11

THE CHALLENGES FACED BY THE UNIVERSIYT OF NAIROBI IN IMPLEMENTATING COMPETITIVE STRATEGIES

BY

OYUGI HEZBON ONANGI

A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION OF SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

SEPTEMBER, 2007

DECLARATION

This research project is my original work and has never been presented in any other University/ College for the award of degree/ degree/ diploma/ certificate.

Signed ______________________ Date 14/11/2007

OYUGI H.O.

D61/P/8493/2003

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

Signed ______________________ Date 14/11/2007.

DUNCAN OCHORO

Lecturer, Department of Business Administration School of Business, University of Nairobi

DEDICATION

I dedicate the research project to my dear parents Mericus Oyugi Ajema and Anjelina Omoro Oyugi for the foundation they laid.

A special dedication to my wife Nelly Atieno and my children Martin Oyugi, Jim Oyugi and Mike Oyugi for their constant encouragement and patience during the period I was constrained of time.

ACKNOWLEDGEMENT

My gratitude goes to the teaching and non-teaching staff of the University of Nairobi that contributed in one way or the other to the success of this course. Special thanks to my supervisor, Mr. Duncan Ochoro for assistance, support and invaluable leadership, which guided me throughout the entire research.

Secondly I am grateful to my MBA colleagues James Olunga, Rose Odundo, Ben Bii, Daniel Gakumu, and Meltius Wanyama for the good and tough times we shared throughout the study period.

Thirdly my sincerely gratitude, goes to my wife Nelly and three children Martin, Jim and Mike for your love, understanding, encouragement and support which was overwhelming during my entire course.

Fourthly, I am grateful to my friends for their support, the respondents for their co-operation and my Research Assistant Mr. Erick Owino who assisted in collection and analysis of the data.

Finally, special thanks to the Almighty God for giving life, Mercy and blessings that have seen me through this program.

LIST OF TABLES

LIST OF FIGURE

ABSTRACT

All organizations are environment dependent; they depend on the environment for their inputs and outputs. Every firm should therefore have a competitive strategy which relates it to its environment and enables it to maintain a fit between itself and the environment. Changes in the industry, environment, together with increasing competition has caused firms to change their competitive strategies in order to maintain their survival in the market and achieve profitability.

This research was thus aimed at investigating the challenges faced by the University of Nairobi in the application of its competitive strategies/ strategic plan 2005-2010.

Data collection instrument was a questionnaire, which was administered to senior management staff in the institution responsible for strategy formulation and implementation at the University. A total of 60(sixty) respondence were interviewed including 7 college principals, 22 Deans, 14 directors, 7 Registratars, & 11 senior managers/ Officers.

Data collected was first checked for consistency, coded, and then analyzed to arrive at the various conclusions.

The study concluded that the major challenges faced in the implementation of the competitive strategies includes lack of sufficient financial resources, structural challenges, leadership challenges, cultural challenges, reward and motivational challenges, competition from private and public Universities, changing tastes and preferences of clients and

rampant technological changes. Other challenges included tactical and operational challenges, resource allocation and budgetary allocation, management and employee involvement and communication of responsibility and accountability.

The University of Nairobi, like any other state corporation operates in a complex environment, which is more unpredictable and less stable. This not withstanding, it is expected to emulate the private sector and operate competitively. The institution therefore had to resort for competitive strategies such as cost cutting, Market focusing, increased advertising, use of brand name and strategic location to counter the challenges. The institution also bases its completion on cost leadership and differentiation strategies, and had to change its competition tactics in its current strategic plan 2005- 2010 to maintain an edge over its competitors and retain its position as a market leader. Product diversification, staff training, customer service, collaborative links are some of the strategies in operation.

TABLE OF CONTENTS

CHAPTER ONE: INTRODUCTION

1.1 Background

Strategic management refers to decisions and actions used to formulate and implement strategies that provides superior fit between the organization and its environment that achieves organizational goals (Prescott, 1986). Strategy formulation includes the planning and decision making that lead to the establishment of the firms vision, mission, goals and the development of a specific strategic plan (Leontiades, 1982). Strategy formulation may include assessing the external environment and the internal problems and resources and integrating the results into goals and strategies. Strategy implementation is the administration and execution of the strategic plan.

Strategy implementation process is easily the most complicated and time consuming part of strategic management (Hrebiniak, 2005). Most managers know a lot more about strategy formulation than implementation. Successful strategy formulation does not guarantee successful strategy implementation. Implementation involves detailed programming, motivating and controlling.

Difficulties in strategy implementation are partly occasioned by obstacles or impediment to the implementation process. Hrebiniak (2005) observes that these difficulties often include, poor or vague strategy, longer time frame needed to execution, involvement of many people in the implement conflict with the organizational power structure, lack of understanding of organization coordination methods, unclear responsibility and accountability in the implementation process; and inability to manage change including cultural change.

Strategy formulation and implementation are highly interdependent tasks. Planning affects implementation. The implementation of strategy in turn, affects changes to strategy and formulation over time. Implementation must permeate the very day-to-day life of the company for strategy to be effectively implemented (Pearce and Robinson, 2002). It cuts across all acts of managing and must be initiated from many points inside the organization. It affects the organization from top to bottom and impacts all the functional and divisional areas of a business. Full implementation can take several months to several years (Thomson, 1990).

Whereas successful strategy formulation depends on business vision, market analysis and entrepreneurial management, successful implementation is largely an administrative activity and depends on working through organizing, motivating, culture building, and creating strong fits between strategy and how the organization does things. Implementing strategy is tougher, more time consuming and challenging than crafting strategy. Practitioners emphatically agree that it is a lot easier to develop a sound strategic plan than it is to make it happen (Thomson and Strickland, 1993).

1.1.1 University of Nairobi

The university of Nairobi is a wholly owned state institution created by the university of Nairobi act, 1985 with the mandate to;

i. Provide directly or in collaboration with other institutions of higher learning university education, technological and professional education and research;
ii. Participate in the discovery , transmission,and preservation of knowledge and to stimulate the intellectual life and cultural development of Kenya.
iii. To cooperate with the government in the planned development of university education and in particular to examine and approve proposals for new faculties, departments, degree courses, or subjects.
iv. To conduct examination for and to grant such academic awards as may be provided for in its statutes.
v. Determine who may teach and what may be taught and how it may be taught in the university.
vi. Admission of candidates for degrees, diplomas certificates or others wards of the university.

University of Nairobi is the oldest university in Kenya. It started as the Royal Technical College of East African in 1956 and became a full fledged university in 1970. Upto early 1990's the University witnessed a fairly stable environment and more or less monopolized university education in Kenya. It faced little or no competition at all. Loans and grants were received from a wide range of donors such as the government of Kenya, international development authorities, foreign governments, European development community and other donor agencies from all over the world. This enabled it to develop its academic programmers, undertake staff training, and build administrative offices, lecture halls, laboratories, halls of residence and general infrastructural development. The university developed to became a premier university in Kenya holding a special, almost nostalgic place in Kenya with its traditions, which have tremendously inspired the higher education system in the country. The university is the envy of many institutions of higher learning and occupies a place of pride in the hearts of many Kenyans.

But the niche that the university has carved for itself over time is threatened by recent developments at the local and international level. The globalization and liberalization of world economies since the 1990's has resulted in high environmental volatability coming in unpredictable ways (Achrol, 1991). Environmental changes, such as technological innovations, and changing consumer tastes have, affected many organizations. The Kenyan government economic recovery strategy for wealth and employment creation (2003-2007) policy shifted focus to the private sector at the expense of public institutions. The University of Nairobi was no exception.

The university has therefore found itself in unfamiliar territory. It is today faced with a myriad of challenges including stiff competition from local and foreign universities, dwindling financial resources from the exchequer, rising demand for higher education, changing customer preferences including internal customers. It thus became apparent that if the university was to survive and thrive in this environment it had to discard the business as usual approach. The university simply had to change the way it was doing things since, as the chancellor, Dr Joe Wanjui put it "the status quo is not an option." The first step for the change was the appointment of the key new management team through competitive bidding. The team included the Vice Chancellor, DVC (A & F), Registrar Administration, Finance Officer, Academic Registrar, Director SWA, Clerk of Works, Estates Manager, Procurement Manager etc. the new management teams first assignment was the rolling out of the university of Nairobi Strategic Plan 2005 – 2010 in April 2005. The pan identified twenty strategic objectives and strategies some of whose focus was the restructuring of the university with the vision of making it " a world class university." The restructuring exercise resulted in some departments being merged and a number of units being dissolved. Consequently a new restructured management system emerged with the creation of new schools, Institutes and faculties. The number of departments were significantly reduced, some faculties have been dissolved and schools created. This would increase efficiency and effectiveness. Though the exercise is not yet finalized, the status quo is not an option, every unit has to justify its existence by being seen to add value to the university. After the restructuring, degrees, diplomas and certificate programmes are now based on 4 faculties. 5 institutes and 20 schools all housed in the seven campuses of the university of Nairobi.

1.1.2 Statement of the research of the problem

The globalization of trade and the liberalized business environment since the 1990's have seen more and more public, private, and foreign universities bring competition to the door steps of the university of Nairobi. Moreover, the government through the policy paper on state corporation through the policy paper on state corporation reform and privatization, set out the key objectives for the reform programme as to enhance the efficiency and performance of the sector, to reduce the financial burden on the exchequer, and enforce financial discipline, to mobilize managerial and financial autonomy, and to set up adequate accountability and appropriate incentives among others. This meant that the university had to show its relevance and continued existence. This would be possible through the adoption of strategic management which has been popularized and has been indeed made mandatory in state corporation. The university of Nairobi being an environment serving had to adopt appropriate strategies in the face of the increased competitions and changes in government policy to gain competitive advantage. Porter, (1998) emphasizes that competition is at the core of the success or failure of firms thus every competing firm should have a competitive strategy which will relate the firm to its environment.

Many studies have been carried out on strategic planning and strategic management in Kenya (Awino, (2001), Mbogo, (2003); Safari, (2003); Koskei; (2003), Muthuiya, (2004); Kagwira, (2004); Ochanda, (2005); Githui, (2006); Olali, (2006); Kenei, (2006;). Of these only Awino (2001) Koskei (2003), Muthuiya (2004), Ochanda (2005), Githui (2006). Olali (2006) and Kenei (2006) looked at strategy implementation. Non of the studies looked at strategy implementation in the higher education sector. In as much as high educational institutions are an important vehicle for economic development in Kenya, and have for sometimes practiced strategic management there is inadequate research on strategy implementation in the sector. Stoner and Colleagues (2001) observed that the field of strategy implementation is so new that there is no consensus about its dimensions. Further, Hrebinak (2005) observed that management literature has focused over the years primarily on parading new ideas on planning and strategy formulation, but it has neglected implementation.

1.1.3 Statement of the research objective

The objective of this study was to determine the challenges faced in implementing competitive strategies at the university of Nairobi.

1.1.4 Importance of the study

The findings of this study will be of significance to the following groups:
Firstly, to the University of Nairobi who may consider changing its strategy implementation styles. Secondly, it will be of use to both public and private universities who are in the process of implementing their corporate strategies. Thirdly, it will be of use to the government of Kenya especially the ministry of education in formulating policies and coordinating higher education. Fourthly, it will be of use to the strategic management analysts who may use the knowledge in advising clients in higher education on practical strategic responses of addressing business environmental challenges and finally to scholars who will find it useful in identifying areas for further studies.

CHATER TWO: LITERATURE REVIEW

2.1 The Concept of Strategy

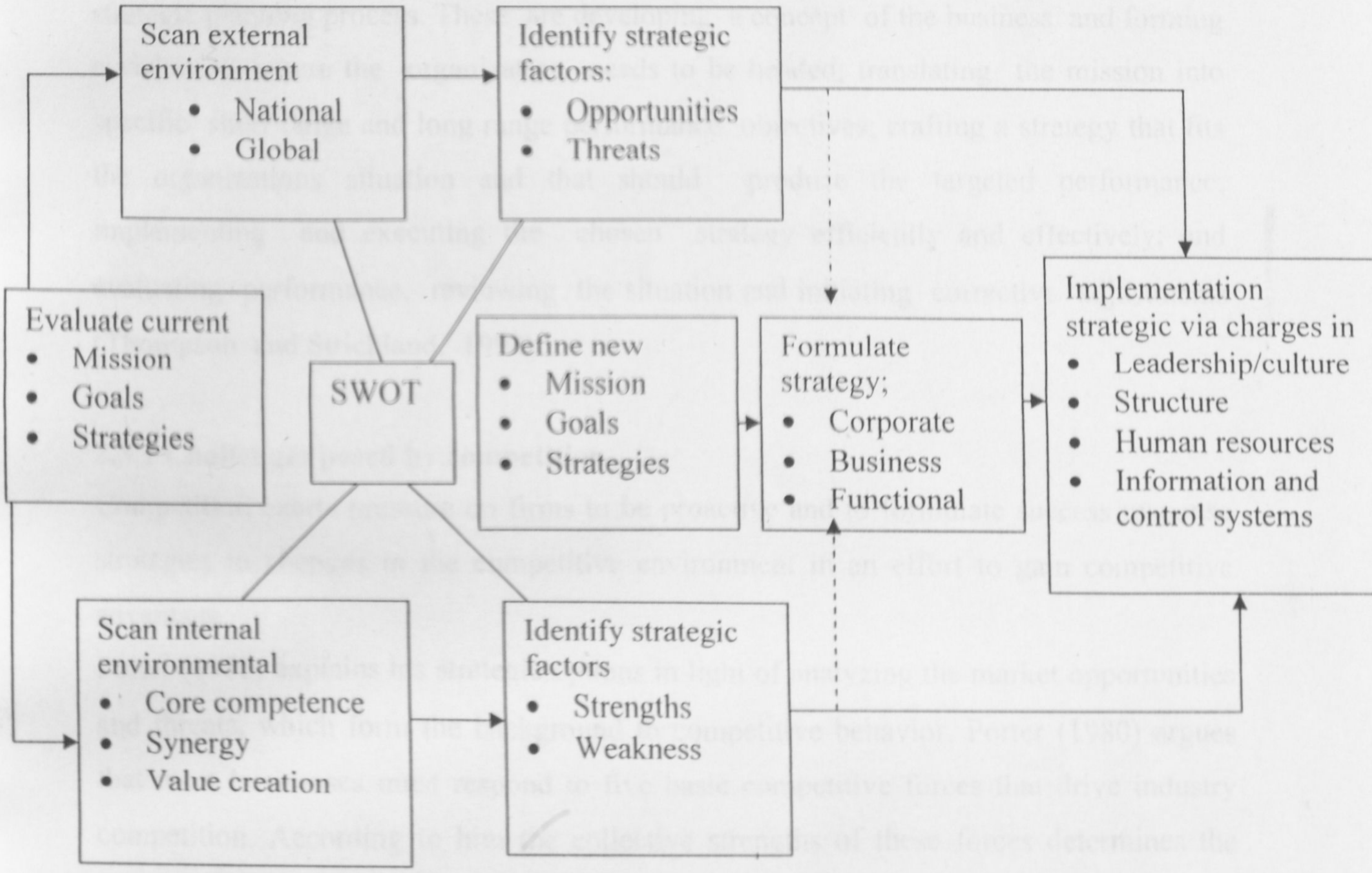
There are different definitions by different authors. For instance, strategy is the direction, and scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources with a changing environment and to fulfill stakeholders expectations (Johnson & Scholes, 2003); according to Hamel and Prahaland, (1994), the essence of strategy lies in creating tomorrow's competitive advantage faster than competitors can benchmark the current organization strategies. Henry Mintzberg, (1991), defined strategy as a plan, a ploy, a pattern, a position and a perspective. Strategy as a plan is form of consciously intended course of action which is created a head of events. Strategy as a position is about positioning the organization in order to achieve or maintain a sustainable competitive advantage. Strategy as a perspective considers strategy as somewhat abstract concept that exists primarily in people's minds.

Thus, strategy defines organizational purpose, in terms of objectives, goals and priorities, deals with organizational competitive advantage; defines the obligations of the organization to its stakeholders e.g. social responsibility, defines the business of the organization (products/market scope). In a nutshell, strategy is about the future organization, the present posture of organizations, developing superior strategy and competent implementation of strategy.

2.2 The strategic management process

The strategic management process begins when the management evaluates their current position with respect to mission goals, and strategies (Daft, 2000). They then scan the organizations internal and external environments and identify strategic factors that may require change. Internal and external events may indicate a need to redefine the mission or goals or to formulate a new strategy at either the corporate, business or functional level. The overall strategic management process is illustrated in figure 2.1 below:

Figure 2.1 The Strategic Management process



Source: Daft R. L (200), Management, fourth edition, Nass ville. The Dryden press, 244.

Situation analysis typically includes a search for SWOT- Strengths, weakness, opportunities, and threats that affects organization performance. Situation analysis is important to all companies but is crucial to those considering regional expansion including globalization because of the diverse environments in which they will operate (Daft, 2000).

2.3 Strategic planning process

The strategic planning process is a disciplined and well defined organizational effort aimed at complete specification of a firms strategy and the assignment of responsibility for its execution (Hax & Majlif, 1996). There are five tasks that are envisaged in the strategic planning process. These are developing a concept of the business and forming a vision of where the organization needs to be headed; translating the mission into specific short range and long range performance objectives; crafting a strategy that fits the organizations situation and that should produce the targeted performance; implementing and executing the chosen strategy efficiently and effectively; and evaluating performance, reviewing the situation and initiating corrective adjustments (Thompson and Strickland, 1992).

2.3.1 Challenges posed by competition.

Competition exerts pressure on firms to be proactive and to formulate success response strategies to changes in the competitive environment in an effort to gain competitive advantage.

Porter (1980) explains his strategic options in light of analyzing the market opportunities and threats, which form the background to competitive behavior. Porter (1980) argues that most businesses must respond to five basic competitive forces that drive industry competition. According to him the collective strengths of these forces determines the ultimate profit potential of the industry and thus its attractiveness.

The five forces are threat of new entrants, bargaining power of buyers and suppliers, threat of substitutes and rivalry within competitors. A proper analysis of the five forces will help a firm choose one of porters generic strategies that will effectively enable the firm compete profitably in an industry. Porter (1988) discusses government as a force in industry competition.

He explains that government at all levels must influence many aspects of industry structure both directly and indirectly. In many countries government is a buyer or a supplier and can influence industry competition by the policies it adopts. Government can also affect the position of an industry with substitutes through regulations, subsidies or other means.

Stiff competition in the higher education sector has forced the university of Nairobi s to undertake a corporate restructuring strategy that has seen it re-engineer the way it conducted its business, optimize its management systems and structures, adopt cost consciousness in its operations to improve management of student affairs and the image of the university.

Studies about challenges posed by competition in Kenya reveal that the business environment drastically changed during the 1990s and the most visible of these changes has been economic reforms , which lead to liberalization and privatization of state-owned corporations. These and other changes like globalization have created challenges to all organizations both for profit on not for profit. Kombo, (1997) noted that firms in the motor vehicle industry made adjustments by introducing new technologies in product development, differentiation, segmentation and by targeting their customers with improved customer services. Bett, (1995) established that due to the economic reforms in Kenya, firms in the Dairy Industry made substantial adjustments in their strategic variables, which included the marketing mix components of products, promotion, place and price, Njau (2000) in a study of East African Breweries Ltd established strategic responses used included manipulation of the marketing mix elements, cost controls and setting up foreign distribution channels. Kandie (2000) found that Telkom Kenya made strategic adoption in its products, markets, technology and strategic alliance in response to drastic changes in the country's telecommunications industry, Mwarania (2003), in his study of Kenya Reinsurance found out that great emphasis is placed on local and international marketing, staff training, retrenchment, computerization and prudent financial investments.

Porter (1996, 1985), wrote on how information technology gives organizations competitive advantage. The current impact of internet, e-commerce e-learning provides excellent examples of how information technology it has shaped higher education development in Kenya.

2.4 Competitive Strategies

Strategy is about deciding where you want your business to go, and deciding how to get there. Competitive strategies provide a framework for the firms to respond to the various charges within the firms operating environment to achieve the desired goals. Competitive advantage grows out of value a firm is able to create for its buyers that exceeds the firm's cost of creating it. Value is what buyers are willing to pay, and superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price. The goal of competitive strategy is to find a position in the industry where the company can best defend itself against competitive forces or use them in its favour (Porter, 1998). According to Lowe (1994) business strategy is concerned with the formation of long term plans of a firm to develop appropriate polices for dealing with the firms changing environment especially the changes in market demand and competition. Business strategy emphases improvement in the competitive position of corporation's products or services in the specific industry. Developing a competitive strategy is essentially developing a broad formulation of how the business is going to compete, what goals should be and what policies are needed to carry out there goals.

Firms in dynamic industries respond to competition in different ways. Some resort to improving current markets and products, diversifiçation, divestiture while other employ techniques that ensure operational effectiveness, However much as operational effectiveness is necessary, to achieve competitive advantage, competitive strategies need to focus on unique activities (Porter, 1996). Porter (1988), identities three generic strategies for achieving above average performance in an industry and these are cost leadership, differentiation and focus.

2.4.1 Generic strategies

The table (2.1) below defines the choices of "generic strategy" a firm can follow. A firm's relative position within an industry is given by its choice of competitive advantage (cost leadership, differentiation and focus) and its choice of competitive scope.

Generic strategies mode

(Michael Porter)

Table 2.1 **Competitive Advantage**

Competitive scope		Cost leadership	differentiation
	Broad focus	Cost leadership Broad focus	Differentiation Broad focus
	Narrow focus	Cost leadership Narrow focus	Differentiation Narrow focus

The competitive scope distinguishes between firms targeting broad industry segments and firms focusing on a narrow segment. Each of the strategy is a different approach to creating sustaining competitive advantage. To be an above average performer, a firm must generally make a choice amongst them rater than address all of them at ago. According to Hitt and Colleagues, it was originally determined that firms choose from among four generic business-level strategies to establish and exploit a competitive scope. Cost leadership, differentiation, focused low cost and focused differentiation. A fifth generic business-level strategy, the integrated low-cost/differentiation strategy, has evolved through the firm's efforts to find the most effective ways to exploit their competitive advantages. None of the five business level strategies is inherently or universally superior to the other. The effectiveness of each strategy is contingent on the opportunities and threats in a firm's external environment and the possibilities permitted by the firm's unique resources, capabilities and core competencies. There are different risks inherent in each generic strategy. Treacy and Wiersema, (1995) offer another popular generic framework of gaining competitive advantage. In their work a firm typically will choose to emphasize one of the three "value disciplines" product leadership, operational excellence, and customer intimacy.

2.4.2 Overall Cost Leadership

Cost leadership requires aggressive construction of efficient scale facilities, vigorous cost reductions from experience, tight cost curve control and cost maximizations in various functions (Porter, 1980). In pursuing low cost leadership, organizations must take care to include features and services that customers consider essential. The value of a cost advantage depends on its sustainability whether rivals find it easy or in expensive to imitate the low cost methods will determine the duration of the advantage. The cost leadership strategy benefits the firm in that it is able to withstand intense price competition and buyers may appreciate the offer for low price (Thompson and Strickland, 1998). New entrants are also deterred by low cost capabilities and supply price increases are more easily absorbed.

In pursuit of the strategy of overall cost leadership, the University in its strategic plan 2005-2010, instituted stringent cost control and cost cutting measurers across its entire operational areas. This including cost cutting across the University's value Chair processes with the aim of creating and delivering value to customers. To achieve this, the University under took Business processing Re-engineering including optimization of its management system and structures.

2.4.3 Differentiation

Differentiation is where the Organization creates differential advantage through features or services that sets it apart from others in the market. Pearce and Robinson (1997), asserts that the essence of differentiation is to be unique in ways that are valuable to customers and that can be sustained for a company to be successful in the strategy, it has to study buyers needs and behaviour carefully to learn what they consider important, with value and what they are willing to pay for it. There is no limit to a firm's opportunities depending on the nature and characteristics of the product. The advantage or Uniqueness may be in the form of customer service, design, brand image or technology (Porter 1980). Differentiation extends beyond the characteristics of the product or service to encompass every possible interaction between the firm and its customers. Differentiation strategies are not about pursuing uniqueness for the sake of being different but about understanding the product or service and the customer (Grant 1998). Differentiation insulates royalty by customers and resulting lower sensitivity to price.

In its concerted attempt to pursue the differentiation strategy, the University undertook to pursue the following in its strategic plan 2005-2010; increase customer service through offering innovative, relevant and market driven academic programmes, both at undergraduate and post graduate level with in-built quality control systems,create an environment for integrated growth for students and staff, be a leader in creative and innovative research through a comprehensive research policy, maintain mainstream consultancy as a core function, to be a leader in enhancing teaching, learning and quality research through use of IT. The university also undertook to improve its image both locally and international through positive media coverage, student discipline measured by the absence of strives and major disturbances, development of university website policy with number of hits on the website per year, undertake corporate social responsibility events organized by top management with community and industry.

2.4.4 Focus

This strategy is about identification of a particular customer segment or geographical market and coming up with products suitable for that segment. It is build around serving a particular target very well and once the segment is identified, then the firm may pursue either cost or differentiation strategies (Porter, 1980). Target segment may be defined by geographical uniqueness, specialized requirements in using the product or by special product attributes that appeal only to segment members. It seeks a cost advantage in its target segment. (Hunger, 1998). Many foreign universities in pursuit of focus strategies have established local branches including accrediting local tertiary learning institutions. Makerere university of Uganda has established its local campus in Nairobi in order to expand its market share. The University of Nairobi in pursuit of the focus strategy has established campuses in Kisumu and Mombasa with a view to geographically reach local students. The college of Education and External Studies (CEES) have established Extra Mural centers in all the provincial headquarters like Nairobi, Nyeri, Embu, Garissa, Nakuru, Kisumu and Kakamega. Focus strategy is also being applied through time of delivery where the University of Nairobi conducts module II Programmes for working class customers between 5.30 – 8.00 pm during weekdays and between 8.00 am – 5.00

pm on Saturdays. A huge market for this strategy exist in East and Central Africa where rapid economic development will require knowledge based competencies.

2.4.5 Differentiation – focus

Differentiation-focus strategy concentrates on a particular customer/buyer group, product line segment while seeking differentiation in its target segment. It seeks to offer segment members something they perceive is better. According to Porter (1985), the target market segments must either have customers/buyers with unusual needs or else the production and delivery systems that best serve the market segment must differ from that of other industry segments. Focusing is attractive where the segment has good growth potential and the focusing firm has the capabilities and resources to serve the targeted niche effectively. For most firms, the ultimate aim is to make profit and to develop a distinctive competence greater than its competitors. The profit potential in an industry depends on the collective strength of the five competitive forces that determine industry attractiveness (Porter, 1980). These forces are essential for determining how a firm positions itself in the industry and thus in the end determines whether a firms profitability is above or below the industry average. These forces determine profitability because they influence the prices, costs and required investment of firms in an industry and these are essential elements in getting a return on investment. A proper analysis of the five forces should lead a firm into determining its competitive advantage. The fundamental basis for above average performance in the long run is sustainable competitive advantage. The University of Nairobi through the college of education and external studies is practicing this strategy through the School of Continuous and Distance Education where customers are reached in their various localities through correspondence. Kenyatta University practices the same strategy through its virtual education Programmes where students are reached in their home localities through satellite communication. It is believed that UON's School of Continuous and Distance Education has a huge future potential both within the country and regionally.

2.4.6 The integrated low cost differentiated strategy

This is a strategic choice of a firm that comes as a result of exploiting existing resources and capabilities or exploring new opportunities. The exploitation leads to increased productivity and efficiency of employed capital and assets through standardization systematic cost reductions, improvement of existing technologies, skills and capabilities (Koza & Lewin, 1998).

On the other hand exploration is associated with discovering new opportunities for wealth creation and above average returns via innovation, invention, building new capabilities and investing in the firms absorptive capacity (Cohan & Levinthal, 1990). In practice firms seek both exploiting and exploring benefits from their involvement in research and development.

The University of Nairobi in its bid to operationalize its strategy plan 2005-2010 has undertaken to conduct high quality relevant research and consultancy. A UON research policy to enhance this strategy is already at an advanced stage of development and is due to be launched soon. Acçording to Thompson (1998), winning business strategies are grounded in sustainable competitive advantage. Investing aggressively in research, development and consultancy with the aim of achieving innovation, new invention and building new capabilities will be the UON's most dependable contributor to its sustained competitive advantage.

2.4.7 Grand Strategies

Grand strategies refer to market entry strategies that a firm may use to respond to increased competition by entering into new markets with similar products. These could be markets the firm is currently not serving or new geographical markets. Market entry strategies may include; Acquisition, strategic alliances, joint ventures, diversification, collaborative ventures and outsourcing.

2.4.8 Diversification

This is where firms react to competition by developing new products. This means extending there portfolio and spreading the risk on many products. Such products can be directed to markets currently covered by the firm. Diversification as a response to competition can be related or unrelated. Related diversification may take the form of vertical integration in the face of increased competition this has the benefit of cost reduction, defensive market power and offensive market power. Backward integration takes you back closer to suppliers mainly to increase supplier dependability or reliability. Forward integration takes you closer to the customer by putting a given output of the core products/services undertake firm's umbrella. Forward integration can mean increasing predictability of demand for a firms output. Unrelated diversification may involve acquisitions of business not within the current product and market scope. The University of Nairobi in compliance with its strategic plan 2005 – 2010 have consciously reviewed it existing programmes and added a range of new programmes that are relevant and market oriented in a bid to respond to the current and future market demands. Accredited Institutions Programmes are designed, supervised to ensure quality and relevance.

2.4.9 Strategic Collaboration/Strategic Alliances

Strategic collaboration can be regarded as a viable way of combining resources in order to exploit new business opportunities. According to Williams (1985); Powell & DiMaggio (1991); list reasons why organizations enter into an alliance; including the "learning alliances," where the objective is to learn and acquire from each other products, skills and knowledge and when partners possess complementary assets and this a firm will seek knowledge it considers lacking but vital for the fulfillment of its strategic objective.

The University of Nairobi currently is undertaking quite a number of collaborative research linkages and partnerships with peer international institutions and universities to further the above stated aims. Examples include KAVI (Kenya Aids Vaccine Initiative) – a research collaborative venture between the University of Nairobi and British, Belgium and Canadian Universities. There are also a number of collaboration ventures between the University and industries including government agencies and parastatals organizations.

2.4.10 Joint Ventures

According to Balakrishnan and Koza (Balakrishnan and Koza, 1993), a joint venture can be defined as "a special mechanism for pooling complements any assets." The dominant interpretation holds that a firm will seek knowledge complementing to its own, especially when that enables and or facilitates the absorption of other knowledge. The possession of complementing knowledge is conclusive to formation of joint ventures locally and internationally. Firms may also respond to competition especially emanating from international sources by forming Joint Ventures with other players in the industry. Increased competition from both public and private universities within the country and from the international arena have pushed the University of Nairobi to seek Joint Ventures with other tertiary institutions in order to increase its market share and thus revenue base. Such joint ventures take the form of accreditation. Shollei (1999), argues that in order to fortify a firms position against predators from abroad, it is important to form joint ventures. Joint venture also reduces the cost of differentiation and enhances competitive advantage.

The University of Nairobi has so far accredited the following institutions indicated below to offer the following programmes:

Institution	Programmes to be offered	Year of accreditation
1. Kenya College of Communication Technology (KCCT)	Diploma in computer science	2001
2. National Defence College (NDC)	• Diploma in strategic studies. • Postgraduate diploma in strategic studies	2003
3. Police Staff Defence College (SDC)	• Diploma in strategic studies • Postgraduate diploma in strategic studies	2004
4. National Intelligence Academy (NIA)	• Certificate in strategic studies. • Diploma in strategic studies. • Postgraduate diploma in strategic studies. • Masters in strategic studies	2004
5. Institute of Meteorological Research and Training (I.M.R.T)	• Postgraduate diploma in operational hydrology	2006
6. Riccatti Business College of East Africa	• Diploma in community development	2007
7. East Africa School of Journalism	• Postgraduate diploma in journalism and mass communication	Pending
8. AHITI Ndomba	• Diploma in animal health	pending

Source: - Dean/senate secretariat

2.4.11 Outsourcing strategy

The outsourcing formula for success is based on leveraging external service provider's economies of scale, expertise and scalability of resources, enabling the buyer's enterprise to accomplish core business. Shrewd managers turn to outsourcing as the most effective, time-tested strategy for achieving their objective of higher Return on Investment (ROI). (Gattorna, 1998).

The key strategic reasons for outsourcing identified by various researchers (Pearce and Robinson 1997) are; firstly the need to improve business focus following realization that several 'how' issues are siphoning off huge amounts of management's resources and attention. Secondly, it is used as a vehicle to access world-class capabilities. The very nature of specialization by outsourcing providers means they have extensive worldwide, world-class resources to meet the needs of their customers. Thirdly, outsourcing is used to achieve accelerated re-engineering benefits. Outsourcing is often the by-product of business process re-engineering. As such, through outsourcing, an outside company that has re-engineered and achieved world class processes takes over the processes thus enhancing attainment of benefits. Fourthly, when firms outsource, they become more flexible, more dynamic and better able to adapt to changing opportunities. This is because their partners do some capital investments on their behalf. Finally, outsourcing enables freeing of resources for other purposes. The firm can then re-direct its resources from non-core activities towards activities that have the greater return in serving the customer.

The University of Nairobi considers outsourcing as a strategy to improve its efficiency of operations to respond to increased competition through structural and process re-organizations such as restructuring/re-engineering, Total Quality Management (TQM) and rightsizing. It has therefore adopted outsourcing as one of the competitive strategies because of the aforesaid reasons. Areas of activities outsourced and those under-considerations are as mentioned below:

Activity currently outsourced	Activity to be considered for outsourcing
• Security. • Advertising and telemarketing. • Freight brokering fleet. • Repairs and maintenance • Consultancy • Garbage collection • Sanitary management	• Warehousing and management of central stores • Facilities management and maintenance. • Grounds maintenance • Management of catering services. • Management of accommodation. • Payroll processing.

Source: - performance contract UON/Government of Kenya

2.5 Challenges of strategy implementation

The final step in the strategic management process is implementation which is how strategy is put into action. No matter how creative the formulated strategy is, the organization will always operate in turbulent and competitive environment. There is an increasing recognition of the need for more dynamic approaches to formulating as well as implementing strategies. Strategy is not static, its an analytical problem that requires vision, intuition and employee participation (Mintzberg, 1994). Strategy implementation involves using several tools including parts of the firm that can be adjusted to put strategy into action. Once a new strategy is selected, it is implemented through changes in leadership, structure information and control systems and human resources (Nutt, 1989). There are many organization characteristics and challenges that routinely would stand on the way of strategy implementation. They include politics, martial, resistance to change, structure, culture, leadership, policies, reward and ownership of the strategy (Burners, 2000). These challenges hinges on the strategies themselves and are of both institutional and operational in nature.

2.5.1 Challenges related to the strategies

Challenges of using cost leadership

Cost leadership strategy's greatest danger is that competitors always have the ability to find ways of providing at a lower cost and beat the cost leader at his own game. The cost leadership therefore imposes severe burden on the firm to keep up its position through investing in modern equipment and keep out technological improvements. Technological change and low cost leaning may however nullify past investments. Single minded desire to reduced costs is another great risk of the strategy because it may cause loss of sight of changes in customers tastes. According to Porter, (1980), a company thus while making decisions to reduce costs may drastically affect demand for the products due to the shifts in customer tastes.

Challenges to using differentiation strategy

Major problem with differentiation strategy centres on the institutions long-term ability to maintain its perceived uniqueness in customers eyes. Competitors easily move in to imitate and copy successful differentiators and thus the uniqueness of the product services is therefore eroded. Another risk of differentiation is when the differentiated firm cost becomes too great for differentiation to hold brand royalty and buyers sacrifice the differentiated product for large cost savings (Porter, 1980).

Challenges of using focus strategy

A focus niche can suddenly disappear because of technological change or changes in customer tastes. The focusers cannot move easily to new niches given its concentration of resources and competency in only one or a few niches. A focus is also vulnerable to attack by differentiators who compete for the same niche by offering products that can satisfy the demands of the focusers customer. Differences in desired products and service between the strategic target and the market as a whole may narrow, putting the focuser at risk of losing clients. The focuser has thus to constantly defend his niche (Porter, 1980).

Challenges associated with he cooperative strategies

According to Thomson and Strickland (2003), challenges associated with the cooperative strategies (strategic alliances, collaborations, joint ventures, outsourcing and acquisitions) include misunderstanding the partners strategic intent, being held hostage by the specific investments associated only with the partner, misrepresentation of partners firms competencies, failure of partners to make complementing resources available and poor contract development.

2.5.2 Institutional challenges

Leadership challenges

Leadership has a fundamentals influence on the success of strategy, Barnajei (1999) observes that the influence is in three major areas that is, does the leader have a vision? Is he able to perceive quickly the trends? Is he able to translate strategic aspirations into operating realities, does the leadership have the political astuteness necessary to neutralize the negative effects of conflicting internal interests and transform these sectional interests into a vector of coordination policies and activities that support the overall company . Leadership is the process of influencing others towards the achievement of organizational goals (Bartol and Martin, 1991).

The challenge of leadership is to galvanize commitment among people within an organization as well as stakeholders outside the organization to embrace change and implementation strategies intended to position through three interrelated activities the activities being to clarify strategic intent, building an organization, and shaping the organizational culture (Pearce & Robinson, 2002). The skills and abilities of the leader are critical ingredients in strategy attitudes and opinions of others. Leadership is able to influence the attitudes and opinions of others. Leadership is not synonym for management. Leadership is a higher order of capability. The ability to influence the attitudes and opinions of others to achieve a coordinated effort from a diverse group of employees is a difficult task. However one of the key methods available to management is creating an overall sense of direction and purpose through strategic planning (Byers, 1991).

Structural challenges

Changes in strategy often call for changes in the way on organization is structured . This is because when an organization changes its strategy the existing organizational structure may be effective (Wendy, 1997).

Chandler, (1962) hypothesized that structure is determined by strategy and correspondingly that the successful implementation of a strategy can be aided by the adoption of an appropriate organization structure. It channels collaboration, specifies models of coordination , allocates power and responsibility and prescribes levels of formality and complexity. An organizational structure is a firm's formal role configuration, procedure governance, control mechanisms, and authority and decision making process. All firms require some form of structure to implement their strategy. Structure dictates allocation of an organization resources depending on the kind of structure an organization has. There is no one optimal organizational design or structure for a given strategy or type of an organization (David, 1997; Pearce and

Robinson, 2002). Principally structures are changed when they no longer provide the co-ordination, control, and direction managers and organizations require to implement strategies successfully (Hift et al, 1997).

According to McCarthy and Colleague (1996) and organization structure and behaviour within an organization should be harmony with, and support the strategy of the organization. It is a major challenge for managers to understand and utilize the organization structure to aid them in implementation of the strategy.

Cultural challenges

Culture means the powerful and complex set of values, traditions, and behavioral pattern that sometimes bond together the people who comprise organization. The culture of an organization can have profound effects. As Ascoff (1965) points out, behaviour is not value free i.e. individuals show preferences fro certain behaviour and may persist with it even if it leads to sub optimal results. For a strategy to be successfully implemented, it requires an appropriate culture. The challenge to management is that if the existing culture is antagonistic to a proposed strategy then it must be identified and changed. There will be a tendency towards, inertia and resistance to change, people will tend to hold onto existing ways of doing things managing strategic change must therefore address the powerful influence of the paradigm and the cultural web on the strategy being followed by the organization (Johnson and Scholes, 2003).

Kotler and Heskett's concept of "adoptable culture" is an attempt to build organizational culture on a foundation of paying attention to key stakeholders such as employees, customers and stockholders thus ensuring that the culture can change when the organizations strategy must change. If it thus contradicts the organizations strategy must change. It is thus possible to successfully implement a strategy that contradicts the organizations culture (Stoner et al 2001). Changing a firm's culture to fit strategy is usually more effective than change a strategy to fit existing culture (David, 1997).

Challenges of policies, procedures and support systems

Policy refers to specific guidelines, methods, procedures, rules, forms and administrative actions that can be taken to reward and sanction behaviour. They clarify what can and cannot be done in pursuit of an organization objective. Most organizations have some form of policies, rules and procedures that help in implementing strategy in cases where routine action is required (Stoner and Colleague 2001). Policies enable both managers and employees to know what is expected of them thereby increasing the likelihood that strategies will be implemented successfully. Hussey, (1988) observes that whatever the scope and form or the policies, they serve as a mechanism for implementing strategies and realizing objectives. They provide the means of carrying out strategic decisions. The challenge do management is to formulate policies, process users, and support systems that promote chosen strategy implementation.

Rewards or motivational challenges

The reward system is an important s element of strategy implementation. Johnson and Scholes, (2002) observes that motivators such as salary rises, stock options, fringe benefits, promotions, criticism, fear, increased job autonomy and awards can encourage managers and employees to push hard for successful implementation of strategy.

If strategy implementation is top priority, then the reward system must be clearly and highly linked to strategic performance by individuals and rewarding good performance by individuals and organizational units are key ingredients in effective strategy implementation (Pearce and Robinson , 1997). Motivating and controlling managerial personnel in the execution of strategy are accomplished through an organizations reward mechanism such as compensations raises, bonuses, promotions, and demotions. Non-motivating rewards include recognition approvals which can be given more frequently than money (O'Reilly, 1989). In 1987 Procter and Gamble introduced a profit sharing plan that divided profits between the company and the workers. President Cooper Procter, one of the founders of Proctor & Gamble said at that time, "The Chief problem of big business today is to shape its policies so that each worker

Challenges of policies, procedures and support systems

Policy refers to specific guidelines, methods, procedures, rules, forms and administrative actions that can be taken to reward and sanction behaviour. They clarify what can and cannot be done in pursuit of an organization objective. Most organizations have some form of policies, rules and procedures that help in implementing strategy in cases where routine action is required (Stoner and Colleague 2001). Policies enable both managers and employees to know what is expected of them thereby increasing the likelihood that strategies will be implemented successfully. Hussey, (1988) observes that whatever the scope and form or the policies, they serve as a mechanism for implementing strategies and realizing objectives. They provide the means of carrying out strategic decisions. The challenge do management is to formulate policies, process users, and support systems that promote chosen strategy implementation.

Rewards or motivational challenges

The reward system is an important s element of strategy implementation. Johnson and Scholes, (2002) observes that motivators such as salary rises, stock options, fringe benefits, promotions, criticism, fear, increased job autonomy and awards can encourage managers and employees to push hard for successful implementation of strategy.

If strategy implementation is top priority, then the reward system must be clearly and highly linked to strategic performance by individuals and rewarding good performance by individuals and organizational units are key ingredients in effective strategy implementation (Pearce and Robinson , 1997). Motivating and controlling managerial personnel in the execution of strategy are accomplished through an organizations reward mechanism such as compensations raises, bonuses, promotions, and demotions. Non-motivating rewards include recognition approvals which can be given more frequently than money (O'Reilly, 1989). In 1987 Procter and Gamble introduced a profit sharing plan that divided profits between the company and the workers. President Cooper Procter, one of the founders of Proctor & Gamble said at that time, "The Chief problem of big business today is to shape its policies so that each worker will feel he is a vital part of the company with a personal responsibility for its success and a chance to share in that success (Cope, 1989).

The university of Nairobi is faced with the challenge of developing sustainable reward and motivational policy that would recognize outstanding achievers in sharing out the benefits of their achievements. Example in this is how to come up with a viable reward system for researchers who have come up with innovations to share on the gains from revenues from intellectual property rights.

2.5.3 Operational challenges

Tactical and operational plans

The challenge to institutions is to ensure that a relationship exists between strategic planning and planning done by managers at all levels (Wallace, 1987). Once the strategic plans and goals of the organization are identified, they become the basis of planning activities undertaken by tactical and operational managers. If well done planning results in a clearly defined blue print for management action at all levels in the organization (Gluck, 1985).

Resource allocation

Resource allocation is a critical challenge to strategy implementation in all organization (David, 1997). Its insufficiency is a common strategy implementation challenge. These resources include financial human resources, physical and technological. It is not possible to implement a strategy which requires more resources than can be made available by the institution. Too little resource will tend to stifle the ability of the institution to carry out the strategic plan. Too much funding wastes company resources and impairs financial performance (Porter, 1985).

Budgetary allocation to strategy implementation to particular divisions and departments signifies management commitment to strategy implementation.

Management and employee involvement

Making strategy formulation as an exclusively top management function and the middle level managers given a support role is a serious mistake that some organizations make. (Shrivastava, 1986). This can result in formulation of strategy in a vacuum by planning executives who have little understanding or knowledge of the operating realities. As a result the formulated strategies cannot be implemented (Hill & Johns 2001). According to Judson (1996) when implementation is treated as a "phase" problem after the plan has been formulated, the strategy may be good in theory but quite impractical in reality. There is therefore the need to involve in the formulation process, the manager and the supervisors who must implement it. Participating in strategy formulation ensures that the manager and the supervisors understand the strategy, believe in it and are committed to carrying it out. More and more organizations are decentralizing the strategic management process recognizing that planning must involve lower level managers and employees (David, 1997). The notion of centralized staff planning is being replaced in organizations by decentralized line managers planning. The process is learning, helping, educating and supporting activity among top executives. The challenge to organizations is to ensure ownership of the strategy by the people who have to implement it as a key success factor (David, 1997).

2.6 Successful strategy implementation

The test of successful strategy implementation is whether actual organization performance matches and exceeds the targets spelt out in the strategic plan. Shortfalls in the performance signal weak strategy, weak implementation or both. Aosa (1992) observes that once strategies have been developed, they have to be implemented. Strategy implementation and should take place as a series of steps, programs, investments and moves that occur over an extended period of time. Special programs are undertaken, functional areas initiate activities, key people are added or reassigned, resources are mobilized.

Successful strategy implementation involves creating a series of tight fits, these being between strategy and organizative structure, between strategy and internal policies, procedures and support systems, between strategy and the organization skills, and competences, between strategy and the reward structure and between strategy and the corporate culture.

The tighter the fits the more powerful strategy execution becomes and the more likely targeted performance can actually be achieved. Recent studies show that successful firms should be able to initiate and carryout sharp widespread changes when their environments shifts to bring renewed vigour to the organization. Those organizations that do not initiate reorientation as environments shift underperforms (Mintzberg & Quinn, 1991).

According to Thomson and Strickland (2003), solidifying organizational commitment and putting the strategic plan into place can be achieved through motivation, incentives and rewarding of good performance. This involves creatively using the standard reward and punishment mechanisms (salary raises, bonuses, fringe benefits, promotions, praises, recognition and constructive criticism). This aims to inspire employees and gives them a sense of ownership in the strategy and commitment to implement it. Motivation is key to obtaining the necessary commitment from those carrying out the strategies and its related enabling plans.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The study was moduled on a case study design. This was because the study required an in-depth understanding of strategy implementation challenges at the University of Nairobi. The design was valuation for an in-depth contextual analysis of few events or conditions. An emphasis of detail provides valuable insight for problem solving and strategy evaluation.

The pertinent primary and secondary data was collected to meet the objectives of the study.

3.2 Data Collection

A personal interview guide (questionnaire) was used to collect the information on the challenges. Questions were administered in a semi-structured way. The semi-structured interview is one with predetermined questions with an open-ended format that are asked of all respondents in the same manner (York, 1998). In semi-structured interviewer with greater freedom and less restriction (Kadushin, 1990). Questions were issued in advance through drop and pick later, to help the respondents to collect facts or make references where necessary.

3.3 Target respondent

It was considered important to interview university staff members who participated in strategy formulation and implementation. A total of 60 respondents were interviewed. These were 6 principals, 22 deans, 14 directors, 7 college registrars, Administration Registrar, Academic Registrar, Finance Officer, Registrar Planning, The Chief Internal Auditor, Procurement Manager, Director ICT, Estate Manager and Construction and Maintenance Manager. Sekaran (2003) argues that sample size of between 30 and 500 respondents is considered appropriate.

3.4 Data Analysis

Qualitative content analysis was used to drive the information collected from the questionnaires. Nachmias & Nachmias (1996) define content analysis as a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same approach to relate trends. Mbogo (2003), Nyamweya (2005), and Ochanda (2005) who employed this kind of approach argued that it was useful in gaining fresh materials in even what was though to be unknown. According to Mugenda and Mugenda (1999), content analysis involves observations and detailed description of objects, items or things that comprise the study.

CHAPTER FOUR:DATA ANALYSIS AND FINDINGS

4.0 Introductions

The study sought to establish the challenges faced by the University of Nairobi in implementing its competitive strategies. The method of data collection was through questionnaire which was given to the responds in advance to enable them collect relevant facts. The chapter presents the analysis and findings of the study. The data was mainly analyzed by content analysis which sought an objective systematic and qualitative description of a manifest content of the communication between the researcher and representatives of the organization under study. The findings are provided below:-

4.1 Respondents general information

Section A of the questionnaire aimed to establish title and gender of the respondent, length of service in that position and college/division name. This data was analyzed using frequencies and percentages.

Table 4.1.1 Respondents general information

College/division	Frequency	Percentage
Central administration	13	21.6
CAE	7	11.7
CAVS	5	8.3
CEES	5	8.3
CBPS	7	11.7
CHS	8	13.3
CHSS	10	16.6
SWA	5	8.3
TOTAL	**60**	**100.00**

Source: Response Data

As shown in table 4.2.1, all colleges were equally represented.

Table 4.1.2 respondent job title

Job title	Frequency	Percentage
College principles	7	11.6
Deans	22	36.6
Directors	14	23.3
Registrars	7	11.6
Managers/officers	11	16.9
Total	**60**	**100.00**

Majority source response data of respondents were deans at 36.6% followed by directors, registrars, managers/chief and principals at 23.3%, 16.9% and 11.6% respectively.

Table 4.1.3 Duration Respondent has worked in the College/Division

Duration	Frequency	Percentage
0 – 5 years	24	40.0
6 – 10 years	14	23.3
11 – 15 years	12	20.0
15 – 20 years	10	16.7
Total	**60**	**100%**

The majority or 40% of the respondents had worked for a period of les than 5 years in their posts while the minority or 15% had worked for 15 – 20 years.

Table 4.1.4 Respondent Gender

Gender	Frequency	Percentage
Male	40	68.0%
Female	20	32.0%
Total	**60**	**100%**

Source: response data (68%)

Table 4.1.4 showed that 68.0% of the university respondents were male while 32.0% were female. This showed that the university has more male candidates holding these posts.

4.2 State of competition in the industry

Major competitors of the University of Nairobi from the findings extent of responding to changes in the environment was found to be of great extent. The state of competition in university education was found to be stiff. The major competitors in university education (Higher education) were public universities (Moi Kenyatta, Jomo Kenyatta university of agriculture education and technology, Maseno Egerton and Masinde Muliro University of science and technology) and private universities (USIU, CUEA, Baraton, Kabarak, Day star, Nazarene, etc) who compete for both regular and module II/parallel students. Another reason why both public and private universities are considered competitors emerged to be competition for attracting and retaining highly qualified research and teaching staff who choose to go to the highest bidder among the local universities or teach across all universities that translates to little committee commitment to their home institutions and its students.

4.3 Competitive strategy

The institution restoration competition strategies to improve its operations which are as a result of conscious decision by the institution and also due to the demand from the customers. The university was found to mainly base its competition on cost-leadership, differentiation and recognized brand name.

4.3.1 Factors put into consideration before adoption of the competitive strategies

The study found out that the university management scanned the environment and anticipating customer requirements, had to respond to them before they had become adverse. Customers were found to be looking for quality products (relevant and quality education) and quality service.

The institution also wanted to stay a head of competitors and therefore had to accommodate the needs of the consumers. Factors put into consideration before adoption of competitive strategies (strategic plan 2005 - 2010) were; current institution position and what it wants to be in future, internal resources both financial and survival to remain the market leader, growth and expansion, research and innovation to meet growth and expansion , research and innovation to meet the country's millennium goal of individualization by the year 2030 and charges, changes customer tastes and preferences.

4.4 Strategy implementation

The study sought to establish whether the university of Nairobi has a strategic plan, whether the strategic plan formulation process as formal or informal and also whether the strategic plan has vision, mission and core values. All the respondents confirmed the existence of a strategic plan, formulated formally through meetings and communicated to all stakeholders is through memos, meetings, and the institutions notice boards.

4.5 Challenges of strategy implementations

The researcher sought to establish the strategy implementation challenges being experienced by the university. Information was sought on both institutional and operational challenges. Information obtained on identified institutional challenges were, structural challenges, leadership challenges, cultural challenges reward and motivational challenges, leadership challenges and policies, procedures and support systems. Similarly information obtained on identified operational challenges included tactical and operational challenges, resource allocation , management and employee involvement and communication of responsibility and accountability.

4.5.1 Structural challenges

In table 4.5.1 below 70% of respondent indicated that the structural changes were considered critical to great extent in strategy implementation. Prior to the 2005 – 2010 university of Nairobi strategic plan launch, the institutions organization structure was tall. The respondents confirmed the tall structure inhibited effective coordination of operational activities and similarly inhibited responsibility and accountability as well as enhanced bureaucracy hence showed process. During the implemental of the 2005 – 2010, priority was given to alignment of the organizational structure to support the strategies intended. The structure was consequently changed from a tall bureaucratic structure to move flat process oriented functional structures. Departments were merged, new faculties, schools and institutes were created. The organization considered structure to be a major challenge to the implementation to the implementation of strategic plan hence the critical need to align it to the strategy.

Table 4.5.1 Institutional challenges

No	Institutional challenge	Frequency	Extent of the challenge in percentage
1	Structural challenges	42	70%
2	Strategy itself	30	50%
3	Leadership challenges	50	83.3%
4	Cultural challenges	50	83.3%
5	Reward and motivational challenges	48	80.0%
6	Policies/procedures/support systems	42	70.0%
7	Budgeting allocation challenge	50	83.3%

Source: Research information

4.5.2 Budgetary allocation

Budgetary allocation refers to an organization predetermined action how resources are to be allocated to achieve a given target just like financial resource allocation, budgetary allocation posed a major challenge to strategy implementation. In table 4.5.1 above 83.3% of respondents indicated that budgetary allocation is important to strategy implementation.

4.5.3 Leadership challenges

In table 4.6.1 above 83.3% of respondents interviewed indicated that leadership is important "to a very great extent" to strategy implementation. Leadership is particularly critical in setting the direction the institution is to go, setting targets to be achieved, managing resistance to change, allocation of the necessary resources required to implement the strategies, and motivating the staff to achieve the targets. In the case of the University of Nairobi the focus was on the vice-chancellor and the college-to-day running of the institution and worked closely with the staff.

4.5.4 Cultural Challenges

According to table 4.5.1 above, 83.3% of the respondents showed that alignment of culture to strategy is important to implementation. Generally the culture that prevailed before the university implemented its strategic plan 2005 – 2010 was not supportive of the strategy. Both the management and the staff were not result oriented. Complacency prevailed in the institution. The implementation of the 2005-2010 strategic plans saw drastic changes to culture. All staff was made to recognize their responsibility, accountability and their role as process drivers. The introduction of performance contracts (pc) between the university management and the government, between the university management and key staff in various colleges, faculties, institutes, divisions and section meant that staff became result oriented. The vicious circle of poor performance transformed to a circle of improved performance. This was enhanced by the introduction of the service charter in 2006 that spelt out the expected services level and strict time deadlines.

4.5.5 Reward or motivation challenges

According to table 4.5.1 above 80% of the respondents confirmed that proper remuneration was critical to successful strategy implementation. The institutions desire to improve staff remunerations and terms and conditions of service have been hampered by unavailability of resources. This inability have put the university in an awkward position in that it can hardly attract and retain the very best highly qualified staff. Even employees of long service, with the institution are not motivated. The respondents have therefore expressed their concerns that poor reward/motivation posed a major obstacle to successful strategy implementation.

4.5.6 Policies, procedures and support system challenges

According to table 4.5.6 above must respondents (70%) indicated that policies, procedures and support systems were considered critical to "a very great extent" to strategy implementation. The major aspects of the policies that posed a challenge to strategy implementation were leadership policies, reward/motivational policies, resources allocation polices and budgetary policies. Before 2005, polices in the appointment of particularly, the vice-chancellor, deputy vice-chancellors, and college principals were government by the broader government policies where the president (the chancellor) played a major role. These policies generally imposed restrictions that inhibited the institution from attracting and retaining competitive management staff. From 2005, shortly before the implementation of the university strategic plan 2005 – 2010, the of the universities management staff thought competitive bidding. This has led to the increased implementation of new competitive strategies in all public universities and thus improved performance.

Changes in resource allocation policies is demonstrated by reduced findings to state corporations from the exchequer since mid 1990s. The broader government policies in force inhibited the institution from accessing new finances through guaranteeing loan repayments from both internal and external sources. Budgeting allocation policies is another area where the government has ultimate control. The government through the ministry of education reserves the right of review of the university budget which move often than not is downward.

4.5.7 Tactical and operational plans

In figure 4.5.2 below 94% of respondents confirmed that the presence or absence of tactical and operational plans is a major challenge to the implementation of strategies. On the implementation of the universities strategic plan 2005 – 2010, all the colleges, faculties, schools, institutes and departments were required to develop their own annual objectives and operational objectives. The university strategic plan 2005 – 2010 were a 5 years strategic plan. The institution had to use annual objectives to identify what should be accomplished each year to achieve the institutions goods. The operational objectives/plans formed the basis of supporting strategy implementation through daily activities, implying that tactical and operational plans are critical for successful strategy implementation.

Table 4.5.2 Operational challenges

No	Type of operational challenges	Frequency	Extent of the challenge (percentage) as poled by respondents
1	Tactical and operational plans	56	94%
2	Financial resource allocation	60	100%
3	Technical resource allocation	52	86%
4	Human resource allocation	34	56%
5	Physical resource allocation	29	48%
6	Management employee involvement	53	88%
7	Communication of responsibility and accountability	47	78%

4.5.8 Resource allocation

All the respondents recognized that resource allocation was a critical tool to successful implementation of strategies (strategic plans). The aspects of resource allocation that were considered to be problematic were financial resources 100% (all the respondents) technical resources (86%), and human resources at 56%. Physical resources however, were considered to be less problematic at 48% of respondents.

Financial resources

Due to lack of sufficient financial resources the university has been unable to fully implement its strategic plan and its strategies. Desired expansions have been obstructed by lack of financial resources. The 2005 – 2010 strategic plans had objectives relating to customer satisfaction and expansion of the institutions operations like increased research laboratories, lecture halls, teaching equipments, halls of residence, infrastructure, completion of stalled projects, improvements of terms and conditions of service etc all have been challenged by lack financial resources.

Technological resources

The institutions was found yet to meet its desired position of a computer for every students a computer for every lecturer and key officer, owning adequate websites and having internet and intranet connectivity. Technological resources are crucial for strategy implementation as sufficient technology ensured efficiency and effectiveness and fulfillment of most of the objectives stipulated in the strategic plan. Its therefore imperative that insufficiency of technology, particularly information communication technology was a major challenge to strategy implementation.

Human resources

This institution considered human resource critical to strategy implementation. A large number of employees have been with the institution for long and understand the organizations past mistakes, have been involved in both strategy formulation and strategy implementation and hence the continued existence of the organization. Lack of sufficient funds has been a challenge to enhanced staff motivation and performance due to poor terms and conditions of service, lack of adequate training and skills improvements and brain drain.

Physical resource

Most respondent considered physical resources particularly space to be less of a problem to strategy implementation at 48% because the university owned its headquarters, owned premises at its colleges and some of its branches countrywide. The ownership of office space had supported its strategy implementation efforts. However lack of adequate transport inadequate accommodation for students lecture halls, adequately equipped laboratories, libraries, aged furniture and equipments posed a major problem in supporting strategy implementation due to financial constraints.

4.5.9 Management and employee involvement

Figure 4.5.2 shows that 88% of respondents confirmed that management and employee involvement in strategy formulation and implementation are important. The involvement in formulation and implementation motivates both the management and staff to achieve goals and targets that they understand and identify with. Though the top-level and middle-level managers got fully involved in the formulation and implementation motivates both the management and staff to achieve goals and targets that they understand and identity with. Though the top-level and middle-level managers got fully involved in the formulation of strategy and operational plans of the university, the lower level employees who engaged in actual implementation were only assigned responsibility by their superiors. This has not been supportive of strategy implementation and this major challenge.

4.5.10 Communication of responsibility and accountability

According to figure, 4.5.2 78% of respondents confirmed that communication of responsibility and accountability with regard to the strategies and the strategic plan was critical to the institution. This spells out clear roles, targets, and responsibilities which are measurable. The employees are motivated to achieve their targets and hence support strategy implementation.

4.5.11 Extent of countering the challenges

The most applied strategies to counter the challenges to a "very great extent" include cost cutting, marketing focusing, strategic location and increased advertising. Product diversification, staff training, customer service, collaborative links are used to a "great extend" while process innovation and lobbying are used to "a very title extent."

CHAPTER FIVE: SUMMARY, DISCUSSIONS AND CONCLUSIONS

5.0 INTRODUCTION

The objective of the study was to determine the challenges faced by the University of Nairobi in implemented of its competition and strategies. The study attempted to answer the questions. What are the major challenges faced by the university in the implementation of the competitive strategies. What are the obstacles hindering the implementation of the competitive strategies in the higher education sector.

5.1 SUMMARY

The first objective of the study was to determine the practices of strategy implementation used by the university to implement its strategies. The study revealed that the university has a strategic plan 2005-2010, that into existence through elaborate formal meetings and documentation. The strategic plan has vision and mission statement and core values of the organization the research further revealed that the extent of responding to change in the environment was found to be of great extent. State of competition in the higher education sector was found to be stiff. Reasons for competition were found to be completing for the same customers. The major implementation practices used include strong leadership direction planning and control systems and setting performance targets. The second objective was to establish the challenges encountered by the university in its efforts of implementing its documented strategies.

The research revealed that these impediments include huge financial requirements to run a university, unsupportive aspects of organization of culture, resistance to change, in adequate human resource skills and training, inadequate information systems to monitor strategy implementation un supportive processes and procedure action taking too long than anticipated, inadequate resources and uncontrollable factors in the environment e.g. political legal change, change in customer tastes and preferences, global economic changes.

5.2 DISCUSSIONS

Strategy implementation difficulties are party occasioned by obstacles to the implementation process. The University of Nairobi is a victim of these impediments. The research found out that the major challenge for the University of Nairobi was the huge financial requirement to run a University. In adequate finance renders the University enables to expand its physical facilities and infrastructure to accommodate the expansion of the student's population. This has led to over crowded lecture rooms, libraries and hostels, which dilute the learning environment thus posing a serious challenge to the quality of education. Research funding is another area that have suffered due to financial constraints. Without research, even the teaching process is challenged as the learners are not exposed to new trends and emerging patterns of knowledge in various disciplines. Brain drain is yet another challenge facing the University of Nairobi due to lack of adequate financial working conditions. Other challenges emanating from inadequate financial resources include lack of innovation on part of staff in managing the available resources. Overall it can be said that most challenge affecting the university are internal to the institution including supportive structure, resistance to change , unsupportive process and procedures, in adequate skills of some staff, inadequate information system to monitor the implementation process and uncontrollable factors in the environment. All these tend to create internal inertia losing momentum towards successful. Strategy implementation. The implication is that the university must exert control over them to succeed in its strategy implementation to match their competences and capabilities with the strategy. The finding of this study is well aligned with previous studies (AOSA, 1992, Awino 2001, Koske, 2003, Muthuiya, 2004, Machuki 2005, Ochanda 2005,) All observed that there must be a tight fit between the strategy and how the organization does things. Successful strategy implementation involves creating a series of tight fits between strategy and the organizational skills, and competences, between strategy and the corporate culture, between strategy and the reward systems, between strategy and the budges, between strategy and the internal policies, procedures and support systems.

The tighter the fits, the more powerful the strategy execution becomes and the more achieved. For success, the University must make sure that all the institutions resources are pulling in the same direction for effective strategies implementation.

5.3 CONCLUSIONS

Strategy implementation is no doubt the most difficult part of strategic planning process and many strategies planning process and many strategies fail at the implementation stage. For an organization to successfully implement its strategy it must ensure the existence and alignment of all strategy supportive aspects of the organization. There must be a fit between strategy and the budgets, between strategy and the organizational skills and competence, between strategy and the reward systems, between strategy and the internal policies, procedures and challenges that affect strategy implementation. Further research should be conducted on each challenge independently. Similarly, this in-depth study on the University of Nairobi should be replicated in the other six public universities namely. Kenyatta, Moi, Maseno, Masinde Muliro, Jomo Kenyatta, and Egerton. Further more the study was carried out at a time when the planning period 2005-2010 was not over. A similar study could be carried out after this period to assess the situation.

5.4 RECOMMENDATIONS FOR POLICY AND PRACTICE

A comprehensive University of Nairobi research policy needs to be put in place to further quality and relevant research for the fulfillment of the country's millennium development goal of industrialization by the year 2030. The policy should have clear mechanisms of collaboration with the industrial sector, the government and international Universities foundations to refund research activities support systems, and between strategy and the corporate culture. The absence of any of them will lead to the failure of the strategy at the implementation stage. All the strategy supportive aspects of an organization are critical and must all be aligned with the strategy for an organization to experience successful strategy implementation and hence consequential sustainability and prosperity of the organization.

5.5 LIMITATION OF THE STUDY

The study was successfully undertaken but not without limitations. One such limitation was that some of the respondents declined to respond to the questionnaires especially the mailed ones. This made it difficult to make a conclusive generalization of the study objectives. In addition, two staff in two of the college who was assigned the distribution and collection of the questionnaires delayed in playing their facilitation role. This led to delay in finalizing the report.

5.6 SUGGESTIONS FOR FURTHER RESEARCH

Even though the researcher carried out an in-depth study it was broad and dealt with various challenges that affect strategy implementation. Further research should b conducted on each challenge independently. Similarly, the in-depth study on the University of Nairobi could be replicated on the six other public universities namely Kenyatta, JKUAT, Maseno, Moi, Egerton and Masinde Muliro Universities. Further more, the study was carried out at a time when the planning period 2005-2010 was not over. A similar study could be carried out after this period to assess the situation.

REFERENCES

Alexander, L.D. (1985) Successfully implementing Strategic Decisions', Long Range Planning, 18(3).

Al-Ghamdi, S.M. (1998), "Obstacles to successful implementation of Strategic Decisions: The British Experience," European Business Review, Vol.96,6, MCB up.

Andrew, K.R. (1971), The concept of Corporate Strategy; Bombay: Taraporerela.

Ansoff, I and Mcdonnel, E. (1990), Implanting strategic management, 2nd Edition, U.K: Prentice Hall.

Aosa, E(1998) 'The Leadership Challenge Facing Kenyan Organization", The Accountant Jan- March.

Aosa, E.(1992), An Empirical investigation of Aspects of Strategy formulation and Implementation Within Large Private Manufacturing companies in Kenya, unpublished phd Tresis, University of Nairobi.
h

Awino, Z,B. (2001) Effectiveness and problems of Strategy implementation of financing Higher Education in Kenya by the Higher Education Loan Board, unpublished MBA Project, University of Nairobi.

Byass, L.L. (1991) Strategic management: formulation and implementation, 3rd Edition, Herper Collins Publishers.

Cope, R.G. (1989), High involvement strategic planning: when people and their ideas matter, Basic Blackwell.

David, F.R. (1997), The strategic management, Francis Marion University: 239

Galbraith J. And Nathson D.A. (1978), Strategy implementation. The role of Structure and process, west publishing Company, St Paul Minnesota

Gluck, F.W., (1985), 'A fresh look at Strategic management. Journal of Business strategy, fall pp 4-19.

Hamel, G and Prahalad C.K. (1989) 'Strategic intent Harverd 'Business Review Many-June.

Hax, A.C. Majluf N.S. (1996), The strategy concepts and process. A Pragmatic Approach, 2rd Edition, Prentice Hall.

Hrebiniak, L. (2005), 'Business Strategy: Execution is the Key, 'January 21.

Hitt M.A, Ireland, R.D and Huskisson, R.E Strategic Management: Competitiveness and Ghobalisaiton 2nd Edittion.

Hussery, D.E. (1998) Management Training and Corporate Strategy: How to improve competitive performance, Pergoman press.

Johnson G and Scholes (2003), Exploring corporate Strategy, 6th New Jersey: Prentice Hall of India.

Kangoro, V, (1998), Strategic management Practices in the Public sector organizations in kenya unpublished MBA Projects University of Nairobi

Kombo, H, (1993) Strategic Responses by firms facing changed environment conditions: A study of Motor vehicle Franchise Holders in kenya unpublished MBA PROJECT, University of Nairobi.

Koske, F.K. (2003), Strategy implantation and its Challenges in public corporations. The case of TELKOM Kenya, Unpublished MBA Project, University of Nairobi.

Machuki, V.N. (2005), Challenges to Strategy Implementation At CMC motors, unpublished MBA project, University of Nairobi.

Mbogo, M. (2003) A study of Strategic Change process in Hybrid Private Public organizations. The case study of Kenya commercial Bank Ltd, unpublished MBA project, university of Nairobi.

Michael, J.M (2004), Factors influencing Strategy implementation by NGO's Operating in Kenya, unpublished MBA project, university of Nairobi.

Mintzberg, H and Quinn, J.B. (1991) The strategy process, concepts and case, 2nd Edition, Prentice Hall inc.

Muthuiya, F.A. (2004) Strategy implementation and its challenges in NGOs in kenya. A case study of AMREF. Unpublished MBA project, university of Nairobi.

Nachmiea, V.F and Nachmieas, D. (1966). Research Methods in the social Science, 5th Edition, Arnold- London.

Ochand, R.A (2005), Challenges of Strategy implantation of kenya industrial Estates limited unpublished MBA project, university of nairobi

Owen, A.A. (1982) , ' How to Implement strategy; management today, p.51.

Peare, J.A and Robinson R.B (2002), 'Strategic management: Formulation Implementation and control, '6th Edition, Irwin Megraw- Hill

Pettigrew, A and Fenton, E, (2000) 'The innovating sage:

Thomson, A.A and Strickland A.J. (1996), Strategic management: concepts and cases, 9th Edition, New York: Richard D. Irwim.

Thomson, A.A and Strickland A.J (2003) Strategic Management concepts and cases. 13th Edition, New York.

Wendy, R. (1997), Implementation of chosen Strategy, Chapman and Hall

University of Nairobi Strategic Plan 2005-2010

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAM – LOWER KABETE CAMPUS

Telephone: 4184160 Ext. 208
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 24/8/2007

TO WHOM IT MAY CONCERN

The bearer of this letter HEZBON ONANGI ONYUGI

Registration No: D61/P/8493/03

is a Master of Business Administration (MBA) student of the University of Nairobi.

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

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

Thank you.

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA OFFICE
P. O. Box 30197
NAIROBI

J.T. KARIUKI
CO-ORDINATOR, MBA PROGRAM

APPENDIX II

QUESTIONNAIRE

This questionnaire is divided into four sections. Section A, B, C & D. Kindly answer the questions in each section. Your answer will remain anonymous and strictly confidential and in no instance will your name be mentioned in the report. Please fill the questionnaire in relation to implementation of University of Nairobi competitive strategies.

SECTION A: GENERAL INFORMATION

Please respond to the items by putting a tick [ ] against the response applicable to you or filling in the space provided.

1. College/faculty/institute/department ....
2. Position/title held in the Institution ....
3. How long have you held this position...
4. What is your gender? Male [ ] Female [ ]

SECTION B: STRATEGY PLANNING PROCESS

1. Does the University of Nairobi have the following?
   i. Vision statement Yes [ ] No [ ]
   ii. Mission statement Yes [ ] No [ ]
   iii. Core values Yes [ ] No [ ]
2. Does University of Nairobi have a strategic plan?
   i. Yes [ ]
   ii. No [ ]
3. How is the strategy formulation process carried? (Tick where appropriate)
   i. Formal i.e. through meetings and elaborate documentations [ ]
   ii. Informal i.e. responsibility of some individual and no elaborate documentation [ ]

Use five point scale to respond to question (4) below:-

5 = to very great extent

4 = to great extent

3 = to some extent

2 = to a small extent

1 = to no extent

4 To what extent is the strategic plan communicated to the staff by each of the following. Tick where appropriate uses the five point scale as (4) above.

		1	2	3	4	5
i.	In writing through memos to all staff	[ ]	[ ]	[ ]	[ ]	[ ]
ii.	In company notice boards and journals	[ ]	[ ]	[ ]	[ ]	[ ]
iii.	In meetings	[ ]	[ ]	[ ]	[ ]	[ ]
iv.	Through word of mouth	[ ]	[ ]	[ ]	[ ]	[ ]

SECTION C: STATE OF COMPETITION IN THE INDUSTRY

1. To what extent has the University of Nairobi responded to changes in the environment?

   i. To a very great extent [ ]

   ii. To a great extent [ ]

   iii. To some extent [ ]

   iv. To a small extent [ ]

   v. To no extent [ ]

2. How would you rate the state of competition in the University Education Sector?

   i. Very stiff [ ]

   ii. Stiff [ ]

   iii. Fairly stiff [ ]

   iv. Not stiff [ ]

   v. Not sure [ ]

3. Who are your major competitors and why do you consider them your competitors?

____

____

____

____

4. Would you say that the Institution have changed its competition tactics over the past five years?

YES [ ]

NO [ ]

5 To what extent does your Institution use the following competitive strategies (Tick where appropriate)

	1	2	3	4	5
i. Cost leadership - serving many industry segments	[ ]	[ ]	[ ]	[	[ ]
ii. Cost focus – seeking a cost advantage in its target market	[ ]	[ ]	[ ]	[ ]	[ ]
iii. Differentiation - providing service that is unique/different from other	[ ]	[ ]	[ ]	[ ]	[ ]
iv. Differentiation - focus offering unique product/service to its large segment	[ ]	[ ]	[ ]	[ ]	[ ]
v. Grand strategies (collaboration, joint ventures/diversification)	[ ]	[ ]	[ ]	[ ]	[ ]
vi. More than the criteria mentioned above	[ ]	[ ]	[ ]	[ ]	[ ]
vii. Others not included above (specify)					
______________________________	[ ]	[ ]	[ ]	[ ]	[ ]
______________________________	[ ]	[ ]	[ ]	[ ]	[ ]
______________________________	[ ]	[ ]	[ ]	[ ]	[ ]

5. Has your institution resorted to any competitive strategies for its operations?

Yes [ ]

No [ ]

6. Is using a competitive strategies a conscious decision by the firm or is it a demand from customers?

____

____

____

7. What are some of the factors that were put into consideration before the adoption of the competitive strategies in 6 above?

____

____

____

SECTION C:

CHALLENGES FACED BY THE INSTITUTION IN THE APPLICATION OF COMPETITIVE STRATEGIES

1. The following are some of the issues identified as challenges in the implementation of competitive strategies. Please indicate by a tick the extend to which each is a challenge to your Institution in operating effectively. Please use the following scale

5 = To very great extent

4 = To great extent

3 = To some extent

2 = To a small extent

1 = Not at all

		1	2	3	4	5
i.	Organization structure	[ ]	[ ]	[ ]	[ ]	[ ]
ii.	The strategy itself	[ ]	[ ]	[ ]	[ ]	[ ]
iii.	Leadership	[ ]	[ ]	[ ]	[ ]	[ ]
iv.	Social/culture	[ ]	[ ]	[ ]	[ ]	[ ]
v.	Reward or motivation	[ ]	[ ]	[ ]	[ ]	[ ]
vi.	Financial resources	[ ]	[ ]	[ ]	[ ]	[ ]
vii.	Policies/procedures and support systems	[ ]	[ ]	[ ]	[ ]	[ ]
viii.	Management and employees involvement	[ ]	[ ]	[ ]	[ ]	[ ]
	Communication of responsibility and accountability	[ ]	[ ]	[ ]	[ ]	[ ]

ix. Budgetary allocation	[ ]	[ ]	[ ]	[ ]	[ ]
x. Reward and motivation	[ ]	[ ]	[ ]	[ ]	[ ]
xi. Others (specify)					
________________________	[ ]	[ ]	[ ]	[ ]	[ ]
________________________	[ ]	[ ]	[ ]	[ ]	[ ]
________________________	[ ]	[ ]	[ ]	[ ]	[ ]

2. Listed below are other challenges faced by firms in the implementation of competitive strategies. Tick the one which is appropriate to your Institution and explain how it is a challenge?

i. Ability and skills of managers and owners Yes [ ] No [ ]

____

____

____

ii. Community and government regulation Yes [ ] No [ ]

____

____

____

iii. Lack of resources/financial strength Yes [ ] No [ ]

____

____

____

iv. Ability and skills of staff Yes [ ] No [ ]

____

____

____

SECTION D: MEASURES TAKEN TO COUNTER THE CHALLENGES OF STRATEGY IMPLEMENTATION

	1	2	3	4	5
Cost cutting	[ ]	[ ]	[ ]	[ ]	[ ]
Process innovation	[ ]	[ ]	[ ]	[ ]	[ ]
Customer service	[ ]	[ ]	[ ]	[ ]	[ ]
Staff training	[ ]	[ ]	[ ]	[ ]	[ ]
Product diversification	[ ]	[ ]	[ ]	[ ]	[ ]
Increased advertising	[ ]	[ ]	[ ]	[ ]	[ ]
Strategic location	[ ]	[ ]	[ ]	[ ]	[ ]
Staff reduction	[ ]	[ ]	[ ]	[ ]	[ ]
Public relations	[ ]	[ ]	[ ]	[ ]	[ ]
Marketing focusing	[ ]	[ ]	[ ]	[ ]	[ ]
Collaborative links	[ ]	[ ]	[ ]	[ ]	[ ]
Lobbying	[ ]	[ ]	[ ]	[ ]	[ ]
New products developments	[ ]	[ ]	[ ]	[ ]	[ ]
Superior products	[ ]	[ ]	[ ]	[ ]	[ ]
Market segmentation	[ ]	[ ]	[ ]	[ ]	[ ]
Lobbying	[ ]	[ ]	[ ]	[ ]	[ ]
Enhanced revenue collection	[ ]	[ ]	[ ]	[ ]	[ ]

THANK YOU FOR YOUR COOPERATION