Implementation of Strategic Plans in the Public Sector: A Case Study of Directorate of Personnel Management of the Government of Kenya

By

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DECLARATION

This management research project is my original work and has not been presented for degree in any other university.

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This Management Research Project Report has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

To my family and my friend Emily who stood by me at every time of need and for their prayers and encouragement.

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«

ABBREVIATIONS

1. DPM-Directorate of personnel Management

2. MCS-Management Consultancy Services

3. PA-Personnel Administration

4. HRD-Human Resource Development

5. CSRS-Civil Service Reform Committee

6. GTIs-Government Training Institute

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Abstract

The research was carried out to establish the extent to which DPM has implemented its strategic plan and the challenges faced in the process of implementation. This was made possible by the use of questionnaires which were given to the respondents, who completed them and the information was analyzed. The study established that DPM practiced strategic planning and that they used this to clarify and establish their mission and vision. That their mission and vision was greatly communicated to the stakeholders. In addition to this, the researcher established that, the DPM has broken its strategic plan to functional and operational plans, which are used on a daily basis in the various departments and this is noted as very crucial as it is geared towards the achieving of the large strategic plan.

Further the study observed the implementation of the strategic plan was average and the reasons observed for such average extent of implementation include, slow acceptability of the strategic plan by some stakeholders and hence lack of commitment in the implementation exercise and that those who were expected to implement the strategic plan were never involved in the formulation of the same. This is why basically they were not even ready to own it. The implementation process was never without challenges. The major ones included lack of financial resources, political interference, poor communication among the implementers, inadequate training among others. From the finding it is recommended that further research in strategy implementation in the public sector be carried out. This should be a cross-sectional study so that comparison can be made between many public organizations. Another area recommended for further research is on the effectiveness of strategy implementation in the public sector.

CHAPTER ONE: INTRODUCTION

1.1   Background

Organizations have found it necessary in recent years to engage in Strategic Management process in order to achieve their corporate goals.   The environment in which they operate has become not only increasingly uncertain but more tightly interconnected.   This requires the organisations to think strategically and translate their insight into effective strategies to cope with their changed circumstances and to develop rationales necessary to lay the groundwork for adopting and implementing strategies in this ever, changing environment (Bryson 1995).   According to Pearce and Robson (1997) in order for the organisations to achieve their goals and objectives it is necessary for them to adjust to their environment.

1.1.1 Strategic Planning Process.

The strategic planning process provides an ordered set of steps designed to culminate in the development and execution of a comprehensive strategic business plan. Throughout the entire process, quality control actions are interwoven to catch mistakes as close to the point of introduction as possible, and procedural steps are undertaken to maximize organizational inputs and participation. All steps focus on understanding and achieving the strategic intent of the business, which represents the long-term ambition of the enterprise (Bernard H Boar 1993.)

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Michael Cowley and Ellen Dumb (1997) observe that; planning   consists of defining the important objectives an organization needs to achieve and determining how it plans to achieve them.   The purpose of strategic planning is

to set the direction of the organization to improve its prospects for long-term survival and prosperity.

Strategic planning is important because it provides a comprehensive process for doing all the steps and sub-steps of assessment, strategy and execution thus it provides completeness. Planning also provides integration in the planning community in terms of perspectives. That strategy must be developed in this deliberate manner because of the irreversibility of commitment, the effort of forcing organizational alignment, the time to build and nourish specific sustainable advantages, the effort of accruing the benefits of leverage and the difficulties of managing organizational change. Strategic planning generates an intended and explicit strategy as opposed to the emergent and implicit strategy.

The planning model encourages broad organizational participation. The model does not encourage the few to go off into an isolated corner and develop a plan for the many and that the process is interwoven with quality control steps (Bernard H Boar, 1993). Once strategies have been developed, they need to be implemented. Strategies are of no value to a company unless they are effectively translated into action. However, although effective implementation of strategy is so important, it is not easy. As Bonoma (1984) and Alexander (1985) pointed out, many well formulated and appropriate strategies can fail when attempts to implement them are made.

Strategy implementation is the process through which strategy is translated into action and results are achieved (Pearce and Robinson, 1988). In this process strategic goals are translated into functional and operational targets (objectives and goals). The long-term strategic thrust is also transformed into short-term functional strategies and day-to-day operational procedures.

Strategy implementation is likely to be successful when congruence is achieved between several elements crucial to this process learned et. al, (1969) have categorized these elements into two groups; structure and process elements. Structure defines the configuration of a company showing the relationships that exist between the various parts of the company. The process elements include leadership, culture, resources and other administrative processes. The structure of a company should be compatible with the chosen strategy. If there is incongruence here, adjustment will be necessary either for the structure or the strategy itself. Chandler (1962) pointed out this important relationship by arguing that "structure followed strategy" whereas there is support for chandler's view that structure follows strategy, there is also evidence that structure influences strategy in certain situations.

Given these views on the structure strategy relationship, we many say that structure and strategy interact and influence each other Hax and Majluf (1991) amplified this view by suggesting that strategy and structure interact. Strategy does influence structure but the later also constraints strategy alternatives. It is clear that the issue of company structure is important for strategy implementation. However, there are certain situations where questions on organization structure remain unimportant.

Strategies are critical element in organizational functioning, but whereas most organizations have good strategies, successful strategy implementation remains a major challenge. The notion of strategy implementation might seem quite straightforward; a strategy is formulated and then implemented. In the contrary, transforming strategies into action is a far more complex, difficult and challenging undertaking and therefore not as straightforward as one would assume (Aaltonen & Ikavalko, 2001). Because implementation of strategies remains the greatest bottleneck, many organizations are not able to address their

goals adequately. Organizations today face major unpredictable changes that make strategy implementation more difficult and complex than in the past (Harvey, 1988).

Recent research (Mentzberg & Quins, 1991; David, 1997; Wang, 2000) also indicates that a considerable proportion (over 65%) of organizational strategies fail to get implemented effectively. Researchers (Alexander, 1991; Giles, 1991; Aosa, 1992; Lares-Mankki, 1994; Galpin, 1998; Beer & Eisenstat, 2000; Koske, 2003) have revealed a number of problems in strategy implementation. These include weak management roles, lack of communication, lacking commitment to strategy, and unawareness or misunderstanding of the strategy. Other problems are unaligned organization systems structures and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities, and uncontrollable factors in the external environment.

1.1.2 Strategic Planning and Implementation in the Public Sector.

The concept of strategy and strategic management are just as important in the public sector as in the commercial firms (Johnson and Scholes 2002).

The environment of the public sector is a complex phenomenon and has not yet been adequately conceptualized. It is more un- predictable and less stable than that of private enterprise; mainly because it's social-political contents are very large (Edwards, 1967). He further argues that public corporations have numerous objectives, more ambiguous and less distinguishable from underlying conditions. Moreover they fluctuate in their supposed order of priority almost from day to day at the whim of public and parliamentary opinion. Management does not have the freedom to optimize its performance in pursuit of a single objective, even in pursuit of a number of stable and compatible ones. These factors have led to poor strategy implementation in public sector.

The challenge of achieving sustained economic growth for wealth and employment creation demand the transformation of the public service to be more focused, efficient and increasingly responsive to the need of those being served. The public service mandate, structure and operation must be reshaped and its productivity enhanced so that it can more effectively facilitate national development. A leaner public service, which directs its energies towards the implementation of well-defined core functions, policy priorities and utilizes resources more productively, will be better placed to play its part in Kenya's economic development.

1.1.3 Directorate of Personnel Management

The Directorate of personnel was established in the office of the Prime Minister Vide circular No. 1 of 2ᵈ April 1963. Following the transformation of the office of the prime minister to the office of the president, the Directorate's mandate was redefined in the presidential circular No.2 of 1 964 as "responsible to the president for the day to day administration of the civil service, including coordination and planning for Africanization and training programme for all ministries".

In 1969, the Directorate of Personnel was structured into three divisions, namely; management services, training and establishment Divisions. It was later restructured and renamed the Directorate of Personnel management (DPM) through session paper No.5 of 1974. In 1978, DPM was re-organized into: management consultancy services, manpower development, personnel and administration, and finance and administration.

During the 1980s there was increased demand for improved public service delivery occasioned by persistent decline in performance of the public sector.

This necessitated major reform initiatives to rejuvenate the public service. As part of this process, the Civil Service reform secretariat (CSRS) was established in 1993 as an additional division in the directorate to spearhead reforms in the civil service.

The directorate of personnel management (DPM) is mandated to provide strategic leadership and policy direction in human resource management and development in the public service. The increasing customer expectation, social obligations and responsibilities necessitate a continuous review of the professional services being offered by the directorate to meet changing user needs. New programmes that are based on client needs must be developed and those already on offer reviewed to ensure that they meet management and other national development requirements.

This strategic plan maps out operation direction for DPM over a period of five years (2002-2007) the core business of the directorate remains the provision of strategic leadership and guidance in human resource management and development in the public service. The plan takes cognizance of the fundamental issue arising from past public sector performance that need to be addressed. Some of the strategies spelled out include: Complete review of schemes of service/career progression guidelines for all cadres in civil service, Develop clear job specifications/descriptions for all cadres, Implement a results oriented management in the civil service, Establish IPPO system in all ministries/departments, Mobilize resources for reforms, To establish appropriate operational organizational structure, Ensure effective utilization of all professional staff in their areas of specialization, Eliminate wastages in recurrent expenditures.

1.2   Statement of the problem.

Once strategies have been developed, they need to be implemented.   Without successful implementation, the company will not obtain the result that it intended. A well- developed strategy will have to be executed well if we expect to obtain success in our operations. While implementation of strategy is such an important activity, it is not easy. Many excellent strategies fail when attempts to implement them are made.   Directorate of Personnel Management is responsible for the human resources management and development of the public service. If it does not implement its strategies as spelled out in their strategic plan the public service Human resource will suffer.

It is of critical importance that the Directorate of Personnel Management's daily activities and work efforts directly relate to accomplishing the strategic plan. It will be impossible to implement strategy if this link is not made. It is important that DPMs energies and efforts flow in the direction of strategy execution. The more this is the Case, the more that strategy implementation stays on track.   The purpose of this study is to explore and document the extent of implementation of the strategies documented in the master plan and challenges faced by DPM in the period (2002-2007).

Various studies (Collins 2003, Mwaura 2001, Muthuiya 2000, Kiptarus 2003) have been carried out on the subject of strategic planning and implementation in Kenya organizations but non-specifically touching on DPM. Strategic Planning is sensitive to context such that when the setting changes, there is a high likelihood that strategic planning practices would also change.

It is apparent that DPM has been facing challenges.   As the environment becomes more turbulent and complex organizations tend to resort to strategic

planning as a means of survival. The questions this study is trying to address are:

1. To what extent has DPM implemented its strategic plan?
2. What challenges has DPM encountered in implementing the strategies?

1.3   Objectives.

1. To find out the extent to which DPM has implemented the strategies formulated in the strategic plan.
2. To identify the challenges encountered by DPM in implementing the strategies.

1.4   Justification of the study

The research is expected to be of value to various stakeholders. Firstly the public service commission and the Government of Kenya as a whole. This may lead to making informed decisions about the service. The research will also be of interest to the civil servants and it will also enable DPM to respond effectively to the challenges of HRM in Kenya's public service, to scholars, Government of Kenya and other Governments

CHAPTER TWO: LITERATURE REVIEW

2.1   The Concept and origin of Strategy

Strategy is about winning - it is a unifying theme that gives coherence and direction to the actions and decisions of an individual or organization. (Robert Grant 1991). Strategy is viewed as forming a link between the firm and external environment. The firm embodies three sets of key characteristics; its goals and values, its resources and capabilities, its organizational structure and systems. The external environment of the firm comprises the whole range of economic, social, political, and technological factors that influence a firm's decisions and its performance. However, the most strategy decisions, the core of the firm's external environment is its industry, which is defined by the firm's relationship with customers, competitors and suppliers. The task of strategy, then, is to determine how the firm will deploy its resources within its environment and so satisfy its long-term goals, and how to organize itself to implement that strategy.

An important implementation of the firm-strategy-industry environment framework is the concept of strategic fit. For a strategy to be successful, it must be consistent with the firm's goals and values, with its external with its organization and systems. Lack of consistency between the strategy pursued by a firm and its external and internal environments is a common source of failure (Robert M-Grant 1991). Strategy therefore is concerned with the survival of the organization in the long term in the face of changing environmental conditions and situations. It is essence a tool for guiding the organization forward and providing a framework through which it will operate. Fubara (1986) articulates the view that an environment, which constantly upsets a plan, should demand for more planning and constant monitoring to keep organizational performance ready to respond to environmental changes.

Ansoff (1965) views strategy in terms of market and product choices. According to his view, strategy is the "common thread" among an organization's activities and the market. Johnson & Scholes (1984) define strategy as the direction and scope of an organization that ideally matches the results of its changing environment and in particular its markets and customers so as to meet stakeholder expectation. According to Juach and Glueck (1984), strategy is a unified and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and that is designed to ensure that the basic objectives of the enterprise are achieved through proper execution by the organization.

The word *strategy* originated from Greek work '*stratego'* to plan the destruction of one's enemies through the effective use of resources' (Bracker, 1980). The concept of strategy could have initially been confined to military operations due to the need for victory in war after which it found its way into the business circles. Chandler (1962) however argues that the exact process of strategy development is untraceable and puts forward the view that the emergence of strategy in civilian organizational life could have resulted from the awareness that there were opportunities arising from demographic, economic and technological changes. "The need to use resources more efficiently and profitably became more acute. Other authors have challenged the analogy of military to business strategy. Hoskin (1990) advocates that the modern concept of strategy bears little resemblance to military strategy and further argues that the origins of business strategy are largely untraceable.

From the 1950s, the post effects of the world war brought with it an expansion in business forcing many companies particularly in America, to reconsider their business planning systems (Mckieranan, 1992). This led to the development of long-range planning techniques which basically involved plotting trends and

planning the action required to achieve the identified growth targets as formulated, while reducing the gap between the levels of demand the company expected (as planned) and the actual demand finally realized or observed.

The inherent biasness, mainly towards financial targets as well as budgeting controls in long-range planning gradually proved incapable of accurately forecasting future demand and the problem of the gap between the level of demand expected and actual demand increased. This turn of events can be attributed to the extrapolative nature of the planning systems which had little consideration for the wider macro-economic factors, competitor actions and moves, and the general increase in environmental turbulence leading to inaccurate forecasts (McKiernan, 1992).

From the late 1970s onwards, the rational perspective on strategy has come under increasing attack, not least by the leading management thinker of his generation, Henry Mintzberg (1976, 1978, 1983, 1987 and 1994). The main criticisms of the rational approach to strategy are threefold: that hard data are no more reliable, and in some cases less so, than qualitative data; that organisations and managers are not rational entities and do not apply a rational to decision- making and that an organization strategy is as likely to emerge from unplanned actions and their unintended consequences over a period of time as it is from any deliberate process of planning and implementation (Child and Smith, 1987; Hatch, 1997; Mintzberg *et al,* 1998; Petting *et al* 1992; Stacey, 2003; Whittington, 1993).

2.1.1 Process of Strategic Management

From the concept of strategy comes the aspect of strategic management, which can be defined as the set of decisions, and actions resulting in the formulation and implementation of strategies designed to achieve the objectives of the strategies in order that they may deliver the intended results. Thus, the

formulation and implementation of strategies for the organization are core management functions and top management must be involved. Strategy formulation is however an intricate task for the organization's top management.

Pearce and Robison (1997) define a process as the flow of information through interrelated stages of analysis toward the achievement of an aim. In the strategic management process the flow of information involves historical, current, and forecast data on the operations and environment of the business. The aim of the process is the formulation and implementation of strategies that work, achieving the company's long term Mission and near-term objectives.

Strategic management is a process that affects the whole organization. It outlines the way in which objectives are determined and strategic decisions are made (Juach and Glueck, 1984). A change in one component results in changes in all other components (Pearce and Robinson, 1997). Although the elements of the model rarely change, the relative emphasis that element receives will vary with the decision-makers who use the model and the environments of their companies. According to Charles and Gareth (1999) Strategic Management process is the process by which managers choose a set of strategies for the enterprises. They further classify or break down the strategic management process into five main steps. Selection of the corporate mission and major corporate goals. Analysis of the organization's external competitive environment to identify opportunities and threats. Analysis of the organizational internal operating environment to identify the organization strengths and weaknesses. Selection of strategies that build on the weaknesses inorder to take advantage of the external opportunities and counter external threats and Strategy implementation.

Strategy implementation is one of the components of strategic management and refers to a set of decisions and actions that result in the formulation and implementation of long term plans designed to achieve organizational objectives (Pearce & Robinson, 2003). Its purpose is to complete the transition from strategic planning to strategic management by incorporating adopted strategies throughout the relevant system (Bryson, 1995). Strategic management by itself is a process. Robinson & Coulter (2002) defines it as "the process that encompasses strategic planning, implementation and evaluation." In their view, strategic management process is a way of considering, deciding, and realizing already formulated strategies. Strategy implementation, on the other hand, is concerned with both planning on how the choice of strategy can be put into effect, and managing the changes required (Wang, 2000).

In real life the formulation and implementation processes are intertwined (Andrews, 1971). The different aspects involved in strategy implementation cover practically everything that is included in the discipline of management studies (Kazmi, 2002). The strategic plan devised by the organization proposes the manner in which the strategies could be put into action. Strategies, by themselves do not lead to action, they are statement of intent. Implementation tasks are meant to realize the intent. This task includes: - allocation of resources, design of structures and systems, formulation of functional policies, and others. A brilliant strategy that can't be implemented creates no real value. Effective implementation begins during strategy formulation when questions of "how to do it" should be considered in parallel with "what to do" Effective implementation results when organization, resources and actions are tied to strategic priorities and when key success factors are identified and performance measures and reporting are aligned (Deloitte and Touche, 2003).

It is always more difficult to do something (strategy implementation) than to say you are going to do it (strategy formulation) (David, 1997). The strategic - management process does not end when the firm decides what strategy or strategies to pursue. Strategy formulation and implementation differ in many ways. For example, strategy formulation is positioning forces before the action while implementation is managing the forces during the action. Unlike strategy formulation, strategy implementation varies substantially among different types and sizes of organizations (Alexander, 1985). Implementation of strategy calls for alternation of existing procedures and policies. In most organizations, strategy implementation requires shift in responsibility from strategists to divisional and functional managers (Kazmi, 2002). It is therefore important to ensure that there is a shift in responsibility to ensure successful implementation. The implementers of strategy should therefore be fully involved in strategy formulation so that they can own the process.

2.1.2 Factors affecting strategy implementation

Organizational structure

The structure of a company should be consistent with the strategy being implemented. Changes in a company's strategy bring about internal problems, which require a new structure if the strategy has to be successfully implemented. The choice of company structure does make a difference in how a company performs. Not all forms of company structure are equally supportive in implementing a given strategy. The structural design of a company helps people pull together in their activities that promote effective strategy implementation. An inconsistency between structure and strategy will lead to disorder, friction and malperformance (Aosa 2002).

The structure of the organization should be compatible with the chosen strategy and if there is incongruence, adjustments will be necessary either for the structure or the strategy itself. (Kozke, 2003). However, Mintzberg & Quinn (1991) argue that the central problem in structuring today is not the one on which most organization designers spend their time by dividing up tasks. It is one of emphasis and coordination on how to make the whole thing work.

Leadership

The members of the company need to focus their effort in the same direction. Such unity of direction is critical for successful strategy implementation. The Chief Executive should be at the forefront in providing leadership. He should provide a vision, initiative motivation and inspiration. He should cultivate team spirit and act as catalyst in the whole strategy implementation process (Aosa 2003). According to Koske (2003), leadership is considered to be one of the most important elements affecting organizational performance. The leadership of the organization should be at the forefront in providing vision, initiative, motivation and inspiration. The management should cultivate team spirit and act as a catalyst in the whole strategy implementation process. As much as possible, the leadership of the organization should fill relevant positions with qualified people committed to the change efforts (Bryson, 1995).

Culture

The culture of the company needs to be compatible with the strategy being implemented. Corporate culture refers to the set of common values and belief that members of a company share in common (Pearce & Robinson, 2002). Corporate culture gives employees a sense of how to behave and act. When culture influences actions of employees to support current strategy, implementation is strengthened. The managers are the ones who developed the strategic plan. It is part of their leadership task that once strategy has been

developed, they bring the company's culture into alignment with strategy and keep it there. (Thomson & Strickland, 1989).

Culture can either be strength or weakness. As strength, culture can facilitate communication, decision making, and control, and can create co-operation and commitment. As a weakness, culture may obstruct the smooth implementation of strategy by creating resistance to change (Pearce & Robinson, 1988). Aosa, (1992) stated that it is important that there culture of an organization be compatible with the strategy being implemented because where there is incompatibility between strategy and culture, it can lead to a high organizational resistance to change and de-motivation which in turn can frustrate the strategy implementation effort. However, when culture influences the actions of the employees to support current strategy, implementation is strengthened.

Strategy support system

There are many routine activities that are performed in a company to keep it running smoothly. These activities need to be carried out efficiently. They too reinforce the implementation of strategy. One of the key support systems is communication. To stay informed of how well the implementation process is going, managers need to develop networks of contacts and sources of information, both formal and informal. Timely information helps managers to monitor implementation and take remedial actions where problems arise (Mintzberg, 1999). According to Aaltonen & Ikavalko (2001), linking organizational goal setting systems is very essential in strategy implementation.

Resources

It should be possible to implement the chosen strategy with the resources available. Organizations have at least four types of resources that can be used to achieve desired objectives namely; financial resources, physical resources,

human resources, and technological resources (David, 2003). Once a strategic option has been selected upon (in the strategic selection stage), management attention turns to evaluating the resource implications of the strategy (Campbell et al, 2002). The operating level must have the resources needed to carry out each part of the strategic plan (Harvey, 1998). It should therefore be possible to implement with a strategy which requires more resources than can be made available.

Policies

Policy refers to specific guidelines, methods, procedures, rules, forms, and administrative practices established to support and encourage work toward stated goals (David, 1997). According to Pearce and Robinson (1994), policies are broad, precedent -setting decisions that guide or substitute for repetitive managerial decision making and therefore are directives designed to guide the thinking, decisions, and actions of managers and their subordinates in implementing a firm's strategy. Policies set boundaries, constraints and limits on the kinds of administrative actions that can be taken to reward and sanction behaviour; they clarify what can and cannot be done in pursuit of an organization's objectives (Galbraith and Nathanson, 1978).

Policies let both employees and managers know what is expected of them, thereby increasing the likelihood that strategies will be implemented successfully. Whatever their scope and form, policies serve as a mechanism for implementing strategies and obtaining objectives. Policies represent the means for carrying out strategic decisions and hence should be stated in writing whenever possible (Hussey, 1988).

2.1.3   Challenges of strategy implementation.

There are many organizational characteristics, which act to constrain strategy implementation.   Of particular importance are structure, culture, politics and managerial style (Burns, 1996).

Connecting Strategy Formulation to Implementation.

Top managers need to recognize that they cannot plan everything (Taylor, 1986). Assumption that management can plan strategy implementation at the top then cascade down through the organization is not tenable.   It should be recognized that how top managers conceive strategies are not the same as how those lower down in the organization conceive of them (Johnson and Scholes, 2002).   Therefore there needs to be ways of relating the strategic direction to the everyday realities of people in the organization.   It is therefore vital that middle managers are engaged with and committed to such strategies so that they can perform this translation process (Kazmi, 2002).

Resource Allocation

All organizational have at least four types of resources that can be used to achieve desired objectives.   Financial resources, physical resources, human resources, and technological resources (Thompson, 1990). Resource allocation is a central management activity that allows for strategy execution. Strategic management enables resources to be allocated according to priorities established by annual objectives.   Organizations may be captured by their resource priorities established by annual?objectives.   Organizations may be captured by their resource legacy or assumptions people make about what resource priorities really matter (Johnson and Scholes, 2002).

A number of factors commonly prohibit effective resource allocation.   These include an overprotection of resources, too great an emphasis on short run

financial criteria, organizational politics, vague strategy targets, a reluctance to take risks, and a lack of sufficient knowledge (David, 1997).

Matching Structure with Strategy

Changes in strategy often require changes in the way an organization is structured. Organizations can be captured by their structures and systems (Johnson and Scholes, 2002). This is because; structure dictates how policies and objectives are established. Resource allocation of an organization is dependent on the kind of structure the organization has. There is no one optimal organizational design or structure for a given strategy or type of an organization (David, 1997 and Pearce and Robinson, 1994).

When an organization changes its strategy, the existing organizational structure may become ineffective (Wendy, 1997). Symptoms of an ineffective organizational structure include too many people, too much attention being directed toward solving interdepartmental conflicts, too large a span of control; and too many unachieved objectives (David, 1997). Changes in structure should not be expected to make a bad strategy good, or to make bad managers good, or to make bad managers good, or to make bad products sell (Chandler, 1962).

Linking performance and pay to Strategies

Staff control of systems, often prevents line managers from using financial compensation as a strategic tool (David, 1997). How can an organization's reward system be more closely linked to strategic performance? Incentives such as salary raises, stock options, fringe benefits, promotion, praise, criticism, fear, increased job autonomy, and awards can encourage managers and employees to push hard for successful strategic implementation (Johnson and Scholes, 2002).

David (1997) suggested that for reward system to be closely linked to the strategic performance of an organization, the system should be, dual bonus system based on both annual objectives and long-term strategic objectives. Profit sharing and gain sharing. This requires employees or departments to establish performance targets; if actual results exceed objectives, all members get bonuses. Sales, profit, production efficiency, quality, and safety could also serve as bases for an effective bonus system.

Creating a Strategy - Supportive Culture

Strategists should strive to preserve, emphasize, and build upon aspects of an existing culture that support proposed new strategies. Culture may be a factor that drives the strategy rather than the other way round (Kazmi, 2002). If the existing culture is antagonistic to a proposed strategy then it should be identified and changed. People can be captured by their collective experience rooted in the past success and organizational and institutional norms (Johnson and Scholes, 2002). Changing a firm's culture to fit new strategy is usually more effective than changing a strategy to fit existing culture (David, 1997).

Alexander (1985) identifies inadequate planning and communication as two major obstacles to successful implementation of strategies. Thomson & Strickland (1998) states that strategy implementation challenge is to create a series of tight fits between strategy and the organization's competences. Capabilities and structure; between strategy and budgetary allocation; between strategy and the reward structure and; between strategy and the corporate culture.

However, the problems of strategy implementation relate to situations or processes that are unique to a particular organization even though some problems are common to all organizations. The key decision makers should therefore pay regular attention to the implementation process in order to focus attention on any difficulties and how to address them.

CHAPTER 3: RESEARCH METHODOLOGY

This chapter is intended to give details of the research design that will be used to achieve the objectives of the study. This is intended to document how far DPM has gone in strategy implementation and challenges that were encountered.

3.1 Research design

The research was conducted through a case study design. I chose to do a case study because it will enable me to make a detailed examination of DPM as a government body mandated with the HRM and development of the Civil Servants more especially its strategic plan and the implementation of the same. The reason why I picked to research on DPM'S strategic plan is because, the issue of strategic planning is a relatively new venture in the government ministries and this fact drew my attention as DPM is among the first departments to prepare their strategic plan.

3.2 Data collection method

The data for the research was mainly from both primary and secondary data. The primary data was in-depth interview and open-ended questionnaires with senior managers. The respondents of this study were the top and middle managers of key sections.

3.3 Data Analysis.

The data analyzed sought to establish the extent to which DPM has implemented its strategic plan and the challenges faced.

Therefore the questionnaires were edited for both completeness and consistency and the data was coded. The data was analyzed using descriptive statistics and percentages. Descriptive statistics enabled the researcher to describe the distribution of scores or measurement. Content analysis was also done from both the information from the interview and the questionnaires.

CHAPTER 4:   DATA ANALYSIS AND FINDINGS

The data has been presented using tables. The data has been analyzed using descriptive statistics, frequencies, percentages and cross tabulations .Ranking was also used to indicate the challenges that were encountered by DPM during strategy implementation. This chapter has got two main parts which are geared towards answering the objectives.

4.1 Implementation

The study indicated that DPM practices strategy management. It has a mission and vision statements as well as long-term and operational plans .The study indicates that currently DPM has 11 sections. The interview revealed that the middle management though responsible for strategy implementation, majority of the respondents argued that it is top management duty to formulate the strategies. Some respondents argued that they were aware of the existence of the strategic plan though they could not easily remember its contents.

4.1.1 Extent of mission and vision communication

The researcher wanted to find out whether DPM's mission and vision is communicated that is, the extent to which their mission and vision is communicated to its stakeholders. Table 1 indicates that to a very great extent DPM communicates its mission and vision to outsiders , as it has the highest mean score of (3.2) , followed by communication to other employees with a mean of (2.7) then to management with (1.7).This generally shows that their mission and vision is communicated.

Table 1: Extent of mission and vision communication

	n	mean	Std deviation
The extent the vision and mission is communicated to management	20	1.65	1.18
The extent to which vision and mission is communicated to other employees.	20	2.65	1.18
The extent to which the vision and mission is communicated outsiders	20	3.15	1.66

Source: Research   data

4.1.2   Objectives Formulated in the Strategic Plan

The researcher wanted to find out the number of objectives that had been laid dowm.Table 2 indicates that   20% of the respondents said there were 1-5 strategies,60% responded that there were 6-15 objectives, while another 20% indicated that there were about 16-20 objectives in total.

Table 2: Number of Objectives Formulated

Response	Frequency	percentage
1-5	4	20
6-10	6	30
11-15	6	30
16-20	4	30
Total	20	100

Source: research   data

4.1.3 Objectives Accomplished Within the Stipulated Time

The researcher wanted to find out from the respondents, how many of the laid down objectives were accomplished within the stipulated period.

Table 3 indicates that 15% respondents said only 10% of the objectives were accomplished, 20% said only 40% had been accomplished while 50% of the respondents indicated that only 80%.The remaining 15% had no idea.

Table 3: Percentage of Objectives Accomplished.

Response	Frequency	Percentage
10%	3	15
40%	4	20
80%	10	50
Total	17	85
Missing system	3	15
Total	20	100

Source: research data

4.1.4 Failure to Accomplish Objectives at the Stipulated Time

The researcher wanted to establish the reasons that would be attributed to the failure to accomplish objectives stipulated in the strategic plan. Table 4 indicates that 70% attributed it to lack of enough financial resources, and 15% attributed it to organizational structure while 15% of the respondents did have an answer to this question.

Table 4: Reasons for failing to accomplish objectives on time

Response	frequency	percentage
Lack of enough resources	14	70
Poor organizational culture	3	15
Total	17	85
Missing system	3	15.0
Total	20	100

Source: Research data

4.1.5 Objectives that were not Implemented at All

The researcher wanted to find out why some objectives were not implemented at all. 15% of the respondents said it was due to inadequate funding and poor timing, 20% of the respondents said it was due to lack of management support and staff skills while 15% cited lack of work plans, inadequate communication, 50% cited poor organizational culture.

Table 5: Objectives that were not implemented at All

Response	frequency	percentage
Inadequate resources	3	15
Lack of management support	4	20
Poor communication	3	15
Poor organizational culture	10	50
Total	20	100

The researcher further wanted to establish the extent to which the objectives were achieved. Tables 6 indicates that 20% of the respondents said 90-100% was achieved 30% said 70-90% was achieved 20% cited 50-70% while 30 % said below 50% had been achieved.

Table 6: The extent to which the objectives were achieved

Response	Frequency	percentage
90-100%	4	20
70-90%	6	30
50-70%	4	20
Below 50%	6	30
Total	20	100

Source: research   data

Also the researcher wanted to find out what should have been- done differently to improve on the level of accomplishment of the strategic plan. The researcher found out that 23.1% were of the opinion that the plan is ongoing and they should be given more time. 30.8% said management should support and guide the exercise of implementation, 23.1"% said resources should be made readily available another 23% was indefinite about this question.

4.2   Challenges

 Many challenges face organizations in their pursuit to implement strategies. The researcher wanted to find out the challenges that affected the implementation process in the DPM, by asking the respondents to rate the level of effect at which those challenges affected implementation. 1 stands for the least affected while 5 is for the extremely affected.

4.2.1 Scores of Rating on the Level of Challenges

The respondents were asked to rate the levels at which the listed challenges affected implementation of strategies in DPM. This was an attempt to. Reveal whether the organization faced challenges that any organization face as described the literature review. A mean score in each category of rating was obtained. Table 6 indicates the rating of each challenge on the level that the respondents believed has affected strategy implementation. More time than allocated, (2.7), inadequate resources, (2.8), inadequate communication, (2.5), external environment, ((2.3), inadequate staff training, (2.3), poor leadership, (2.0). These were considerer the major challenges faced by DPM during implementation of the strategic plan. The rest of the challenges are considered to be minor.

Table 7: Scores of rating on the level of challenges

	n	Mean	Std deviation
Implementation took more time than initially allocated	16	2.69	1.66
Major obstacles surfaced during implementation	16	2.31	1.53
There was inadequate communication of strategy to the staff	13	2.54	1.66
Capabilities of employees involved were inadequate	16	2.25	1.61
Slow acceptability of the new strategy	20	2.50	1.53
Resources made available were not adequate	20	2.80	1.60
Monitoring, planning, coordination, and sharing of responsibilities was not well defined	16	1.94	1.56
There was lack of focus and ability on new strategy	16	1.94	1.56
Uncontrollable factors in the external environment had adverse impact on implementation	16	2.31	1.78
Inadequate training of staff	16	2.25	1.61
Inadequate coordination of information	16	2.31	1.53
Leadership and direction provided by departmental/ programme managers were not adequate	16	2.50	1.78
Unsupportive organization culture	16	1.94	1.56
Information systems used to monitor implementation were not adequate	20	1.90	1.51
Key formulators of the strategic decisions did not lay enough role in implementation	16	1.94	1.56
Wrong organization structure	16	1.94	1.56
Advocates and supporters of the strategic decisions left during implementation	16	2.13	1.62
Poor leadership	16	2.00	1.54
Political interference and regulations	20	1.60	1.46

CHAPTER 5: SUMMARY, DISCUSSIONS AND CONCLUSIONS

The study examines implementation of documented strategies and challenges reviewed implementation of those strategies that were to be accomplished by 2007

5.1 Summary, Discussions and Conclusions

The first objective of the study was to find out the extent of implementation of these strategies. The findings of the study indicate that for the period under study (2002-2007), the overall performance in strategy implementation is average and the execution of operational strategies is more or less at the same level in all the sections. This is supported by the fact that a minority 15% of the respondents seemed not to know anything to do with operational strategic plans. The results indicate that the DPM is experiencing inadequate financial resources, unsupportive culture, and lack of good leadership, unsupportive organization culture and a lot of political interference. As stated in the literature review, adequate resources, favorable organizational culture among other factors enhance the success of strategy implementation. Adequate leadership is needed for effective implementation of strategy, as this will ensure that all company effort is united and directed towards achievement of organization goals. Organizational structure should be compatible with the chosen strategy as it is through structure that organizations are positioned so as to execute their strategy.

5.1.1 Challenges encountered in strategy implementation

The second objective of the study was to identify the challenges encountered by DPM in implementing its strategies. Results of the study show that the major challenges encountered by the organization are, lack of financial resources, inadequate communication of strategy to the staff, inadequate capabilities of

employees involved in the implementation, uncontrollable factors in the environment, unsupportive organizational culture, poor leadership and political interference . As observed earlier it is necessary that an organization strategy is in line with several organizations' critical components. Examples of such components include structure, leadership, culture resources among others.

Finally it is worthy to mention that it is important for DPM's activities and work efforts directly relate to accomplishing it's strategic plan. It will be impossible to implement strategy if this link is not made. In order to achieve this, DPM must always refer to its strategic plan whenever they are intending to engage in any program. They should also ensure that enough resources are allocated to carry out their strategic plan. Too little resources will tend to stifle the ability of the organization to carry programs documented in the plan. Employees who will be expected to implement strategies should be fully involved in its development. This will avoid a situation where critical implementation issues are left out of consideration during formulation stage

5.2 Limitations of the study

This study covered a period of 3 months. This short period did not allow the researcher to collect enough data for comprehensive analysis. The research therefore only focused on the laid down objectives and ignored other important areas such as effectiveness of implementation. The effect of Government controls on the process of implementation was not studied either. The other limitation that the researcher encountered was the unwillingness of the employees to release information. This led to frustrations and time wasting. The other limitation was the serious protocols followed in the public sector. For example authority has to be given from above and these are officers who are always attending other functions. Another limitation the researcher encountered was that, the concept of strategic management and planning is relatively new in

the public sector and this required a lot to be explained to a majority of the officers before they could release any information.

5.3 Recommendations for further research

There is need to undertake further research in strategy implementation in the public sector. This should be a cross-sectional study so that comparison can be made between many public organizations. Effectiveness of strategy implementation in the public sector can also be studied.

5.4 Recommendation for policy and practice

The empirical evidence from this study shows that DPM has documented all tools necessary for successful strategy implementation. The research revealed that though all the above was done, organization culture and procedures did not support strategy. For DPM to fully implement its strategies, it is recommended that it should sources for enough funds.

It is evident, that the organization did not involve its staffing in the formulation of the documented strategies. This may be the reason why documented strategies are not implemented fully. It is important to note that separation of strategy development and implementation may lead to a situation where critical issues may be left out of consideration during formulation phase. The organization should ensure that the staff and especially those involved in the implementation process discuss the strategies already formulated for them to own the process. The main task of strategy implementation is to align the activities and capabilities of an organization with its strategies. The average performance of DPM in strategy implementation may be attributed to lack of fit and coordination among various organization strategies. DPM should endeavor to align functional strategies with the organization's strategy. It should therefore ensure that there is congruence and coordination at the level of individual functional strategies.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE

PART 1:   RESPONDENTS PERSONAL INFORMATION

1.   Section

2.   Position

PART II: DPM STRATEGIC PLAN

1.   To what extent is your vision and mission communicated to each of the following?

	Very great Extent	Great extent	moderate extent	A Little extent	Not at all
Management					
Other employees					
Outsiders					

2.   Which method does your organization use to communicate its mission and vision?
(   ) posters
(   ) Word of mouth
(   ) Circulars
(   ) Other, Please specify

Is the DPM long term plan broken into operational plans?
Yes   No
(   )   (   )

If yes into what operational plans has the long term been broken into? Please list them.
(1)
(11)
(111)
(IV)

5.   How many objectives were formulated in the strategic plan?
              (>1-5
              ( ) 6 - 10
              ( ) 11-15
              ( ) 16-20

6.   How many (percentage) objectives were accomplished within the stipulated period?
              ( ) 10 %
              ( ) 40 %
              ( ) 60 %
              ( ) 80 %
              ( )100 %

7.   In a scale of 1 -5 please rank what you consider to be the key success factors in achieving that were accomplished on time.

              ( ) Management buys in
              ( ) Adequate communication
              ( ) Clarity, ease of objectives
              ( ) Involvement by all in setting the objectives.
              ( ) Others (specify)

8   What reasons would you attribute to failure to accomplish objectives stipulated in the strategic plan?

              ( ) Current Organizational structure
              ( ) Management staff lack skills
              ( ) Lack of enough financial resources.
              ( ) No proper systems of communication
              ( ) The current organizational culture

9.   With special reference to those objectives that were not implemented at all. Please give reasons for the position.

              (i)
              (ii)
              (hi)
              (iv)

10. To what extent in your view were the objectives achieved?

( ) 90 - 100 %
( )70 - 90 %
( )50 - 70 %
( ) Below 50%

11. In retrospect what do you think should have been done differently to improve on the level of accomplishment of the strategic plan?

(i)
(ii)
(hi)

PART V: CHALLENGES IN STRATEGY IMPLEMENTATION

Many challenges face organization in their pursuit to implement strategies. In your view how do you rate the level at which those challenges affect implementation of the documented strategies in your department? (Please circle the number on the right of each statement, 1 for the least affected and 5 for the extremely affected. The same level of rating may apply to more than one challenge.

		1	2	3	4	5
1)	Implementation took more than was originally allocate					
2)	Major obstacles surfaced during implementation that had been not identified beforehand.					
3)	There was inadequate communication of strategy to the staff					
4)	Capabilities of employee involved were not adequate					
5)	Slow acceptability of the new strategy by DPM stakeholders					
6)	Resources made available were adequate					
7)	Monitoring, planning, coordination, and sharing of responsibilities was not well defined					

		1	2	3	4	5
8)	There was lack of focus and ability on new strategy					
9)	Competition activities and crises distracted attention from implementing the decisions					
10)	Uncontrollable factors in the external environment had adverse impact on implementation					
11)	Inadequate training staff					
12)	Un-supportive organization culture					
13)	Inadequate coordination of information					
14)	Leadership and direction provided by departmental/programme managers were not adequate					
15)	Information systems used to monitor implementation were not adequate					
16)	Key formulators of the strategic decisions did not play an enough role in implementation					
17)	Wrong organization structure					
18)	Advocates and supporters of the strategic decisions left during implementation					
19)	Poor Leadership					
20)	Political interference and regulations					

21. What suggestion(s) would you give that will help your department avoid or minimize strategy implementation challenges?

22. Please give any other comment you may have regarding the subject of this research.

23. Which aspects of strategy implementation have been affected by the challenges above?

APPENDIX II: LETTER OF INTRODUCTION

August 2006

Dear Respondent,

This questionnaire is designed to gather information on **Implementation of strategic plans in the public sector: A case study of Directorate of Personnel Management:** The study is being carried for a management project paper as a requirement in partial fulfillment of the degree of Master of Business Administration (MBA), Faculty of Commerce, of the University of Nairobi.

The information in this questionnaire will be treated with confidentiality and into no instance will your name be mentioned in this research. Also, the information will not be used for any other purpose other than for this research.

Your assistance in facilitating the same will highly be appreciated. A copy of this research paper will be made available to you upon request.

Thank you in advance.

Yours truly,

Jane G. Obare   .   Dr. Martin Ogutu
MBA Student   **(Supervisor)**

APPENDIX III: DIRECTORATE OF PERSONNEL MANAGEMENT

ORGANIZATION STRUCTURE.