you feel the strategies need to or not to be implemented?

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2. What is your opinion on the need to implement the following strategies (Management, Information communication technology facilities, financial management information systems, change management and leadership management) within KAFMIS?

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Challenges of Strategies Implementation

1. Why do you think the implementation of strategies play a major role in the performance and productivity of KAMFIS?

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2. a). It has been stated that “Strategies play a significant role within the KAMFIS” do you agree or disagree? Why?

I agree.....

I don't agree.....

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b). It has been stated that “KAFMIS is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated programs” do you agree or disagree? Why?

I agree.....

I don't agree.....

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c). It has been stated that “Lack of effective management programs causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees” do you agree or disagree? Why?

I agree.....

I don't agree.....

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d). It has been stated that “It is essential both during and after an organizational change to communicate information about KAFMIS developments to all levels in a timely fashion” do you agree or disagree? Why?

I agree.....

I don't agree.....

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e). It has been stated that “An integrated implementation plan must be developed at KAFMIS to enhance adoption of strategies” do you agree or disagree? Why?

I agree.....

I don't agree.....

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II. The Need for Strategies Implementation within the KAFMIS

1. In your opinion is there any need to implement strategies in KAFMIS? Elaborate.

Yes.....

No.....

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2. In your opinion what is the extent to which the need for strategic implementation affects the coordination of activities at KAFMIS?

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3. a). Why do you agree that the need for strategy implementation is essential to ensure that people across KAFMIS know what to do and ensure that they stay focused on the key targets under the everyday pressures that relate to coordination of activities and its effect on strategies implementation?

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b). Why do you agree that the strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals that relate to coordination of activities and its effect on strategies implementation?

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c). Why do you agree that the effectiveness of strategies implementation is a problem at KAFMIS and distractions from competing activities in some cases that relate to coordination of activities and its effect on strategies implementation?

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d). Why do you agree that addition key strategies are well defined in enough detail and strategies implementation systems are adequate in KAFMIS that relate to coordination of activities and its effect on strategies implementation?

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e). Why do you agree that silent killers of strategies implementation comprise unclear intentions and conflicting priorities and weak co-ordination across functions that relate to coordination of activities and its effect on strategies implementation?

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III. Significance of Strategies Implementation

1. In your opinion to what extent does the implementation of strategies affect the running of the KAMFIS? Elaborate

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2. a). To what extent does the implementation of strategies enhance KAFMIS performance in the implementation of strategies within KAFMIS?

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b). To what extent can the motivation of employees and customers of KAFMIS be boosted through the implementation of strategies?

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c). To what extent are difficulties and obstacles acknowledged in the process of implementation and are acted upon with ease?

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d). To what extent do the strategies have a rationale of improving the KAFMIS image and economic outlook?

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e). To what extent are the strategies at KAFMIS considered as a genuine step towards the anticipated globalization by major medical insurance schemes?

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f). To what extent are conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees) an important factor in strategies implementation?

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IV. Components of Strategies Implementation

1. To what extent do you view each of the following understated key components as being critical for the implementation of strategies within the KAMFIS?

a). Vision/Mission statement

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b). Goals/Objectives

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c). Roles and responsibilities

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d). Timeliness

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e). Effective planning

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2. In your opinion what are the challenges of successful implementation results from lack of cultivation of strong values to meet the changing KAFMIS needs? Elaborate

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