

**THE INFLUENCE OF STRATEGIC LEADERSHIP ON THE EXECUTION
OF CORPORATE STRATEGIES IN INVESTMENT COMPANIES LISTED
ON NAIROBI SECURITIES EXCHANGE IN KENYA.**

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DECLARATION

This research project is my original work and has not been awarded for any other academic award in any other institution.

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This research project has been presented for examination with my approval as the University Supervisor.

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DEDICATION

I give glory to God Almighty who provided me with the strength, inspiration and wisdom to pursue and complete the MBA course. This project is dedicated to my parents Francis Ndichu and Joyce Ndichu, whose belief in education as a strong foundation is unwavering and the people close to me who have provided me support on a daily basis through the process.

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ABBREVIATIONS AND ACRONYMS

CMA : Capital Markets Authority

ICDC : Industrial and Commercial Development Corporation

IRR : Internal Rate of Return

IT : Information Technology

KSHS : Kenya Shillings

LTD : Limited

MBA : Master of Business Administration

NSE : Nairobi Securities Exchange

ROI : Rate of Return

UN : United Nations

UNCTAD: United Nations Conference on Trade and Development

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ABSTRACT

This study aimed at establishing the influence of strategic leadership on Execution of corporate strategies in investment companies listed on NSE in Kenya. Descriptive survey approach was used. Targeted population consisted of all the Five (5) listed companies in Kenya. Respondents were persons in top management. Semi-structured questionnaire was used to collect primary data. The response rate of this study was 100% as all companies responded. Most of the respondents were aged between bracket of 26-35 years, majority had an education past the graduate level. The respondents strongly and very strongly agreed that strategic leadership aspects were practiced in the respective organization. This included determination of corporate direction, effective management of corporate resource portfolio and emphasis on both effective organizational culture and ethical practices. Aspects of corporate strategy execution showed a strongly agree response indicating the respondents asserted that corporate strategies were well communicated from the top management down to the operational units ,incentives were linked to results, time was adequately allocated to discuss corporate strategies execution process ,a budget is allocated to cater for the resources needed to execute corporate strategies and finally ethical compliance is replicated by the top management in corporate strategy execution. A correlation analysis is further done on each of the five strategic leadership aspects that form the independent variable with each of the six corporate strategy execution aspects forming the dependent variable. Pearson correlation and P-value analysis are conducted and tabulated. The tabulation showed that only three correlations indicated a moderate and moderately strong relationship between the strategic leadership aspects and corporate execution aspects, but since their corresponding P values were greater than 0.05 the correlations were regarded as insignificant. Only two correlations were virtually able to achieve the crucial 0.05 level in vain, while the other P-values exceeded the confidence level of 0.05 this made them insignificant to establish strong relationship on how strategic leadership influences the execution of corporate strategies. The study will provide information to executives in charge of policy formation and implementation as it shows that there are other underling factors other than strategic leadership that relate to execution of corporate strategies .Organizations facing challenges such as poor performance, loss of market share and poor management has mostly blamed the strategic leadership which after changing still face the same challenges they faced before. The study will help Executives see through the gap between corporate strategy formulation and implementation through proper execution methods enabling organization to achieve competitive advantages in their respective markets. The study adds to Resource-based theory which suggests that an organization with those valuable, scarce and hardly available to ape resources that are none substitutable best positions a firm for sustainable competitive advantage. These strategic resources make it possible for development of firm capabilities that leads to superior performance in the long run according to Barney (1991). Management can therefore capitalize on execution of corporate strategies by identifying, developing and deploying the key resources such as have a strong tactical middle management level, to create advantage over competitors and maximize returns.

CHAPTER ONE: INTRODUCTION

1.1 Background

Hill and Jones (2004) defines strategic leadership as the managers' capability to effectively communicate a strategic vision for the company or part of it to inspire others to buy into that vision. The leader must ensure that s/he sets direction for the company in time as stipulated by Arnott (1995). To increase enterprise's power, a strategic leader has to scan and cope with crucial sectors of its environment. (Hambrick,1981). In addition, strategic leaders are responsible for the making and communication of decisions that concerns the organization's future (Zaccaro, 1996). Such strategic leadership has to handle complexity, ambiguity and overload of information ensuring adaptability and time consciousness (Boal and Hooijberg, 2001).

Strategic leadership is entitled with the task of formulating corporate strategies that enables the company achieve its goals and maintain a complete advantage against other competitors in the market. The formulated corporate strategies are to be implemented within the existing organization systems and structures for them to be executed by the members of the organization. Strategic goals can only be attained by a well strategized approach to execution, however, its development is a formidable challenge to management (Lawrence G.Hrebiniak, 2013). Thompson et al, (2007) stated that in order for a corporate strategy to be successful it has to encompass the company's external and internal situation, building a sustainable competitive advantage and improving the company's performance.

According to Hambrick and Mason (1984) organizations are a reflection of the values and cognition of their top leaders. Therefore, the top manager's precise knowledge, values and preferences will affect their evaluation of exterior environment and most importantly the choices they make about their company's strategy. This coincides with the central assertion of upper echelon theory that emphasizes on the role of leaders' operation at a strategic level. Therefore, it is imperative for organizations to reflect their top leader over time. The top management should not only integrate and build its firm, they should also reconfigure internal and external competences to address fast changing environment. This is in line with the dynamic capability theory. Resource based theory emphasizes on the management of a firm resources both tangible and intangible to creating a sustainable competitive advantage enabling a company overcome its competitors.

Investment companies are faced with continuously changing market landscapes calling for continuous market scanning and surveys prompting the importance of having a strong strategic leadership that will be keen on executing corporate strategies to enable them thrive. Thus for effective strategy execution, strategic leaders must act as the key drivers. Thompson et al. (2007) points out that a successful execution of organizations strategies and objectives will be ensured if the firms leadership is effective and also if the firm ensure a consistent firm culture.

The best choice of corporate strategies is not a guarantee of success but the execution of the strategies determines the success thereof. According to Thompson et al., (2007) a forced execution of a poor plan is likely to be victorious compared to a sound strategy with poor leadership. Investment companies in Kenya are presently faced with stiff competition from foreign investors due to the abundant investment opportunities in the region, this forces the companies to develop a strong strategic leadership team and ensure execution of the strategies is a main priority for success.

1.1.1 Strategic Leadership

Hitt, Ireland and Hoskisson, (2007) defines strategic leadership as the leader's capability to anticipate, visualize, avoid rigidity and empower others to create strategic change as required." Strategic leaders perform multiple functions. For instance, not only do they manage through others but also helps enterprises cope with increasing alterations in today's globalized business environment. They can manage this by their will to include and integrate both exterior and interior business environment of the company. Moreover, they should manage and engage in composite information processing (Huey, 1994).

Strategic leadership occurs in three main levels within a firm; at the top, where within a set period of time strategy for several business units are formulated. While in the middle level top down strategy is transformed into business units or goals and regional strategies are created, in the departmental level, a number of individual strategies translated from business unit strategy goals are executed. Through strategic leadership, company a company is provided with the scope and direction necessary for its success (Freedman and Tregoe, 2003).

1.1.2 The concept of Strategy execution

Larry Bossidy and Ram Charan (2002) explain execution as an enforced or “systematic way of exposing reality and acting on it.” They explain the three core processes where the heart of execution lies, that is, people, strategy and operation. Kaplan and Norton (2008) presented a management system as one that houses six sequential stages which they defined as execution premium. An execution premium is a measurable increment in value system obtained from successful strategy execution. The six stages of the system are mandated to, first develop a strategy then plan it, align the organization, plan the actions, monitor, learn then test and adapt.

A strategy will work if the execution process is done with discipline and activities set are logically connected. Lawrence G. Hrebiniak (2013) writes that it only takes carefully planned strategy to execution for strategic goals to be attained. However, the process of developing a logical approach is a challenge to firm. Execution is what turns a good strategy formulation and implementation to results (Kaplan & Norton, 2008). Thompson et al., (2007) writes ‘it is better to have a poorly planned strategy forcefully executed than the soundest strategy with weak leadership.

1.1.3 Corporate strategy

Corporate strategy is an action that a organization takes to accomplish one or more of its goals with the aim of attaining superior performance (Thompson & Strickland, 2002). Pearce and Robison (2010) recommend that a corporate strategy must be coincide with requirements in the competitive environment. It also must make use of present and emerging opportunities and diminish the effects of major threats, placing realistic terms on the company's resources.

Oliver Furrer (2013) stipulates that corporate strategy must be developed and acted upon to reinforce set goals by a firm's business policy. It sets to answer questions such as, 'what set of businesses should the company be in?' More specifically, a corporate strategy is a company's way of creating value through the configuration and coordination of its multi-business corporation. A corporate strategy differs from a business strategy, which focuses on building a competitive advantage in the specific business or market of operation and hence can be considered as part of corporate strategy.

Therefore a corporate strategy describes an organization's overall direction towards growth through investment in diversification, vertical integration, mergers and acquisition, turnaround, strategic alliances and outsourcing. With increased complexities in terms of uncertainties, threats and constraints in the business world, corporate strategy helps to keep at pace with the business dynamic and fast changes, minimizes competitive disadvantage and competition.

1.1.4 Strategic leadership and execution of corporate strategies.

Leaders play a vital role in the organization in determining the strategic direction for the organization and the strategic action that is thought to perform the most imperative role in effective strategy execution. Leaders develop human capital, exploit and maintain essential competencies which are vital to strategy execution. On the other hand, the strategic leadership action seen to play the least vital role in efficient strategic execution is the social capital (Kaplan and Norton, 2000).

Strategic leadership has the responsibility of formulating, implementing and executing corporate strategy. Execution is where the rubber meets the road, results are seen after proper execution is done, as Imoisili (1978) articulates performance of corporate organizations is usually measured by economic indicators and non-economic indicators. Economic indicators consist of Return on Investment (ROI), productivity of assets, net operating margin and sales margin; the non-economic indicators of performance consist of ability to retain management talents, employee turnover and competitiveness of compensation schemes. These quantitative performance measures are closely linked to both strategy and leadership, they contribute a lot to the ability of strategic leadership to execute corporate strategies.

1.1.5 Global Perspectives of the investment sector

The global investment sector has been experiencing growth as evident with the increase of foreign direct investments between countries and multinationals ,mergers and acquisitions of companies operating in different geographical regions, investments liberalization, privatization of state owned corporations and formulation of international trade policies such as treaties with investment provisions (TIP's) which encompasses several of international agreements that contain investment protection, promotion and cooperation provisions. The global investment sector has also been negatively affected by global economic and financial crisis in 2008, which polarized operations of key global players since the different global markets are interconnected hence a domino effect on stable markets by those experiencing crises. This has necessitated the formulation of policies that seek to prevent occurrence of financial economic crises and investment imbalances.

UN (2015) Addis Ababa Agenda on international investment policy making emphasized on aiming at protecting and supporting investment that do not affect the need to pursue general policy objectives. This is enabled by crafting trade and investment agreements that appropriately safeguard domestic policies and regulations and do not constrain public interest. UN has committed to support capacity building without exception of bilateral and multilateral channels, especially to least developed countries. This enables the least developed countries to benefit from opportunities in international trade and investment agreements. Investment agreements by member states can be ensured through meeting and consultation programs held by UNCTAD.

1.1.6 Investment Sector in Kenya

Investments sector is composed of various types of establishments which are set up primarily for purposes of investing funds across several sectors (diversified portfolio) of the economy to get returns by Shareholders. They include corporations, business trusts, limited liability companies and partnerships. Some of the players are specialized and are licensed by CMA to assemble savings in financial markets and augment access to capital markets and other investments by potential investors. Among them are mutual funds, investment trusts, specialized collective investment schemes and unit trusts.

CMA is a regulating body whose key responsibilities include supervising, licensing and monitoring of activities of the market intermediaries, such as the NSE and all the other persons or firms licensed under the Capital Markets Act. Its function in the economy is to facilitate, mobilize and allocate capital resources to finance productive investments for long term purposes. Investment company's opportunities to investors are unique investors with regards to professional management, economies of scale, management of risk and diversification of portfolio.

1.1.7 Firms listed on NSE in Kenya

In the NSE, we presently have five listed investment companies in the investments sector. They include Centum, Trans-Century ltd, Olympia Capital Holdings ltd, Home Africa ltd and Kurwitu Ventures ltd. Investment firms have been experiencing growth, underpinned by Kenya's economic growth in various sectors especially infrastructure, construction, financial, insurance and retail sectors.

Centum Investment Company limited is one of the companies listed in NSE and is the best investment company in East Africa. It is also a part of the Uganda security exchanges. It is known for its provision of access to inaccessible portfolio, excellent and diversified investments to its investors. It was incorporated in Kenya as an affiliate of the Kenya government owned ICDC in 1967. In addition, it was named ICDCI and got listed in the then Nairobi stock exchange the same year. Overtime, ICDC ceded control and the business changed management and was renamed CENTUM Investment co. ltd in 2008.

Trans Century is an infrastructure company that was formed by a group of leading Kenyan professionals and investors in 1997. It is publicly enlisted on the Nairobi Security Exchange, operating in 14 east, central and southern African countries and with three operating divisions. The company was able to broaden its base of shareholders in 2009 through making its shares available to qualified investors in an over the counter operation. The process was led by Dyer & Blair Investment Bank.

Olympia Capital Holdings Limited, initially developed in 1968 as a branch office of Dunlop UK in Kenya. It was formerly resisted in Kenya in 1970 as Dunlop Kenya Limited (DKL). In 1976, it became listed at the Nairobi Stock Exchange. The company changed its name to Olympia Capital Holdings Limited in 2004. It's a company that deals with manufacturing of vinyl floor tiles, adhesives and sports equipment.

Home Afrika was incorporated in 2008 as a property company, whose core aim is “homes for all” and “economic empowerment”. Home Afrika looks into long term societal impact to its community and does this by ensuring their housing are of quality, sustainable and affordable. It was listed in Nairobi Securities Exchange (NSE) in July 2013 as a Growth Enterprise market, being valued at Kshs. 8 Billion.

Kurwitu Ventures was incorporated in 23rd August, 2006. Basically, the company provides Investment Management Services. It is known for its provision of sharia compliant investment products as the first company on the NSE to look into Islamic investors. This was made possible by its Board of Directors who restructured the company and prepared it for listing on the Nairobi Security Exchange.

1.2 Research Problem

Strategic leadership through execution has the ability to link results to formulation and implementation of corporate strategy. The corporate leadership has the mandate of positioning the company at a position of strength and stability by coming up with corporate strategies that enables the company thrive and maintain its market share in the market. Results in the investment sector are mostly quantitative and are measured through models such as ROI, IRR, Income yield, capital gains and profits per share, the challenge for the corporate level then narrows down to achieving these results by executing corporate strategies.

The Global investment sector has been riddled recently by recession and market crises with has caused many investment companies to go bankrupt or deep in debt. The majority reasons for failure has been attributed to Strategic leadership role which despite having formulated brilliant strategies and committing their resources in implementation of the strategy fell short at the execution process. The big investment companies operating in different markets have sought to be keen on who they appoint to take strategic leadership roles.

The NSE has played a supporting role at opening the local market to the global market; this can be attributed to the improved efficiency of systems introduced such as online trading and sales of corporate bonds enabling investment companies to raise capital to finance development projects. The NSE has also exposed the local companies to regional and global competition pushing for the need of having a strong strategic leadership team that execute formulated corporate strategies enabling the companies remain competitive in the market.

Studies have been done on strategic leadership and strategy execution internationally and locally both in public and private in different sectors. Examples include; Jacob (2010) who investigated the “impacts of strategic leadership on operational strategy and performance of business organizations in South Africa.” Omar and Mahmoud (2013) investigated on the “role of strategic leadership in building sustainable competitive advantage in the academic environment in private universities of Iraq.” Kasper (2008) in Copenhagen investigated on “how companies successfully bridged the gap between strategy formulation and strategy execution.”

Johlene (2010) investigated on the “role of middle management in strategy execution; a case study of a consulting engineering firm in South Africa.” Locally Kinyanjui (2015) investigated “the perceived role of strategic leadership in strategy implementation at capital markets authority (CMA).” In the public sector, Nithi (2013) investigated “the effects of strategic leadership on performance commercial and financial state corporations in Kenya.” Lekasi (2014) also investigated on “the challenges of strategic leadership in strategy implementation by the Independent Electoral and Boundaries Commission of Kenya (IEBC).” Ngile (2015) also investigated on “strategic management practices and organization culture adopted by centum investment limited an investment company listed on NSE.”

Strategic management shares a common denominator across different sectors and environment and the main determinant of results especially in the investment industry is execution, the impact of formulation and implementation won't be felt without execution. Overtime strategy formulation and implementation have been given a lot of attention as depicted by some of the researches done in different sectors and organizations above. Strategic leadership being a strong link between execution of corporate strategies leading to tangible results have not been researched in depth creating an information gap, from which the study sought to answer this question: Does strategic leadership influence the execution of corporate strategies of investment companies listed on NSE in Kenya?

1.3 Research Objective

To determine the influence of strategic leadership on execution of corporate strategy.

1.4 Value of the Study

This study is of importance to policy makers and regulatory authorities looking at investment businesses as the information generated by the study gives more insights on the importance of strategic leadership thus enabling the management use it as an element of executing corporate strategies in the sector. Investors seeking to enter the investment market will be able to learn the need for having an effective strategic leadership team that bridges the gap of strategy formulation, implementation and execution of corporate strategies. The study will benefit the management of listed investment firms as the information gathered about strategic leadership and execution of corporate strategies will help them appreciate more the its value and how to use it to remain competitive and sustainable in the competitive investment industry market.

The study will highlight the challenges faced during the execution of corporate strategies and also help bring to light the roles of strategic leadership in executing corporate strategies. The insights gained can be used to fill existing policy gaps experienced by investment companies in Kenya which will be reflected in the overall development of the investment market, leading to economic growth of the country and the region.

The study is useful to researchers and scholars in the field of strategic management as it enriches the existing body of knowledge about strategic leadership and executing of corporate strategies, it informs more about the importance of strategic leadership on strategy execution enabling attainment of the needed results within the context of an implemented company strategy.

It adds useful information inline to other existing theories such as the resource based theory, dynamic capability theory and upper echelon theory. This study provides more information on the study of strategic management as it will provide recommendations of studies in the same field and more with the connection of corporate strategy. The data collected can be used to formulate new theories that seek to explain more on the relationship between strategic leadership and execution of corporate strategies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Reviews and Examination of literature covering theoretical and empirical foundations that other researchers have carried out in a similar or related field of study are covered in this chapter. It covers theoretical foundations, roles of strategic leadership, corporate strategy and strategic leadership and execution of corporate strategy in private organizations.

2.2 Theoretical foundation

Several theories exist which explain how strategic leadership influences the execution of corporate strategy. The discussion is based on the resource-based view, dynamic capability theory and upper echelon theory which are considered relevant to this study. The theories provide more direction on whether strategic leadership has an impact on how corporate strategies are executed.

2.2.1 Resource based theory

Resource-based theory supports the notion that having strategic resources provides an organization with an absolute advantage to develop sustainable competitive advantages over other competing organizations. A firm's resources are seen as the foundation of the firm's strategy. A resource includes assets, strengths, organizational operations and firm's culture. The way organizations inform and direct their knowledge enables them to formulate and put to work strategies that increase their efficiency and competitiveness.

This theory view argues on how the different of firms performance is contributed from differences between firms in terms of their possession of resources (Barney, 1991) and management direction on the acquiring, joining up and usage of resources (Helfat, 2007). A strategic resource is an regarded important, hard to find, not easy to replicate and cannot be easily substituted. The importance of a resource helps a firm formulate strategies that help it take advantage of opportunities and keep off threats. This theory goes futher to emphasize that those resources that are of value, hard to find, hard to imitate, and not easy to substitute enables a firm have competitive advantage that are sustainable. These according to barney(1991) provides the abilities of firm be capable to lead to top performance in the long run. Management therefore has to identify, develop and deploy the key resources to create advantage over competitors and maximize returns.

2.2.2 Dynamic capability theory

It's the firm's capacity in integrateing, building, and rearranging both resources and knowhow from inside and outside the firm to face dynamic evolving environments. According to Helfat (2007), dynamic capabilities are the abilities of an organization to purposely come up, prolong and change its resources base. The common assertion of the theories framework is that core capabilities should be utilized in changing short-term competitive situations to be utilized in building competitive advantage in the longer terms. The term 'dynamic' can also refer to the ability to renew competencies in order to adapt to the dynamic evolving business environment.

According to Teece (1997), dynamic capabilities in business essentially entails corporate agility, the ability to forecast and mold opportunities and threats, take on opportunities as they arise, and continuously develop ability to compete by enhancing, joining, guarding, and realigning the all organization's assets. Dynamic capabilities when fully embraced helps a business achieve enhanced performance and survive in a dynamic environment.

2.2.3 Upper echelon theory

According to Hambrick and Mason (1984) the core assumption of upper echelon theory is that the strategic level operated by leaders of an organization influences the organizations through the results of actions and morals of their top leaders. The knowhow ,exposure, morals, and inclination of top level management will impacts their valuation of the dynamic outside environment, and entirely the decisions made in regards to firms strategy. This in the long run caudes the organization become a mirror of the top leadership.

Robbin and Pearce (2007) argues that the underlying premise behind Echelons theory is how top executives view their situations. Communication is an important tool in any project. The mode of communication should represent the views of everyone in the organization. To succeed in strategy execution, the organization and the employees must work together as a team towards achieving similar goals. Participation is a form of communication. Firms use participative decision making by engaging stakeholders in decision making processes. This makes them feel as part of the organization since their needs are represented (Burnes, 2007).

Hay Group conducted a study, an international consultancy of management, asserted how good use of communication by top leadership creates organization trust and ability to face adversities in three important ways (Lamb, 2009) first employees get to know the organization's main strategy, and their individual responsibilities in achieving those. Further enforcement of the same is then done to facilitate employees information distribution ability. The theory emphasizes on how organization can get its ability through resources. The ability of a firm over its competitors can be attributed to its utilization of resources.

2.3 Strategic Leadership

According to Dyck, et. al, (2002) the following are responsibilities recognized for the strategic leadership in an organization. They include management of the firm's assets, forging of strategic direction, establishing good culture, identifying core capabilities through effective systems, and ethical values emphasis. As reviewed below, strategic direction embarks on building a long-term vision which targets between five to ten years in future. Prokesch (1997) articulated on how the mission and vision in organizations need to be in line with daily operations of the organization. Its main aim should be to motivate and enlighten the organization's workforce towards attaining the vision and mission. Nel (2008) warns on how the lack of clarity by the organization's strategic leadership exposes the organization to a pitfall, barring them from exploiting new opportunities.

Among the top level responsibilities for strategic leaders is ascertain efficiently management of the firm's portfolio such as financial resource, human resource, social resource and good culture (Barney and Arian, 2001). According to Distefano and Maznevski (2003), execution of strategic leadership is highly dependent on development of human resource. It is essential to development of human resource that the leadership is necessitated to learn abilities and methods of developing the same. Grant (1996) was of the idea that competitive advantage is attained by organizations through core competencies enabling it to rise above its competitors. McCauley & Van Velsor (2004) argues that for leadership to be able establish success in work it is in order for them to foster skills and direction that emphasize on success.

Nithi (2013) says the top management of leadership has the responsibility of strategy formulation, visualization and integration in coherence with the organization. According to Nel (2008), the knowhow and abilities of employees forms the human capital of an organization. Strategic leaders have the mandate of viewing the work force as an important capital which can be used to exploit opportunities thus fostering competitive advantages.

A combination of beliefs, morals, and representations makes up an organization's culture. Evidence suggests that a firm can attainment of core competencies in possession and in taking advantages of opportunities is key to enabling a company be able to attain desired results. The effect of culture on a firm's performance and how it runs its daily operations contributes in alignment and remodeling of the workforce behaviors.

Culture has been identified as a contributor to attaining competitive advantage (Gupta and Govindarajan, 2000). According to Zellner (1997) the running and practice of culture has been given a lot of weight ensuring no mishaps leaving no room for the undisciplined. The influence of cultural norms on the organizational culture contributes a lot to good acceptable habits in the long run.

Drucker (1997) further explains how each firm has developed a culture that fosters the growth and also define the environment in which perceptions are built and addressed. The existence of formal and informal acknowledgment systems carry's an important role on how top management directs the growth of culture. The knowledge of key influential drivers of habit can be hard to establish unless the leader is operating in the same organization. The day to day execution of strategic leadership undocumented occurrences of an organization forms unconsciously develop to becoming a force that establishes a leaders habits .The response taken by the management either to reinforce or subdue the behavior becomes the measuring stick to be used by the workforce in establishing what is liked and disliked. This reinforces the habits culminating to a culture whose force is enhanced in the absence of top management (Drucker, 1997).

Organization's strategies are also strengthened through proper implementation through which ethical practices play a critical role. The emphasis done by organizations valuing ethics to its workforce are seen to set the bar for the work force creating a momentum fostering strategy execution. There exist incidents that suggest on how firm long term plans can values ethics in its operations by incorporating a leadership that value ethical practices (Robertson and Crittenden, 2003).

The creation of systems as a necessity help in enabling a firm's achieve their envisioned results (Redding, 2002). The emphasis on strategic change and importance of values is shown by strategic leadership through systems that promote trust ,authenticity and transparency (Shields, Deng and Kato, 2000). According to Hitt & Hoskisson (1996) the organization's ability to effectively direct, supervise and the improvement of schedules, events, timely publications for programmes, projects and monthly results need to be well established. The strength of substance in system controls comes from the fusion of important knowledge through alignment of needed insight by the top strategic leadership (Hitt & Hoskisson, 1996). Financial controls focuses on short-term financial outcomes (Lavery, 1996).

The balanced scorecard is a model that organizations utilize to take advantage of financial and strategic controls to measure progress (Kaplan and Norton, 2001). The emphasize on only financial controls ignoring strategy handicaps the organizations upcoming performance (Becker, Huselld and Ulrich 2001). Financial information fail to bring out the influencers of the expected since it only bring out past information.

The reliance on financial information cascades to a habit were the longer term goals are ignored in preference of the short term goals. (Kaplan and Norton, 1992). The right equilibrium of strategy and financial regulation creates an opportunity for the organization check their progress. The model comprises of four dimensions: financial, customer, internal business processes, and learning and growth (Mische 2001).

According to Nel (2008), human resource comprises of the knowhow and abilities of organizations employees. Those who see the firms workforce to be an important capital were strong abilities are developed to facilitate taking advantage of competitive advantages. Internationally important spending's will be needed enabling firms exploit full benefit of its human resource. Growing economies relying on knowhow, ability and information guarantees long term improvement as discussed by economists. A progressive, planned work in regards to generation of know-how and employee with information enhances the firms capability to act with success. The encouragement to develop the level of knowledge opportunity is always welcomed by the workforce as it pulls them closer to the public this encourages motivation to grow among already knowledgeable employees hence bringing out its capability to increase its results(Miller, 1996).

2.4 Corporate Strategy

Corporate strategy contributes to making the organization become integrated as one body through the addition of value in comparison to it acting as separate grouped components; it's made of four categories namely managing portfolio-practise, change of structure, skill movement, and sharing of knowhow. The creation of shareholder value through diversifying the firms portfolio depends on other mechanism as the factors can't be mostly exclusive mutually. Portfolio –practice and restructuring doesn't need connection but skill movement and knowledge sharing depends on communication through an established connection. In the present situation more practicability is displayed by others although majority of them have brought success in the best situations. The ignorance of any of them can be a receipt to failing (M. porter 1980).

Strategy at the corporate level deals with decisions that have big impact on the entire organization. Performance on finance, and when business merge and acquire, management of human capital and the process of resource distribution happens at the corporate level. Strategies at the corporate levels can be employed in three types (Jeremy 2009).

Businesses can strive to fight out competition to add its market share by using value-adding strategies. Its from using the above strategy that organizations are able to progress in value addition by taking advantages of capacity and capital endowed to its self and share them throughout the organization to lower cost and create effectiveness. Diversifying is attributed as among the forms used in creation of value to organizations.

The lack of distributing capital and human resource in a market by and an organization forms the value-neutral strategy, its main work is to increase the organization operations. Reduction-value strategies come up when organizations shareholders of a large organization feel it's going opposite it core business and also feel its only the strategic management who are gaining in diversifying. The main purpose for this strategy is to reposition the targeted clients to curb unplanned and distractive expansion.

2.5 Strategic Leadership and execution of corporate strategy in private organizations

Disasters emerge when bad strategy well executed. Top notch strategy poorly executed is unattractive; the execution face can be accomplished by being on the desirable side of strategy (Bob Myers, 2015). It's evident that organizations that have gone down in performance have shown poor at the level of execution. Organizations that are able to align themselves in the long run by better execution of strategy will establish successes than other older corporates.

Importance of execution has been proved to deliver success despite the existing sector, scale or formation, strategic leadership has agreed, of which their behavior towards strategizing has also strong influence. Execution of strategy successfully can be achieved by investing time and hard work in organizing and showcasing strategy knowledge. (i4cp, 2015).

2.6 Empirical studies and research gaps.

Studies have been done on strategic leadership internationally and locally in the capital markets sector, public sector, telecommunications industry and in the investment sector. Examples include; Jacob (2010) studied how strategic leadership have impacted strategy operation and organizations performance in South Africa. The conclusion was that organisations can be helped through effective leadership to stay dominance in dynamic changing environment

Omar and Mahmoud (2013) investigated on how the building of sustainable competitive advantage in environment of Iraq private academics universities and come to the conclusion that the abilities of leaders of strategy is important to success in relation to views based on resources and knowledge. Johlene (2010) conducted on the how of the tactical management facilitate strategy execution by conducting an depth study of a south African engineering organization. It was concluded that the tactical level also the middle management possessed a wide knowledge of the firms strategy its responsibility towards communication as the joining dots and reality exposer in the importance of execution.

Kinyanjui (2015) investigated how strategic leadership is perceived towards implementation of strategy at the capital markets authority (CMA).The findings were that strategic leadership played a critical role on strategy implementation. Nithi (2013) investigated the effects of strategic leadership on commercial and financial state corporations .The findings were that strategic leadership contributes a lot to performance of state corporations. Ngile (2015) also investigated on strategic management practices and organization culture adopted by centum investment limited. The findings were strategic leadership have influence on the culture of organization and recommended further studies on how strategic leadership impacts the performance of investment firms.

Investigation by Lekasi (2014) on the challenges of strategic leadership in strategy implementation by the Independent Electoral and Boundaries Commission of Kenya (IEBC) revealed that IEBC strategic leadership influenced strategic performance of the IEBC. It is evident that strategic leadership has a critical weight on many factors within the organization such as performance, strategy implementation, corporate governance, education and gaining of competitive advantage in various sectors as depicted by the various studies done by presiding scholars, a gap then arises on how strategic leadership influences the execution of corporate strategies within organizations operating in investments sectors.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter details the design and methodology that has been used to collect and gather vital data for the research and how it has been analyzed to help with conclusions. It highlights the methods and procedures used for identifying data sources and collection by the researcher. This chapter outlines the research design, population of the study, data collection and data analysis.

3.2 Research Design

A research design has been defined by Mugenda and Mugenda (2003) as the arrangement of conditions that looks to combine relevance and purpose through collection and analysis of data. The study used a descriptive survey design. The descriptive research is a prominent data collection methodology in both quantitative and qualitative research through observations and survey methods of data collection (Borg & Gall, 1989). Descriptive studies are analyzed using measures of central tendency i.e. the mean, median, and mode. Furthermore, deviance from the mean, variation, percentage, and correlation between variables are also used for analysis.

Descriptive research employs a variety unique of variables. Although it uses multiple variables for analysis just like other methods, it is unique in its requirement for just one (Borg & Gall, 1989). The use of creative exploration by description research makes it easy for findings to be organized and then fit with explanation which are further tested and validated (Krathwohl, 1993). This approach will allow analysis of

respondents in producing insights into the influence of strategic leadership on the execution of corporate strategies in investment companies listed on NSE in Kenya.

3.3 Population of the study

According to Kothari (2010), a population refers to “an overall group of individuals, events or objects having a common observable characteristic.” Polit and Hungler (1999) refer to “the population as a mass or totality of all the objects, subjects or members that behave in particular set standards.” To be included in as study, members in a population must possess set standards that are considered eligible (Polit & Hungler 1999).

The target population consisted of all the five investment companies listed on Nairobi Securities Exchange website as at 14th Sep 2016 (Appendix 2). Given that the population of study is small, a census survey will be chosen where all the members of the population will be considered for the study. A population census is in effect a ‘bench mark’ social survey in which all population members form the sample. Respondents will be persons on top management.

3.4 Data Collection

Primary data was used. The data was collected through semi-structured questionnaire. The questionnaire contained Likert type scale and closed questions. Drop and pick method will be used to administer the questionnaires. Respondents were persons on top management level. The questionnaire consisted of three sections. Section one focused on general information, section two focused on strategic leadership and section three will focus on corporate strategy.

3.5 Data Analysis

Data analysis is where collected data is examined, categorized, tabulated and recombined with the aim of discovering useful information, meant to either validate or invalidate the initial propositions of a study (Yin, 1994). The data collected through the interviews and secondary source will be checked for completeness and consistency. Qualitative content analysis will be undertaken bearing in mind the research question and objectives. According to Nachami as (1996), content analysis is “a technique for making references by systematically and objectively identifying clearly stated features of messages and using the same to relate to trends.”

Questionnaires were edited to ensure consistency and completeness. Data was coded and tabulated. Descriptive statistics was used to analyze data and it included frequency distribution, measures of central tendency such as mean and measures of variation such as standard deviation. The result is then being presented in tables and charts. This technique of analysis had been used successfully in similar research studies such as Nthini (2013), Wachira (2013), Kamwaro (2013).

Before analysis, the data must be checked for consistency and completeness and the qualitative data coded quantitatively for ease of analysis. Regression analysis was used to test relationship between independent variable strategic leadership, and execution of corporate strategies as the dependent variable, with the aim of learning about how independent variable and depended variable interrelate.

The study will consider different values of the independent variable vector X , unique set of estimates becoming the unknown parameters in β will be provided, after regression analysis. The Y in the equation represented execution of corporate strategies of listed investment sector companies and X represented strategic leadership.

Regression analysis is a statistical process that functions to provide estimates or relationship between dependent and independent variables. More precisely, regression analysis enables one to understand how an average value of the dependent variable alters when the independent variables are varied. Kothari (2004) points out that, regression analysis tries to find out how given a fixed independent variable, the dependent variable is expected to operate i.e. what is the typical value of variable when the independent variable is fixed? The advantage of this model is that the magnitudes of standardized partial regression coefficients will reveal the relative strengths of the independent variable on the dependent variable.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the findings of the study and the analysis from the data collected from Investment companies listed on the NSE in Kenya based on the analysis and interpretation of the primary data collected from questionnaires collected that targeted members of top management in the organizations. The analysis and discussion in this chapter focuses on the major objective on the influence of strategic leadership on the execution of corporate strategies in investment firms listed on NSE.

The chapter will include general information with this subtitles; the rate of response, Gender of the respondents, respondents age, education back ground and the length of service by the respondents. It will also include subtitles on strategic leadership, execution of corporate strategies, relationship between strategic leadership and execution of corporate strategies which is presented by correlation analysis. The last subtitle is a discussion were the data will be compared with other existing theories and other studies done on similar field. The objective of the analysis is to find the relationship between strategic leadership and the execution of corporate strategies in investment firms listed on NSE.

4.2 General information

4.2.1 Rate of respondents

Table 4.1: Response Rate

	Frequency
Respondents	10
Firms	5
Average per company	2

Source: Research Data, 2016

The study had a target population of 5 companies listed on NSE. From the population all the companies responded with a total of 10 respondents making an average of 2 respondents per company. This formed a good number of sample as it helped increase the accuracy of the data collected from the respondents. The response rate was way above 50% according to the recommendation of (Mugenda2009) adequate to analyze the influence of strategic leadership on the execution of corporate strategies in investment companies listed on NSE.

4.2.2 Gender of the Respondents

Table 4.2: Gender

	Frequency	Percentage
Male	6	60
Female	4	40
Total	10	100

Source: Research Data, 2016

Data on the gender of the respondents showed that, 60% as male respondents and 40% as female respondents. The study sought to include views from all the genders to determine the relationship between strategic leadership and execution of corporate strategies. The data also indicates that there is more influence of the male gender on strategic leadership and execution of corporate strategies as it formed a majority of the sample with 60% compared to 40% of the female gender.

4.2.3 Respondents Age

Table 4.3: Age

	Frequency	Percentage
25&>	1	10
26-35	9	90
36-45	0	
>45	0	
Total	10	100

Source: Research Data, 2016

Respondents aged 26-35 years formed the majority of the respondents with a percentage of 90% while respondents below 25 yrs. represented 10% of the respondents. There was no respondents above 36 years. This indicated how the respondents aged 26-35 have a big influence on strategic leadership and execution of corporate strategies.

4.2.4 Educational Background

Table 4.4: Education background

	Frequency	Percentage
Post graduate	5	50
Graduate	4	40
Professional studies	1	10
Total	10	100

Source: research data, 2016

Respondents with post graduate qualification formed the majority with a percentage of 50%, graduates with 40% and respondents with professional studies qualifications were 10%.

4.2.5 Length of Service

From the primary data collected the average length of service was found to be 3.25 years. This shows that the information was collected from respondents with experience on strategic leadership as they have worked in the respective firms at an average of three years which is a good time for the respondents enabling them get enough experience on the field of study.

4.3 Strategic Leadership

Table 4.5: Descriptive Statistics on Strategic Leadership

	N	Sum	Mean	Standard dev
Corporate direction is determined	10	45	4.5	0.5
Corporate resource portfolio is effectively managed	10	43	4.3	0.458
Effective organizational culture is emphasized	10	40	4	0.775
Ethical practices are emphasized	10	49	4.9	0.3

Source: research data, 2016

Strategic leadership formed the independent variable as the study aimed at determining its influence on execution of corporate strategies. The components of strategic leadership were the determination of corporate direction, effective management of corporate resource portfolio, emphasize on effective organizational culture and emphasize of ethical practices .The components are also the responsibilities that strategic leaders have to the firm they lead.

A five point Likert type scale has been used in the study to test the level of agreeing from the respondents as follows, very strongly agree is represented by 5 and 1 for slightly agree. The determination of corporate strategies got a mean of 4.5 implying that respondents strongly agree that strategic leadership of the firms under the study determined the corporate strategies to be followed by companies.

A mean of 4.3 strongly indicates that corporate recourse portfolio is effectively managed in the firms under study. Effective organizational culture is strongly emphasized the strategic leadership with a mean of 4. Ethical practices are very strongly emphasized as it received the highest mean of 4.9.

4.4 Execution of corporate strategies

Table 4.6: Descriptive Statistics on Execution of corporate strategies

	N	Sum	Mean	Stand.dev
The corporate strategies are well communicated from the top management down to the operational	10	41	4.1	0.831
Incentives are linked to results	10	45	4.5	0.806
Time is adequately allocated to discuss corporate strategies execution process	10	41	4.1	0.831
A budget is allocated to cater for the resources needed to execute corporate strategies	10	38	3.8	1.077
Ethical compliance among the top management is replicated in corporate strategy execution	10	41	4.1	0.831

Source: Research Data, 2016

Execution of corporate strategies formed the dependent variable as the study sought to determine how it was influenced by strategic leadership. Five components formed part of corporate execution factors, they included communication of corporate strategies from the top management down to operational units, linkage of incentives to results, allocation of adequate time in discussing corporate strategies execution process, allocation of budget to cater for resources needed to execute corporate strategies and replication of ethical compliance among the top management in corporate strategy execution.

The study strongly agree that Communication of corporate strategies from top operational units as it received a mean of 4.1 .A mean of 4.5 indicated that there were incentives that were linked to results while allocation of time to adequately discuss the process execution of corporate strategies received a mean of 4.1 to strongly agree.

The study also agreed with allocation of a budget to cater for the resources needed to execute corporate strategies as it received a mean of 3.8.Replication of ethical compliance among the top management in corporate strategy execution received a mean of 4.1 which showed that the respondent strongly agreed with the assertion.

4.5 Relationship between Strategic Leadership and Execution of corporate strategies

To determine the relationship between strategic leadership and execution of corporate strategies a correlation analysis was done where the components of strategic leadership were correlated against the components of corporate strategy execution. A scale was developed to determine the strength of the relationship between the correlated variables with either a positive or negative correlation coefficient. The correlation coefficient was to be determined whether is significant statistically or not. The following scale was used to make the interpretations.

-1	Perfect negative relationship between the variables
-0.10	Almost no relationship
0	No relationship between the variables
0.02-0.09	Very weak relationship
0.10-0.29	Weak relationship
0.30-0.49	Moderately weak relationship
0.50	Moderate relationships
0.50-0.60	Moderately strong relationship
0.70-0.89	Strong relationship
0.98-0.98	Very strong relationship
0.99	Almost perfect relationship
+1	Perfect positive relationship between the variables

Table 4.7: Regression correlation between Strategic leadership and Execution of corporate strategies

Correlation Analysis		C. S are well communicated from the top management down to the operational units	Incentives are linked to results	Time is adequately allocated to discuss corporate strategies execution process	A budget is allocated to cater for the resources needed to execute corporate strategies	Ethical compliance among the top management is replicated in corporate strategy execution
Corporate direction is determined	N	10	10	10	10	10
	Pearson correlation	-0.12	0.62	-0.12	-0.19	-0.12
	P-Value	0.7404	0.0558	0.7404	0.6075	0.7404
Corporate resource portfolio is effectively managed	N	10	10	10	10	10
	Pearson correlation	0.447	0.406	0.447	0.527	0.075
	P-Value	0.1957	0.2443	0.1957	0.1177	0.1957
Ethical practices are emphasized	N	10	10	10	10	10
	Pearson correlation	0.466	0.480	0.466	0.24	0.155
	P-Value	0.1744	0.1599	0.1744	0.5047	0.6681
Ethical practices are emphasized	N	10	10	10	10	10
	Pearson correlation	0.04	0.62	0.441	0.248	0.441
	P-Value	0.9124	0.0558	0.2016	0.4904	0.2016

As indicated on table 4.7 a correlation analysis was done between strategic leadership which had four variables and execution of corporate strategies which had five variables. As evidenced the analysis showed a moderately strong relationship between determination of corporate direction and linkage of incentives to results ($r=0.62$, $P \geq 0.05$) the correlation is although not significant. The correlation between effective management of resource portfolio and allocation of budget to discuss corporate strategy execution process indicated a moderate relationship assertion, with a correlation of ($r=0.527$ and $P \geq 0.05$) which was not significant since the $P \geq 0.05$.

A moderately strong relationship was determined between emphasis on ethical practices and linkage of incentives to results ($r=0.62$ and $P \geq 0.05$), the P value was greater than 0.05 making it not significant. The rest of the variables established weak relationships asserting that there was weak correlation between the strategic leadership variables and execution of corporate strategies variables. As evident on table 4.7 only two correlations were nearly able to attain the significance level of 0.05 in vain, while the other P-values exceeded the confidence level of 0.05 making them insignificant in suggesting that strategic leadership influences the execution of corporate strategies.

4.6 Discussion

In this section, the findings of the analyzed data is compared with already existing theories and empirical studies already done in the field of strategic leadership and its influence on execution of corporate strategies.

4.6.1 Comparison with theory

According to Hambrick and Mason (1984) the organization reflects the top leadership, this is because they operate at a strategic level where their knowledge, values, experience and preference becomes an influence on the choices and the organization makes, this forms the central assertion of upper echelon theory. The companies in the study demonstrated the existence of communication from the top management down to the operational units as evidence with a mean of 3.857 that strongly agrees with the assertion. Corporate direction is also determined very strongly as shown by the mean of 4.571 aligning with the three areas of efficient communication considered critical by leadership that are vital to winning firm's trust and confidence (Lamb, 2009).

The organizations under study strongly demonstrated the effectiveness of managing corporate resource portfolio to maintain its dynamic capabilities, which according to Helfat (2007), resources gives an organization the capacity to purposely create, extend and modify its resources base. Teece (1997), insisted that a firm's tangible and intangible assets should be enhanced, combined and reconfigured to maintain competitiveness. This also improves the firm's ability to sense and shaping threat and opportunities, seize opportunities and also enhance corporate agility as they rise.

Organizational culture and ethical practices have be strongly emphasized by the organizations as evidenced with the means of 3.571 and 4.857 respectively, this is to take advantage of the intangible resources in making sure that the organization is able to develop competitive advantages in their respective fields. This tallies with the resource based view that argues the difference in a firm's performance stems from differences between firms in terms of their endowment with resources (Barney, 1991)

4.6.2 Comparison with other studies

Johlene (2010) investigated on the functions of middle management in strategy execution through case studying a consulting engineering firm in South Africa. The findings indicated that the middle management within the consulting engineering firm had a broad comprehension of the organization's strategy. They also understood the essence of roles such as being sense makers and knowledge conveyors that middle management played in the execution of strategy.

In comparison to this study, my study tried to figure out the influence of strategic leadership on execution of corporate strategies, which from the correlation analysis between the strategic leadership variables and execution of corporate strategies variables asserted that there is weak relationship to majority of the variables correlation as illustrated on table 4.7. only three correlation indicated a moderate and moderately strong relationship but their corresponding P values were greater than 0.05 making the correlation insignificant.

This assets that middle management has more influence to execution of corporate strategies than strategic leadership as it forms the tactical level of management that deal with translating the specific corporate strategic plans to the relevant distinct area of the company as it is interested in the functions and responsibilities of the lower – level departments handling operational tasks to fulfill the major corporate strategy, while the major role of Strategic leadership is corporate strategy formulation.

Kasper (2008) in Copenhagen investigated on how companies successfully bridged the gap between strategy formulation and strategy execution. The study identified two key elements that the strategy execution process has, that were largely neglected in contemporary business it included, sufficient translation of the strategy and adaptation to reality. The study further asserted that there were other important factors to attend to in order to increase the chance of strategy execution success.

They were referred as strategy execution syndromes, which included; the development hell syndrome, the resistance syndrome, the development hell syndrome, the motivation syndrome, the development hell syndrome and the underperformance syndrome. He further went ahead and elaborated on how to avoid each one of them. This much relates to the correlation analysis done on table 4.7 of this study, which found the lack of a strong correlation relationship between the strategic leadership variables and corporate strategy execution variables asserting that there are other factors other than strategic leadership that influence the execution of corporate strategies.

Nithi (2013) investigated the effects of strategic leadership on performance commercial and financial state corporations in Kenya. Using correlation analysis, the study measured how strategic leadership and organizational performance are related. It recorded that the relationship between strategic leadership and organizational performance not only strong but also positive and statistically significant. The data from Nithi's study was a confirmation that there is a significant and strong relationship between strategic leadership, organizational performance statistically.

Kinyanjui (2015) investigated the thought of role of strategic leadership in strategy implementation at capital markets authority (CMA), the findings were that strategic leadership played a crucial role on strategy implementation. The findings from Nithi (2013) and Kinyanjui (2015) provided information on the effect of strategic leadership on organizational performance and its role in implementation of strategy which created the gap that has been answered by this study on the influence of strategic leadership on execution of corporate strategies.

The comparisons show that as much as strategic leadership has influence on organization performance and on implementation of strategy, the same positive relationship is not reflected on its effect on execution of corporate strategies. The studies have also indicated that there are other contributing factors that affect the execution of corporate strategies .This will help elaborate the main role of strategic leadership which is formulation of organization strategy at the top level management of the organization.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter provides a summary of the findings, conclusion and recommendations from the research information collected as primary data. Implications on policy, theory, practice and limitations of the study are also covered as the study sought to determine the influence of strategic leadership on execution of corporate strategies in investment companies listed on NSE in Kenya. The last section covers suggestions for future Study.

5.2 Summary of the findings

The study involved establishing the influence of strategic leadership on execution of corporate strategies in investment firms listed on the NSE in Kenya. The response rate was 100% with an average representation of two respondents from each organization, the respondents had an average work experience of three years validating the quality of information collected. Most of the respondents were aged between 26-35 years, majority had an education past the graduate level. The respondents strongly and very agreed Strategic leadership with the strategic leadership variables practiced in the respective organization. This included determination of corporate direction, effective management of corporate resource portfolio and emphasis on both effective organizational culture and ethical practices as illustrated on table 4.5.

Variables on aspects of corporate strategy execution showed a strongly agree response indicating the respondents asserted that corporate strategies were well communicated from the top management down to the operational units ,incentives were linked to results, time was adequately allocated to discuss corporate strategies execution process ,a budget is allocated to cater for the resources needed to execute corporate strategies and finally ethical compliance is replicated by the top management in corporate strategy execution as illustrate on table 4.6.

A correlation analysis is further done on each of the five strategic leadership aspects that forms the independent variable with each of the six corporate strategy execution aspects forming the dependent variable. Pearson correlation and P-value analysis are conducted and tabulated on table 4.7. The tabulation showed that only three correlation indicated a moderate and moderately strong relationship between the strategic leadership aspects and corporate execution aspects, but since their corresponding P values were greater than 0.05 the correlations were regarded as insignificant. Only two correlations were nearly able to attain the significance level of 0.05 in vain, while the other P-values exceeded the confidence level of 0.05 this made them insignificant to establish strong relationship to suggest that strategic leadership influences the execution of corporate strategies.

5.3 Conclusion

The study has gathered information regarding strategic leadership aspects and how it influences the execution of corporate strategies; this is tabulated on table 4.7 that shows the correlation analysis done for this study. The analysis found the lack of a strong correlation relationship between the strategic leadership variables and corporate strategy execution variables asserting that there are other factors other than strategic leadership that influence the execution of corporate strategies as seen in other comparative studies.

The study has been able to outline the tactical level of management also referred as the middle management as the main influence to execution of corporate strategies asserting that the main role of strategic leadership is strategy formulation. This answers the research gap on the influence of strategic leadership on execution of corporate strategies.

5.4 Recommendations

Corporate strategy execution is a subject that separates companies that walk the talk to those that talk the talk. As Kaplan & Norton (2008) asserted that execution turns a good strategy formulation and implementation to results, the study recommends the need for more research on the subject of strategy execution and discourages the overreliance on strategic leadership that forms the top management level in executing corporate strategies. The importance of middle management should be considered as it's the tactical level of organization management where strategic plans are translated into specific strategic maps, relevant to the different lower levels of the organization that handle the operational level of the organization's corporate strategy.

5.5 Limitation of the Study

The study was done to only NSE listed companies in Kenya which are only five in number. The finding might not reflect the overall perspective of the whole investment industry as there are other private companies in the industry making it impossible to generalize the results for all the industries causing varying conclusions. An industry wide survey on factors influencing execution of corporate strategies would best outline the influence of strategic leadership in relation to other major influencing factors.

The target population of listed NSE Investment was only five; this meant that the number of target respondents on top management was a small number prompting the researcher to work with a number of ten samples being an average of two respondents from each organization. It was also a task convincing the respondents to give out information. The main reason being that the investment industry is characterized with stiff competition making the respondents felt insecure to give out information especially on top management. The study specifically targeted a single player in the investment industry the listed companies, a more detailed conclusion would have included other sectors affected or correlated with the investment industry providing a more in-depth look at the investment industry which is growing at a high rate.

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5.6 Implication of the study on policy, Theory and practice

The study will provide information to executives in charge of policy formation and implementation as it shows that there are other underlying factors other than strategic leadership that relate to execution of corporate strategies. Organizations facing challenges such as poor performance, loss of market share and poor management has mostly blamed the strategic leadership which after changing still face the same challenges they faced before. The study will help Executives bridge the gap between corporate strategy formulation and implementation through proper execution methods enabling organization to achieve competitive advantages in their respective markets.

The study adds to Resource-based theory which suggests that an organization with those resources that are valuable, scarce, hard to ape, and none substitutable best positions a firm for sustainable competitive advantage. These strategic resources can provide the foundation for the development of firm capabilities that can lead to superior performance in the long run (Barney 1991). Management can therefore capitalize on execution of corporate strategies by identifying, developing and deploying the key resources to create advantage over competitors and maximize returns.

5.7 Suggestion for Further Research

The study was conducted to only companies listed on the NSE in Kenya aiming to help determine the relation of strategic leadership on execution of corporate strategies relating to the investment industry. A further study is recommended covering a larger population such all listed companies on NSE in Kenya to get a larger view of the study. A study on how corporate strategy execution affects performance of organization would shed more light on the importance of executing strategies since other areas such as implementation and formulation have been studied more by other existing studies.

Further research can be undertaken to study the strategic models that can be used in helping organizations execute corporate strategies and increase their performance. A study to the public sector is also recommend as the sector on how strategic leadership can be used to increase efficiency in public service delivery, as the sector is characterized with poor execution of strategic plans. A study on how entrepreneurs can use corporate strategies to enable them achieve sustainable competitive advantage in various sectors of the economy will add to the body of knowledge both theoretical and in practice.

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APPENDICES

Appendix 1: Introduction letter

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NAIROBI

RE: Collection of Survey Data

I am a postgraduate student at the University of Nairobi, School of Business. As part of my course work assessment, am required to submit a management research project. In this regard, am undertaking a research on the influence of strategic leadership on execution of corporate strategies in investment companies listed on the NSE in Kenya.

This is to kindly request you to assist me by responding to the attached Questionnaire Form. The information you provide will be used exclusively for academic purposes.

My supervisor, Professor Zack Awino and I assure you that the information you give will be treated with strict confidence and at no time will your name appear in my report. A copy of the final paper will be availed to you upon request.

Your co-operation will be highly appreciated.

Thank you in advance.

Yours faithfully,

Ndichu Reuben Waweru

MBA Student

Appendix II: Approval letter


UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

Telephone: 020-2659162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 21st Sep-2016

TO WHOM IT MAY CONCERN

The bearer of this letter NDICHA REUBEN WAKWERU
Registration No. D61/74 703/2014


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



Source: University of Nairobi, Business School 2016.

Appendix III: Research Questionnaire

This questionnaire is designed for the sole purpose of collecting data on the influence of strategic leadership on execution of corporate strategy in investment firms listed on Nairobi securities exchange. The data collected will be treated with a very high degree of confidence and it is meant for academic purposes only.

SECTION A: GENERAL INFORMATION

Gender Male Female

Age

Below 25 years 26-35 years 36- 45 year Above 45
years

Educational background

Post graduate Graduate Professional studies

Length and level of service in the
organization.....

SECTION B: STRATEGIC LEADERSHIP

Please tick (√) in the chosen box. The ratings are: Very strongly agree = 5; Strongly

Agree = 4; Agree = 3; Moderately agree = 2; and Slightly agree = 1

No	Aspects of strategic leadership	Very strongl y agree	Strong ly Agree	Agree	Mode rately agree	Sligh tly agree
1	Corporate strategic direction is determined (developing long term vision of the corporate intent)					
2	Corporate resource portfolio is effectively managed (financial capital, human capital, social capital)					
3	Effective organizational culture is emphasized (core values, symbols and ideologies shared and that influence how business is conducted)					
4	Ethical practices are emphasized (acting ethically when doing what is necessary to implement the corporation strategies)					

SECTION C: CORPORATE STRATEGY EXECUTION

Please tick (√) in the chosen box. The ratings are: Very strongly agree = 5; Strongly

Agree = 4; Agree = 3; moderately agree = 2; and slightly agree = 1

No	Aspects of corporate strategy execution	Very strongly agree	Strongly Agree	Agree	Moderately agree	Slightly agree
1	The corporate strategies are well communicated from the top management down to the operational units.(using strategy maps ,memos ,training)					
2	Incentives are linked to results (bonuses,					
3	Time is adequately allocated to discuss corporate strategies execution process					
4	A budget is allocated to cater for the resources needed to execute corporate strategies (M&A ,outsourcing, strategic alliances, Diversification, turnaround.)					
5	Ethical compliance among the top management is replicated in corporate strategy execution.					

Appendix IV: List of Investment Firms on NSE in Kenya.

1. Olympia capital holdings Ltd
2. Centum investment Co Ltd
3. Trans-Century Ltd
4. Home Africa Ltd
5. Kurwitu Ventures

Source: NSE website listed firms, 2016

([https://www.nse.co.ke/listed companies/list.html](https://www.nse.co.ke/listed_companies/list.html))