

**INFLUENCE OF STRATEGY IMPLEMENTATION, EVALUATION AND
CONTROL ON ORGANISATION PERFORMANCE AT THE OFFICE OF THE
AUDITOR GENERAL**

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DECLARATION

This research proposal is my original work and to the best of my knowledge has not been presented for the award of a degree in any other university.

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The Research Proposal has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

This is a special dedication to my parents Philip Ndiema Chepkwony and Christine Khatete Chepkwony who encouraged and prayed for me as I embarked on this journey.
God bless you.

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I thank the Almighty God who has continually made his grace abundant, provided and strengthened me throughout this MBA journey. I owe it all to Him. Special thanks to my supervisor Dr. Mary Kinoti for her invaluable support and guidance through this MBA project.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT.....	iv
LIST OF TABLES.....	viii
LIST OF ABBREVIATION.....	ix
ABSTRACT.....	x
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of study.....	1
1.1.1 Strategy Implementation.....	2
1.1.2 Strategy Evaluation and Control.....	3
1.1.3 Organisations Performance.....	5
1.1.4 Office of the Auditor General.....	6
1.2 Research Problem.....	7
1.3 Research Objective.....	10
1.4 Value of the Study.....	10
CHAPTER TWO: LITERATURE REVIEW.....	12
2.1 Introduction.....	12
2.2 Theoretical Foundation.....	12
2.2.1 Resource-based View Theory.....	12
2.2.2 Stakeholder Theory.....	13
2.2.3 Open Systems Theory.....	14
2.3 Conceptual Framework.....	16
2.4 Strategy Implementation Success Factors.....	17

2.5 Strategy Evaluation.....	18
2.6 Strategy Control.....	20
2.7 Strategic Management and Organisation Performance.....	22
2.8 Chapter Summary.....	24
CHAPTER THREE: RESEARCH METHODOLOGY	25
3.1 Introduction.....	25
3.2 Research Design.....	25
3.3 Target Population.....	25
3.4 Sampling Design.....	26
3.5 Data Collection	26
3.6 Data Analysis	27
CHAPTER FOUR: DATA ANALYSIS RESULTS AND DISCUSSION	28
4.1 Introduction.....	28
4.2 Response Rate.....	28
4.3 General Background.....	29
4.3.1 Respondents Position at the Office of the Auditor General.....	29
4.3.2 Respondents Role in Strategic Management Process	29
4.4 Strategy Implementation.....	30
4.4.1 Anticipated Time Frame for Strategy Implementation.....	30
4.4.2 Factors Influencing Success of Strategy Implementation.....	31
4.4.3 Influence of Strategy Implementation on Organisation Performance	34
4.5 Strategy Evaluation And Control.....	36
4.5.1 Factors Influencing Success of Strategy Evaluation and Control.....	36
4.5.2 Influence of Strategy Evaluation and Control on Organization Performance .	39

4.6 Other Factors Affecting Organisation Performance.....	40
4.7 Discussion of Findings.....	41
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ..	45
5.1 Introduction.....	45
5.2 Summary of the Findings.....	45
5.3 Conclusion.....	46
5.4 Recommendations.....	47
5.5 Implication on Policy and Practice.....	48
5.6 Limitations of the Study.....	49
5.7 Suggestion for Further Research.....	49
REFERENCES.....	50
APPENDICES.....	55
APPENDIX I: INTRODUCTION LETTER.....	55
APPENDIX II: UNIVERSITY INTRODUCTION LETTER.....	56
APPENDIX III: QUESTIONNAIRE.....	57

LIST OF ABBREVIATIONS

RBV - Resource-Based View

KPIs - Key Performance Indices

OAG - Office of the Auditor General

SD - Standard Deviation

CEO -Chief Executive Office

LIST OF TABLES

Table 4.1: Respondents Position at the Office of the Auditor General	29
Table 4.2: Respondents Role in Strategic Management Process	29
Table 4.3: Strategy Implementation and Anticipated Timeframe.....	31
Table 4.4: Factors Influencing the Success of Strategy Implementation.....	32
Table 4.5: Influence of Strategy Implementation on Organisation Performance.....	34
Table 4.6: Factors Influencing the Success of Strategy Evaluation and Control.....	36
Table 4.7: Influence of Strategy Evaluation and Control on Organization Performance.....	38

ABSTRACT

This study purposed to determine the influence of strategy implementation, evaluation and control on organization performance at the Office of the Auditor General. Two objectives guided the study: to establish the influence of strategy implementation on organization performance and to establish the influence of strategy evaluation and control on organization performance at the Office of the Auditor General. This research adopted a descriptive survey design. The population of interest comprised 438 employees at the Office of the Auditor General who consisted of middle-level managers, frontline managers and supervisors. Questionnaires were used to collect data from a sample of 43 respondents. 34 dully filled questionnaires were returned giving a response rate of 79%. The data collected was analyzed quantitatively. Several factors were identified to influence the success of strategy implementation summarized as inadequate resources, reading culture, lack of understanding of strategic objectives and poor communication, leadership and stakeholders support. The study further identified weak performance management systems, lack of training, inadequate budget allocation, lack of clear performance indicators and linkage of rewards to performance significantly affect strategy evaluation and control. The findings revealed that strategy implementation, evaluation and control had a significant influence on organization performance on achieving improved service delivery and efficiency in utilization of resources. Insignificant influence on organization performance was observed in the ability to effectively measure, evaluate performance and link rewards to performance, institutionalize a result oriented culture and finally on increased accountability for results. The study recommends that OAG should train managers on performance management, align rewards to performance, encourage participative strategic management process and develop strong relationships with its stakeholders. It is also recommends adequate allocation of resources to strategy evaluation and control and improvement in communication of strategic objectives, performance indicators and targets in the organization.

CHAPTER ONE: INTRODUCTION

1.1 Background of study

Strategy implementation involves actions taken by an organization to attain its strategic plans. Strategy implementation is the most critical phase of the strategic management process as it requires resources, leaders, organization structure and internal controls guided towards achieving superior performance. Implementing strategy is therefore of greater importance than the strategy itself. On the other hand, the main focus of strategy evaluation is to determine whether a firm is attaining its goals given the available resources, and the prevailing changes in its micro and macro environments (Slevin & Covin, 2010). The eventual performance of a firm greatly relies on the quality of strategy evaluation and the ability to continuously analyze the business environment and learn from experiences (Stonehouse & Pemberton, 2012). The strategy evaluation and control process which guides decisions on the future direction of an organization enables them adapt to changing environment and applies across management levels and organizations (Kerzner, 2011).

Today, the practice of strategy implementation is increasingly embraced across sectors because of its perceived contribution to organization performance. In Kenya, the Economic Recovery Strategy for Wealth and Employment Creation (ERS) of 2003 ushered the public sector reforms in the country with the government adopting public sector transformation strategies that aimed at reshaping the public sector to achieve its Vision 2030 (Hope, 2012). Strategic management has thus become essential in contributing to performance in the Kenyan public sector.

This study is anchored on the resource-based view theory, stakeholder theory and open systems theory. Resource-based view emphasizes that the primary source of a company's competitive advantage lies in its internal resources, and not necessarily its positioning in the external environment. A firm attains competitive advantage through its unique resources and capabilities in addition to scanning its external environment for opportunities and threats (Barney, 1995). Stakeholder theory addresses business ethics that guide management of organizations. Through a stakeholder analysis managers obtain insights into the nature of relationships between the firm and its stakeholders (Mansell, 2013). Open system theory views organizations as open and with constant interaction with the external environment and the subsystems within themselves. Emphasis is placed on structuring functions with a coordinated effort directed towards optimizing organizations performance.

The Office of the Auditor General is a Supreme Audit Institution with a paramount oversight role of ensuring public accountability on the three arms of the government, independent commissions, national government and county government entities. The office has continually made efforts to reorient itself to the expanded mandate enshrined in the Constitution of Kenya Chapter 12, Article 229 by drafting strategic plans; the first formal strategic plan covered the just concluded period 2012-2015.

1.1.1 Strategy Implementation

According to Newman (2008), strategy implementation is fundamental to a company's success because it allocates tasks, people, time, place and tactics of reaching the desired goals. Strategy implementation occurs after strategies have been formulated based on

identified opportunities and threats in the prevailing environment. According to Johnson and Scholes (2010), strategy implementation involves activities within an organization that guide execution of a strategic plan. Strategy implementation process is the most complex and laborious part of the strategic management process. Successful strategy formulation does not guarantee successful strategy implementation. According to Newman (2008), a large proportion of a manager's time is devoted to execution which involves detailed planning, organizing, motivation and controlling.

Obstacles or impediments partly occasion difficulty in strategy implementation. Hrebainik (2009), observes that difficulties often include large extent of time needed for execution, the need to involve many people, poor strategy formulation as well as conflicts within the organization power structure. He further identifies that poor information sharing methods, unclear responsibility and accountability, a weak organization structure, and change resistance are impediments to strategy implementation.

Slevin, and Covin (2010), noted that successful strategy implementation requires visible leaders who passionately carry and communicate the vision in a manner that influences employee's behavior towards attaining this vision. Top management needs to encourage a participative strategy implementation process in order to achieve superior performance. It is important to develop a strategic map that identifies the key elements of strategy implementation such as financial affairs, human resources and key stakeholders.

1.1.2 Strategy Evaluation and Control

Strategy evaluation and control is the last phase of the strategic management process. Strategies are subject to future modification because the environment constantly changes.

During strategy evaluation and control, managers review internal and external factors surrounding the firm and get insights on the progress of chosen strategies towards attaining desired goals. Strategy evaluation and control is of great significance to an organization as it informs every stage of the strategic management process (McAdam & Scott, 2009). A comparison of planned activities against actual progress enables managers keep track of progress towards goal achievement and point out any deviations for corrective actions to be taken. In doing this an organization is informed on areas of weaknesses and strengths.

According to Sharabati, and Fuqaha (2014), activity reports pointing out on any undesired performance that requires improvements can be obtained through strategy evaluation. It is important that the strategy evaluation and control process be effective enough such that it provides information relevant to performance indicators (Rapert, Velliquette & Garretson, 2013). Effective strategy evaluation and control requires appropriately developed performance measurement criteria that provide relevant and timely feedback for management to take action.

Strategy evaluation and control activities revolve around, continuous examination of the micro and macro environment, measuring performance and taking remedial actions where necessary. Successful evaluation of the strategy commences with defining the performance indicators to be measured. These performance indicators should mirror the goals set as they form basis for comparison of actual versus intended results (Van Gansberghe, 2008). Continuous environment scanning enables organizations to respond to any significant change in the business environment. Corrective actions are initiated any time strategic performance deviates from the intended results. Because business

environment are dynamic in nature at times corrective actions may fail to produce desired results. This requires for the evaluation of the strategy to establish if the premise still holds.

1.1.3 Organisations Performance

An organizations strategic agenda is drawn from its vision and mission statements. How well an organization implements its strategies to accomplish these agendas has been of great concern to researchers leading to intensive efforts and focus in studying organization performance. Performance is defined as an organization's ability to harness the limited resources in its environment. Delmas (2012), defines organizational performance as a scrutiny of a company's performance as compared to plans.

Performance perception is contextual, the measures used to represent outcomes achieved either good or bad are selected based upon the activities of the organizations being observed. Performance measurement differs across sectors when compared to strategic goals and objectives. The private sector places more emphasis on financial performance, market share and shareholder value. On the other hand, the public sectors key performance outcomes include: service delivery, public satisfaction, distributive developments, economy, efficiency and effectiveness (Nebo et.al, 2015).

Performance contracting is a management tool that has been embraced in the Kenyan public sector in measuring performance against negotiated targets between the government acting as the agency and the public institutions management as the agents (9th Performance Contracting Cycle Guidelines 2012-2013). In 2004, the government of Kenya introduced performance contracting with an aim to improve service delivery

through external accountability and increase in internal efficiency and effectiveness (Cheche & Muathe, 2014). Performance contracting is an important element of new public management through which public institutions have the ability to provide improved service delivery.

Mbua and Ole Sarisar (2013) in their study on the concept of performance contracting in Kenya identified the following expected performance outcomes: improved efficiency in service delivery with accountability for results; efficiency in resource utilization and mastery of strategic management of public resources; institutionalization of performance oriented culture and promote accountability at all levels of government; capacity to measure and evaluate performance and link rewards to performance. These performance measures will to a large extent form part of evaluating organization performance at the Office of the Auditor General Kenya.

1.1.4 Office of the Auditor General

In the past, the Office of the Auditor General was referred to as the Controller and Auditor General's office and was established on 1st June 1955 under Exchequer and Audit Act Cap 412. The Public Audit Act 2003 established the Kenya National Audit Office and the Kenya National Audit Commission. The duty of the National Audit Commission is to approve the budget of Kenya National Audit Office and determine the remuneration and other terms of appointment of staff (Van, 2008). The former Controller and Auditor general's responsibility was to authorize and approve all the withdrawals from the consolidated fund and audit all the government ministries and departments together with the local authorities.

In the new constitution Chapter 12, part 6, article 229 provides for the appointment of the Auditor General proposed by the president with the consent of the National Assembly whose duties are to audit the accounts of national and county government, the accounts of funds and authorities of national and county governments and accounts of all courts. The Auditor General also looks into accounts of every commission, independent office established by the constitution, the accounts of national, senate and county assemblies. Finally, the OAG further examines the books of account of political parties funded from public funds and the accounts of any other entity that legislation requires and issues an audit report. The audit report submitted to parliament confirms whether or not public resources have been administered lawfully and in an efficient and effective manner (Mnjama, 2013).

The OAG has been practicing strategic management with its first formal strategic plan covering the period 2012-2015. The organization has attracted a lot of public interest and awareness in its role of advancing accountability in the public sector. The office is growing in knowledge of strategic management and will therefore provide insights on its experiences in strategy implementation, evaluation and control.

1.2 Research Problem

Successful strategy implementation is critical to the going concern of the business venture. One of the most challenging and unresolved problem in strategic management is the failure rate of strategy implementation, Koskei (2003) notes that these failures revolve around the fit between structure and strategy, organization resource allocation, leadership, rewards, communication and culture. Strategy evaluation and control is an

essential part of the strategic management process as organisations operate in a dynamic environment and thus effective evaluation and control practices are essential for appropriate corrective and responsive actions to be taken while executing strategy (Muiruri 2014). The ability to implement, evaluate and control strategies is therefore of greater importance than the strategy itself.

The public service to a great extent has been affected by globalization, public reforms, human resource development, information, communication and technology (ICT), regional and international partnerships (KAPAM annual paper on the role of Kenyan public service in a changing global environment 2010). Strategy implementation in the Kenyan public sector has not been effective and the sector has been seen as ineffective and irrelevant (Ministry of Planning, strategy paper on growth and employment in Kenya 2003 - 2007). There is increased effort to refine and transform Kenya's public sector management due to the perception that public service delivery has not satisfied public interest optimally (Hope 2012). There is need for public service management to be reshaped and enhanced in a manner that makes it more sensitive to public demands through effective strategy formulation, implementation, evaluation and control.

Numerous studies have been carried globally and locally on the influence of strategy implementation and evaluation and control on organisation performance. McAdam, Walker and Hazlett (2011), investigated the relationships between strategy implementation and improvements in operations under the Local Government Modernization Agenda (LGMA) in England. They observed that performance measurement and management at the strategic level is to a large extent determined by

unfolding legislation and the need to comply to regulations rather than improving service effectiveness.

Ruth (2013), studied challenges of strategy implementation at Mazars Kenya, the results indicated that the industry forces especially competition, changes in economic conditions greatly influence strategy implementation in Mazars Kenya. Further results indicated that employees and managers were fully involved in strategy implementation. Similarly, Teresa (2013) focused on strategic plan implementation in non-governmental organizations in Kenya. The study reveals that aligning functional strategies with resource availability contributes to the success of strategy implementation

On the other hand Oanda (2013), investigated challenges of strategy implementation in Private Security Companies in Kenya, and found out that poor communication and lack of skills and capabilities for executing strategy due to inadequate training posed as challenges to successful implementation of strategies.

From the above literature, much has been done on the practice of strategy implementation and the challenges that encompass the process. However in these studies the critical role of strategy evaluation and control has not been examined as an important tool that keeps the strategy implementation process on check towards attaining strategic objectives. This study therefore seeks to fill this gap and answer the following questions: what is the influence of strategy implementation on organization performance at the Office of the Auditor General? What is the influence of strategy implementation, evaluation and control on organization performance at the Office of the Auditor General?

1.3 Research Objective

The study will be guided by the following research objectives;

- i. To establish the influence of strategy implementation on organization performance at the Office of the Auditor General
- ii. To establish the influence of strategy evaluation and control on organization performance at the Office of the Auditor General

1.4 Value of the Study

To the policy makers, of the Office of the Auditor General and other Oversight Authorities, findings of this study are beneficial in formulating policies that govern strategy implementation in the public sector. Policy makers will find the research useful in addressing problems of declining service levels especially in emerging work areas. The study is also useful to audit firm's policy makers in different institutions in formulating policies on areas that necessitate smooth strategy implementation in organizations.

The study provides advice to the audit institutions management on issues to do with strategy implementation and challenges facing the implementation process. The study also generates information that may be useful to policy makers in the wider Public Service especially on strengthening government oversight by reviewing the systems that enhance transparency, accountability and responsiveness to public policy priorities.

This study contributes to existing literature in the field of strategic management. The study will prompt further research by academicians to improve and extend the present

study across other public institutions. The findings of the study will also fill the knowledge gap in the link between strategy implementation, evaluation and control and organization performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter discusses related literature on influence of strategy implementation and evaluation and control on organisation performance as presented by various authors. The chapter also provided the theories underpinning the study.

2.2 Theoretical Foundation

This section examines the various theories that are used to inform the study on the influence of strategy implementation, evaluation and control on organisation performance. The study is guided by the following theories; resource-based view, stakeholder theory and open system theory.

2.2.1 Resource-based View Theory

The resource-based view (RBV) of Wernerfelt (1984), suggests that competitiveness can be achieved by creatively delivering higher-ranking value to customers. The theory central premise is that firms rival on the premise of their resources and capabilities. Resource based theory asserts that organizations hold resources which empower them to attain competitive advantage and lead to superior and sustainable performance. Competitive advantage can only be achieved by firms that possess valuable and inimitable resources. This advantage can be upheld over years such that the firm is able to shield itself against resource shortages, transfer or substitution (Boxall, 2009).

Resource-based view emphasizes that the origin of firm's competitive advantage lies in its inner resources, and not necessarily its positioning in the external environment. A firm attains competitive advantage through its unique resources and capabilities in addition to scanning its external environment for opportunities and threats (Grant, 2011). Adequate finance and competent employees is significant when managing strategy in a dynamic business environment (Wade & Hulland, 2009). An entity that possesses sufficient resources tends to have more influence on value addition of their products. This theory explains how resources at a firm's disposal are critical when implementing strategies.

2.2.2 Stakeholder Theory

Stakeholder Theory was developed by Donaldson (1995). It is a theory that guides organization management by addressing ethical practices when conducting business. The stakeholder theory assumes that ethics are a significant part of doing business. The theory poses two questions. First, what is the mission of the firm and secondly, what responsibility do managers have to stakeholders? The first question informs managers on the need to inculcate a common sense of value and insights on stakeholder interests. On the other hand the second question propels managers to articulate how they will conduct business with key focus on the relationships they need to create with their stakeholders to successfully achieve their desired objectives (Freeman, Wicks, et.al, 2004). Managers therefore have a role to play in developing relationships that inspire their stakeholders to give their best to deliver desired performance. The theory provides insights and understanding of the nature of interactions between an entity and its stakeholders

(Mansell 2013). It recommends the attitudes, structures and practices as well as paying attention to stakeholder's interest to meet the organizations objectives.

Blattberg (2004), criticizes the stakeholder theory assumption that the varying stakeholder demands can be easily balanced against each other. Managers must implement organization strategies through processes that not only satisfy shareholders interests but also those of other groups such as employees, suppliers, and customers etc who also form part of the project cycle. Performing a stakeholder mapping will enable managers identify their different stakeholders and their needs and integrate these knowledge into the project for sustained growth. A stakeholder approach highlights the importance of continuous management of the business environment, relationships and encourages shared interests (Scott 2011).

Stakeholder participation in strategy implementation can guarantee superior performance. This theory is critical in guiding managers in identifying stakeholders and their needs and how to incorporate them in the strategic management process to attain long-term organization performance (Scott, 2011). Project managers are responsible for maintaining strong stakeholder relationships to achieve the planned objectives in the face constant uncertainty and minimize potential risks from the external environment.

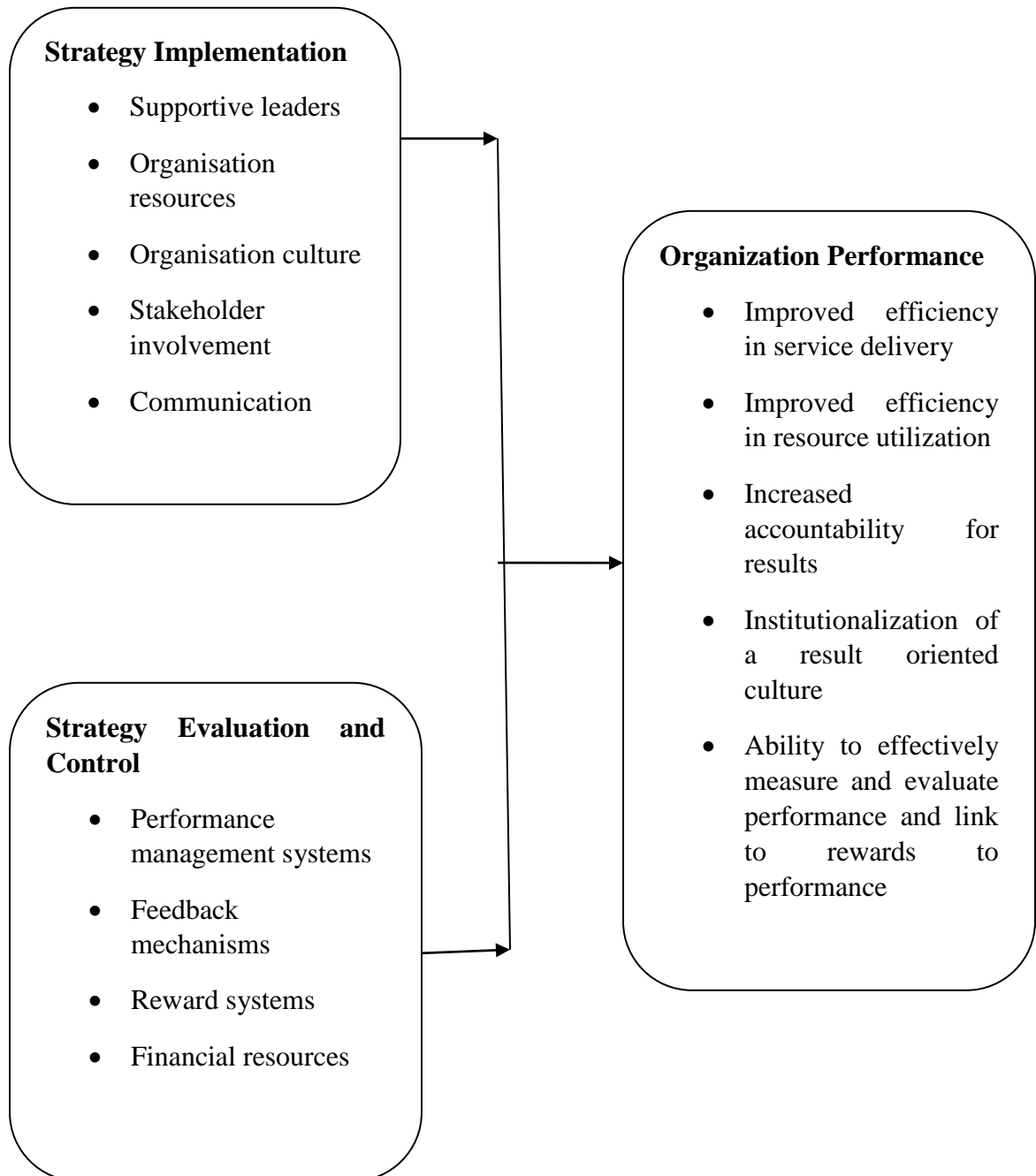
2.2.3 Open Systems Theory

The open system theory was advanced by biologist Ludwig Von Bertalanfy LittleJohn (1983). The theory is basically centered on the view that organizations are social systems with constant interactions with the external environment and subsystems within itself. As open systems organizations derive inputs from their environments and release its outputs

to the very same environment. This exchange relationship is considered vital for an organization. The system theory therefore places emphasis on the unity of organization with parts within itself and with the external environment. Mwenda (2015) notes that the main managerial task is to find a suitable fit between the organization and its surroundings and develop proper organization design that will lead to greater efficiency and effectiveness in an organization.

Organizations are strongly influenced by their environments which exert forces of a political, economic, social-cultural and legal nature but are also reliant on this same environment for its key resources necessary to sustain the organization and enhance its survival in the presence of a dynamic environment. This theory is relevant to the study in understanding how strategy evaluation and control mechanisms in organizations are used to provide feedback on the ever changing environment. An entity can then readjust their strategies to fit the changing environment.

2.3 Conceptual Framework



2.4 Strategy Implementation Success Factors

According to Pride and Ferrell (2013), implementation is a significant component of the strategic planning process. Although an organization may have a well-crafted strategic plan, managers must provide leadership so as to direct collective efforts towards achieving the organization's goals. Letting (2009) observes that top management have a significant responsibility in the success of any strategic plan. For successful strategy implementation, leaders must have the ability to persuade and influence employee behavior towards a given direction with and aim of achieving performance targets.

According to David (2013), proper communication amongst strategy implementers is crucial for the success of strategy implementation and therefore requires the involvement of both managers and subordinates. Communication is a mainstream for any organization growth. Nebo et.al, (2015) notes that communication is essential to effective team performance as it ensures coordination of factors of production and employees towards change and advancement. Employees that are well versed with their work and its significance to the success of the organisation are often likely to align their actions with the organisation goals and hence achieve superior performance (Harisson, 2013).

Kaletka and Anna (2015) observe that the growing importance of knowledge management calls for the need to increasingly motivate and involve a wider number of participants in the strategic management process. They highly advocate for participatory strategic management process for the following reasons: junior managers have better sense of which strategies are executable; employees ideas at various levels form a significant part of an organization's knowledge base; employees ideas better help an organization to adapt to changes in the environment; employee participation helps achieve goal,

implement change, improve communication and makes strategy implementation more effective. Involving managers in strategy formulation therefore generates commitment and ownership to the strategy and positively influences the viability of the strategy.

Strategies implemented in an entity require a supportive organization culture for superior performance to be attained (David, 2013). Any strategy should be matched with the right culture in the organization. The strategy culture fit is very important in an organization as it is a determinant of employee behavior during strategy implementation. Organization culture must therefore be consistent with strategy if desired performance levels are to be achieved.

A firm's unique resources create a superior leading edge when implementing strategy. Financial resources, resources and coordination ability are crucial to the success of strategy execution (Kidombo, 2007). Ineffective use of resources results to wastages and contributes to the fall of strategy implementation. How an organization utilizes its resources can be an avenue of competitive advantage as well as a basis for comparing the success of any given strategy.

2.5 Strategy Evaluation

Strategy evaluation is the assessment process that provides top management with information regarding the performance of programs and activities designed to meet the firm's objectives. Samson (2009), noted that strategy is an action plan designed to accomplish a specific goal. Strategic plans are not just for large companies, both small and mid-sized companies need it as they compete in markets that have become smaller due to technological advances.

Strategy evaluation takes place at two levels: the strategic level which focuses on uniformity of strategy with the environment and operational level aimed at assessing how well the organization is pursuing a given strategy (Kazmi, 2007). According to Wade and Hulland (2009), managers evaluate strategies based on the business goals set prior to implementation. Managers usually set milestones and assign duties and responsibilities to move these goals into realization. From the milestones set the manager is able to assess progress towards achievement of the goals (Stewart, Mohamed, & Daet, 2012).

Just as the formulation phase is critical, strategy evaluation is equally significant in throwing light on the efficiency and effectiveness in achieving the desired results (Tesot, 2013). Due to the dynamic business environment that encompasses great shifts in technology, social, economic and political factors managers need to constantly evaluate the relevance of the organizations strategies. Strategy assessment is the last phase of strategic management. The success of strategy evaluation process is founded in its capacity to co-ordinate the activities of teams and across departments through evaluating and measuring performance. Strategy evaluation is important because it provides inputs for new strategic formulation, provides feedback, determines appraisals and rewards and judges the validity of chosen strategies. Vollert (2012), argued that strategy evaluation is applied in measuring performance whereby expected results are a bench mark with which the actual performance is to be compared.

Key performance indices (KPIs) were used to provide information on the quality of services being provided. Relevant KPIs help a reporting organization in making informed management decisions and can promote dialogue and sharing of good practices within and across jurisdictions hence organizations can better gauge themselves relative to how

well others in their sector are achieving similar goals (Office of the Auditor General of British Columbia: Guide for developing relevant key performance indicators for public sector reporting, 2010). For a KPI to be considered relevant it must provide significant and useful information to the key stakeholders, represent the day to day activities of the organisation and demonstrates how the reporting organization's overall performance can be used to hold the reporting organisation accountable. If effective means are available for measuring the performance and if performance standards are set in the right manner, strategy evaluation becomes easier.

2.6 Strategy Control

Strategy control is an undertaking by organizations to control the formation and execution of strategies; it is a specialized form of management check that handles uncertainty at various points in the strategic management process. Courtright (2010), argued that strategy control involves trailing a master plan as it is executed. It also concerns unearthing difficulty or shifts in the strategy and initiating necessary adjustments. Managers need to see to it that the company is progressing in the intended direction, and that the speculations about major shifts in the business environment are accurate. According to Pride and Ferrell (2013), every strategy is founded on certain planning premises and because of this premise controls are usually designed to constantly monitor the viability of these strategies. If an organization discovers a significant premise is no longer viable, the strategy has to be amended (Kazmi, 2007). The faster an organization recognizes and rejects an invalid premise, the better as this allows modification to reflect the actual reality.

According to Slevin and Covin (2010), it is important to institute the process of strategy control in the early stages of execution to monitor whether the strategy will be effective or not and to carry out mid-course adjustments where necessary. There are various reasons why a strategy may fail to attain intended results. The macro-environment constantly changes and may not follow a given pattern that was expected during strategy formulation. Changes in organizations systems, structure, policies and procedures may fail to fit strategy (Dess & Robinson, 2014). After a while, the top management may find it difficult to exercise a considerable degree of control over operating systems due to unpredictable advances of the competitors and this may cause major gaps in the implementing strategy. Strategic surveillance therefore becomes significant form of control as it monitors a broad scope of occurrences within and outside a firm that are likely to threaten implementation of a given strategy (Kazmi, 2007).

Grundy (2008), noted that using short-term objectives during execution can form grounds for performance measurement. In the same way budget can be used to oversee strategic progress. Many a time, reward systems are often linked to the results of the strategic control process. It is clear that the strategic management process is interrelated and that actions and decisions in one phase impact on the other phases. Strategic control is the step of the strategic management process that focuses on assessing the chosen strategy to verify if the outcomes match intended results (Dess & Robinson, 2014). Strategic plans have a long-term focus and as time elapses during implementation monitoring results against the changing business environment provide useful feedback on any deviations from intended results. During this time frame organizations pursue projects to implement the chosen strategy amidst the ambiguity and uncertainty in the environment. Special

alert controls and contingency strategies can be developed by crisis management teams to act as trigger mechanisms for rapid response and immediate strategy reassessment when unexpected events occur during strategy implementation.

The strategy control function includes activities taken by management to ensure that actual results conform to the targets sets during strategy formulation phase. Monthly, quarterly and annual reports review is one way managers use to evaluate and control strategy. The reviews require a look at both financial and non-financial aspects such as profit margins, sales, earnings per share and return on investment to assist management determine the effectiveness of the strategy being implemented. Non-financial control measures such as quality control, rewards, training and inventory controls among others also guide managers in pinpointing an entity's strengths and weaknesses on which effective control strategy is focused to achieve desired performance levels.

2.7 Strategic Management and Organisation Performance

Strategic management has been advocated as one of the effective management tools capable of tremendously improving organization performance. Strategy formulation entails establishing objectives, developing alternative strategies and deciding on the best strategy to implement upon performing an environmental scan to identify strengths, weaknesses, opportunities and threats. The strategy formulation process is mainly occurs at three levels in the organization: corporate level; business level and functional levels.

Strategy implementation entails the activities through which organizations define its domains of action, and determine how it will compete. Strategy implementation is an organizational adaptation activity through which continued organizational performance

can be achieved. Strategy implementation is a vital element of the strategic management process (Taiwo & Idunnu, 2010). Strategic plans unless implemented remain valueless in an organization. An organization's performance is made visible through the activities it performs while pursuing its strategic intent.

Strategy control is concerned with tracking the master plan as it is being implemented, detecting deviations and making the necessary adjustments (Pearce & Robinson, 2008). Through strategy evaluation and control organizations keep on check the relevance of their strategies through feedback mechanisms on the internal and external environment factors that affect strategy implementation. It also helps employees to gauge their performance by comparing their performance with expected results and informs them on what needs to be done to keep up the good performance or improve their performance. In the absence of strategy evaluation and control managers would not be aware of the progress towards or deviations from their intended performance.

In a study to explore the impact of strategic management on organization growth and development Mougbo (2013) observed that strategic management was not regularly practiced among the manufacturing firms in Anambra State Nigeria but those firms that adopted strategic management practices had significantly increased in competitiveness; in influence on employee's performance; in organizational productivity and had enhanced structural development. Locally, Maroa and Muturi (2015) examined the influence of strategic management practices of floriculture firms in Kenya. The study findings revealed that those firms that had strategic plans, and implemented them as planned as well as conducted strategy evaluation and exercised control over their strategies mainly had their financial performance for the last five years being good, and a few of them

experienced extremely good (excellent) performance. Mbuu and Ole Sarisar (2013) in their study on the concept of performance contracting in Kenya identified the following expected performance outcomes: improved efficiency in service delivery with accountability for results; efficiency in resource utilization and mastery in management of public resources; institutionalization of performance oriented culture and accountability at all levels of government; ability to measure and evaluate performance and link rewards to measurable performance.

2.8 Chapter Summary

From the literature above it can be concluded that strategy implementation is the most critical phase of the strategic management process that determines how successful an organization will be in accomplishing its strategic objectives. The leadership styles adopted by an organization, available resources, organization culture and communication have been identified as success factors while implementing strategy. The value of strategy evaluation and control has been emphasized as the eyes of the strategy implementation process providing information necessary to streamline the strategy implementation process with the changes in the environment within and outside the organization.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides a discussion of the research methodology used for the purpose of this study. The research design, target population, sampling design, data collection and data analysis technique are discussed.

3.2 Research Design

Kothari (2004), defines a research design as an outline that is used to produce answers to research problems. This research adopted a descriptive survey design because it would enable the researcher to establish pertinent facts of the research topic from the employees of the Office of the Auditor General. According to Cooper and Schindler (2006) descriptive surveys enable a researcher discover and measure the cause and effect relationship between variables. Descriptive survey is a process designed to systematically gather information on a specific topic and depict the respondent's feedback in an accurate way (Kothari, 2004). The study utilized descriptive survey as it enabled the researcher collect a large quantity of in-depth information from the employees at the Office of the Auditor General.

3.3 Population of the Study

The population of interest comprised 438 employees at the Office of the Auditor General who consisted of 43 middle level management, 186 frontline managers and 209 supervisors (Grading structure, Office of the Auditor General 2016). These respondents were better placed to provide required data as they are largely involved in the strategic

management process at the Office of the Auditor General especially implementation, evaluation and control.

3.4 Sampling Design

From the population of 438 employees, a sample of 10% was considered. According to Kerlinger (2009) 10% is a representative sample that permits reliable data analysis and provides desirable levels of accuracy for testing significance of differences between projections. The researcher used proportionate stratified random sampling in order to achieve intended representation from the different sub-groups in the population. Stratified random sampling is a technique where the sample size for each stratum is proportionate to the population size of the stratum when viewed against the entire population (Stattrek 2009). The sample in this study comprised three strata middle management, frontline management and supervisors. A sample size of 43 was therefore selected consisting of 4 middle level managers, 19 frontline managers and 20 supervisors.

3.5 Data Collection

For the purpose of this study, the researcher used primary data. Data was collected using questionnaires with both structured and unstructured questions. The questionnaire had three sections covering general background information, strategy implementation and strategy evaluation and organization performance respectively. Structured questions were used to obtain specific information on the phenomenon of study whereas unstructured questions were used to by the researcher to obtain insight into other factors that influenced organization performance.

3.6 Data Analysis

Data collected from the duly filled questionnaires was analyzed quantitatively using descriptive statistics. Data collected from the structured questions was coded, edited and entered into Microsoft Excel Office application for analysis and presented using frequency tables with explanations. Percentage mean and standard deviation was used to determine the most common factors of strategy implementation, evaluation and control that influence organization performance. Content analysis was used to analyze the unstructured questions.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis and discussions. The study objective was to determine the influence of strategy implementation, evaluation and control on organization performance at the Office of the Auditor General. Primary data was collected using questionnaires which were administered to employees at the Office of the Auditor General who consisted of middle level management, frontline managers and supervisors. The data was thereafter analyzed and the findings are as presented below.

4.2 Response Rate

The sample of the study comprised of 43 respondents drawn from the middle, frontline management and supervisors. Out of the 43 respondents issued with questionnaires, 34 returned dully filled questionnaires giving a response rate of 79%. Kothari (2004) considers a response rate of 50% to be adequate and that of 70% to be very good. Additionally, Mugenda and Mugenda (2003) also rate very well a response of 70% and consider that of 60% to be adequate. Based on the recommended response rate by various authors the response of 79% is very good and sufficient as a basis of data analysis, findings, conclusions and recommendations.

4.3 General Background

4.3.1 Respondents Position at the Office of the Auditor General

The study sought to establish the positions held by the respondents at the Office of the Auditor General. The respondents were asked to state their current positions in the organization. The findings are discussed below.

Table 4.1: Respondents Position at the Office of the Auditor General

Position	Frequency	Percentage
Senior Manager	3	9
Manager	12	35
Supervisor	19	56
Total	34	100

From the research findings, in Table 4.1 the study revealed that majority of the respondents were supervisors 56%, followed by managers 35% and senior managers 9%. These respondents were better placed to provide required data as they were largely involved in strategy implementation, evaluation and control.

4.3.2 Respondents Role in Strategic Management Process

The study further sought to establish the roles played by the respondents in the strategic management process. The study had its main focus on strategy implementation, evaluation and control as shown below.

Table 4.2: Respondents Role in Strategic Management Process

Role	Frequency	Percentage
Formulation	0	0
Implementation	19	56
Evaluation and Control	0	0
Implementation, Evaluation and Control	14	41
Formulation, Implementation, Evaluation and Control	1	3
Total	34	100

From the research findings 56% of the respondents played the role of strategy implementation, 41% took part in both strategy implementation, evaluation and control while 3% were involved in all the three stages of strategy formulation, implementation, evaluation and control. From Table 4.2 the respondent's role in strategy implementation, evaluation and control were well distributed and would give credible information concerning the research.

4.4 Strategy Implementation

4.4.1 Anticipated Time Frame for Strategy implementation

The respondents were asked whether strategy implementation happen within anticipated time frame as this would be used to determine the effectiveness of the strategic

management process. 100% of the respondents stated that strategy implementation did not happen within the anticipated timeframe as presented below on Table 4.3.

Table 4.3: Strategy Implementation Meets Anticipated Timeframe

Response	Frequency	Percentage
Yes	0	0
No	34	100
Total	34	100

4.4.2 Factors Influencing the Success of Strategy Implementation

The success of strategy implementation is highly dependent on organization culture, leadership style, resources, effective communication, stakeholder cooperation and clarity of strategic objectives among other factors. The study sought to find out the extent to which the respondents agreed that the following factors influenced the success of strategy implementation. A five point Likert Scale was used to rate the responses with 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; and 5 = Strongly Agree.

The mean scores and standard deviation were computed for each element. The mean is used to determine the average response from the respondents whereas the standard deviation is used to determine the spread of responses from the mean. A higher standard deviation depicts more spread out from the mean whereas a lower standard deviation depicts less spread out from the mean. The standard deviation is used to determine the consistency of responses. Means ≥ 4 indicate that respondents agreed that the factors

discussed influenced the success of strategy implementation at the OAG, means = 3 indicate neutral responses, means ≤ 2 indicate that the respondents disagreed with the statements and means = 1 indicate that the respondents strongly disagreed with the statements. SD > 0.5 indicate that are responses more dispersed from the mean as shown on and SD < 0.5 indicate less dispersion from the mean hence more consistent scores. This is presented on Table 4.4.

Table 4.4: Factors Influencing the Success of Strategy Implementation

Factors Influencing success of Strategy Implementation	Mean	Standard Deviation
Leadership supports strategy implementation	3.875	0.33601
Strategic objectives are clearly communicated in an understandable manner in your organization	3.38235	0.98519
Organization culture supports strategy	2.833333	0.91287
Stakeholders are cooperative and supportive	2.33333	0.99424
Strategy formulation is a participative process in the organization	1.96875	0.93272
Organization has adequate resources (physical, human and financial) to implement strategy	1.95833	0.55003

The results indicate that majority of the respondents were neutral as to whether the organization leadership supported strategy implementation (mean 3.875) and with a low spread out from the mean (standard deviation 0.33601) which indicates that responses were more consistent. This finding is in line with Letting (2009) observation that effective leaders must not only support their strategies but also possess the ability to persuade and influence employee behavior towards a given direction with and aim of achieving performance targets.

The respondents also indicated neutrality as to whether strategic objectives were clearly communicated in an understandable manner in the organization (mean 3.38235). The (standard deviation 0.98519) depicts a high spread from the mean which indicates that the responses as to whether strategic objectives were communicated in an understandable manner in the organization were less consistent. Communication is a key success factor in operationalizing strategy. This finding corresponds to Harisson (2013) observation that employees who are well versed with their work and its contribution to the success of the organization are often likely to align their actions with the organization goals and hence achieve superior performance.

The respondents disagreed as to whether their organization culture supported strategy (mean 2.83333). A high spread out from the mean (standard deviation 0.91287) was also observed indicating less consistent responses. An organizations culture can significantly influence strategy implementation if the employees and the management do not have a mindset that supports what the company needs to achieve. Further, the respondents disagreed as to whether their stakeholders were cooperative and supportive (mean 2.333333) with less consistent results as depicted (standard deviation 0.99424). This finding is consistent with Mansell (2013) that paying keen attention to stakeholder's interest is of high importance in gaining their support on achieving strategic objectives.

The results further indicate that the respondents strongly disagreed as to whether the OAG had adequate resources to successfully implement strategy (mean 1.95833). The results indicated more consistency in the responses as depicted by the lower spread out from the mean (standard deviation 0.55003). This finding is in line with Kidombo (2007) that organization resources create a leading edge when implementing strategy. The

respondents also strongly disagreed as to whether strategy formulation process was participative (mean 1.96875). The results indicate less consistent responses as depicted by the high spread out from the mean (standard deviation 0.91287). Kaleta and Anna (2015) highly advocate for participatory strategic management process because junior managers have better sense of which strategies are executable and employees ideas at various levels form a significant part of an organization's knowledge base.

4.4.3 Influence of Strategy Implementation on Organization Performance

The respondents were asked to rate the extent to which strategy implementation influenced organisation performance. The performance contracting guideline was used to identify performance measures in the public sector. A five point Likert scale was used to rate the responses with 1 = No influence at all; 2 = Less extent; 3 = Moderate extent; 4 = Large extent; and 5 = Very large extent.

Means ≥ 4 indicate that strategy implementation to a large extent influenced organization performance measure, means = 3 indicate moderate influence, means ≤ 2 indicate less influence on organization performance and means = 1 indicate no influence of strategy implementation on organization performance. SD > 0.5 indicate that are responses more spread from the mean as shown on and SD < 0.5 indicate less spread from the mean hence more consistent scores. The findings are presented on Table 4.5.

Table 4.5: Influence of Strategy Implementation on Organisation Performance

Performance measures	Mean	Standard Deviation
Improved efficiency in resource utilization	3.6765	0.4749
Improved efficiency in service delivery	3.5	0.5075
Increased accountability for results	2.7059	0.7600
Institutionalization of a result oriented culture	2.6765	0.7270
Ability to effectively measure and evaluate performance and link to rewards to performance	2.2941	0.4625

The results indicate that strategy implementation moderately influenced organization performance through improved efficiency in resource utilization (mean 3.6765) and in achieving efficiency in service delivery (mean 3.5). The responses had low spread outs from the mean (standard deviation 0.4749) and (standard deviation 0.5075) respectively indicating more consistency in the responses.

Strategy implementation at the OAG had the least levels of influence on the organizations ability to effectively measure, evaluate performance and link rewards to performance (mean 2.2941) with a low spread out from the mean (standard deviation 0.4625) indicating high consistency of the responses. Less extent of influence of strategy implementation on organization performance was also observed in the OAG's ability to institutionalize a result oriented culture (mean 2.6765) and finally on increased accountability for results (mean 2.7059) with higher spreads from the mean in comparison with other responses (standard deviation 0.7270) and (standard deviation 0.7600) indicating less consistent results.

4.5 Strategy Evaluation

4.5.1 Factors Influencing Successful Strategy Evaluation and Control

The study sought to find out the extent to which the respondents agreed that the following factors influenced the success of strategy evaluation and control. A five point Likert Scale was used to rate the responses with 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; and 5 = Strongly Agree.

The mean scores and standard deviation were computed for each element. The mean is used to determine the average response from the respondents whereas the standard deviation is used to determine the spread of responses from the mean. A higher standard deviation depicts more spread away from the mean whereas a lower standard deviation depicts less spread away from the mean. The standard deviation is used to determine the consistency of responses.

Means ≥ 4 indicated that respondents agreed that the factors discussed influenced the success of strategy evaluation and control at the OAG, means = 3 indicated neutral responses, means ≤ 2 indicated that the respondents disagreed with the statements indicated and means = 1 indicated that the respondents strongly disagreed with the statements. The findings are presented on Table 4.6 below.

Table 4.6: Factors Influencing Successful Strategy Evaluation and Control

Factors Influencing Successful Strategy Evaluation and Control	Mean	Standard Deviation
Organization has an effective performance appraisal system	1.78412	0.94643
Rewards are linked to performance in the organization	2.11765	0.59108
Organization has an effective feedback mechanism	2.21212	0.78093
Managers are trained on performance management	2.23077	0.65163
Adequate financial resources are allocated towards strategy evaluation and control in your organization.	2.4	0.72397
Performance indicators and targets are clearly defined and communicated within the organisation	2.5	0.89612

From the above results, the respondents strongly disagreed as to whether the organization has an effective performance appraisal (mean 1.78412). The responses were highly spread out indicating less consistency in the responses (standard deviation 0.94643). From the mean and standard deviation it can be concluded that most of the responses varied between strongly disagree and disagree as to whether performance appraisal were effective in the organization.

From the results, the respondents disagreed as to whether rewards were linked to performance (mean 2.11765) with a lower spread from the mean (standard deviation 0.59108) which indicates that there was more consistency in the responses and it can be conclusively stated that rewards are not linked to performance at the OAG. Further, the respondents disagreed as to whether the organization had an effective feedback mechanism (mean 2.21212) with a high spread out from the mean (standard deviation

(0.78093) indicating that the responses were less consistent. These findings are in line with Tesot (2013) observations that strategy evaluation and control is significant in providing feedback during implementation and thus provide basis for judging the validity of strategic choice and improve in future strategies as well as provide a basis for appraisals and rewards.

The results also indicate that the respondents disagreed as to whether managers were trained on performance management (mean 2.23077). The responses were less consistent as indicated by the high spread from the mean (0.65163). Managers need to be informed as they go about evaluating performance and therefore need to be empowered with relevant knowledge for effective performance evaluations.

Further, the respondents also disagreed as to whether adequate resources were allocated towards strategy evaluation and control (mean 2.4). The responses were less consistent and varied as depicted by the large spread out from the mean (standard deviation 0.72397). Resources not only create an edge when implementing strategy but also during evaluation and control. Sufficient allocation of resources to strategy evaluation and control would result to timely and quality input for improving implementation and hence contribute to improved organization performance.

The respondents also disagreed as to whether performance indicators are clearly defined and set (mean 2.5) and this also provided the highest spread from the mean (standard deviation 0.89612). It is important that appropriate means for measuring performance are available and standards are set in the right manner for strategy evaluation and control to become easier and achieve desired results (Office of The Auditor General of British Columbia, 2010)

4.5.2 Influence of Strategy Evaluation and Control on Organization Performance

The respondents were asked to rate the extent to which strategy evaluation and control influenced organisation performance. The mean scores and standard deviation were computed for each element. Means ≥ 4 indicate that strategy evaluation and control to a large extent influenced organization performance measure, means = 3 indicate moderate influence, means ≤ 2 indicate less influence on organization performance and means = 1 indicates no influence of strategy evaluation and control on organization performance. SD > 0.5 indicate that are responses more spread from the mean as shown on and SD < 0.5 indicate less spread from the mean hence more consistent scores. The findings are presented on Table 4.7.

Table 4.7: Influence of Strategy Evaluation and Control on Organization Performance

Performance measures	Mean	Standard Deviation
Improved efficiency in service delivery	3.0294	0.7582
Improved efficiency in resource utilization	3.2353	0.4306
Increased accountability for results	2.7647	0.8549
Institutionalization of a result oriented culture	2.7059	0.7600
Ability to effectively measure and evaluate performance and link to rewards to performance	2.5882	0.7434

The results in Table 4.7 indicate that strategy evaluation and control moderately influenced organization performance through improved efficiency in resource utilization (mean 3.2353) and this is confirmed by the low spread from the mean (standard deviation 0.4306) which is an indicator that the responses were more consistent. Additionally,

strategy evaluation and control moderately contributes in achieving efficiency in service delivery at the OAG as results depict (mean 3.0294). The response had a high spread from the mean (standard deviation 0.7582) indicating less consistency in the responses.

A majority of the respondents indicated that strategy evaluation and control at the OAG had the least levels of influence on the organizations ability to effectively measure, evaluate performance and link rewards to performance as reflected by the (mean 2.2941). The results also depict a high spread out from the mean (standard deviation 0.7434) which indicates that the responses were less consistent and varied.

Further, less extent of influence of strategy evaluation and control on organization performance was also observed in the OAG's ability to institutionalize a result oriented culture (mean 2.7059) and finally on increased accountability for results (mean 2.7647) with higher spreads from the mean in comparison with other responses (standard deviation 0.7600) and (standard deviation 0.8549) indicating less consistent results.

4.6 Other Challenges Affecting Organization Performance

The respondents were asked to state other factors that affected organisation performance at the Office of the Auditor General. The respondents stated that the organisation had limited decentralization to the counties due to inadequate staff to meet its expanded mandate since devolution and this affects the organizations ability to issue quality and timely audit reports. Slow paced cooperation from clients also contributed to delay in timely issue of audit reports.

The respondents stated that no meetings take place within the department and sectors with an aim to align their activities to the strategic plan and this adversely affects

implementation of strategic plans. The respondents additionally stated that a poor reading culture in the organization affects implementation of the strategic plan even when it has been communicated.

The respondents indicated that the office aims to promote and support good governance and accountability in the public sector however; inadequate implementation of recommendation by the clients affects the offices ability to achieve this objective. The respondents further identified that inadequate stakeholder interactions and consultations by the OAG has also played a role in low success rate of implementing strategy. The legislature and county assemblies deliberate on audit reports and their timely recommendations and action on the audit reports go a long way in achieving the strategic objectives of the OAG. They are also responsible for providing funding for the OAG and any delays hinder the success of strategy implementation at the OAG.

4.7 Discussion of Findings

The study sought to find whether strategy implementation happens at the anticipated time in the organization. It was found that strategy implementation did not happen within the anticipated time because the organisation had inadequate staff and this limited its decentralization to the counties. Slow paced cooperation from clients also contributed to delay in timely issue of audit reports. This finding is consistent with Mansell (2013) that managers have a role to play in developing relationships that inspire their stakeholders to give their best to deliver desired performance.

Communication is a key success factor in operationalizing strategy. It plays one of the most significant roles in mobilizing and directing workforce towards the attainment of

strategic goals. The respondents were neutral as to whether the organization strategic objectives were clearly communicated in an understandable manner. The finding corresponds to Harisson (2013) observation that employees who are well versed with their work and its contribution to the success of the organisation often align their actions with the organization goals to achieve superior performance. The results also indicate neutral response as to whether leadership at the OAG supports strategy and this is in line with Letting (2009) observation that leaders must not only support strategy but also possess the ability to persuade and influence employee behavior towards a given direction with and aim of achieving performance targets.

The findings indicate that the organization culture does not support strategy. Managers and employees need to always have a positive mindset and shared sense of purpose for them to effectively direct their efforts towards accomplishing the desired organization performance. According to Merchant (2010), an organization's culture highly determines the success or failure of its strategy and any strategy that lacks a cultural fit stand to fail. Accommodating a cultural perspective in strategy implementation programs therefore has significant contribution to organization performance.

Further results indicate low levels of participation in strategy formulation. Kaleta and Anna (2015) highly advocate for participatory strategic management process because junior managers have better sense of which strategies are executable and employees ideas at various levels form a significant part of an organization's knowledge base. Participative strategy formulation process improves strategy implementation and junior managers own the strategic plans and have a clear understanding of strategic objectives.

The findings also reveal that the organization does not have adequate financial, physical and human resources to effectively implement strategy.

The study found that rewards are not linked to performance as a result of ineffective performance management systems. The findings concur with Johnson and Scholes (2012) who observed that reward system is an important element of strategy implementation. They stated that in order to be certain that strategy implementation is integrated into day-to-day operations, it is crucial that the reward systems are congruent with the strategies being implemented. Incentives such as salary raises, promotions, praise, criticism, demotions and awards can motivate managers and employees to push hard for successful implementation of strategy.

The findings revealed that inadequate allocation of funds to strategy evaluation and control processes to a large extent influenced the organizations performance. It was also observed that the organizations performance appraisal systems were to a very large extent ineffective and this affects the success of strategy evaluation and control. It was also established that lack of training on performance management affects successful strategy evaluation and control since very few managers were trained on evaluation and control practices, poor internal feedback systems and lack of clear performance indicators affect strategy evaluation and control practices at the OAG. The findings are in line with Smith (2008) who indicated that all organizations face familiar challenges when implementing strategy and that without an actual sound and aligned implementation process, even the best strategy is useless. The findings also concur with Felista (2014), who states that there is need to control strategy implementation and evaluate how well the strategies are being implemented with consideration of the time frame.

The findings revealed that strategy implementation had moderate influence on organization performance especially on achieving improved service delivery and efficiency in utilization of resources. Strategy implementation at the OAG had the lowest levels of influence on the organizations ability to effectively measure, evaluate performance and link rewards to performance, followed by institutionalization of result oriented culture and finally on increased accountability for results. The results also indicate that strategy evaluation and control to a moderate extent influenced organization performance as it contributed to efficient utilization of resource and in improved service delivery. The lowest influence of strategy evaluation and control on organization performance at the OAG was observed on the organizations' ability to effectively measure, evaluate performance and link rewards to performance, followed by institutionalization of result oriented culture and finally on increased accountability for results.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary, conclusions and recommendations of the study. This study focused on the influence of strategy implementation, evaluation and control on organization performance at the Office of the Auditor General.

5.2 Summary of the Findings

From the findings, strategy implementation does not happen within the anticipated time in the OAG as the organization experiences delays in work completion which results to delays in timely issuing of reports. The main reasons behind the delays are; inadequate staffing considering the expanded mandate of the OAG, poor or slow paced cooperation by clients, poor performance monitoring mechanisms and limited decentralization to the counties.

From the findings, clarity of communicating strategic objectives and leadership support in strategy implementation is viewed as moderate. From the finding, lack of adequate resources (financial, physical and human) influence the OAG's ability to successfully implement its strategies. Stakeholders are also not very supportive during strategy implementation and this influences the organisations ability to achieve its objectives. Additionally, participative strategy formulation process is not encouraged and this influences the successful implementation of strategies. It is also observed that the organization culture is not very supportive of strategy and therefore affects successful strategy implementation.

The study further found that rewards are not linked to performance and that performance appraisal systems were not effective. It was further observed that the organization lacked effective feedback systems and this renders the evaluation and control process ineffective. The study revealed that performance indicators and targets were not clearly defined and communicated and that managers were not trained on performance management which affects the effectiveness of strategy evaluation in the organization. Findings further established that inadequate financial resources were allocated to strategy evaluation and control and this greatly affects its effectiveness.

The findings revealed that strategy implementation, evaluation and control to a large extent influenced organization performance in achieving improved service delivery and efficiency in utilization of resources. Low levels of influence on organisation performance were observed in the organizations ability to effectively measure, evaluate performance and link rewards to performance, institutionalize a result oriented culture and finally on increasing accountability for results. Poor reading culture and non-alignment of daily activities to strategic objectives also influenced organisation performance.

5.3 Conclusion

The success of strategy implementation is determined by the extent to which the top management or leadership supports the organization strategy. Stakeholder cooperation, strategy culture fit, adequate resources, effective communication and a participative strategic management process are significant in contributing to organization performance.

As such the management at the OAG should continually work on improving these areas in order to successfully achieve its strategic agendas.

Strategy evaluation and control requires effective performance management systems, clear performance indicators, linkage between rewards and performance, effective feedback systems, adequate resources and proper training in order to positively contribute to organization performance. Strategy evaluation and control is critical to the success of the OAG as it provides feedback on the progress towards achievement of strategic objectives.

5.4 Recommendations from the Study

The findings of the research reveal that the organization lacks a participative strategy formulation process. A participative strategic management process is a mainstream for organization growth and it is recommended that the top management encourages participation of senior and frontline managers in strategy formulation as it would motivate them, bringing a sense of being valued as well as encourage their ownership and understanding of the strategic objectives which can be aligned effectively to their daily activities and thus make strategy implementation process more effective and contribute to more efficiency in utilization of resources and effectiveness in service delivery.

It is recommended that the OAG provides training and development opportunities for frontline managers in performance management. It is important that managers are trained on performance evaluation and control so as to ensure that the performance management systems are effectively used and add value to the strategic management process in the organization. Such trainings will enable managers to effectively evaluate and measure

performance which will lead to improved effectiveness of the performance appraisal systems, feedback systems as well as provide a reliable basis for linking rewards to performance and therefore promoting a result-oriented culture within the organization.

It is recommended that management at the OAG develop relationships that inspire their stakeholders to give their best to deliver desired performance. This can be achieved through attitudes, structures and practices as well as paying attention to stakeholder's interest in order to win their cooperation and support in implementing strategies.

Communication is significant for organization growth. How effective a message is passed through to the recipient has great influence on the response action that they would take. It is therefore recommended that top management at the OAG communicates its strategic objectives, performance indicators and targets with such clarity that all employees are informed of what is expected of them. This will enable them align their daily activities to these goals and contribute to organization performance. It is also recommended that adequate financial and physical resources be allocated to strategy evaluation and control to improve its effectiveness in guiding the strategic management process.

5.5 Implication on Policy and Practice

Some of the findings in this study call for a review in some of the policies and practices undertaken at the Office of the Auditor General on strategy implementation, evaluation and control. The policy makers, of the Office of the Auditor General and other public institutions will benefit from this study as it provides useful information that will help in formulating policies that govern strategy implementation, evaluation and control in the public sector.

5.6 Limitations of the Study

The researcher experienced difficulty in accessing all targeted respondents at the OAG since at the time of the study as most of them were busy in meetings and conducting final audits. Lastly, this study focused on middle, frontline and supervisory management employees only while the subordinates and top management were omitted. The findings of this study are therefore limited to the views from middle, frontline and supervisory management.

5.7 Suggestion for Further Research

This study used quantitative methods in determining the influence of strategy implementation, evaluation and control practices on organization performance in the OAG through a descriptive survey study. It is recommended that future research on the topic considers qualitative techniques such as interviews to provide more in depth understanding of the key determinants of success in strategy implementation, evaluation and control. The researcher also suggests that a study be carried out using the method of secondary data collection to see whether there will be difference in the results.

Similar research should be carried out in other public institutions so that to find whether there are any similarities in the way strategy implementation, evaluation and control is practiced and whether they face similar challenges as it would provide useful information to academicians and government in understanding how public institutions are managed.

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APPENDIX I: INTRODUCTION LETTER

Emmaculate Cherop Chepkwony

P.O. Box 1181 – 50205

Webuye.

7th October 2016

Dear respondent,

RE: Research project data collection

I am a postgraduate student at the University of Nairobi pursuing an MBA in strategic management. I am expected to carry out and submit a research project in order to fulfill the requirement for award of the MBA degree. My research project is titled: The influence of strategy implementation, evaluation and control on organization performance at the Office of the Auditor General.

This is to kindly request for your assistance in filling the attached questionnaire based on your experience at the Office of the Auditor General. Your responses will be used for purposes of this academic study only and your identities will be treated with high confidentiality. Your cooperation is highly appreciated.

Yours faithfully,

Emmaculate Cherop Chepkwony.

APPENDIX II: UNIVERSITY INTRODUCTION LETTER



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS**

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 5/10/2016

TO WHOM IT MAY CONCERN

The bearer of this letter EMMACULATE CHEROP CHERKWOONY

Registration No. 061179069/2015

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

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

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

Thank you.

**PATRICK NYABUTO
SENIOR ADMINISTRATIVE ASSISTANT
SCHOOL OF BUSINESS**



APPENDIX III: QUESTIONNAIRE

SECTION A: GENERAL BACKGROUND

1. What position do you currently hold at the Office of the Auditor General?

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2. What is your role in the strategic management process at the OAG?

- Formulation only
- Implementation only
- Evaluation and control only
- Implementation, Evaluation and control
- Formulation, Implementation, Evaluation and control

SECTION B: STRATEGY IMPLEMENTATION

3. In your opinion does strategy implementation happen within anticipated time frame?

- Yes
- No.

4. The following statements refer to factors that influence the success of strategy implementation. Rate the extent to which you agree that the above statements are reflected in your organisation. Use the key below to rate.

1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree & 5 = Strongly Agree

Factors	1	2	3	4	5
Strategic objectives are clearly communicated in an understandable manner					
Organisation culture supports strategy					

Leadership supports strategy implementation					
Stakeholders are cooperative and supportive					
Organisation has adequate resources (physical, human and financial) to implement strategy					
Strategy formulation is a participative process in the organisation					

5. The following are common performance measures in the public sector. To what extent has strategy implementation influenced your organization performance in the following areas identified?

Use the key below to rate.

1 = No influence at all; 2 = Less extent; 3 = Moderate extent; 4 = Large extent ;

5 = Very large extent

Performance measure	1	2	3	4	5
Improved efficiency in service delivery					
Improved efficiency in resource utilization					
Increased accountability for results					
Institutionalization of a result oriented culture					
Ability to effectively measure and evaluate performance and link to rewards to performance					

SECTION C: STRATEGY EVALUATION AND CONTROL

6. The following factors determine the success of strategy evaluation and control practices in an organisation. To what extent do you agree with the following statements in your organisation?

Use the key below to rate.

1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree & 5 = Strongly Agree

Factors	1	2	3	4	5
Adequate financial resources are allocated towards strategy evaluation and control					
Organisation has an effective performance appraisal system					
Organisation has an effective feedback mechanism					
Performance indicators and targets are clearly defined and communicated within the organisation					
rewards are linked to performance in the organisation					
Managers are trained on performance management					

7. The following are common performance measures in the public sector. To what extent has strategy evaluation and control influenced your organization performance in the following areas identified?

Use the key below to rate.

1 = No influence at all; 2 = Less extent; 3 = Moderate extent; 4 = Large extent ;
5 = Very large extent

Performance measure	1	2	3	4	5
Improved efficiency in service delivery					
Improved efficiency in resource utilization					
Increased accountability for results					
Institutionalization of a result oriented culture					
Ability to effectively measure and evaluate performance and link to rewards to performance					

8. What other challenges affect organisation performance at the OAG?

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