

**STRATEGY IMPLEMENTATION AND PERFORMANCE AT THE OFFICE OF  
THE AUDITOR GENERAL, KENYA**

**BY**

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## DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any institution or university other than the University of Nairobi for examination.

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## **DEDICATION**

I wish to dedicate this research to my family for their support and encouragement towards my studies.

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## **ABBREVIATIONS AND ACCRONYMS**

**OAG** –Office of the Auditor General

**AG**- Auditor General

**KENAO**- Kenya National Audit Office

**RBV** –Resource Based View

**SWOT**-Strength-Weakness-Opportunity-Threat

## **ABSTRACT**

Strategy implementation is the key to any strategic management. Strategy implementation converts laid down strategies into actions. The study's purpose was to assert the effect of strategy implementation on organizational performance at the Office of the Auditor General (OAG). The study was guided by the Agency Theory, supported by System Theory and Resource Based View Theory. Case study design was adopted in the methodology. At the data collection stage, the study used an interview guide which involved an in-depth interview with the top managers. To analyze the research data, the study used content analysis. From the results, the top management, head of departments and head of committees were the personnel involved in strategy implementation. They assigned responsibilities and resources for the process of strategy implementation at the OAG. The results further indicated that implementation of strategies was carried out by the staff through activities and duties assigned to them by the management. From the study, the low level of employees' involvement has had adverse effect on the process of strategy implementation. As such, there is need for close and in-depth involvement of the staff in the process of strategy implementation. The study further established that the management should ensure proper communication on strategy implementation. From the results, the OAG faces a number of challenges in the process of strategy implementation including; inadequate ICT infrastructure, inadequate funds, poor structures, lack of skills for implementation, lack of training among others. The research recommends inter-agency collaborations to ensure quality audits, trainings, adequate allocation of funds for implementation and entrenching proper communication of the strategies to the staff by the top management. The findings indicated a significant positive influence on organizational performance, citing quality of audits, profitability, customer retention, public image, timeliness in audit reports delivery due to the implementation of strategies. Further research needs to be done on the role of strategy implementation on performance and use a larger sample size to get better and wider application of the findings. In addition, the factors that are considered in strategy implementation need further and in-depth research. The study's key limitation was tied to its subjective nature inherent of a case study and hence detailed responses could not be established. The study was also based on strategy implementation alone and hence findings are limited in scope.



## **CHAPTER ONE:**

### **INTRODUCTION**

#### **1.1 Background of the Study**

Over the years, the business environment has become very complex and unpredictable, leading to a quest for new management approaches of government bodies. Public organizations are faced with market dynamics brought about by globalization, use of modern technology, a heightened need for accountability and sustainable management of inadequate resources (Hunges, 2013). The widespread desire for increased organizational scrutiny has bolstered the pressure for change. In part, this is due to increased access to globalized information systems and heightened media attention critical of government inefficiencies in service delivery. Countering these challenges necessitates the need for strategies to help the public sector in achieving improved performance and overall service quality (Jonson, 2015). As a continuous effort, the strategic management process helps define organizations strategies and more importantly to choose and implement strategies that enhance performance. Every organization requires a set of strategies, which provides the direction as to how their operations are carried out in light of their internal and external business environment. Strategic implementation as a phase of the strategic management process represents the action phase where strategies are turned into actionable plans. Strategy implementation enables organizations to adapt to changes in the external environment (Johnson and Scholes, 2008).

The Agency theory supported by System Theory and Resource Based View (RBV) will guide this study. The agency theory, requires the management to articulate the type of relationship they want to forge as a means of guiding the purpose and the objectives of a business. According to Freeman (1984), the interests of all the parties are better represented if their diverse perspectives are taken into consideration and satisfied. The agency theory envelopes the role of stakeholders in strategy implementation. The System Theory developed by Parson in 1951, states that; an organization is an open system, which easily interacts with the external environment to get resources and inputs used in the value addition of services and goods. The RBV developed by Pfeffer (1978), is based on the competitive advantage of an organization, which lies primarily in the application of a bundle of valuable tangible or intangible resources at the organization's disposal. The resource-based view emphasizes on limiting the behavior of rivals by suggesting that,

organizations develop unique valuable and rare resources that are difficult for rivals to replicate. The theory is conditioned on resources not being homogenous and limited in mobility.

Good strategy execution requires that managers pay special attention to key internal business processes, how they actualize and see to it that employees' efforts are directed towards enhanced performance. According to Gole (2005), performance is the ability of an object to produce results in a dimension determined a priori, in relation to a target. The task of implementing and executing the strategy also necessitates analysis of the efficiency and effectiveness of a company's internal activities and a managerial awareness of new technological developments that might improve business processes (Robinson & Pearce, 2007). The most objective and most commonly cited indicators of performance are the financial data.

The Office of the Auditor General (OAG) is a Supreme Audit Institution with a paramount oversight role of ensuring public accountability on the three arms of the government, independent commissions, national government and county government entities (Van, 2008). Citing the mandate of the office of the Auditor General under Article 229 of the 2010 Constitution of Kenya, the public expects quality audit reports on the effectiveness and efficiency in public resources application and utility. However, this calls for an effective performance management system to guide the organization's internal operations. Citing the Office of the Auditor General's 2021-2026 Strategic Plan, the organization has experienced challenges evaluating performance. Part of the strategic management and implementation bottlenecks cited include lack of measurable strategies and a performance measurement system that is aligned to strategic plans. These have sequentially impacted the effectiveness of the organization's ability to efficiently and comprehensively deliver on its mandate. The Strategic Plan formulated by the OAG's office is geared towards formulating goals and achieving expected performance as per the public needs based on the current constitution (OAG, 2012).

### **1.1.1 Concept of Strategy**

A strategy is a plan of action that is designed to achieve a particular goal (Thomson & Strickland, 2003). Strategy can be defined as the direction that an organization takes in the long term, based on the way it configures its resources within an ever-changing environment, to be in a position to meet the needs of the markets and to fulfill the

expectations of the stakeholders (Johnson & Scholes, 2008). It is the determination of the basic long-term goals and objectives of an enterprise, adoption of courses of action and the allocation of resources necessary for carrying out those goals.

According to Gole (2005), the concept of strategy embraces the overall purpose of an organization. It is the determination of the long-term goals and objectives of an enterprise, adoption of courses of action and the allocation of resources necessary for carrying out those goals. Thomson and Strickland (2003), in their observation ascertain that those strategies are plans, guide or points of action that are taken by the organizations as course of action to achieve certain levels of success.

### **1.1.2 Strategy Implementation**

Strategy implementation is the process that turns strategies and plans into actions in order to accomplish strategic objectives (John, 2005). Strategy implementation is the stage where operationalization of plans in an organization is executed through the strategic management process (Allio 2005). According to Ruzibuka, and Akwei, (2019), strategy implementation is a dynamic and interactive process that encompasses several activities by managers to turn strategic plans into reality and achieve strategic objectives.

Strategy implementation, requires input and cooperation of all players in the company for it to be successful (Kaplan, 2005). Tasks, people, structures, technologies, and reward systems are the major areas an organization needs to focus on in the process of strategy implementation (Pearce and Robinson (2007). Additionally, there is need for effective design and management in order for these factors to be integrated to achieve the best out of strategy implementation. Along with effective strategy formulation, effective strategy implementation (SI) is a critical component determining why some firms outperform others (Hitt et al., 2017). A well-formulated strategy cannot guarantee success until it is effectively implemented (Hitt et al., 2017).

Strategy Implementation according to Pride and Ferrell (2013) is a significant component of the strategic planning process. As Kabeyi, (2019) indicates, strategy implementation is a sensitive and a crucial part of strategic management and planning and should always be linked to strategy formulation by evaluation. Otherwise, it will remain as insignificant paperwork. Hence, the need for top management to spear head and facilitate implementation of the strategic plan by converting strategic plans into actions and results, based on units and individuals (Werlin, 2000).

### **1.1.3 Organizational Performance**

Organizational performance is defined as an organization's ability to attain and employ its values and resources that are scarce in the pursuit of its operational goals (Graffins, 2006). It entails the ability to utilize an organization's resources in an effective and efficient manner and ensuring the achievement set goals within stipulated timelines. It brings out the extent to which the goals and objectives of an organization have been met (Kaplan, 2004). Laitinen (2002), views performance as the ability of an object to produce results in a dimension determined a priori, in relation to target. The most objective and commonly cited indicators of performance are the financial data (Organization's bottom line). According to Kaplan and Norton (2001) there is need to use both the financial and the non-financial measures of performance to achieve inclusivity.

According to Nebo (2015), performance measurement metrics in the private sector differ from those used in the public organizations due to the difference in the strategic goals. Measures like market share, financial performance and sales are used in the private sector while the public sector uses measures like public satisfaction, service delivery, efficiency and distributive developments (Nebo, 2015). Most public organizations use performance contracting as a tool in the performance measurement between the government and public institutions (Van Gansberghe, 2008). Performance contracting helps organizations improve their service delivery and consequently, their levels of performance. In public institutions, the most expected outcomes are usually based on the levels of efficiency in service delivery, accountability for audit reports, timeliness in delivery of reports and efficiency in resource mobilization (Mbua & Ole Sarisar, 2013).

### **1.1.4 Office of the Auditor General**

Office of Auditor General was established on 1<sup>st</sup> of June 1955, under the Exchequer and Audit Act Cap 412, as the Exchequer and Audit Department. As an Act of parliament, the Exchequer and Audit Act, mandated the then Exchequer and Audit Department under Cap 412 to control public finances of Kenya as per the 1963 constitution under section 105 (Van, 2008). Following the enactment of the Public Audit Act of 2003, the Exchequer and Audit Department was renamed to the Kenya National Audit Office (KENAO), effective 9<sup>th</sup> January 2004. The Public Audit Act of 2003, mandated a more independent office. This newfound independence was further solidified under Chapter 15, Article 248, Section 3 as well as Article 249, Section 2 (a) and (b) of the Constitution of Kenya 2010. Together

with the Kenya National Audit commission, they were tasked with approving budgets and staff recruitments of the National Audit Commission.

According to the second edition of the Supreme Auditor, several of the Supreme Audit Institutions (SAIs), indicated that it is difficult to quantify impact of their audit work (Office of The Auditor General, 2015). This is crucial as performance measurement systems should bring out the financial impact of audit work. Traditionally, efficiency measurements are tied to the actual versus budget hours, percentage of time spent on administrative tasks, percentage of audit recommendations, number of audit engagements and ultimately number and speed of producing audit reports. Enhancement in any of all these facets, is hinged on the sturdiness of the strategic management processes at the OAG. More importantly, citing the 2021-2026 strategic plan, the OAG highlighted the need for developing strategies and activities, which can be subjected to performance measurement criterion (Office of the Auditor General, 2012). The emergence of county governments and the high level of awareness by citizens has led to increased awareness of the OAG relative to accountability in public funds use (Charles & Oluoch, 2017). Formulation of a good strategic plan that will contain all the objectives and practical strategies to improve the level and quality of reporting, requires a follow up plan on the strategic management processes and more importantly understanding the challenges faced at the implementation stage.

## **1.2 Research Problem**

The Office of the Auditor General is under the Public Finance Management Act (PFM) 2012 tasked with the sensitive responsibility of effective management of the public finances at the national, county and at the different government bodies and entities. The office of the auditor general reports on the effectiveness of the use of the public funds as required by the Public Audit Act 2015. The Audit reports should be tabled before parliament as well as the relevant county assemblies. The timely reports should be produced within the stipulated timelines according to Article 229 and 254 of the Constitution of Kenya 2010. As cited in the 2018-2021 strategic plan SWOT analysis, the office still has challenges with delivering timely and user-friendly audit reports. Partly, as indicated in the report, the organization has not implemented an elaborate performance management system that captures a comprehensive strategy of engaging the stakeholders. More importantly, there are internal cohesion challenges between departments and integral

aspects of resistance to change. This hampers performance of the organization, which in turn compromises the ability to effectively ensure quality audit efforts of the public finances as mandated under the Constitution of Kenya 2010. With proper strategy implementation processes, actionable plans and decisions can be used to alleviate the current challenges. However, as Robinson and Pearce, (2007) posit, implementing and executing a winning set of strategies does necessitate a deep analysis of the level efficiency and effectiveness of an organization's internal activities. Additionally, there is need for managerial awareness of new technological developments that might improve business processes (Robinson & Pearce, 2007).

Strategic management embraces an entire set of managerial decisions and actions, which determine short and long-term performance of an organization (Koteen, 1989). It helps in reshaping organizations and improving their performance (Andrsen & Lie, 2013). Adoption of comprehensive strategy implementation process helps organizations achieve higher levels of competitive advantage when compared to their competitors (Apericida, Viera & Melo, 2019). The implementation of strategic plans in public sectors are recognized as a key management challenge due in part, to the need for close working relationships between the parties. Studies by past researchers have only discussed implementation of strategies, as a single phase, but have failed to focus on the role it has on organization performance. Most of these studies were based in the private sector and no study was carried out on the strategy implementation and organization performance of OAG.

Mailu, Ngale and Ntale (2018), researched on strategy implementation and organizational performance of pharmaceutical firms in Kenya. The results ascertained that implementation of strategies has a positive impact on performance of the pharmaceutical firms in Kenya. The study however, had a conceptual gap since it narrowly focused on few concepts of strategy implementation; structure, culture and employee involvement and failed to bring out various aspects of strategy implementation. The study population was also too small to bring out a conceptual argument on the same. Nengo (2021), researched on the challenges faced in the implementation of strategies in international NGOs in Kenya. The study however, suffered a conceptual gap since it failed to ascertain the role that strategy implementation has on organizational performance.

Obeidat, Tarehini and Masadeh (2017) in their review, evaluated the factors that affect strategy implementation of pharmaceutical companies in the Middle East. They established that factors like resources availability, top management, organizational culture and funds affect strategy implementation in organizations. These created a conceptual gap, which is yet to be filled on the effect of strategy implementation on organization performance at the OAG. Wanyama (2019), researched on the concept of strategy implementation practices and the role that it has on performance of non-governmental firms in Kenya. The results indicated that implementation of strategic management practices results in improved performance within the NGOs in Kenya. This study however, suffered a conceptual gap since it was based on strategic management practices. Mwaura (2014), in his study on strategy implementation ascertained that there is need for employee involvement in the process of strategy implementation to achieve the best out of strategic management process. However, a methodological gap is identified whereby a small population size was used in this research. Kyalo (2017), in her study on the role that strategy implementation has on operational performance established a positive correlation between the two. However, the study suffered a methodological gap since the sample size used was relatively small.

Refinement in strategy implementation can have significant positive effects on organizational performance, enhanced growth and development at the OAG coupled with improved service delivery, timeliness in submission of audit reports. The Office of the Auditor General has a subtly significant mandate to the stakeholders, which is a unique setting that helps in the control of public funds hence proper strategy implementation processes are key in its operations. There is need to enhance organization performance of office of the Auditor General and alleviate the challenges facing the implementation of strategic plans at Office of the Auditor General. This study consequently seeks to bridge this important knowledge gap, by addressing the following research question, what is the effect of strategy implementation and organization performance in the office of the auditor general?

### **1.3 Objective of the Study**

To establish the effect of strategy implementation on organization performance at the Office of the Auditor General.

#### **1.4 Value of the Study**

This study will be beneficial to the Office of the Auditor General on the process of strategy implementation. This will specifically be beneficial in unearthing and understanding the effects of the strategy implementation on the organization's performance and challenges likely to be faced in light of strategy implementation processes. It will provide insights on various ways that can improve their operations and enhance the audit process.

The research findings will further inform and enhance future policy development and implementation decisions at the office of the auditor general. The organization will be in a position to carry out a review of the audit processes and come up with effective strategies that can successfully be adopted internally. Future academicians and researchers will be in a position to use this study as reference material and improve upon the findings and conclusions based on the research gaps. Researchers may use the findings and arguments posited herein to further evaluate the strategy implementation subject matter within the same context or otherwise and fill in discernable research gaps now and in the future. The study presents a facet of the foundational and or directional research, upon which further studies will build on or seek to fill any gaps that the study has not addressed relative to the OAG and the strategy implementation.



## **CHAPTER TWO:**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter contains the literature review that forms the basis of this study. It starts with the theoretical background literature review on strategy implementation and organization performance. It is the final part of the section on conceptual framework.

#### **2.2 Theoretical Background**

A number of theories have been developed to help better understand the concept of strategy. Under this section, three theories relating to the topic of the study are explained. Agency Theory, Resource Based View and The Systems Theory as discussed below in detail, are used to guide this study.

##### **2.2.1. Agency Theory**

Stakeholder theory, relates to organizational management and business ethics that address morals and values in managing an organization (Freeman, 1984). It identifies and models the group of stakeholders of a corporation. It describes and recommends methods by which management can use in regard to the interests of those groups. A successful business cannot exist in a vacuum and requires that there are investors to bring in financial support, customers to buy their goods and services, employees to serve the customers, suppliers to sell the goods and a community within which they can thrive. The interests of all stakeholders would be better represented if everyone's needs could be satisfied (Freeman, 1984). Mitchell, Agle and Wood, (1997) derives a typology of stakeholders based on the attributes of power, legitimacy and urgency.

An organization's management is required to articulate how they want to do business. Management must articulate the kinds of relationships they want and need to create with their stakeholders to deliver on their purpose. Effective strategy implemented requires involvement of all stakeholders. This theory brings out the role that stakeholders play in the implementation process.

##### **2.2.2 Resource Based View**

Resource based view (RBV) was first established in the year 1991 by Barney. The theory emphasizes that an organizations' success is determined by not only the external

environment, but, the internal environment as well (Barney, 1991; Thompson, 2001). According to Barney (1991), improved performance is achieved through exploitation of resources which are very high in value, rare to find, nor easy to imitate and cannot be easily substituted.

The RBV theory is enshrined in the precept of environmental scanning, which forms a profound foundation for the study and a basis for performance evaluation. The ability to adapt to changes within the external and internal environments further enhances organizational performance (Johnson and Scholes, 2008). This theory as such, creates a synonymous platform to review performance at the OAG in the study. The use of the RBV in this study relates to how organizations ensure that there is sustainability in its competitiveness. Based on this theory, strategy implementation can be used as an organization's internal strength that helps in the decisions it takes on aspects to do with attaining competitiveness in the market and hence improved organization performance. Through comprehensive implementation of strategic plans, an organization achieves improved organization performance.

Based on this managerial framework, rent-producing resources, which are scarce, determine the level of profitability in the organizations and hence getting substitutes for the same is a challenge. Consequently, an organization's performance is affected by organization-specific resources and capabilities, which are affected by uneven distribution of resources within an industry (Warnier, Weppe, & Lecocq, 2013). A resource that is very valuable allows an enterprise to take advantage of existing opportunities in the environment and minimize impacts of any threats that may exist within the external and internal environment (Barney, 1991). For an organization to attain sustainable and competitive advantage, it requires unique resources and capabilities (Lynch, 2009). However, the theory's focus on the resources and how they impact performance, is a limiting factor and one that opens up to competing theories. According to Jurevicius, (2021) the theory's two key assumptions that resources are homogeneous and immobile limit its application. Different organizations will have different level and mix of resources and as such may not achieve the same competitive advantage. In addition, resources are mobile contrary to the theory's assumption, and thus organizations may not replicate their rivals' strategies (Jurevicius, 2021).

### **2.2.3 System theory**

Parsons developed the System theory in 1951. It is a multidisciplinary theory, which explains, about nature, society, organizations and science and how they are related to the external environment, (Batch, 2012). It emphasizes the functions fulfilled by system components as the system responds to environmental demands. It makes use of processes and inputs, which help in explaining the interdependence between an organization and the environment. These organizations have interdependent departments which work jointly towards common goals of the organization (Parson, 1951).

Strategy implementation is premised on the ability to scan the environment and review feedback, in light of the challenges and changes that could impact operations. The system theory takes on a multidisciplinary approach to establish, how an organization's environment impacts its operations (Batch, 2012). As such, reliance on the system theory in this study is largely driven by the similarity in approach, the multidisciplinary characteristics, as well as forming a backbone upon which to review performance at the OAG.

The system theory, view organizations as a combination of complex units that form part of the unitary whole. It provides a framework through which to visualize external and internal environments as part of an integrated whole. Through the lenses of the system theory, an organization is organic, which when observed closely reveals interdependent and interactional subsystems within.

However, the theory is limited in its abstract approaches and as such lacks in elements of universality (Santosh, 2021). More importantly, the lack of tools and techniques to support practical applications further dilute the theory (Santosh, 2021). Additionally, the observed complex interactions to different subsystems and parts, only serve the witnessing phenomenon and as such limited as an alternative (Santosh, 2021).

### **2.3 Empirical Review**

Cheung and Yu (2020) in their study on strategic management planning process in Hong Kong Police established the heart, head and mind (3-H) framework as useful tools that can be used in carrying out strategic planning. Proper implementation of strategies in an organization increases the level of organization performance. According to Heugens (2013), in his research on strategic management and organizational performance in

Netherlands established that organizations suffer challenges emanating from problems in the political and societal environment.

A study by Alosani and Dhaafri (2020), on closing the strategic planning and implementation gap through excellence in the public sector, established that there is a positive correlation between strategic planning, strategy implementation, and organizational excellence. Li & Liu (2021), in their study on strategic planning, map and management control in the China Resources Group, established that a combination of the strategy map and formal strategic planning is useful in the creation of a positive, logical relationship between strategic goals and budget goals.

Locally, Nyabinda (2016) researched on the role of strategy process and challenges faced in the formulation at Simba Corporation Ltd. The study findings indicated that strategy process from planning to implementation is key to improving the performance of Simba Coach Corporation with diversification being the main strategy used. Lekasi (2015), researched on the strategic management process and organization performance at the Kenya Revenue Authority. The findings indicated that a number of strategies had been implemented at the KRA, in terms of recruitment, training among other aspects. Resistance to change, lack of adequate input during strategy formulation and lack of comprehensive strategy evaluation tools were established as major challenges facing implementation of strategy at KRA. Mwaura (2014), in his study ascertained that there is need for employee involvement in the process of strategy implementation to get the best out of strategic management process. The study findings indicated that the commercial banks were not adversely affected by challenges like resistance to change, poor organizational structure, and poor culture in the implementation of strategies.

Muogho (2013) in his study on strategic management practices and organization growth in Anambra state manufacturing organizations, ascertained that the level at which these organizations had implemented strategic management process was very low. This negatively impacted the general performance of the organization in terms of employees' productivity and their individual performance. Some of the organizations that had implemented strategic management, experienced greater performance and improved levels of competitiveness in their operations. According to Njanja (2009), in his study where he investigated the role of strategic management practices and performance of SMEs in Nairobi, indicated that the right culture, organizational policies have an initiating factor in

the process of strategy formulation and implementation in the SME's and this translates to effective strategy implementation and long-term performance.

#### **2.4 Summary of Literature and Research Gaps**

Strategy Implementation according to Pride and Ferrell (2013), is a significant component of the strategic planning process. Much like the formulation process, the implementation process also involves several actors. In her research, Brorström, (2019) discusses how actors involved in the formulation also have to be involved in the implementation process to ensure that strategies developed are religiously enacted and capture the aspirations of an organization. As Kabeyi, (2019) indicates, strategy implementation is a sensitive and crucial part of the strategic management and planning and should always be linked to strategy formulation by evaluation, otherwise it will remain as insignificant paperwork. Hence, the need for top management to spear head and facilitate implementation of the strategic plan by converting strategic plans into actions and results based on units and individuals. In furtherance if this argument, Njanja (2019), posits that, the strategic plans implemented by SMEs within Nairobi, enhanced the performance of the establishments. However, implementing strategic management process within the public organizations sphere has a caveat; requiring a close working relationship between the different stakeholders. Poignantly, there are a limited number of researches that have been conducted on the subject of strategic management process and their impact on enhancing performance, specifically within the public service sector.

A review of a majority of the researches conducted in the past have a limited focus, largely tackling implementation as a single phase. For example, Szwejczewski, Sweeney, Cousens, (2016), delved into strategy implementation within the manufacturing industry; however, the study suffered a conceptual gap as it did not address its impact on performance as this research seeks to establish. As such, there is a research gap, where research needs to address strategy implementation and its impact on the performance of public organizations such as the OAG. Past research efforts have focused on the private sector.

Research forcing on the public organizations, have failed to bridge the conceptual gap on strategy implementation and the impact on their performance. In an example, Kimani (2016), in his study evaluating the factors influencing the strategy implementation at the Multimedia University in Kenya, did not review its inclination on performance. Obeidat,

Tarehini and Masadeh (2017), focused their efforts on a single phase of the strategic management process, implementation within the pharmaceutical industry. This is further replicated by Alosani and Dhaafri (2020), in their research choosing to only concentrate on strategic planning and implementation, albeit focusing on the public sector. Additionally, Lekasi (2015), focused on strategic formulation and performance at the Kenya Revenue Authority, however missing the mark on strategy implementation. The limited scope of the past research efforts necessitates the review of the strategy implementation on the performance within the public sector. This research takes on a focused approach by reviewing the performance enhancements attributed to strategy implementation at the OAG, in a bid to bridge the current research gap.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Research methodology brings out various processes used in determining, processing and analyzing information sought after by a study. It brings out the reason as to why various methods are used in research to achieve the objectives of a study. This section captures the research design that was used, the study population, methods used in data collection and data analysis based on the objectives of the study.

#### **3.2 Research Design**

Research design outlines how information was gathered, the methods and tools used (Mugenda & Mugenda, 2003). This study used the case study design since the research is based on one unit, which is OAG. The use of a case study design would allow for the establishment of the effects of strategy implementation on organization performance at the Office of the Auditor General in Kenya. Case study research design is appropriate for this study since it facilitated information gathering in the study in light of the strategy implementation at the OAG.

A case study approach ensures that data is wholly organized and analyzed relative to the subject matter to be studied (Coper & Schindler, 2006). It makes a detailed examination of a single subject or a group of phenomena. The case study approach helps to narrow down a very broad field or population into a specific one and seeks to describe a unit in details (Bell, 2002).

#### **3.3 Data Collection**

At the data collection stage, primary data was used. Data was collected through the use of data triangulation and complimented by an interview. This choice was guided by their ability to yield data that is detailed and can give findings as per the objectives of the study. According to Noble and Heale (2019), using triangulation in research helps bolster the level of credibility as well as validity in research. It is a way of validating the results achieved through research. Heale and Forbes, (2013), in their research, indicate that triangulation increases the confidence levels in the findings by confirming propositions from two or more independent measures. The term triangulation originated from the field

of aviation, where a given location coordinates are determined using angle from two known points (Heale & Forbes, 2013).

To achieve data and findings validity and enhance the credibility of the research, data was collected through a documentary review process. An analysis of the internal documents among them board meetings reviews, analysis of planning meetings minutes and performance reports, were reviewed and qualitative data analyzed. Together with the interview generated data, the documentary review data will be evaluated through tracking processes and tracing them to the reports and the minutes at the different levels of management. This helped establish aspects of performance as evaluated through the strategic management process. As Akutey and Tiimub, (2021), posit, triangulation sometimes uses mixed methods and approaches to extract the required information and data, as well as evaluating the data critically, to validate the findings.

The use of interviews, allowed for face-to face interactions with the respondents, further clarifications, get in-depth responses generating adequate information that can be used for data analysis. Importantly, the interview questions can be clarified to the respondents during the interview hence the respondents are in a position to understand the questions, and give out the comprehensive responses.

Interview guides were administered to 175 members forming the 17 committees at the Office of the Auditor General. Respondents were first visited in their offices by the researcher, for self-introduction. They were later on informed about the study and its objectives. Available respondents were then be informed that they had specifically been selected as respondents to the study by virtue of their being top managers heading a Division, Section, and/or Unit. They were assured of confidentiality and then requested to choose a suitable date for the interview. Their contact phone numbers were also taken.

The respondents were contacted on phone about an hour before the agreed interview time in order to confirm their readiness for the interview. The interviews were conducted in the respondent's offices. Interview guides with provisions for the answers were used for the interviews. The respondent's answers to the questions were recorded directly on the interview guide, usually below each question. Largely, the interview questions were asked in the order in which they appeared in the interview guide. Where necessary, questions were rephrased to clarify them to the respondents in order to obtain quality and relevant



information for data analysis. The respondent's answers were taped where permission was granted.

### **3.4 Data Analysis**

After collecting primary data, analysis is carried out following sorting of the collected data on the aspect of completeness, cleanness before it is used for data analysis (Mugenda & Mugenda, 2003). Content analysis was adopted for this study as it was deemed fit for analysis as it would help in getting information on the objectives of the study and the data used was qualitative in nature. It will help in making inferences from the data collected through objective and systematic identification of specific objectives (Bryman & Bell, 2003). Data was analyzed by use of content analysis where data from the interview guide was rigorously scrutinized for consistency to allow for accurate and comprehensive data from it.

Content analysis is the systematic qualitative and detailed description of the objects of the study (Mugenda and Mugenda, 2003). Content analysis makes inferences by objectively and systematically identifying specific characteristics of messages and using them to relate trends (Bryman and Bel, 2007). The presence, meaning and relationships of words in the text of the data collected are analyzed and quantified. This study used relational analysis, by examining the relationships among the various concepts of strategy implementation relative to performance at the OAG. Prior to analyzing, the data collected from the respondents was categorized to fit into the various concepts and practices relating to strategic management, namely: strategy formulation; strategy implementation; and strategy evaluation and control. The data obtained was compared with existing concepts on strategic management practices. The data was then presented in a continuous prose as a qualitative report on strategy implementation practices adopted by the OAG.

## **CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPPRETATION**

### **4.1 Introduction**

This section captures, data analysis and discussions on how the results can be inferred. It deduces from results and data sought on strategy implementation and organizational performance at the OAG. Establishing the extent to which strategic management has been implemented at the OAG and establishing the effect of strategy implementation on organizational performance at the OAG were the study's objectives. These study respondents numbered 175 and were members forming the 17 committees at the OAG. Content analysis was later on used in the analysis of the data sought from the respondents as per the study objectives.

### **4.2 Position Held**

The interviewees in the targeted study population were required to indicate the job titles that they held in the OAG. Based on the findings, their job titles were as follows; head of projects implementation committee, head of professional services and relationship committee, head of ethics and integrity committee, head of learning and development advisory committee and head of performance management committee. The other titles were leadership and strategy committee, head of communication and stakeholder management, head of resource mobilization and budget implementation, head of sustainability and corporate and the secretariats who were members of the various committees. An indication that data collection was carried out from high management of the OAG and hence a higher reliability of the responses.

### **4.3 Experience**

The researcher sought to gain knowledge on the length of time the interviewees had worked in their various positions. The responses indicated that more than fifty percent of the interviewees had worked at the OAG for a period of over five years. Twenty-five had worked for six to ten years, while about five percent had worked at the OAG for over ten years. About twenty percent of the interviewees had been in their current positions for less than five years. The findings implicated that the respondents had adequate experience working at the OAG and thus their responses were accurate on the concept of strategy implementation at the OAG. These results were then used to infer meaning and make

conclusions on the effect that strategy implementation had on organizational performance at the OAG.

#### **4.4 Strategy Implementation**

Within the strategic management process, strategy implementation is the most critical part, which helps an organization, attain the required levels of performance. The respondents were asked to state the strategies implemented at the OAG for the last ten years. The responses are as indicated below;

##### **4.4.1 Strategies Implemented in the Past Ten Years**

Based on the purpose of the research on establishing the role that strategy implementation has on organizational performance at the OAG; the study sought to ascertain the various strategies that had been implemented at the OAG. From the responses, the office of the OAG had implemented various strategies including provision of quality audit services; relative to the effective utilization of public resources under various arms of the government at the national and county levels.

From the report given by the leadership and strategy Committee, the OAG had further implemented the strategy on negotiations and execution of support for the implementation of the Big four agenda. As a respondent from the leadership and strategy Committee remarked, *“On the strategies implemented, the office has had the chance to contribute to the Big Four Agenda, by bringing on board negotiations and execution mechanisms to spearhead support for the same.”* The respondent further added that strategies on improvement of the efficiency in management of audit reports had been further implemented. *“I can also confirm that, part of the reason why we have experienced improved audit report management, is by implementing strategies on audit trail management structures”*, the respondent pointed out. The response from the leadership and strategy committee, indicated that improvements in collaborations among agencies as part of the strategic plan had been implemented. One of the leadership and strategy committee member indicated, *“Despite past experiences, the office should benefit from inter-agency collaborations going forward.”* The respondent further indicated, *“This is thanks to the profound deliberations and strategic restructuring geared towards effortless relations with stakeholder agencies.”* Based on the objective of ensuring that the operations of the organization had been improved, a respondent from the resource mobilization committee further added that,

*In the last few years, the OAG has implemented various strategies to enhance operations at the teams' level, including; enhancing support and coordination for effective service delivery strategy, improvements in risk management strategy, automation of service delivery strategy and promotion of customer care.*

Following the human resource committee together with the learning and development committee remarks, the auditors have been trained, more staff recruited and collaborations set up with other government agencies. A respondent from the ICT leadership committee further asserted that an audit information system has been established which improves audit checks on aspects of quality. *“With the audit information system, we have in place, automation of the largest part of the audit process and trail are now online.”* indicated one of the ICT leadership committee members. Another member from the ICT leadership committee, pointed out that, *“...the automation of the process is ensuring efficiency in quality control and audit checks across the teams, up and down the OAG organizational structures.”* To enhance the level of performance, a member of the audit and compliance committee indicated *“... there is need for improving audit timeliness due to implementation of an audit management system as one of the strategies set.”* The respondent added that fraud audit manuals and compliance manuals have been developed to achieve better quality audits and eliminate corruption.

#### **4.4.2 Strategy Implementation and Employees Involvement**

Members of committees involved in strategy implementation and planning were asked to comment on the strategy implementation practices at the OAG. From the responses, the strategic management process at OAG is managed by the heads of the various committees and departments involved in the strategic management formulation and review. The directors and heads of departments or committees are tasked with the responsibilities of ensuring that strategies formulated are well implemented. They have the authority to allocate responsibilities and ensure that strategies are well implemented.

According to respondents from the records management and the human resource management advisory committee, employees on levels below middle management at the organization are not significantly involved in the strategy implementation process. Strategies developed at the upper management are rarely passed down to the lower management levels effectively. As one respondent from the human resource management strategy committee indicated, *“Sadly, there is a disjoint that exists between, what directors*

*establish in strategy development stages and cascading the same to the lower managerial levels along with their teams.”* The respondent further added that targets and performance goals passed down to the teams are rarely elaborated upon, thereby hampering delivery. This further points to the internal cohesion challenges, between the top management and the lower ranking officers at the audit teams’ levels.

It implies that the strategic implementation process at the OAG is not all-inclusive, since lower-level employees do not contribute significantly in the formulation and implementation processes. As a respondent from the performance management committee further indicated, *“Going by the performance evaluations carried out on the strategic management process at OAG, it is safe to point out that, opinions from all the employees are not adequately sought and captured in the strategic implementation process.”* Notwithstanding, their experiences and knowledge on the threats and opportunities in the firm, they can help solve implementation challenges through giving out opinion from the planning stage to the implementation stage.

#### **4.4.3 Impact of Employee Involvement in Strategy Implementation**

The respondents were requested to indicate on the impact that employee involvement has on strategic implementation. From the results, committee members in the leadership and strategy committee ascertained that strategy implementation is adversely affected by the low level of employee involvement. They further asserted that there is a key relationship between the level of employee involvement and the success of the strategy implementation process. Performance management committee members, however, argued that the organization is in a position to get both the interpersonal and the technical skills, which are key in the strategy implementation.

During the interview, a respondent from the human resource committee indicated, *“With proper employee involvement, the organization can be in a position to elicit profound commitment from the staff and consequently enhance performance along with efficiency.”* Evidentially, the OAG does not adequately take into consideration all the opinions the respondents in the process of strategy implementation and this hampers the rate at which the employees are involved in strategy implementation. The performance management committee members, added that lack of employee involvement translates into poor service delivery as well as challenges associated with quality and timely audit reports. Poor employee involvement also means that there is a disjoint between the strategies formulated

and those implemented. In a rejoinder, a respondent from the human resource advisory committee, indicated “...where the staff are not significantly involved in the processes of developing the strategies, there develops a rift between the needs, capacity of the organization, staff motivation, and proper engagement with the responsibilities”.

These findings are in-line with research findings established by Mailu (2018) where she ascertained that there is need for employee involvement in the process of strategy implementation in pharmaceutical firms to achieve the best levels of strategy implementation. The same was posited by Wanyama (2019) who established that implementation of strategies requires involvement of the employees in the strategy implementation process to achieve quality results. Obeidat, Tarehini and Masadeh (2017) also asserted that the implementation of strategies further requires employee involvement as one of the key factors to its success.

A review of the findings in correlation to the agency theory, underscore the need for a participatory process in the strategy management process. The limited nature of the lower level staff involvement, undermines effective strategy implementation and consequently the performance attributes at the OAG.

#### **4.4.4 Senior Management Role in Strategy Implementation**

The study sought to ascertain the role that senior management takes in the process of strategy implementation. A respondent from the leadership and strategy implementation committee asserted that, senior management being head of departments and heads of committees significantly take part in the strategy implementation process. This is achieved through assigning tasks to the other employees, setting targets and evaluation of their performance against the targets set. According to one of the respondents from the performance committee,

*There is a dire need for the top management to communicate to the other staff the importance of strategy implementation since this is the key to implementation of strategies by organizations. They communicate aspects such as new responsibilities of the employees.*

A respondent from the human resource and advisory committee argued that the new strategies are usually discussed in board meetings before the same is communicated to the other employees through departmental heads. The strategy implementation is further

spear-headed by the leaders through supervising personally other employees to oversee the implementation process. The communication committee together with performance management committee further indicated that the top management do not make adequate efforts to facilitate this process through ensuring proper communication of strategies and adequate resources set aside for the implementation process.

These findings are in-line with studies by Kbeyi (2019), Njanja (2009) and Mwaura (2014), who all established that the top management are important in the process of strategy implementation and there is need for proper communication of the set strategies to the lower management to ensure that the strategies set are well implemented in the firm.

#### **4.5 Strategy Implementation Process**

The respondents further established that three major pillars in strategy implementation; enhancement of the quality of audit services, to position the OAG to achieve greater relevance and credibility to the stakeholders and become a role model for effective service delivery. They further ascertained that the top management who are directors and head of the departments initiates the process of strategy implementation. This starts with setting objectives that are in line with those of the firm. These goals are categorized as strategic goals, operational goals and departmental goals. They further organize meetings with the middle level managers who together set targets and sign against the set targets. Performance appraisals are further pinned to the set targets, which are done quarterly. The responses further indicated that at the OAG, there are set departments that are tasked with strategic management performance reviews that are done on quarterly basis. This is carried out through use of a monitoring matrix that is developed by the performance review department. The departmental heads usually carry out sensitization processes through organized trainings where they educate employees further on the aspects of strategy implementation.

#### **4.6 Strategy Implementation Challenges**

The respondents were asked to indicate the various challenges that they experience in the course of implementation of strategies at the OAG. From the results it was clear that the major challenge that affected their operations was the emergence of the COVID 19. The flu outbreak was a major hindrance to the operations of the OAG and the general performance in the strategy implementation process. Additionally, lack of a good ICT infrastructure and inadequate ICT skills is also a major hindrance to the implementation of

strategies. The respondents further indicated that there is need for culture change in the quest to change and improve the process of strategy implementation at OAG. They further indicated that setting up of unrealistic goals too has been a major hindrance to strategy implementation.

In addition, the respondents indicated that a diversion from the set strategies is a key challenge. The strategy implementation process sometimes is not cascaded down to the members in the departments. According to respondents, the time set aside for the process of strategy implementation is very tight and sometimes the unavailability of the head of departments hinders the process of strategy implementation.

Lack of financial independence due to the overreliance on the government exchequer was highlighted as a key impediment to the whole process of strategy implementation since it is a costly venture. The respondents pointed out that unavailability of funds to steer the processes was a key contributor to failure in strategy implementation. For sensitization of the implementation process. The plan did not have adequate input from the stakeholders hence this inhibits its success. Additionally, the OAG lacked proper quality controls on audit reports, lacked proper monitoring systems to monitor their strategic implementation process. More importantly, the leadership involved in the strategy implementation was also weak. According respondents from the resource allocation committee,

*Looking at some of the challenges we have faced at the implementation stage over the years, it is clear the OAG lacks adequate capacity in strategic planning, which compromises the desired outcomes despite well laid out strategic plans and resources allocation.*

In the areas of audit quality, the audit quality compliance committee members argued that the lack of clear set audit methodology affects the process of implementation of audits. Lack of learning strategy that is aligned to the strategic goals at the office of the auditor general was a major hindrance to strategy implementation. Respondents from the performance management as well as the human resource and training committee posited that, ineffective performance management system hampers implementation processes. According a respondent from the learning and advisory committee, *“Lack of adequate training was a major challenge in the implementation process, as it undermines the effectiveness of the strategies”*.



Inadequate staff was also noted to be a challenge by human resource committee members coupled with inadequate ICT skills that inhibit proper implementation of the set strategies in ensuring quality audit reports. Responses from the communication and stakeholder's management committee indicated that, poor communication structures with the relevant stakeholders are also a big challenge as it inhibits the process of strategy implementation.

The findings of the study when reviewed against the system theory, highlight the complex nature of all the stakeholders and their impact on the overall performance of the OAG. Challenges associated with lack of cohesion between the different departments, and the subsequent performance limitations, are aligned with the system theory references to subsystems interactions and interdependence.

#### **4.7 Suggestions on Ways to Improve Strategy Implementation**

The respondents were asked to indicate suggestions on ways that strategy implementation can be enhanced at the OAG. From the responses, there is need for more funding allocations. Adequate funding should be provided for the prioritized initiatives within the strategic plan. The responses indicated there is need for development of strategies that are measurable and achievable. According to one member of the performance management committee, *"...there is dire need for a performance measurement system, that is aligned to the current strategic plan to achieve the best out of the strategic management implementation."*

Additionally, there is need for departmental annual plans to facilitate even better implementation of the plans in future. Respondents further suggested the need developing policies and rules to ensure that there is stricter adherence to planning cycles, targets and alignment of budget allocation to annual. This pointed to the need for adoption of good communication practices in the management of projects and programs to achieve better performance. To attain improved performance of the strategic plans in future the study further indicated the need for collaborations between the departments to ensure that the initiatives planned are properly allocated to specific departments for implementation and accuracy.

#### **4.8 Strategy Implementation and Organizational Performance**

The study asked the interviewees to ascertain the role that implementation of strategies has on the organizational performance at the OAG. The results indicated that to a significant

extent, the level of auditing had improved together with the quality of audits due to the improvements in the strategy implementation. Through implementation of the strategies, there has been development of departments that deal with communication, use of ICT, recruitments which in the end have had positive impact on the performance of the OAG.

The combination of the financial audit and the compliance audit systems has improved the workability of the auditors to attain timely deliveries of audit reports and that audit documentation and reports meet international standards. The technical support team has facilitated the strengthening of the audit quality control, which betters the auditing process. Through more resource allocations for special units the organization has been in a position to improve its performance. Besides, through collaborations with other agencies, the organization has been in a position to participate in inter-agency forums, which help in fighting corruption and promoting good governance and accountability.

The interviewees further added that there have been subtle efforts to strengthen the performance audits, which has facilitated proper management of the auditing function and the overall performance of the auditing process at the OAG. Moreover, there is timeliness in submission of audit reports by the staff due to implementation of the strategies on increasing the audit staff at the OAG. The quality assurance teams have been well trained and ensure that quality of reports prepared by the auditors meet the requirements by the international standards.

The study further concludes that the OAG is able to attain more customer retention, better productivity, timeliness in reports, improved quality of audits and overall organizational performance through implementation of strategies. There were lower staff turnovers, and better customer satisfaction coupled with a good image to the citizens through proper implementation of strategies.

There was a positive impact between the OAG's organizational structure and the performance of the OAG. This was due to the existing organizational structure at the OAG that facilitated proper implementation of strategies through allocation of duties that in the long-run improved the quality of audits at the OAG. There have been more trainings of the staff on the aspects of audits which has improved the quality of audits and the timeliness in delivery of reports to the government hence improving the overall performance.

## **CHAPTER FIVE; SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

Under this section, a summary of key data findings, conclusion drawn from the discussion are highlighted and recommendations made there-to is presented. The conclusions and recommendations from the study findings purposed to address the research objective, which is to establish how strategy implementation influences performance of OAG is presented.

### **5.2 Summary**

Citing the findings, the OAG faces a number of challenges in the quest for implementation of strategies in their operations. From the results, inadequate resources, poor ICT infrastructure, lack of adequate funds, lack of proper sensitization by top management hamper successful strategy implementation. Strict deadlines for the implementation process were also a major challenge in the strategy implementation coupled with lack of the required skills and structure.

From the research findings, it can be established that strategy implementation at the OAG is mostly carried out by the head of departments and the members of various committees involved in the process of strategy implementation. This was majorly due to their ability to allocate responsibilities and distribute tasks to the other employees working under them in the departments. They would in addition distribute tasks among them and set aside budgets and resources to facilitate the strategy implementation process.

Moreover, the results indicated that few of the OAG staff are involved in strategy implementation process through formulation of strategies and evaluations. Employee's level of involvement in strategy implementation is key to any organization's performance. The respondents indicated that it has adverse impact on the success of strategy implementation since they are the key implementers of the strategies set by top management. It helps in the understanding the level of commitment and understanding strategy implementation since they are in a position to acquire both technical skills and interpersonal skills key in strategy implementation. With proper participation of key staff in the strategy implementation, the organization is in a position to attain commitment from the staff, improved performance of the workers and overall accountability.

To attain better commitment to the process of strategy implementation, the study findings further indicated the need for the OAG to involve all its staff in the process of strategy formulation. This can be achieved by listening to their opinions and considering them in the strategies implementation and feedback stage, putting in mind threats and opportunities in existence. To achieve the best in strategy implementation, it is important that all relevant stakeholders are involved in all stages of strategy implementation process. The top management at the helm of the OAG should ensure clear communication to all the staff in light of their respective responsibilities in strategy implementation. It is also crucial they assign adequate resources to achieve this.

In the planning phase, all the departments should have a clear idea of what is expected of them in the process of implementation to cut on costs and time. To attain improved performance of the strategic plans in future the study further indicated the need for collaborations between the departments to ensure that the initiatives planned are properly allocated to specific departments for implementation and accuracy. The insufficient employees' involvement further leads to poor implementation and ties in with poor communication. According to the research failure to sensitize the other employees by top management created a rift between the expected and achieved results. In addition, setting of unachievable strategies was another challenge. Low levels of commitment by the firm's management affected the strategy implementation negatively.

Collaborations between the compliance audit team and quality audits improved the quality of audits and enhanced its adherence to the quality standards required internationally. The research established that the commitment set aside by the top management in the implementation of strategies led to improved overall performance of the firm. More focus being put on the performance of the audit system also facilitated the ability of the organization to achieve better audit control, which has impact on organizational performance. Consequently, through collaborations with other agencies, the organization has been in a position to participate in inter-agency forums, which help in fighting corruption and promoting good governance and accountability.

To avert the challenges faced in the strategy implementation at the OAG, there is need for adequate fund allocations assigned for strategy implementation processes. The respondents suggested the need for developing strategies that are measurable and achievable. Alignment of a performance measurement system with the current strategic

plan to achieve the best out of the strategic management implementation. According to the findings there is need for policies and rules that ensure strict adherence to planning cycles, targets and alignment of budget allocation to annual plans. Clear duties should be assigned to the staff for a faster and effective implementation process.

The major objective was to establish the impact that strategy implementation had on organizational performance at the OAG. From the responses it was established that implementation of strategies led to improvement in the quality of audits and general performance of the OAG. The results further indicated through more resources set aside for training purposes, the overall performance of the organization was improved. From the research, good communication by the top management to the departments and proper allocation of responsibilities improved the rate of strategy implementation in the organization and the overall performance of the firm. Proper allocation of funds and resources to the employees resulted to improved levels of performance in the OAG.

From the findings, it is clear that the adoption of ICT in the organization improved the quality of audits. Moreover, adequate training on the staff ensured that they had adequate knowledge on strategy implementation and this helped them achieve improved performance. This would ensure better appropriation of the ICT resources and the automated processes. With more resource allocations for special units, the organization has been in a position to improve its performance. Through enhanced timeliness in the creation of audit reports due adoption increasing the audit staff at the OAG and training them.

### **5.3 Conclusion**

From the results indicated above, to a large extent strategy implementation is carried out at the OAG and this implementation results to improved levels of organizational performance. However, it is the top management and the head of committees at the OAG who drive strategy implementation processes. The top management have the powers to allocate duties and responsibilities to the other staff to facilitate the proper implementation of strategies at the OAG. They have the ability to ensure that adequate resources are allocated to the said employees in their respective departments to facilitate adequate strategy implementation. During the strategy planning phase, the OAG suffered lack of involvement to envisage an all-inclusive process informed by continuous feedback, views or opinions to facilitate strategic planning to facilitate proper implementation of the

strategy. This had a positive impact of ensuring that they acquired both interpersonal and technical skills to be used in the strategy implementation process.

Findings indicated that the staff should be committed to ensuring that they are significantly involved in the strategy implementation process to achieve the required objectives. This is by ensuring that their suggestions are considered and there is a health working relationship to agree on how to better improve the strategic implementation process. In addition, there is need for incorporation of the suggestions put across in the board meetings and those passed on from the teams in the departments to achieve the best out of strategy implementation.

The results indicated that inadequate funds, poor ICT infrastructure are the key in the achievement of best performance out of strategy implementation. The study further concludes that lack of adequate trainings, lack of adequate employee involvement, strict deadlines, and lack of adequate skills as the major challenges faced in the implementation of strategies at the OAG. Inadequate communication from the respondents also is a major hindrance to the process of strategy implementation.

In conclusion, there is need for more training of the staff, more resources allocation to the process of strategy implementation and ensuring that the level of employee involvement is higher. In addition, more staff need to be employed to improve the process and more quality audits carried out to improve the process of strategy implementation. The study concludes that proper communication be set up to create awareness on strategy implementation at the OAG. There is also need for creation of a performance measurement system that ensures that all the staff are included in the strategic management process.

Based on the purpose of this research, it concludes that implementation of strategies helps in the improvement of the levels of organizational performance. The study further established that through more communication and assigning of duties by top management, there was improved quality of audits, which generally improved the levels of performance. Collaborations with other agencies improved the quality of audits and general performance of the auditing process. The type of organizational structure, proper leadership are key aspects affecting strategy implementation positively. The study concludes that the OAG can attain more customer retention, better productivity, timeliness in reports, improved

quality of audits and overall organizational performance through implementation of strategies.

#### **5.4 Limitations of the Study**

The major limitation of this study ties to its case study nature and being subjective. To this effect, the research may be influenced by researcher bias. As such, data collection and analysis are prone to observer biases intruding into what meaning is attached to the data acquired. Additionally, the study replication is extremely difficult, as data gathered in this study may not directly match that which is collected in follow up studies. Considering the study was directed by strategic implementation, which is one of the four phases of the strategic management process; it is limited in scope as it denies the chance for a broader perspective into establishing more factors that could affect performance at the OAG.

#### **5.5 Recommendations and Implications of the Study**

This study recommends that employees at the OAG be trained adequately on strategic management implementation and formulation processes, to achieve better organizational performance. It is crucial that all the staff involved in the formulation and implementation are trained on ways to bridge the rift in the processes. In addition, good communication practices should be entrenched by the top management at the OAG to ensure that the staff have adequate knowledge on implementation of strategies since it is a key aspect in the quest for enhanced organizational performance. Adequate resources need to be set aside to improve the ICT structures at the OAG to attain seamless flow of communication on strategic management processes from top to bottom.

A proactive attitude should be adopted in attaining better communications through progressive meetings between top and middle level management on the way forward in attaining better strategic implementation. Further reports need to be written on the progress of employees in the implementation process to achieve better commitment by the employees and sense of ownership. Strategic implementation is costly and hence there is need for sourcing of more funds in terms of budget allocations from the government and other stakeholders to fund the process. Moreover, adequate facilities and staff need to be availed to make the strategic implementation process a success.

Employees need to be involved in the whole process of strategy implementation and formulation and given chances to give their views to achieve the best out of strategy

implementation to own the process and commit fully. There is a need for involvement of all stakeholders in the whole process to be part of it and discuss on ways that the process can be improved. Development of realistic and flexible strategies is also key in this process to improve its implementation and adjust accordingly as per the dynamics in the external environment.

### **5.6 Suggestions for Further Research Further Research**

Further research needs to be carried out on the factors to be considered in the implementation of strategies at the OAG. Additional studies can evaluate the monitoring and evaluation aspects of strategy implementation at the OAG. In future researchers can also focus on other government independent offices for comparison purposes with the current research. Using qualitative research, more studies can be carried out in the same context to ascertain the findings and compare with the current findings. Additionally, studies can be carried out on the role of employee involvement on strategy implementation or the role of stakeholder involvement in strategy implementation at the OAG. A bigger sample size needs to be used for further research on the same concept. Factors affecting strategy implementation need to be further investigated.



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## **APPENDIX 1: INTERVIEW GUIDE**

1. What position do you currently hold at the Office of the Auditor General?
2. How long have you held the current position?
3. Does the organization develop strategic plans and if so when was the first such plan developed?
4. What are some of the strategies that Office of the auditor general has implemented in the last 10 years?
5. For each of the chosen strategy, how does the company go about implementing the chosen strategy?
6. Does the organizational culture at the OAG empower all levels of management to take part in the strategy implementation?
7. Does the current organizational structure support strategy implementation?
8. Does the organization have a policy Manual on how to implement the chosen strategy?
9. Does the management of OAG have the necessary skills required to enable successful strategy implementation?
10. How has strategy implementation been adopted at the OAG?
11. How has the organization implemented strategies in their operations?
12. How would you describe the role of strategy implementation in the enhancing organization performance?
13. What are the laid down procedures for strategy implementation process in your department?
14. What factors (both positive and negative) affect strategy implementation in the organization?
15. What suggestions would you make regarding the strategy implementation process in the organization?
16. What challenges arise in the implementation of strategies at the organization?
17. How can the organization enhance strategy implementation at the OAG?
18. What are the effects of strategy implementation on Organization performance based on the following measures of performance?
  - I. Levels of efficiency in service delivery
  - II. Accountability for audit reports

- III. Timeliness in delivery of reports
- IV. Efficiency in resource mobilization
- V. Public satisfaction
- VI. Distributive development