EMPLOYEES PERCEPTION OF STRATEGIC IMPLEMENTATION AT DOMESTIC TAXES DEPARTMENT OF KENYA REVENUE AUTHORITY MOMBASA

BY:

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RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS,

UNIVERSITY OF NAIROBI

OCTOBER 2012

DECLARATION

This research project is my original work and has not been presented for examination to any other university

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DEDICATION

This work is dedicated to my parents Mr and Mrs Kithinji Kanegeni and to Kenya revenue authority.

ACKNOWLEDGEMENTS

There are a number of people without whom this thesis might not have been written, and to whom I am greatly indebted.

To God almighty, for his grace, gift of life and blessings.

To my father Mr. J.D.K. Kanegeni and mother Mrs Veronica Kithinji, who have always been an encouragement and inspiration to me throughout my life. For their financial and moral support, even when the road seemed too bumpy. A special thank you for nurturing in me the appreciation of education and for the many ways in which, throughout my life, you have supported me in my determination to find and realize my potential.

I would like to acknowledge the advice and guidance of my supervisor, Dr. Yabs and moderator, Dr. Awino. Your kindness and willingness to lead me has been profound. May God bless your future endeavors in leading and seeing many, more go through your hands. I also appreciate the work done by my lectures in MBA program and the entire university fraternity. I also thank Mr. Gathuru for helpful comments in this research.

To my siblings Stella and Willie, many thanks for your prayers, sacrifice and passion for my academic success. To my classmates and friends in particular Catherine Njeru, Ruth Kinyanjui, Elizabeth Ndung'u whose help and contribution to this research has been realized.

To the KRA fraternity, Mombasa North station in particular for your support and encouragement.

God bless you all.

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ABSTRACT

Strategy, which is a fundamental management tool in any organization, is a multi dimensional concept that various authors have defined in different ways. It is the match between an organization's resources and skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish. The main objective of this study was to assess the perception of employees in strategy implementation in domestic taxes department Mombasa at Kenya Revenue Authority. This research study adopted a cross-sectional research design. The target population of this study was 320 staffs of domestic taxes department at Kenya revenue authority Mombasa. A sample size of 100 employees was regarded adequate in this study. Primary data was gathered directly from respondents and for this study; the researcher used a questionnaire. Quantitative data collected using questionnaires was analyzed using descriptive statistics using SPSS (Statistical Package for Social Sciences). From the findings, the top management is committed towards strategy implementation plans. The commitment by the top management affected largely the strategy implementation. The study found out that communication is a key factor on strategy implementation at Domestic Taxes Department of Kenya Revenue Authority Mombasa and that this affects implementation to a great extent. The study found out that coordination of activities in strategy implementation was a key success factor within strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. The study depicted that organization culture at Domestic Taxes Department of Kenya Revenue Authority Mombasa affected strategy implementation with majority of the respondent expressing that this affected implementation of the strategy significantly.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In the modern business environment, companies need to be flexible and respond quickly to changes in the market and competition (Porter 1996, p.61). These responses constitute of analyzing the situation and formulating a suitable strategy. Well-formulated strategies are however not enough as they produce value only when they are successfully implemented (Bonoma 1984, p. 69). Researchers have revealed a number of problems in strategy implementation which include: weak management roles in implementation, a lack of communication, lacking a commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities, and uncontrollable environmental factors (Galpin, 1998; Lares-Mankki, 1994; Beer and Eisenstat, 2000).

Strategy implementation has attracted much less attention in strategic and organizational research than strategy formulation or strategic planning. Alexander (1991) suggests several reasons for this: strategy implementation is less glamorous than strategy formulation, people overlook it because of a belief that anyone can do it, people are not exactly sure what it includes and where it begins and ends. Furthermore, there are only a limited number of conceptual models of strategy implementation.

The Kenya Revenue Authority (KRA) is the government body that manages the nation's revenue income, which is most often in the form of taxes. Domestic taxes department is concerned with revenue collection. The trend of increased aggressiveness and sophistication in tools and methods in this department occurs against a backdrop of a public policy of domestic sources being the primary sources of revenues for budgetary purposes. This results in governmental pressure on tax collecting agencies to improve their revenue collection performance. The result of this trend is the more stringent enforcement of taxation laws.

1.1.1 Strategy Implementation

Strategy, which is a fundamental management tool in any organization, is a multi dimensional concept that various authors have defined in different ways. It is the match between an organization's resources and skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish (Miller, 2002). It is meant to provide guidance and direction for the activities of the organization. The purpose of strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment (Pearce and Robinson, 2007). Johnson and Scholes (2002), view strategy as the direction and scope of an organization over the long-term, which achieves advantage for the organization through its configuration of resources within a changing environment, and fulfill stakeholder's expectations.

Strategic management is, hence, both a skill and an art. Good strategic management requires both clear thought and sound judgment. Strategic management is the formal and structured process by which an organization establishes a position of strategic leadership. Strategy development is a multidimensional process that must involve rational analysis and intuition, experience, and emotion. But, whether strategy formulation is formal or informal, whether strategies are deliberate or emergent, there can be little doubt as to the importance of systematic analysis as a vital input into the strategy process. Without analysis, the process of strategy formulation, particularly at the senior management level, is likely to be chaotic with no basis for comparing and evaluating alternatives. Moreover, critical decisions become susceptible to the whims and preferences of individual managers, to contemporary fads, and to wishful thinking (Hill and Jones, 2001; Galpin, 1998; Beer and Eisenstat, 2000).

According to Alexander (1985), the ten most frequently occurring strategy implementation problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact. With regard to people, the capabilities of employees involved were often not sufficient, leadership and direction and "training and instruction given to lower level employees were not adequate" (Alexander, 1985). Although the least frequent in this study in many cases the information systems used to monitor implementation were not adequate.

1.1.2 Perception of Employees in Strategy Implementation

According to Robbins, perception can be defined as 'a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment' (2004, p. 132). In dealing with the concept of organisational behavior, perception becomes important because 'people's behavior is based on their perception of what reality is, not on reality itself; the world as it is perceived is the world that is behaviorally important' (Robbins et al 2004, p.132). Strategy implementation is one of the important concepts of organizational development (OD), in fact strategy is the bedrock of organizational survival. Failure to anticipate, plan and focus on change leads organizations to demise.

According to Cummings and Worley (2005) strategy implementation involves moving from the known to unknown, because the future is uncertain and may adversely affect people's competencies, worth and coping abilities, organization members generally do not support change unless compelling reasons convince them to do so. To guide change efforts, it is useful to assess organization's readiness for strategy implementation. Readiness for change involves an assessment of the discrepancies that exist as well as the efficacy of the proposed change targets.

Armenakis (1993) define readiness for change as "the cognitive precursor to the behaviors of either resistance to or support for a change effort". Employees react to what is happening in their environment and make assumptions about the change process. These assumptions and expectations make up an employee's perception of an organization's readiness for strategy implementation. People naturally fear uncertainty; thus, resistance is common. Understanding perception of an organization's readiness for strategy implementation is required to understand change process (Wheatly, 1992). In strategy implementation, conditions favor perceptions that the organization might not be ready for change as change brings uncertainty and ambiguity of role and responsibilities. Employees will try to make sense of what is occurring and draw conclusions about the possible outcomes associated with the proposed strategies. In this process, employees will form impressions about the organization's readiness for strategy, which may be indicative of organization's ability to successfully make strategies work (Armenakis 1993).

The ultimate motivation for organizational strategy implementation is the pursuit of improved organizational effectiveness, driven by a shift in the status quo among the contingency variables resulting in an adjustment to structure (Chandler, 1962). It is therefore imperative for the organization to make adequate plan and arrangement that will enable them carry along employee's needs in implementing change.

1.1.3 Kenya Revenue Authority

The Kenya Revenue Authority was established by an Act of Parliament on July 1st 1995 Cap. 469 for the purpose of enhancing the mobilisation of Government revenue, while providing effective tax administration and sustainability in revenue collection. The Board and Management of KRA have since its inception spent time and resources setting up systems, procedures and the adoption of new strategies aimed at enhancing the operational efficiency of the Authority's processes (Muriithi, 2003).

A Board of Directors, consisting of both public and private sector experts, makes policy decisions to be implemented by KRA Management. The Chairman of the Board is appointed by the President of the Republic of Kenya. The Chief Executive of the Authority is the Commissioner General who is appointed by the Minister for Finance. KRA has the purpose of assessment, collection, administration and enforcement of laws relating to revenue. The Authority is a Government agency that runs its operations in the same was as a private enterprise. In order to offer better single-window services to taxpayers, KRA is divided into five Regions as follows: Rift Valley Region, Western Region, Southern Region, Northern Region and Central Region. In terms of revenue collection and other support functions, the Authority is divided into the following Departments: Customs Services Department, Domestic Taxes Department (which hosts Domestic Revenue and Large Taxpayers Office), Road Transport Department, Support Services Department and Investigations & Enforcement Department. Each Department is headed by a Commissioner (Muriithi, 2003)

In addition to the four divisions, the Authority has seven service Departments that enhance its operational efficiency. These are as follows: Human Resources Department, Finance

Department, Board Corporate Services & Administration Department, Internal Audit Department, Information & Communication Technology Department, Research & Corporate Planning Department and Marketing & Communication. The Support Services Department integrates and coordinates activities across all links in the service delivery chain in support of KRA's mandate. The mission of the department is to employ the best business practices in providing customer-focused, cost-effective, proactive and timely legal, planning and operational support services for enhanced and effective tax administration and its vision is to be the leading support services provider respected for professionalism, pragmatism and adaptability (Muriithi, 2003).

The Kenya Revenue Authority (KRA) is the government body that manages the nation's revenue income, which is most often in the form of taxes. The agency came into existence in 1995 and has drastically improved the country's taxation revenue through organized administration and collection practices. The majority of the nation's budgetary revenue comes from internal taxes, which go to pay for services such as health care and education (Muriithi, 2003).

Domestic taxes department is concerned with revenue collection. The trend of increased aggressiveness and sophistication in tools and methods in this department occurs against a backdrop of a public policy of domestic sources being the primary sources of revenues for budgetary purposes. This results in governmental pressure on tax collecting agencies to improve their revenue collection performance. The result of this trend is the more stringent enforcement of taxation laws. Many individuals and corporate entities who in the past did not pay due taxes on any or all of their income are now having to do so or face severe consequences. The same scenario is playing out with regard to Customs and Excise duties as well as Value Added Tax.

The introduction and implementation, despite spirited resistance, of Electronic Tax Registers for businesses is just one tool for effecting greater compliance with tax laws. With the imperative for massively greater public spending to achieve developmental goals, this overall trend of stringent tax law enforcement can be expected to continue (assuming of course continuity in the governmental policy referred to above).

1.2 Research Problem

Employees react to what is happening in their environment and make assumptions about the change process. These assumptions and expectations make up an employee's perception of an organization's readiness for strategy implementation. People naturally fear uncertainty; thus, resistance is common. Understanding perception of an organization's readiness for strategy implementation is required to understand change process (Wheatly, 1992). Nganga (2004) argues that Perception is influenced by intelligence, personality, expectation and interest. According to Njoroge (2003), attitudes and perceptions are developed over time and can change as new information and experiences are acquired. Bennet (1999) argues the case for managers to understand the process of perception in order to ensure employees and managers perceive the organizations objectives in a similar manner, appreciate workers grievances and complaints from their point of view and to improve communication between managers and their subordinate by interpreting things the same way.

The Kenya Revenue Authority (KRA) is the government body that manages the nation's revenue income, which is most often in the form of taxes. Domestic taxes department is concerned with revenue collection. The trend of increased aggressiveness and sophistication in tools and methods in this department occurs against a backdrop of a public policy of domestic sources being the primary sources of revenues for budgetary purposes. This results in governmental pressure on tax collecting agencies to improve their revenue collection performance. Local studies have been done on the perception of employees on strategy implementation. Awino et al (2011) conducted a study on effects of employee perception of planned change strategy of selected firms in the Kenyan insurance industry. They found that employee involvement always leads to a higher rate of success in the implementation of strategic change management coupled with higher productivity. However, organization culture was not considered. Kiptugen (2003) did not cover the processes involved in strategy implementation and challenges in the implementation phase in a study in KCB.

Muturi (2005) did a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment. He used sampled 30 respondents through random sampling. His findings were that that any strategy implementation that does not involve the employees is bound to failure. His study focused on a different context and concept from what the current study seeks to cover. Kamanda (2006) also did a study on Kenya Commercial Bank (KCB) with the objective of determining the factors that influence its regional growth strategy. His study, however, does not cover the issues of strategy implementation. This study thus seeks to fill the gap by answering the following research question: what is the perception of employees in strategy implementation in domestic taxes department Mombasa at Kenya Revenue Authority

1.3 Research Objective

The main objective of this study was to assess the perception of employees in strategy implementation in domestic taxes department Mombasa at Kenya Revenue Authority

1.4 Value of the study

The findings of this study will be of value to Kenyan firms and organizations experiencing turbulent times. The insights on strategic responses by a successful firm can offer lessons and make both anticipation and management of change by these firms better. To KRA, this study will be more of an evaluation on how the organization has dealt with strategy implementation, while highlighting the influencing factors. An evaluation will enable the organization to recognize faults and room for improvement to make its future experiences better.

The policy makers, regulators and government in general will have an opportunity to understand the changes that are in current business environment particularly in KRA and perhaps improve it to facilitate appropriate responses as we enter regional and global markets, which are competitive.

Scholars and researchers will also find the results of this study useful for further research on influence of various specific factors on strategy implementation in an organization. This will help in compilation of data that will enhance development of efficient organization strategies based the identified factors.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the past or previous studies that have been done on strategic implementation. The chapter is hence broken down into concept of strategy implementation, strategy process, the dynamic model of the strategy process, assessing the effectiveness of strategy implementation, employee perceptions, and challenges of strategy implementation

2.2 The Concept of Strategy Implementation

Ansoff (1999) views strategy in terms of market and product choices. Porter (1996) has defined strategy as a creation of a unique and vulnerable position of tradeoffs in competing, involving a set of activities that neatly fit together, that are simply consistent, reinforce each other and ensure optimization of effort. Pearce and Robinson (2007) defines strategy as the company's "game plan" which results in future oriented plans interacting with the competitive environment to achieve the company's objectives.

Johnson and Scholes (2002), view strategy as the direction and scope of an organization over the long-term, which achieves advantage for the organization through its configuration of resources within a changing environment, and fulfill stakeholder's expectations. Strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture. More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat's (2000) "six silent killers of strategy implementation" These comprise: a top-down/laissez-faire senior management style; unclear strategic intentions and conflicting priorities; an ineffective senior management team; poor vertical communication; weak co-ordination across functions, businesses or borders; and inadequate down-the-line leadership skills development (Beer and Eisenstat, 2000). Reed and Buckley (1988) discussed problems associated with strategy implementation identifying four key areas for discussion. They acknowledge the challenge and the need for a clear fit between strategy and structure and claim the debate about which comes first is irrelevant providing there is congruence in the context of the operating environment (Reed and Buckley, 1988). Goal setting and controls are also recognized as problematic, identifying co-ordinate targets at various levels in the organization is difficult and the need for control is heightened as uncertainty and change provide a volatile environment, a point supported by Tavakoli and Perks (2001).

Al Ghamdi (1998) replicated the work of Alexander (1985) in the UK and found that 92 percent of firms implementation took more time than originally expected, that major problems surfaced in 88 percent of companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in 75 percent and distractions from competing activities in 83 percent cases. In addition key tasks were not defined in enough detail and information systems were inadequate in 71 percent of respondents. What is interesting is that there is congruence between these findings, which implies that lessons have still not been learned; as Al Ghamdi states, "the drama still continues" (Al Ghamdi, 1998).

2.3 Strategy Process

Strategy process subfield is concerned with the decision processes and administrative systems that influence firm's strategic positions. Strategy process research is thus concerned with how companies achieve and maintain their strategic and resource positions through both deliberate and trial-and-error actions. It is also concerned with adapting companies to changes in the environment and renewing them proactively.

Munive- Hernandez et al. (2004, p. 692) describe strategy process as "the procedures the business will follow to formulate its strategy content". Henry Mintzberg has distinguished between realized and intended strategies and pointed out that realized strategies often emerge and are not intended (Mintzberg 1987). Burgelman (1983) proposed already in 1983 that the strategy process has to take into account both the intended and emerging actions. According to Moncrieff (1999, p. 273) there are three sources for strategic outcome: implementation of an earlier strategic intent, deliberate responses to emerging issues in the environment, and actions of people working in ignorance of the strategy. The strategy process needs to take into account and manage all these three different sources of strategic outcome. As Chakravarthy and Doz (1992, p. 5) noted, the strategy process also has to take into account changes in the environment and internal competencies and make the necessary adaptations.

2.4. The Dynamic Model of the Strategy Process

Several theorists have recognized a problem with this static model of the strategy process: it is not how strategy is developed in real life. Strategy is actually a dynamic and interactive process. Some of the earliest challenges to the planned strategy approach came from Linblom in the 1960s and Quinn in the 1980s. Lindblom (1959) claimed that strategy is a fragmented process of serial and incremental decisions. His study viewed strategy as an informal process of mutual adjustment with little apparent coordination. Quinn (1978) developed an approach that called "logical Instrumentalism". It claimed that strategic management involves guiding actions and events towards a conscious strategy in a step-by-step process. Managers nurture and promote strategies that are themselves changing. In regard to the nature of strategic management he says: "Constantly integrating the simultaneous incremental process of strategy formulation and implementation is the central art of effective strategic management." Whereas Lindblom saw strategy as a disjointed process without conscious direction, Quinn saw the process as fluid but controllable.

Bower (1970) and Burgelman (1980) took this one step further. Not only are strategic decisions made incrementally rather than as part of a grand unified vision, but according to them, this multitude of small decisions are made by numerous people in all sections and levels of the organization. Mintzberg (1987) made a distinction between deliberate strategy and emergent strategy. Emergent strategy originates not in the mind of the strategist, but in the interaction of the organization with its environment. He claims that emergent strategies tend to exhibit a type of convergence in which ideas and actions from multiple sources integrate into a pattern. A particularly insightful model of strategy process dynamics comes from Moncrieff (1999) who recognized that strategy is partially deliberate and partially unplanned, though whether the resulting performance is better for being planned or not is unclear.

The unplanned element comes from two sources: “emergent strategies” result from the emergence of opportunities and threats in the environment and “Strategies in action” are ad hoc actions by many people from all parts of the organization. These multitudes of small actions are typically not intentional, not teleological, not formal, and not even recognized as strategic.

The McKinsey 7-S framework is a useful model for evaluating the extent to which an organization is ready and able to delineate and define its strategic objectives in the context of competitive strengths. There are seven fundamental yet vital components of an organization. Each of these seven components represents a key to effective strategic management, both in times of stability and during times of organizational change.

McKinsey 7-S framework asserts that many organizational change efforts, such as implementing a competitive intelligence unit, fail because of a lack of congruence, or "goodness of fit" between the chosen strategy and the following seven elements: *Strategy* provides the direction for an organization. It is a "concrete expression of how a business intends to compete and win in its marketplace" (Fry & Killing, 2000). *Structure relates* to organizational flow with regard to whether a company is centralized with a vertical hierarchy or decentralized as characterized by a horizontal hierarchy. *Skills* are comprised of the current and required capabilities of personnel and management. This element considers the readiness and competency of personnel and management to incorporate CI-related functions. *Staff* refers to the pool of human resources or personnel that requires nurturing and development.

Personnel will be more committed to fostering CI activities through such resource development techniques as formal training, appraisal systems, motivation, and morale enhancement (Fry & Killing, 2000). S*ystems* are described as the dominant element in the 7-S framework. They are composed of the processes, procedures (both formal and informal), tools, and communications that run the organization. *Style:* refers to the actions of management. Personnel may listen to what managers say, but they believe what managers do. *Shared values:* relate to corporate culture (Pepper, 1999).

2.5 Assessing the Effectiveness of Strategy Implementation

From a corporate governance researcher's perspective and also from the point of rating agencies and the individual shareholder, the question of interest which builds on the preceding discussion is: how effective boards are in monitoring the implementation of the firm's intended strategy, and how can this be measured? As previously outlined by Huse and Gabrielsson (2004), action research would be best suited to assess how effective board members are in fulfilling the previously discussed role in strategy implementation. One major difficulty corporate governance researchers face, however, is that the chance for participatory observations is an exception rather than the rule (Pettigrew, 1992). The reasons for these difficulties lie in the confidentiality of strategic issues as well as the fact that today's increased legal accountability of board members makes them even less inclined to allow researchers to observe their behavior. Under the premise that only, few researchers have opportunities to observe interactions between board members and between board members and executives, which could give an indication for their effectiveness in guiding strategy implementation, alternative methods are required for empirical investigations.

To address this problem, it seems appropriate to draw on the knowledge of research areas, which have specialized in dealing with strategy processes, their development and impact. It can therefore be proposed to look at the field of strategy process research that centers on the investigation of strategy formulation, implementation and strategic change (Van de Ven, 1992). A review of the evolution of the field of strategy process research reveals that it faced identical issues in its development. Akin to corporate governance researchers, scholars in the field of strategic decision-making observed that "real time studies of strategy process are difficult.

2.6 Employee Perceptions

Perception can be defined as a "complex process by which people select, organize, and interpret sensory stimulation into a meaningful and coherent picture of the world" (Berelson and Steiner, 1964: 88). In the same vein, perception is "about receiving, selecting, acquiring, transforming and organizing the information supplied by our senses' (Barber and Legge, 1976). The research on perceptions can be traced back to Bartlett's (1932) influential works on the constructive nature of cognition, which argues that schematic thinking dominates human perception in ways that human generic beliefs about the world influence and shape information processes.

Several researchers (e.g., Allport, 1954) have extended Bartletts (1932) work and have advanced our understanding of perception, attitude, judgment, and several other concepts. The preceding discussion has suggested that from a psychological perspective, individuals' perceptions have a directive influence upon their decision-making and the outcome of their decisions; thus, it is not surprising that organization theorists are now interested in relationships between perceptions and various aspects of organizations. For example, a work by Anderson and Paine (1975) has posited the influences of the perception of uncertainty in the environment on the perception of the need for change in a firm's strategies.

The research on the roles and effects of perceptions on people's decisions and behaviors is yet to be completed, and the search for a better understanding of various perceptions on employees' behaviors such as turnover or commitment in the field of human resource management continues its momentum. However, empirical research has begun to show that in organizational settings, certain perceptions such as the perception of uncertainty are associated with people's behaviors. An empirical study by Ashford and colleagues (1989), for example, has shown evidence for a positive relationship between perceived job insecurity and intention to quit. Another empirical study by Eisenberger, Fasolo and Davis-LeMastro (1990) has demonstrated that employees' perceived organizational support is related to various attitudes and behaviors. In a more recent study, Gopinath and Becker (2000) found that perceived procedural justice concerning the divestment activities of the firm is positively related to post-divestment commitment to the firm. A number of researchers have noted a link between the perceptual process and the interpretation of information; they have argued that the interpretation of information is based on the perceptual process (e.g., Anderson and Pained, 1975).

2.7. Challenges of strategy implementation

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work – implementing it throughout the organization – is even more difficult (Hrebiniak, 2006). A myriad of challenges can potentially affect the process by which strategic plans are turned into organizational action. Unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic (Noble, 1999). Several challenges hinder effective implementation as described below;

2.7.1 Commitment of Top level Management

To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency and instead, they must believe the exact opposite. They must not spare any effort to persuade the employees of their ideas (Rapa and Kauffman, 2005). The most important thing when implementing a strategy is the top level management's commitment to the strategic direction itself. This is undoubtedly a prerequisite for strategy implementation. Therefore, top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This demonstrable commitment becomes, at the same time, a positive signal for all the affected organizational members (Rapa and Kauffman, 2005).

Chakravarthy and White, (2001) suggest that education and training policies depend on a firm's management culture and forms of management-led organizational change. While such policies are affected by a firm's market, production technologies and strategic goals, managers have the discretion to pursue varied strategies regarding three issues: entry-level education and training, employee development, and company-school relations. His survey of 406 firms in 1991 indicates those two management characteristics, innovation commitment and resistance to change, and two forms of management-led organizational change, firm downsizing and work redesign, shape education and training strategies.

Kamanda (2006) suggests that employee performance, absenteeism, innovation, turnover and satisfaction may be gauged by the degree of workers' commitment to the company. Corporate loyalty, as affected by corporate restructuring, cultural differences and labor-management relations, is analyzed. Nutt, (1995) points out that subtle changes taking place in the attitudes of employees towards working, their employers, and their lives are requiring companies to change their personnel management techniques accordingly to motivate their employees and instill them with commitment.

2.7.2 Communication Process

At first look, the suggestion that communication aspects should be emphasized in the implementation process seems to be a very simple one. Even though studies point out that communication is a key success factor within strategy implementation (Miniace and Falter, 1996), communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized.

In this context, many organizations are faced with the challenge of lack of institution of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. In addition to inability to solicit questions and feedback, lack of communications cause more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees, and, furthermore, cover the reason behind changed circumstances (Alexander, 1985).

It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. However, one may misunderstand communication, or the sharing of information, as engagement and direct dialogue that produces lack of active participation in the process. Lares-Mankki (1994) examined the effects of top management's practices on employee commitment, job satisfaction, and role uncertainty by surveying 862 insurance company workers. Five management practices are analyzed: creating and sharing an organizational goal, acting as a role model, encouraging creativeness, providing support for employees, and allowing employee participation in making job-related decisions. The results indicate that there is a strong relationship between top management's actions and employees' attitudes and perceptions.

2.7.3 Co-ordination of Activities

So far, in the review of literature on strategy implementation there is evidence of some recurring themes, including coordination, which is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures. Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals.

Al Ghamdi (1998) replicated the work of Alexander (1985) in the UK and found that for most of the firms, due to lack of coordination, implementation took more time than originally expected and major problems surfaced in the companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in most of the firms and distractions from competing activities in some cases. More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat's (2000) who assert that silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions.

2.7.4 Organizational Culture

One of the major challenges in strategy implementation appears to be cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen and Ikåvalko, 2002). Marginson, (2002) contend that strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter sets out various stages and phases that were followed in completing the study. The following subsections were included; research design, target population, data collection and instruments and finally data processing analysis.

3.2 Research Design

This research study adopted a cross-sectional research design approach on perception of employees in strategy implementation in domestic taxes department at Kenya revenue authority Mombasa. This type of study utilized different groups of people who differed in the variable of interest, but share other characteristics such as socioeconomic status, educational background, and ethnicity.

Cross-sectional studies were observational in nature and were known as descriptive research, not causal or relational. Researchers recorded the information that was present in a population, but they did not manipulate variables.

3.3 Target Population

According to Ngechu (2004), a study population is a well defined or specified set of people, group of things, households, firms, services, elements or events which were being investigated. Thus, the population should fit a certain specification, which the researcher was studying and the population should was homogenous.

The target population of this study was 320 staffs of domestic taxes department at Kenya revenue authority Mombasa (KRA HR department 2012). From this number 30 were senior mangers 100 were middle level, while 190 were lower level managers as shown below;

Table 3.1: Target Population

Category	Population
Senior level	30
Middle level	100
Lower level staff	190
Total	320

3.4 Sampling technique and sampling size

The sampling plan describes the sampling unit, sampling frame, sampling procedures and the sample size for the study. The sampling frame describes the list of all population units from which the sample will be selected (Cooper & Schindler, 2003). The study adopted proportionate technique. Proportionate sampling (Van Dalen, 1999) provided the researcher a way to achieve even greater representativeness in the sample of the population.

In proportional sampling, the size of each stratum is proportionate to the population size of the strata were looked at across the entire population. This means that each stratum had the same sampling fraction. Kish (2005) says that 30 to 200 elements are sufficient when the attribute is present 20 to 80 percent of the time (i.e., the distribution approaches normality). Based on this contention, a sample size of 100 employees was regarded adequate in this study. Their distribution is as shown below;

Table 3.2: Sample size

Category	Population	sample
Senior level	30	30/320*100= 9
Middle level	100	100/320*100= 32
Lower level staff	190	190/320*100= 59
Total	**320**	**100**

3.5 Data Collection and Instruments

Primary data was gathered directly from respondents and for this study; the researcher used a questionnaire. The questionnaire was consisting of close and open-ended questions. The questionnaire consisted of two sections.

The first part mainly contained information on the background, which was gender, age and years of experience. This enabled the researcher to know the nature of the department, while the second part focused on perception of employees in strategy implementation.

3.6 Data Processing and Analysis

Data analysis is the whole process, which started immediately after data collection and ended at the point of interpretation and processing data. The researcher perused the completed research instruments and document analysis-recording sheets.

Quantitative data collected using questionnaires was analyzed using descriptive statistics using SPSS (Statistical Package for Social Sciences). Data was presented using tables, charts, and graphs with respective interpretation.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter presents the analysis and interpretations of the data collected. The research was conducted on a sample of 100 respondents from Senior, middle and lower level management to which questionnaires was administered. However, out of the issued questionnaires, 80 were returned duly filled in making a response rate of 80%, which was sufficient for statistical reporting.

4.2 General information

The study sought to ascertain the information on the respondents involved in the study concerning the gender, age, duration of working, and academic qualification. The bio data points at the respondents' suitability in answering the questions and looks at the employment demographics at Domestic Taxes Department of Kenya Revenue Authority Mombasa.

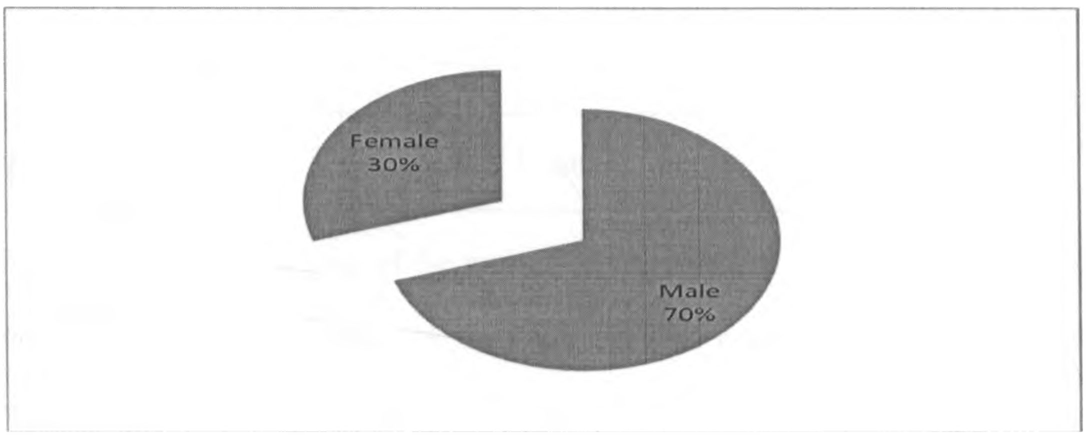

Figure 4.1: Gender of the respondent

From the findings, 70 % of the respondents were male and 30% were female. This implied that Domestic Taxes Department of Kenya Revenue Authority Mombasa have more males than female in their various levels of management and consequently, most of the responses emanated from the males.

4.2.2 Distribution of Respondents by Age

In order to understand the respondents' age distribution, the respondents were asked to indicate the age category in which they fell. Table 4.3 indicates an analysis of staff age distribution.

Table 4.3: Age of the respondent

Age of the respondent	Frequency	Percentage
31 - 34 years	19	23.8
35 – 40 years	18	23.0
41 – 44 years	17	21.3
45 – 50 years	20	25.0
Over 51 years	6	8.0
Total	**80**	**100**

From the findings, majority of the most of the respondents (25%) were between 45 – 50 years old, 23.8% were between 31 - 34 years old, and 23% were aged between either 35 to 40 years, while 21.3% were between 41 to 44 years of age. The findings indicate that majority of the mangers at Domestic Taxes Department of Kenya Revenue Authority Mombasa are aged 45 – 50 years.

4.2.4 Duration of Staff Working Life

The respondents were asked to indicate the duration in which they have been working in the at Domestic Taxes Department of Kenya Revenue Authority Mombasa. Findings are presented in figure 4.2.

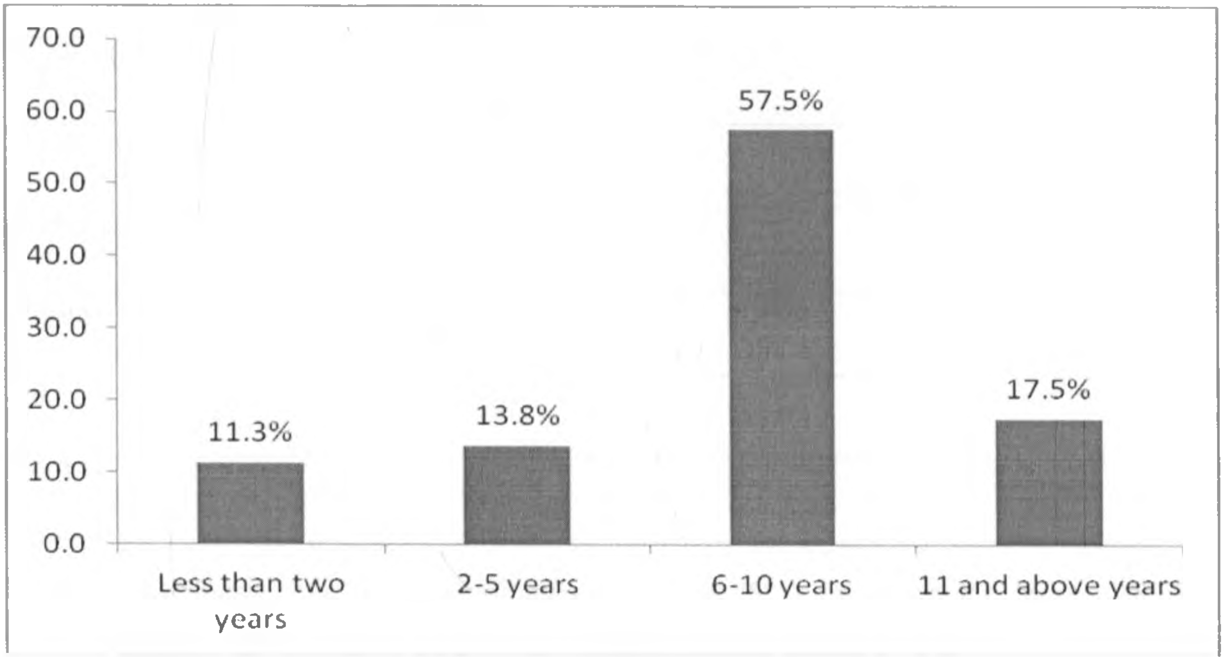

Figure 4.2: working duration

From the findings majority of the respondent (57.5%) had worked at Domestic Taxes Department of Kenya Revenue Authority Mombasa for 6 to 10 years, 17.5% for more than 11 years, 13.8% for 2-5 years, while 11.3% for less than 2 years. These findings mean that most of the mangers at Domestic Taxes Department of Kenya Revenue Authority Mombasa had worked for a long duration of more than 6 years, and hence they had rich information on employees' perception of strategic implementation, based on their extensive experience.

4.2.5 Respondents' level of education

The respondents were requested to indicate their level of academic qualification. Table 4.4 illustrates the study findings.

Table 4.4: Highest level of education

Highest level of education	Frequency	Percentage
Higher National Diploma	7	8.8
Bachelors	55	68.75
Masters	15	18.8
PhD	3	3.75
Total	80	100.0

From the findings above, majority of respondents 68.75%), had bachelor degree, 18.8% had masters, 8.8% indicated their highest level of education as Higher National Diploma while 3.75% indicated PhD. This shows that majority of managers at Domestic Taxes Department of Kenya Revenue Authority Mombasa have attained university education thus had rich information and knowledge on employees' perception of strategic implementation in their organization.

4.3 Challenges Faced in Strategy Implementation

The study in this area asked the respondents to state the extent to which challenges in the strategy implementation were experience at Audit, Compliance, Debt Management, Tax payer Recruitment and Tax payer services level. The responses were rated on a five point Likert scale where: 1 - to no extent 2 – little extent 3 – moderate extent 4- great extent and 5- very great extent. Findings are presented in table 4.5.

Table 4.5: Challenges in strategy implementation

Challenges in strategy implementation	Mean	Standard Deviation
Audit level	3.03	0.203
Compliance level	2.97	0.282
Debt Management level	3.16	0.194
Tax payer Recruitment level	3.29	0.375
Tax payer services level	2.48	0.367

From the findings, most of the respondent reported that challenge was faced majorly on Tax payer Recruitment level as shown by a mean score of 3.29, Debt Management level had a mean score of 3.16, Audit level had a mean score of 3.03, Compliance level had a mean score of 2.97, Tax payer services level faced the least challenge as shown by a mean score of 2.48.

4.4 Level of Commitment of Top Management

The study further sought to establish the level of commitment by the top management and how it affects strategy implementation at domestic taxes department at Kenya Revenue Authority

Mombasa. From the findings, the top management is committed towards strategy implementation plans as shown in the table below.

Table 4.6: Top management commitment and strategic implementation

Influence of top management	Frequency	Percentage
Very great extent	56	70.0
Great extent	24	30.0
Total	80	100.0

On the question of the extent to which the commitment by the top management and how it affects strategy implementation, majority of the respondents, 70%, stated that it affected to a very great extent and 30% agreed that the effect was to a great extent.

4.4.1 Agreement on Effect of commitment by the top management

The respondents were requested to indicate their level of agreement on the following statements in relation to the effect of level of commitment of top management on the strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from SPSS and are as illustrated in table below.

Table 4.7: Effect of commitment by the top management and its effects on strategy implementation

Effect of commitment by the top management	Mean	Standard Deviation
The top management's commitment to the strategic direction itself is the most important factor.	4.5	0.561
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed	4.4	0.853
The managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective.	4.14	0.566
Lack of top management backing is the main inhibiting factors	3.1	0.374
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.	2.8	0.173

From the finding, most of the respondent were in agreement with the statements that the top management's commitment to the strategic direction itself is the most important factor and that the managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective, this is shown by a mean score of 4.5, the top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed had a mean score of 4.4, while the managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective had a mean score of 4.14.

They were neutral that lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes (2.8) and lack of top management backing is the main inhibiting factors (3.1). From the findings, the top management's commitment to the strategic direction is significant factor and that the managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed and not spare any effort to persuade the employees of their ideas for strategy implementation to be effective at domestic taxes department at Kenya Revenue Authority Mombasa.

4.5 Communication process in strategy implementation

The study asked the respondents to indicate whether communication is a key success factor within strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. From the findings, all the respondents agreed that it is indeed a major factor on strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa.

The study further sought to find out the extent to which communication process affects strategy implementation. The findings are recorded on figure below.

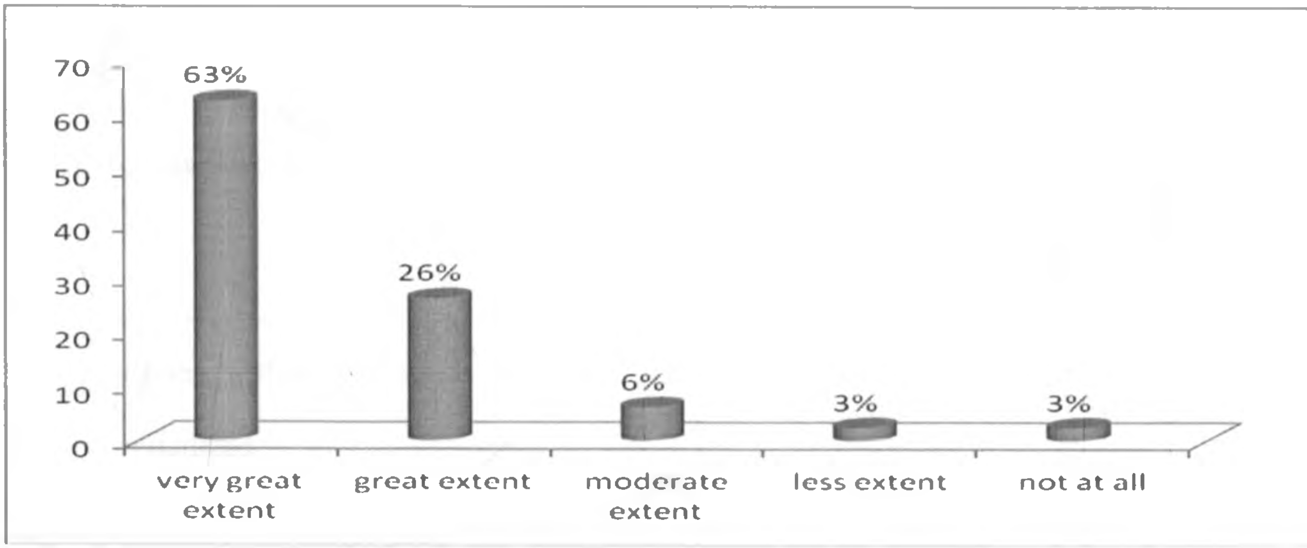

Figure 4.3: Communication process and strategy implementation

Majority of the respondent (63%) expressed that communication process affects strategy implementation to a very great extent, 26% were of the opinion that it affected to a great extent while 6% were of the opinion that it affected to a moderate extent or did not affect at all.

4.5.1 Agreement on Effect of communication process in strategy implementation

The respondents were requested to indicate their level of agreement on the statements in relation to the effect of communication on the strategy implementation. The responses were rated on a five point Likert scale where: 1 - Strongly Disagree 2 - Disagree 3 - Neutral 4- Agree and 5- Strongly Agree. The mean and standard deviations were generated from SPSS and are as illustrated in table below.

Table 4.8: Agreement with the role of communication process in strategy implementation

Role of communication process in strategy implementation	Mean	Standard deviation
Communicating with employees is frequently delayed until changes have already crystallized	2.53	0.508
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy	2.15	0.348
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees	2.19	0.261
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion	4.17	0.197
An integrated communications plan must be developed at the organization to enhance strategy implementation	4.63	0.285

From the findings, most of the respondent were in agreement with the statement that an integrated communications plan must be developed at the organization to enhance strategy implementation with a mean score of 4.63, it is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion had a mean score of 4.17. The organization being faced with the challenge of lack of a two-way-communication program that permits and solicit questions from employees about issues regarding the formulated strategy and lack of communications causing more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees both had mean scores of 2.15 and 2.19 respectively, thus, depicting disagreement.

4.6 Co-ordination of activities in strategy implementation

The study asked the respondents to indicate whether coordination of activities in strategy implementation is a key success factor within strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. From the findings, all the respondents agreed that it is indeed a major factor on strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. The study further sought to find out the extent to which coordination of activities affects strategy implementation. The findings are recorded on figure below.

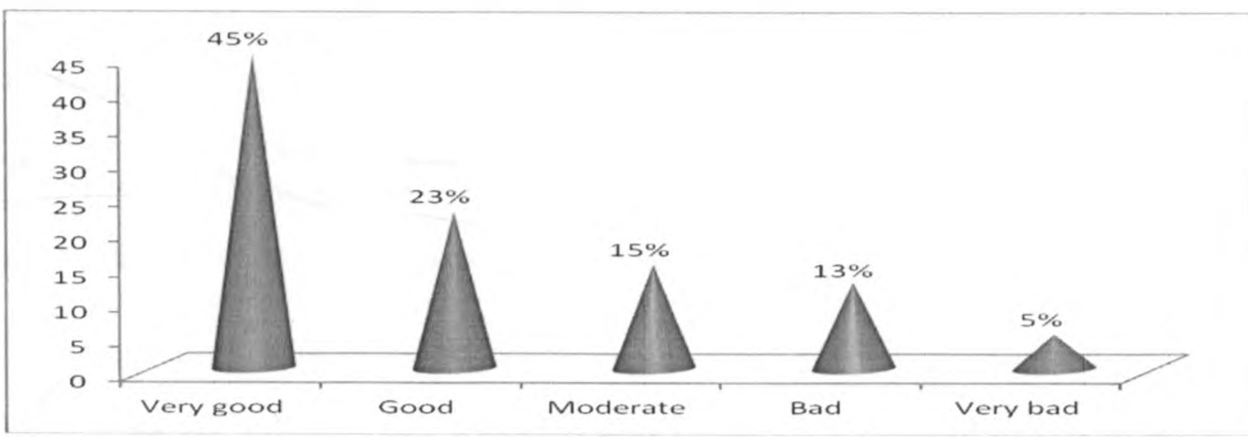

Figure 4.4: coordination of activities and strategy implementation

Most of the respondent (45%) expressed that coordination of activities affects strategy implementation to a very good extent, 23% were of the opinion that it affected strategy implementation to a good extent, 15% to a moderate extent while 13% and 5% were of the opinion that it affected to a bad and very bad extent respectively.

Table 4.9: Agreement with the statements that relate to coordination of activities and its effect on strategy implementation

Coordination of activities and its effect on strategy implementation process	Mean	Standard deviation
Coordination is essential to ensure that people across the organisation know what to do and to ensure that they stay focused on the key targets under the everyday pressures	2.53	0.508
Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals	2.15	0.348
The effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases	2.19	0.261
Addition key tasks are well defined in enough detail and information systems are adequate at KRA resulting in successful strategy implementation	4.17	0.197
Silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions	4.63	0.285

From the findings, most of the respondent were in agreement with the statement that Silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions with a mean score of 4.63, Addition key tasks are well defined in enough detail and information systems are adequate at KRA resulting in successful strategy implementation had a mean score of 4.17. Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals and the effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases both had mean scores of 2.15 and 2.19 respectively, thus, depicting disagreement.

4.7 Organization Culture

The study asked the respondents to indicate their opinion, if organizational culture affects strategy implementation. From the finding, all the respondents (100%) agreed that organization culture at domestic taxes department at Kenya Revenue Authority Mombasa affected strategy implementation. The study further sought to establish the extent to which organization culture affected strategy implementation. The findings are as shown in the figure below.

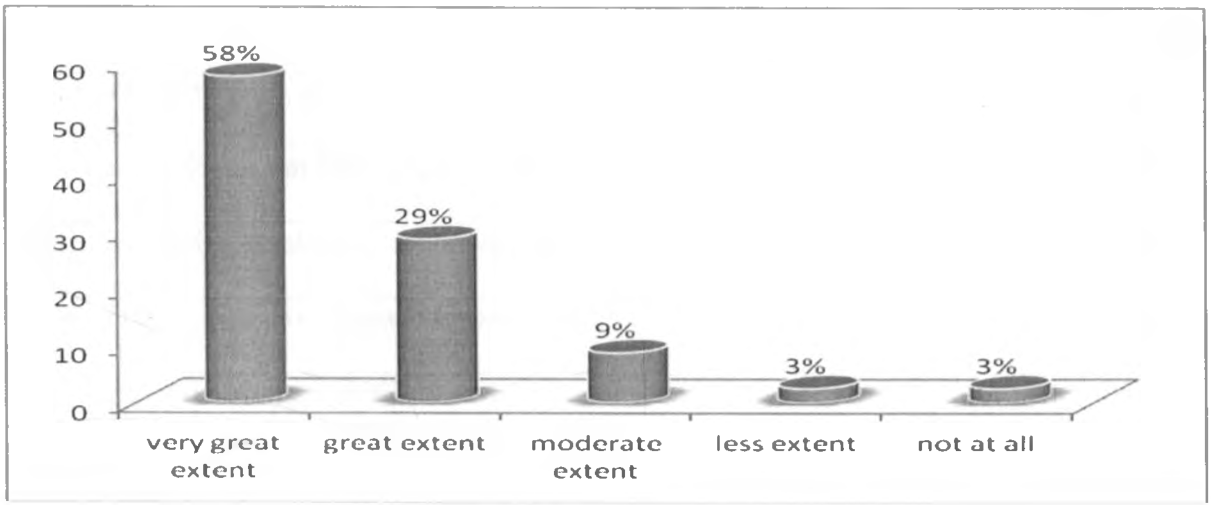

Figure 4.5: Extent to which organizational culture affects strategy implementation

Majority of the respondents, 58% were of the opinion that organization culture at domestic taxes department at Kenya Revenue Authority Mombasa affected strategy implementation to a very great extent, 29% to a great extent while 9% were reported that it affected to a moderate extent.

4.7.1 Extent of organization culture features on strategy implementation

The respondents were requested to indicate the extent to which some organization culture features effect strategy implementation. The responses were rated on a five point Likert scale where: 1 - Not at all 2 - Less extent 3 - Moderate extent 4- Great extent and 5- Very great extent. The mean and standard deviations were generated from SPSS and are as illustrated in table below.

Table 4.10: Organizational features that affect strategy implementation

Organizational features that affect strategy implementation	Mean	Standard Deviation
Lack of understanding of strategy implementation	3.71	0.429
Customers and staff not fully appreciating the strategy	2.60	0.139
Difficulties and obstacles not acknowledged, recognized or acted upon	3.62	0.452
Ignoring the day-to-day business imperatives.	2.80	0.148
Leadership style of managers	3.73	0.540
How managers make decisions	3.50	0.413
The dominant values and beliefs, the norms	2.81	0.421
Conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees)	2.50	0.350

From the findings, most of the respondents moderately agreed that leadership style of managers ,lack of understanding of strategy implementation, difficulties and obstacles not acknowledged, recognized or acted upon, how managers make decisions and the dominant values and beliefs, the norms affect strategy implementation. This was indicated by mean scores of 3.73, 3.62, 3.5, 3.71 and 2.81 respectively. On the other hand, customers and staff not fully appreciating the strategy and conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees) had low mean scores of 2.6 and 2.5 depicting disagreement.

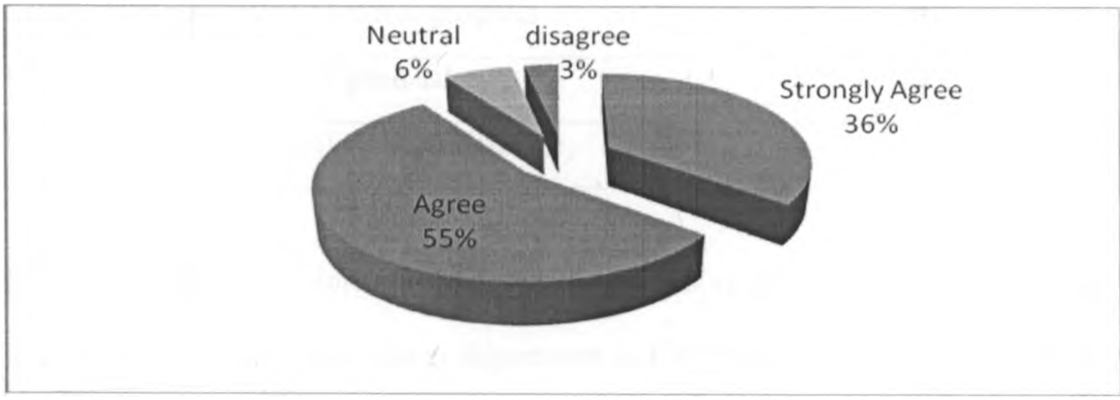

Figure 4.6: Challenges of successful strategy implementation

The study required that the respondents state their level of agreement with the statement that challenges of successful implementation results from lack of cultivation of strong cultural value to meet the changing organizational needs. From the figure above, majority of the respondent, 55% were in agreement with the statement, 36% strongly agreed, with 6% and 3% neutral and disagreed with the statement respectively.

4.7.2 Aspects of employees' perception that affect strategy implementation

The respondents were requested to indicate the aspects of employees' perception that affects strategy implementation in Domestic taxes department in KRA Mombasa.

Table 4.11 Aspects of employees' perception that affect strategy implementation

	Frequency	Percentage
Employees' perception of change success	36	45
Employees' perception of job security	72	90
Employees' perception of job commitment	57	71.3
Employees' perception of career progress	24	30
Employees' perception of good salary	69	86.3
Employees' perception of self actualization	56	70

From the findings, majority of the employees (90%) felt that job security affects strategy implementation at Domestic taxes department in KRA Mombasa most, followed by good salary (86.3%), job commitment (71.3%) and self actualization (70%), change success (14%) and career progress (30%) respectively.

4.8 Discussion of Findings

From the findings, top management is committed towards strategy implementation plans, majority of the respondents, 70%, stated that it affected largely. Viseras, Baines, and Sweeney (2009) findings indicate that strategy implementation success depends crucially on the human or people side of project management. Hrebiniak (2006) find that the process of interaction and participation among the top management team typically leads to greater commitment to the firm's goals and strategies. This, in turn, serves to ensure the successful implementation of the firm's chosen strategy.

From the findings, all the respondents agreed that communication is indeed a major factor on strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. Majority of the respondent (63%) expressed that communication process affects strategy implementation largely. In addition, the findings of Peng and Litteljohn (2001) show that effective communication is a key requirement for effective strategy implementation. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation. In fact, communication is pervasive in every aspect of strategy implementation, as it relates in a complex way to organizing processes, organizational context and implementation objectives, which, in turn, have an effect on the process of implementation.

The study asked the respondents to indicate their opinion, if coordination of activities affects strategy implementation. From the finding, all the respondents (100%) agreed that coordination of activities affected domestic taxes department at Kenya Revenue Authority Mombasa affected strategy implementation. More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat's (2000) who assert that silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions.

From the finding, all the respondents (100%) agreed that organization culture at domestic taxes department at Kenya Revenue Authority Mombasa affected strategy implementation. Marginson, (2002) contend that strategy implementation evolves through a coalitional form of decision-making.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, and it provides the conclusions and recommendations of the study based on the objectives of the study. The main objective of this study was to assess the perception of employees in strategy implementation in domestic taxes department Mombasa at Kenya Revenue Authority.

5.2 Summary of the Findings

From the findings, the top management is committed towards strategy implementation plans. The commitment by the top management affected to a very great extent the strategy implementation. The study also found out that the top management's commitment to the strategic direction is significant factor and that the managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed and not spare any effort to persuade the employees of their ideas for strategy implementation to be effective at Domestic Taxes Department of Kenya Revenue Authority Mombasa.

The study found out that communication is a key factor on strategy implementation at Domestic Taxes Department of Kenya Revenue Authority Mombasa and that this affects implementation to a great extent. The study also showed that an integrated communications plan must be developed at the organization to enhance strategy implementation, and that it is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. It also found that Domestic Taxes Department of Kenya Revenue Authority Mombasa is rarely faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy and that lack of communications cause more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees.

The study found out that coordination of activities in strategy implementation was a key success factor within strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. Majority of the respondent expressed that coordination of activities affects strategy implementation to a very good extent. The study further found out that Silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions and , Addition key tasks are well defined in enough detail and information systems are adequate at KRA resulting in successful strategy implementation.

The study depicted that organization culture at Domestic Taxes Department of Kenya Revenue Authority Mombasa affected strategy implementation with majority of the respondent expressing that this affected implementation of the strategy to a very great extent. In addition it was found that leadership style of managers, lack of understanding of strategy implementation, difficulties and obstacles not acknowledged, recognized or acted upon, how managers make decisions and the dominant values and beliefs, the norms moderately affect strategy implementation. From the findings, it was noted that challenges of successful implementation results from lack of cultivation of strong cultural value to meet the changing organizational needs.

5.3 Conclusions

The study concludes that commitment by the top management affects the strategy implementation. It further conclude that the top management's commitment is major issue and the managers must exhibit their willingness to demonstrate power and loyalty to the implementation process for it to succeed and not spare any effort to persuade the employees of their ideas for strategy implementation to be effective at domestic taxes department at Kenya Revenue Authority Mombasa.

The study also concluded that communication is a major factor in strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa. and that communication process affects implementation of the strategy. In addition, lack of effective two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy and lack of communications about the employees' new requirements, tasks and activities to be performed by the affected employees rarely affect communication at domestic taxes department at Kenya Revenue Authority Mombasa. The study also concluded that organization culture at domestic taxes department at Kenya Revenue Authority Mombasa affected strategy implementation. From the study it was concluded that among the organizational culture factors that affects strategy implementation are, leadership style of managers, lack of understanding of strategy implementation, difficulties and obstacles not acknowledged, managers' decisions making and the dominant values beliefs and norms.

5.4 Recommendations

The study recommends that the management should ensure that they employ and deploy qualified and competent individuals. In addition, the study recommends that Kenya Revenue Authority Mombasa should employ monitoring/supervision mechanism, to allow efficiency in strategy implementation. This will go a long way in improving the services to Kenya Revenue Authority customer in Mombasa by improving their image.

The Kenya Revenue Authority Mombasa should implement approaches such as effective reward management systems meant to enhance manager's commitment to performing their roles as well as incorporating lower ranks of employees in strategy design and implementation. The study also recommends that Kenya Revenue Authority Mombasa should embark on staff improvement through training and offering conducive environment for their work to improve their productivity which in turn will win support from the staff and thus make strategy implementation a reality at Kenya Revenue Authority Mombasa

The Kenya Revenue Authority Mombasa should improve integrated communications plan to improve strategy implementation. The content of such communications plan should include clear explanation of what new responsibilities, tasks, and duties need to be performed by the affected employees. It also includes the why behind changed job activities, and more fundamentally the reasons why the new strategic decision was made firstly. This will enhance communication of change during and after an organizational change on organizational developments to all levels in the appropriate manner.

The Kenya Revenue Authority Mombasa should adopt customers and staff oriented approaches to facilitated full appreciation of the strategy in a bid to minimize challenges of successful implementation which emanates from lack of cultivation of strong cultural value to meet the changing organizational needs. This will enhance proper integration of activities and feelings of ownership and commitment.

5.5 Suggestion for further studies

Further research is necessary as the findings were based on a relatively small sample that may have influenced the nature of results that were obtained. There is need to expand on the sample size and carry out similar research in other organizations.

The analysis that was used is always not sufficient to draw conclusions on a phenomenon, and to provide adequate information that can be used for policy development. Further research focusing on assess the perception of employees in strategy implementation is recommended.

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APPENDIX QUESTIONNAIRE

SECTION A: DEMOGRAPHIC INFORMATION

1. Gender: Male [ ]

   Female [ ]

2. Your age bracket (Tick whichever appropriate)

   18 – 24 Years [ ]
   25 - 30 Years [ ]
   31 - 34 years [ ]
   35 – 40 years [ ]
   41 – 44 years [ ]
   45 – 50 years [ ]
   Over 51 years [ ]

3. For how long have you served in organization?

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

4. What is your highest level of education?

Certificate	
Diploma	
Higher National Diploma	
Bachelors	
Masters	
PhD	

5. To what extent does the domestic taxes department face challenges in the strategy implementation at the following levels? Use a scale of 1 to 5 where 1 is to a very great extent and 5 is to no extent.

	1	2	3	4	5
Audit level					
Compliance level					
Debt Management level					
Tax payer Recruitment level					
Tax payer services level					

SECTION B: MAIN ISSUES

LEVEL OF COMMITMENT OF TOP MANAGEMENT

1) To what extent does the level of commitment of top management affect the strategic implementation at domestic taxes department at Kenya Revenue Authority Mombasa?

Very great extent [ ]
Great extent [ ]
Moderate extent [ ]
Less extent [ ]
Not at all [ ]

2) What is your level of agreement with the following statements that relate to the effect of level of commitment of top management on the strategy implementation? Use a scale of 1-5 where 1= strongly agree and 5= strongly disagree.

Effect of level of commitment of top management on the strategic implementation	**1**	**2**	**3**	**4**	**5**
The top management's commitment to the strategic direction itself is the most important factor.					
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.					

The managers must not spare any effort to persuade the employees of their ideas for strategy implementation to be effective.					
Lack of top management backing is the main inhibiting factors					
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.					

STRATEGY COMMUNICATION PROCESS IN IMPLEMENTATION

3) To what extent does communication process affect strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa?

Very great extent [ ]
Great extent [ ]
Moderate extent [ ]
Less extent [ ]
Not at all [ ]

4) To what extent do you agree with the following statements that relate to communication process in strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.

Communication in strategy implementation	**1**	**2**	**3**	**4**	**5**
Communicating with employees is frequently delayed until changes have already crystallized					
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy					
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees					
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion					
An integrated communications plan must be developed at the organization to enhance strategy implementation					

CO-ORDINATION OF ACTIVITIES IN STRATEGY IMPLEMENTATION

5) To what extent do you rate the coordination of activities in strategy implementation in your organization

Very ( )

Good ( )

Moderate ( )

Bad ( )

Very bad ( )

6) What is the extent to which coordination of activities affect strategy implementation at domestic taxes department at Kenya Revenue Authority Mombasa?

Very great extent [ ]
Great extent [ ]
Moderate extent [ ]
Less extent [ ]
Not at all [ ]

7) What is your level of agreement with the following statements that relate to coordination of activities and its effect on strategy implementation? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.

	1	2	3	4	5
Coordination is essential to ensure that people across the organisation know what to do and to ensure that they stay focused on the key targets under the everyday pressures					
Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals					
The effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases					
Addition key tasks are well defined in enough detail and information systems are adequate at KRA resulting in successful strategy implementation					
Silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions					

ORGANISATIONAL CULTURE

8) To what extent does perception of employee on organizational culture affect strategy implementation?

Very great extent [ ]

Great extent [ ]

Moderate extent [ ]

Less extent [ ]

Not at all [ ]

9) To what extent do the following facets of organisation culture affect strategy implementation?

	Very great extent	Great extent	Moderate extent	Less extent	Not at all
Lack of understanding of strategy implementation					
Customers and staff not fully appreciating the strategy					
Difficulties and obstacles not acknowledged, recognized or acted upon					

Ignoring the day-to-day business imperatives.					
Leadership style of managers					
How managers make decisions					
The dominant values and beliefs, the norms					
Conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees)					

10) The challenges of successful implementation results from lack of cultivation of strong cultural values to meet the changing organizational needs" to what extent do you agree with the statement?

Strongly Agree [ ]

Agree [ ]

Neutral [ ]

Disagree [ ]

Strongly Disagree [ ]

Perception

11. Indicate which among the following aspects of employees' perception affect strategy implementation in Domestic taxes department in KRA Mombasa

Employees' perception of change success [ ]

Employees' perception of job security [ ]

Employees' perception of job commitment [ ]

Employees' perception of career progress [ ]

Employees' perception of good salary [ ]

Employees' perception of self actualization [ ]