STRATEGY IMPLEMENTATION AND ITS CHALLENGES IN PUBLIC CORPORATIONS: THE CASE OF TELKOM KENYA LIMITED

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DECLARATION

This dissertation is my original work and has not been submitted for a degree in any other university.

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DEDICATION

This research work is dedicated to my dear wife Margaret and children, Michelle, Miriam, Joy and Trevor.

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ABSTRACT

The main critical phase of strategic management process is translating strategic thought into organizational action. Once strategies have been formulated, they need to be implemented. Without successful implementation, the company will not obtain the result that it intended.

Telkom Kenya limited like other public corporations operates in a complex environment, which is more unpredictable and less stable. The company's objectives are more ambiguous and less distinguishable and fluctuate in their order of priority depending on government's ever changing political agenda. Management does not have freedom to optimise its own performance in executing developed strategies.

The objective of this study was to find out the extent of strategy implementation and also to identify challenges that the company has encountered during implementation.

The research results obtained indicate that TKL formulated and documented its strategies in 1999. In its first four years the execution of these strategies has been average. It is evident from the results that the company has not been referring to its master plan whenever they embark on development programmes. It is clear that government control and lack of funds has interfered with the company's strategy implementation programme. Poor leadership style, limited IT capacity and poor corporate culture are the main challenges faced by the company in the process of strategy implementation.

CHAPTER 1

INTRODUCTION

Strategic management is the set of decisions and actions that result in formulation and implementation of plans designed to achieve a company's objectives. Even after the grand strategies have been determined and the long-term objectives set, the strategic management process is far from complete (Pearce and Robinson, 1994). Strategic managers now move into a critical new phase of what process- translating strategic thought into organizational action. This is strategy implementation stage.

Johnson and Scholes, (2002) observes that understanding the strategic position of an organization and considering the strategic choices open to it is of little value unless the strategies managers wish to follow can be turned into organizational action.

Although strategy implementation is viewed as an integral part of strategic management process, little has been written or researched on it (Awino, 2001). Indeed, strategies cannot take effect until they take shape in action. Such actions take form in the day-to-day processes and relationships that exist in

organizations; and these need to be managed, desirably in line with the intended strategy.

Public corporations can be defined as an activity of the government, whether central, state or local, involving manufacturing or production of goods (including agriculture) or making available a service for a price, such activity being managed either directly or through an autonomous body with the government having a majority holding (Narain, 1979)

The environment of public corporations is a complex phenomenon and has not yet been adequately conceptualised. It is more unpredictable and less stable than that of private enterprises, mainly because it's socio-political contents are very large. Sometimes, depending upon the nature of a public corporation, the environment becomes turbulent, confusing the public corporation manager of the organization in the process (Edwards, 1967). He further stated that public corporation have numerous objectives, more ambiguous and less distinguishable from qualifying conditions. Moreover, they fluctuate in their supposed order of priority, not merely from government to government, nor even from year to year, but almost from day to day at the whim of public and parliamentary opinion. Management does not have the freedom to optimise its own performance in pursuit of a single objective, or even in pursuit of a number of stable and compatible ones. These

factors among others have led to poor strategy implementation in public corporations.

Telkom Kenya Limited (TKL) being a public corporation seems to be struggling to adjust itself in order to be competitive in turbulent environment. The slow response to the market environment seems to be a pointer to strategy implementation problems.

TKL is a public limited Liability Company that was incorporated under the companies Act (CAP 486, laws of Kenya) in 1999. TKL was curved out of the now defunct Kenya Posts and Telecommunications Corporation (KPTC) to take over the telecommunications business in Kenya. The company was formed in line with Government policy on liberalisation and privatisation which is articulated in the policy framework paper (GOK, 1996). This policy document outlined the reform measures to be undertaken in all sectors of the economy in order to stimulate growth and development, specifically through the privatisation of the state enterprises.

Postal and Telecommunications sector reforms have been formulated within the context of this overall policy framework on economic reforms. The reform programme spelled out in the policy paper included restructuring KP&TC, liberalisation of the sector in order to allow competition and Establishment of

new regulatory framework which upon legislation, would provide for a multi-operator environment, thus promoting competition.

With these sweeping changes in the environment, the company formed a multi disciplinary committee to formulate strategies that will position the company well in the changing environment. The team came up with strategies that were documented as a Master Plan for the company for the next 15 years.

The master Plan contains long term objectives, grand strategies, functional strategies, annual objectives, policies, targets and milestones, action plans on the implementation of the strategies.

The Company came up with a number of grand strategies that were to be implemented in combination. These include - product development, market development, turnaround strategies as well as joint venture.

The document also contains marketing; operations, organisation and management as well as financial strategies as functional strategies to enable the company implement the grand strategies.

The document gives the details of the investment program and action plans required for building the Kenya future telecommunications network.

The first phase of the implementation of this master pan (1999 – 2005) is geared towards major rehabilitation and modernisation of the telecommunications infrastructure. In this phase Telkom Kenya was to invest in an intelligent Network platform, which was to enable it to broaden its product portfolio and its management thereof.

This phase was also to see the introduction of Network and Customer Management Tools such as the investment in a centralised Telecommunications Management Network (TMN) System, Enterprise Resource Management (ERP) System and Geographical Information System (GIS). Telkom Kenya ltd intended to invest in Synchronous Digital Hierarchy (SDH) and Asynchronous Transfer Mode (ATM) technologies in order to build the capacity to provide sufficient carrier services due to the anticipated high demand.

1.1 STATEMENT OF THE PROBLEM

After liberalisation of telecommunications industry, TKL for the first time was faced with competition in the market that they had previously dominated for decades. Realising that competition is imminent, the company selected professionals

from all departments to form a team that came up with a master plan to guide the company on its way forward. The Master Plan established processes and guidelines that were to provide direction for the development process of Telkom Kenya. It therefore contains grand strategies with functional strategies that the company was supposed to implement for the period from 2000 to 2015.

Telkom Kenya Ltd has been operational for the last four years. It is the expectation of every one that the company must now show some marked improvement if the documented strategies were implemented as planned. To the contrary the public are complaining about its poor service. Some complain about its inadequate capacity while others complain about its employee's poor attitude towards its customers.

Mintzenberg and Quins (1991) stated that 90% of well formulated strategies fail at implementation stage while David (1997) claimed that only 10% of formulated strategies are successfully implemented. The reasons that have been advanced for the success or failure of the strategies revolve around the fit between the structure and strategy, the allocation of resources, the organizational culture, leadership, rewards as well as the nature of the strategy itself. Kandie (2001), studied strategic responses by Telkom Kenya limited in a competitive environment and concluded that TKL had put in place strategies to position itself ahead of competitors.

The purpose of this study was to explore and document the extent of implementation of the strategies documented in the master plan and challenges faced by Telkom Kenya ltd in the period (1999-2003).

1.2 OBJECTIVES OF THE STUDY

- To find out the extent to which Telkom Kenya has implemented the strategies formulated and chosen in 1999.
- To identify the challenges encountered by TKL in implementing these strategies.

1.3 IMPORTANCE OF THE STUDY

- The study can be of major interest to stakeholders, the financiers, the customers, suppliers and other interested parties.
- The study can be of benefit to Telkom Kenya and may enable it re-examines its implementation style.
- It can also be useful to the government and may lead it to make informed decision on the management of the company.

CHAPTER 2

LITERATURE REVIEW

2.1 Aspects of Strategy Implementation

Hofer (1984) consider strategic management as a process which deals with fundamental organizational renewal and growth with development of strategies, structures, and systems necessary to effectively manage the strategy formulation and implementation processes. Harrison and St. Johns (1998) on the other hand define strategic management as a process through which organizations analyse and learn their internal and external environments, establish strategic direction, create strategies and execute these strategies.

Strategic management as a process consists of different phases which are sequential in nature (Kazmi, 2002). These phases include: - establishing the hierarchy of strategic intent, formulation of strategies, implementation of strategies and performing strategic evaluation and control. It is to be noted here that division of strategic management into different phases is only for purposes of orderly study. 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 realise the intent. These tasks include: - allocation of resources, design of structures and systems, formulation of functional policies, etc.

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 alteration 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.

2.2 Nature of Public Corporation

According to Narain (1979), the establishment and continuance of public corporation is a political decision, and its operations are controlled at strategic points by a system where the politician has a final say.

The administrative machinery of the government in general has much to do with public corporations, which is very much an open system and is affected by the climate of the system of which it is only a sub-system. In view of the business operations of public corporations, the institution of the

autonomous corporation was developed, to keep this sub-system at arms length from the main system (Edward, 1967).

Public corporations are owned by the nation, which is represented by the legislators, who in turn have empowered the executive arm to manage and control it within the framework of broad policies and control mechanisms as laid down from time to time. Parliament provides an important environmental factor for public corporations, which can also become a pawn in the game of politics. Political parties may denounce or support public corporations as part of their policies, irrespective of their performance. The government may not always provide the support or protection which the public corporation manager deserves, and this may seriously affect the decision making process (Caves, 1978).

Bhaya (1967) stated that public corporation operate in a social milieu where a number of external forces are continuously impinging upon and affecting the internal logic and motivation of the corporation. The interplay of these forces being continuous and changing does not bring about a state of static balance but one of dynamic equilibrium. He pointed out that in the areas such as production planning, quality control, cost control, price etc., the influence of the customer and the market, which is well known and common to all industrial organizations, takes on added social overtones

in public corporations. In the area of personnel management, the normal functions are very much affected by considerations, which are a part of the public purpose of establishing public corporations and which may not be taken into account by private enterprises. In regard to financial management, the source and structure of finance, the method of procuring it and accountability for its use are different from those current in the private sector. With respect to plant operations, the government's influences add complications to the business environment of the public corporation.

The environment in which Kenya's public sector organizations exist and with which they interact is increasing in complexity and the rate of change is accelerating (Kangoro, 1998). There is increasing pressure to perform from the Kenyan public and from donors. With this pressure, the public sector managers must have the capability to adapt and restructure the enterprises to challenge the constraints. She stated that though public sector organizations do engage in strategic management, the top management and other employees lack commitment and hence poor strategy implementation.

Kandie (2001) observed that globalization and economic reforms in Kenya, which commenced in the 1990's has led to the liberalisation of the telecommunication industry. The shift of paradigms has created stiff competition for TKL for

experienced newly licensed mobile operators. He confirmed that the company had put in place strategies to position itself ahead of competitors but had been hampered. Kandie further revealed that the implementation of the strategic plans had not progressed well because managers had not been empowered to make decisions for the company. All decisions on strategic matters were vested in the Board of Directors and the chief executive.

2.3 Tools for Successful Strategy Implementation

2.3.1 Annual Objectives

Annual objectives serve as guidelines for action, directing and channelling efforts and activities of organizations members. They provide a source of legitimacy in an enterprise by justifying activities to stakeholders (Alexander, 1985). They serve as standards of performance and as such give incentives for managers and employees to perform. Annual objectives provide a basis for organizational design. According to David (1997), annual objectives are essential for strategy implementation because they: -

- Represent the basis for allocating resources
- Are primary mechanism for evaluating managers
- Are the major instrument for monitoring progress toward achieving long-term objectives

- Establish organizational, divisional and departmental priorities

Annual objectives translate long-range aspirations into this year's targets. If well developed, these objectives provide clarity, a powerful motivator and facilitator of effective strategy implementation (Pearce and Robinson, 1994). Annual objectives add breadth and specificity in identifying what must be accomplished to achieve long term objectives (Stalle, et.al. 1992).

Annual objectives should be consistent across hierarchical levels and form a network of supportive aims. They should be measurable, consistent, reasonable, challenging, clear, communicated throughout the organization characterised by an appropriate time dimension, and accompanied by commensurate rewards and sanctions (Bonoma, 1984).

Annual objectives should be compatible with employees and managers' values and should be supported by clearly stated policies (Tregoe and Tobia, 1997).

2.3.2 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

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directives designed to guide the thinking, decisions, and actions of managers and their subordinates in implementing a firm's strategy. Policies sets 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).

2.3.3 Functional Strategies

A functional area is where goods and services are produced, customers' orders are obtained, new products are designed, employees are trained etc (Newman et al, 1989).

Functional strategies are the short-term activities that each functional area within a firm must undertake in order to implement the grand strategy. They must be consistent with the long-term objectives and the grand objectives (Pearce and Robinson, 1994). According to Aosa (1992), functional level

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strategy primarily focuses on achieving maximum use of resources i.e. attaining maximum resources productivity. Functional strategy address issues regarding the co-ordination and integration of activities within a single function (Hax and Majluf, 1991).

Each department in a company faces its own set of problems and has developed distinctive traditions. So when a change in business strategy is announced, departments don't automatically revise their actions, instead, the fitting together of the new strategy with behaviour within a department calls for considerable managerial skills (Kazmi, 2002). It is important therefore to have close linkages between business strategy and the actions of department managers. Serious efforts to fuse department programs with strategic moves at the business level are important. This is because, execution of strategy is frequently held back or distorted at the department level while sometimes the business strategy itself may be unrealistic. In some business organizations, a single industry outlook is unlikely to fit all departments. The outlook in these diverse industries should be taken into account when specific strategy is being developed. Department's viewpoints should be closely be linked to the business strategy (Johnson and Scholes, 2002).

Although annual objectives, functional strategies, and specific policies provide important means of communicating what must be done to implement the firm's strategy, more is needed to implement that strategy successfully (Pearce and Robinson, 1994). While organizations and groups may be assumed as taking strategic actions, it is individuals who ultimately, in practical terms, take actions and are responsible for driving an organization or a group towards objectives. So individual focussed issues such as leadership style, personal ethics, and political behaviour become important (Miller, 1996).

2.4 Institutionalization of the Strategy

Peter and Waterman (1982) came up with 7-S McKinsey Framework that suggest that after the strategy has been designed, the managers should focus on six components to ensure effective execution. These components include; structure, systems, shared values (culture), skills, style and staff. Aosa, (1992) observed that strategic implementation is likely to be successful when congruence is achieved between several elements. They are categorised into structure and process elements. Structure defines the configuration of a company showing relationships that exist between the various parts of a company. On the other hand, process elements include leadership, culture, resources and other administrative procedures (Learned et al. 1969).

According to Pearce and Robinson (1994) four organization elements provide fundamental long-term means for the strategy to be successfully implemented. These are structure, leadership, culture and rewards. These elements ensure that the strategy permeates the firm's day-to-day life and hence lead to successful implementation.

Successful strategy implementation depends in large part on the firm's primary organizational structure. Organizational structure plays a crucial role in defining how people relate to each other and in influencing the momentum of change (Clarke, 1994, Dawson, 1994). It is through structure that strategists attempt to position the firm so as to execute its strategy in a manner that balances internal efficiency and overall effectiveness (Galbraith and Nathanson, 1978).

Structure of a company should be compatible with the chosen strategy. If there is incongruence here, adjustments will be necessary either for the structure or the strategy itself. Chandler (1962) pointed out this important relationship by arguing that "structure followed Strategy". Hax and majluf (1991) stated that strategy and structure interact. Strategy does influence structure but structure also constrains strategy alternatives. Learned et al. (1969) states that structure of organizations in certain circumstances are

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unimportant e.g. small companies where an individual direct planning and execution of activities. Structure therefore applies in large organizations where they have many people.

Attention to the development of systems and procedures is also an integral part of the problem of co-ordinating efforts to achieve key strategic purposes (Reed and Buckley, 1988). The integrating potential of computer systems provides opportunities for managing chains of activities more effectively and coping with linkage problems (Saunders, 1994). Organizational (corporate) culture is the set of important assumptions (often un-stated) that members of an organization share in common. There are two major assumptions in common: beliefs and values (Pearce and Robinson, 1988).
Culture affects not only the way managers behave within an organization but also the decisions they make about the organization's relationships with its environment and its strategy (Lorsch, and McCarthy, 1988).

Culture can be strength or a weakness. As a strength, culture can facilitate communication, decision- making, and control, and create co-operation and commitment. As a weakness, culture may obstruct the smooth implementation of strategy by creating resistance to change (Pearce and Robinson, 1988).

An organization's culture could be strong and cohesive when it conducts its business according to a clear and explicit set of principles and values which the management devotes considerable time to communicating to employees, and which values are shared widely across the organization (Deal and Kennedy 1982).

Aosa (1992) stated that it is important that the culture of a company be compatible with the strategy being implemented. Deshpande and Parasuraman (1986) argued that companies can run into trouble when they fail to take into account their corporate cultures as they make changes in their strategy. Managerial behaviour arising out of corporate culture can either facilitate or obstruct the smooth implementation of strategy. A major role of the leadership within an organization is to create an appropriate strategy-culture fit (Kazmi, 2002).

The well-managed organizations apparently have distinctive cultures that are, in some way, responsible for their ability to successfully implement strategies. It has been clearly demonstrated that every corporation has a culture that exerts powerful influences on the behaviour of managers (Swartz and Davis, 1982). Peter and Waterman (1982) argued that corporate culture is one of the important attributes characterising the management of excellent companies. Such companies achieve a fit between their strategies and culture. Lack of

compatibility between strategy and culture can lead to high organizational resistance to change and de-motivation which can in turn frustrate the strategy implementation effort (Aosa 1992).

As companies change and as skills and expertise become recognised as major assets of the firm, then heightened efforts in cultivating and enhancing them becomes significant part of developmental strategy (Saunders, 1994).

Recruitment and staff development strategies need to support the other factors. In addition, aspects of job design, reward packages and conditions of work have to be carefully considered to balance the needs of the organization with conditions of the labour market and the hopes and expectations of people (Saunders, 1994).

The role of appropriate leadership in strategic success is highly significant. It has been observed that leadership plays a critical role in the success and failure of an enterprise (Kazmi, 2002).

Leadership has been considered to be one of the most important elements affecting organizational performance. For the manager, leadership is the focus of activity through which the goals and objectives of the organization are accomplished (Sziglayi 1980).

Adequate leadership is needed for effective implementation of strategy as this will ensure that all company efforts is united and directed towards achievement of company goals (Learned et. al., 1983, Pearce and Robinson, 1988). Chief executives should play a leading role by helping in setting company values and giving a positive lead (Roy, 1984). Gluck (1984) argues that the chief executive role of developing motivational systems and management values is critical to the success of a company. While Lewis (1984) argues that the CEO have to be somebody who can create organizations and corporate cultures capable of integrating a wide range of different, but critical areas of expertise in the organizations they manage.

2.5 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).

2.5.1 Connecting Strategy Formulation to Implementation

Top managers need to recognise that they cannot plan everything (Taylor, 1986). Assumption that top management can plan strategy implementation at the top then cascade down through the organization is not tenable. It should be recognised 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).

2.5.2 Resource Allocation

All organizations 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 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)

2.5.3 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 levels of management, too many meetings attended by 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 products sell (Chandler, 1962).

2.5.4 Linking Performance and Pay to Strategies

Staff control of pay 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, promotions, 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

- 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.

2.5.5 Creating A Strategy- Supportive Culture

Strategists should strive to preserve, emphasise, 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).

2.6 Factors that Influence Strategy Implementation

For successful strategy implementation, an organization should understand the impact on strategy of external environment, internal resources and competences, and the expectations and influence of stakeholders (Johnson and Scholes (2002), Pearce and Robinson, 1994).

The organization exists in the context of a complex commercial, political, economic, social, technological, environmental and legal world. This environment changes and is more complex for some organizations than for others (Thompson, 1997). For successful strategy implementation it is important for the company to understand historical and environmental effects as well as expected or potential changes in environmental variables (Johnson and Scholes, 2002).

The resources and competences of the organization make up its strategic capability, which enables success in implementation of chosen strategies. Just as there are outside influences on

the organization and its choice and implementation of strategies, so there are internal influences (Reed and Buckley, 1988). These internal influences constitute strengths and weaknesses. Competences such as skills and know-how enhance successful strategy implementation.

With the changing environment, there emerge a number of influences on an organization's purpose. Questions on who should the organization primarily serve and how should managers be held responsible influence strategy implementation. The changing expectations of different stakeholders affect the purpose and focus of the strategy (Johnson and Scholes, 2002). Cultural influences from within the organization and from the world around it also influence the strategy (Pearce and Robinson, 1994).

2.7 Outcomes Of Strategy Implementation

There are three ways that one can assess the success of a strategy at its implementation stage. The success or failure of strategies will be related to three main success criteria: suitability, acceptability and feasibility (Johnson and Scholes, 2000).

Suitability - this is concerned with whether a strategy addresses the circumstances in which an organization is operating. Suitability can be thought of as a rationale of a

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strategy and whether it makes sense in relation to the strategic position of an organization.

Acceptability - this is concerned with the expected performance outcomes of a strategy and the extent to which these would be in line with expectations

Feasibility - is concerned with whether a strategy could be made to work in practice. Assessing the feasibility of a strategy requires an emphasis on more detailed practicalities of re-sourcing and strategic capability. It is important to assess the organization's capability to deliver a strategy in terms of all the resources and competences needed to succeed.

The outcomes of strategy implementation can be summarised by the following model:

Outcomes of Strategy Implementation model

	STRATEGY FORMULATION		
		GOOD	POOR
STRATEGY IMPLEMENTATION	GOOD	SUCCESS	ROULLETTE
	POOR	TROUBLE	FAILURE

Figure 1: Model of strategy implementation outcomes

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2.8 Telkom Kenya Limited Documented Strategies

The telecommunications sector is a rapidly growing industry and is particularly important to trade and the integration of business enterprises into the global economy. Telecommunications services have vital linkages and multiplier effects in production process of any economy. Therefore there is a guaranteed demand for telecommunications services for as long as the current trend of development continues into the foreseeable future (GOK, 2001).

In 1999, Telkom Kenya ltd (TKL) was curved out of the defunct Kenya Posts and Telecommunications Corporation to take over the telecommunications business in Kenya. TKL therefore formulated its strategies and documented them in a Master Plan that was to guide the company for the next fifteen years (2000-2015). Having these strategies documented, TKL further listed the functional strategies and milestones to be adhered to by every department to enable the success of the company. It is for this reason that the researcher chose the company as a case study.

It is believed that as competition exerts pressure on the company, TKL shall remain on course in implementing its documented strategies unless other influences that may be discovered by this study distracted the company from implementation.

2.8.1 Corporate Goals

With the liberalisation of the economy, Telkom Kenya ltd faced taunting challenges. First its full-scale liberalisation of Telecommunications industry opened the floodgates of competition. Telkom Kenya had to adapt rather rapidly to competitive environment. It is because of these that the company came up with a master plan that spelled the direction that the company had to take for the next fifteen years (1999-2015). The corporate goals derived from various departmental service improvement plans were: -

- To maximise the value of the firm

- To pay its way from its capital outlay by investing strategically to maximise returns

- Develop and grow new business in the Kenyan and regional markets

- Expand into new services such as broadband ISDN AND multi-media services

- Expand regionally into chosen markets, both alone and through partnerships

- Develop and expand the telecommunications infrastructure, informal infrastructure and info-structure that is capable of delivering the required products and services to any

place where service is required within the region in the shortest time possible.

- Make telephone services available to every Kenyan within a reasonable distance by the year 2015.

- Develop and implement a range of planning, procurement and logistics services that ensures the economic utilisation of company resources

- Emphasis on professional project management to ensure higher success rates on projects.

2.8.2 FUNCTIONAL STRATEGIES

In order to meet the stated corporate goals the company came up with various departmental strategies that were to enable smooth implementation of the grand strategies. The following major initiatives were to be taken.

2.8.2.1 Marketing strategy highlights:

Before March 1997, KPTC did not have a marketing department given the self-selling nature and monopoly status of the corporation. By 1999, a diametric and significant divergence from this view had occurred. Marketing was now recognised as integral and indispensable function of TKL's survival in a Multi-operator environment.

Strategy highlights

TKL planned to: -

- Ensure that it adopts a Professional approach in all its business management processes

- Employ, train and retain the best professionals in the trade.

- Sub-contract areas of professional specialisation

- Upgrade its image by the adoption of a new company logo

- Produce high quality service brochures

- Produce and circulate a full colour company prospectus.

- Strengthen its sales performance through addition of IT tools

- Adopt a more responsive and defined approach to, selected target markets

- Ensure that top management is committed and conversant with marketing functions

a) Relationship marketing

TKL planned to conduct:

- Internal marketing programmes for staff

- Extensive marketing research

- Computerisation of customer database

- Reward outstanding marketing efforts

2.8.2.2 Operational Strategy Highlights

a) Business aspect

The digital nervous system to be put in place was to allow TKL to react to changes in the market place with speed and flexibility.

Enterprise resources planning (ERP) was to enable all the departments and divisions not only to share information, but work seamlessly with sales people and suppliers and communicate easily with customers. TKL was also to seek greater advantage of its network capacity by

- Using its idle network capacity

- Providing multimedia telecommunications services

- Laying optical fibre cable and radio links countywide

- Providing Telecommunications services to the remotest part of country

- Installing big capacities exchanges both rural and urban areas

- Installing new appropriate technologies in distribution of services

- Improving maintenance performance through the introduction of real time Network management.

- Developing an Intelligent Management Information System for Billing and customer care

- Comprehensively rehabilitating the access network

- Initiating joint ventures

b) Social aspects

Telecommunications plays an important role in social functions.

TKL network shall enable:

- Provision of universal access.

- Deliverance of Educational Programmes to the distant learner.

- Reduction of costs and improved efficiency in Healthcare through tele-medicine.

- Initiation of alarms in cases of national disasters or epidemics. Effective information flow between Provinces, Districts and Divisions in respect of operations and co-ordination of government matters of security and policy.

2.8.2.3 Organisation and Management Strategy Highlights:

TKL planned to: -

- Introduce effective performance measurement in all areas to underpin control and ownership of improvement plans.

- Review and update all operating procedures to complement staff development and standardisation.

- Implement improved methods of Performance Management, Employee Appraisal and development to control and motivate staff to deliver the company's objectives.

- Implement improved methods of Manpower Planning based strictly on operational requirements, which are driven by

business objectives, realistic work volume, productivity measurements and targets.

- Establish new arrangements for remuneration and grading.
- Introduce improved methods of employee Communication.

2.8.2.4 Financial Strategy Highlights:

The financial control strategic objectives for the five years (1999-2005) were to enable TKL to evolve into financially self sufficient, profitable and efficient Telecommunications Company.

a) Review the current financial policies

- Capital Expenditure allocation was be a predetermined percentage of the total revenue (20% growing to 25% of the total revenue by the year 2005)
- Operational Expenditure was to be geared towards lowering of expenditure especially in non-core areas that do not directly translate into revenue generation.
- Within the allocation for Capital Expenditure, sixty percent of the expenditure was to be for plant and machinery.

b) Review the current financial procedures

- Introduce a modern and efficient accounting systems shall provide management information by
  1. Product

2. **Activity**

3. **Customer**

4. **Project**

5. **Department**

- Improve control of working capital (including cash).

- Implement a modern and efficient Billing system to enable improved credit control and reduce operational costs.

- Improve control of company finances through effective budgetary control and costing process.

- Implement a modern and efficient payroll system that provides a full analysis of staff costs and reconciliation of staff debtor's records.

- Introduce effective investment decision processes, including fixed asset registers and controlled Capital Working Process.

- Introduce a modern and effective Audit control and techniques, to take a proactive approach across all TKL's activities, financial and non-financial.

- Develop and implement action plans to reduce bad debts and late payments.

The functions of the Finance Department were to be broken down into three major decisions that TKL must make in relation to its overall goals:

- The investment decision

- The financing decision

- The dividend decision

TKL was to determine its appropriate rate for investment on projects and the company as a whole.

2.8.2.5 Technical (Engineering) Strategies

The company's network strategic plan for fifteen (1999-2015) and beyond was to focus towards a common network platform that can carry all services. The company planned to increase its exchange capacity from 416,000 lines to 1 million lines by the year 2005. It was their plan among other things, to provide a network that is reliable and available in order to satisfy customer needs by the year 2005. For them to achieve the stated objectives, the company planned to adopt the following strategies:

- Upgrade the minimum local exchange capacity from 300 to 20,000 lines in major cities.

- Construct an intelligent network (IN) infrastructure and info-structure.

- Rearrange the network structure from a five (5) layer to a two (2) layer network

- Inter link all Toll offices by optical fibre cable employing SDH technology

- Replace the analogue exchanges in major towns with digital switches.

- Inter link all local offices in Nairobi and Mombasa with optical fibre cable.

- Use the latest technologies including TCP/IP to provide the customers needs.

- Provide an optical fibre ring within the access network and implement XDSL in the subscriber local loop in Nairobi, Mombasa and other toll areas.

- Provide for inter-connect facilities at Toll offices.

- Use a homogeneous common channel signalling system no.7.

- Minimise system types in the network particularly switching and transmission systems to achieve a homogeneous network.

- Provide large (greater than 20,000 lines) switches with ISDN capability at the Toll offices.

- Deploy wireless technologies to provide Just In Time (JIT) services and assist in quick roll out

- Introduce an Integrated Network Management System.

2.8.2.6 Resource Procurement and Supplies

In supporting the overall TKL Strategic Business Plan the management aimed at developing and implementing a range of planning, procurement and logistics services, which through use of "best practice" ensure the economic utilisation of company resources (materials). Service Improvement plans were to be focused upon achieving early and qualified deliverables. Improvement of TKL's ability to manage the end supply chain

was to be a priority and ensuring that key projects are both economically viable and professionally managed.

TKL therefore planned to:

- Improve forecasting of material requirements for both recurrent, rehabilitation and development projects to ensure they are compatible with the expected demand as well as likely usage rates. A structured migration of the responsibility to both establish and maintain engineering work practices and provision of detailed, zone and unit material requirement plant.

- Establish a "Virtual single warehouse" management system which shall ensure materials are located as close as possible to the customer whilst maintaining minimum overall stock levels and maximum stock-turn.

- Introduce ordering cycles that shall be geared towards supporting both service level improvement and cost reduction.

- Improve Supplier Management to focus upon "Just In Time"(JIT) methodology and maximise on the opportunity of price discounts on bulk/long term contracts.

- Comprehensively review/reissue specifications to ensure quality standard/price compatible with the business need.

- Introduce benchmark performance indicators that shall be used for storage and distribution of materials throughout the company for like services.

- Review staff capability, procedures/practices and physical location, with a view to identify the cost elements. Accuracy/security of stocks shall be seen as a priority in the early stages of the plan.

- Introduce a professional project management approach to ensure success rates focus on project performance. Timing, cost and reporting shall be key areas of focus.

- Provide a professional and efficient appraisal function for major projects in order to ensure economic viability.

- Introduce effective performance measures in the above mentioned areas that underpin control and ownership of improvement plans. In addition, a review and update of operating procedures shall be undertaken to complement staff development and standardisation.

CHAPTER 3

RESEARCH METHODOLOGY

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

3.1 Research Design

The research was conducted through a case study design. Telkom Kenya limited is a major telecommunication service provider. Telecommunications services have vital linkages and multiplier effects in production process of any economy. Therefore there is a guaranteed demand for telecommunications services for as long as the current trend of development continues into the foreseeable future. For TKL to survive and achieve its goals, it has no option but to implement strategies that were formulated.

3.2 Data Collection Method

The study used primary data. Personal interviews guided by semi-structured questionnaire consisting of both open ended and closed-ended questions were used. The respondents of this study were drawn from middle level managers of key departments. Three managers from every department were interviewed.

CHAPTER 4

DATA ANALYSIS

Analysis of the data gathered is by comparison with theoretical approach as documented in the literature review of this research.

The nature of the information obtained from the interview was descriptive. Descriptive statistics, which include percentages, frequencies and cross tabulations, were used in the analysis of the data to measure and compare outcomes. Ranking by use of ordinal level type of measurement was used to indicate the challenges that were encountered by the company during strategy implementation.

The study indicated that Telkom Kenya limited practises strategy management. It has mission and vision statements as well as long-term plans. The study indicated that currently the company's organizational structure has 11 departments, two of which are SBUs headed by general managers while nine are support departments headed by chief officers.

The interviews revealed that the middle management though responsible for strategy implementation were not involved during its formulation. Sixty per cent of the respondents stated that it is the top management duty to formulate the strategies while ten percent indicated that all employees

participate in formulation of strategies. The respondents were aware of the existence of a master plan though they could not remember easily its contents. 50% of the respondents neither knew the period the master-plan cover nor whether it has been reviewed since it launch in 1999.

4.1 Evidence of strategy implementation

The researcher realised that the company has annual objectives to achieve. Tables 1 indicate that 93% of the respondents believe that annual objectives exist in the company management programme.

Table 1: **Reaction on existence of annual objectives**

Response	Frequency	Percentage
Yes	14	93.3
No	1	6.7
Total	15	100

Source: Research data

It was realised that these annual objectives are either set by heads of departments or the top management. Table 2 indicates that 46.7% and 40% believes that top management and heads of departments set these objectives respectively while 6.7% believe that they are set by board of directors and are emanate from government policies respectively.

20%

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Table 2: **Reaction on the formulation of annual objectives**

Choices	Frequency	Percentage
Board of directors	1	6.7
Top management	7	46.7
Heads of departments	6	40.0
Participation of staff	0	0.0
Government policies	1	6.7
Total	15	100.0

Source: Research data

The researcher established that every department in this company has functional strategies that guide it in all its activities. Table 3 indicates that 93% believes that all departments have functional strategies while 7% says that there are no functional strategies in their departments. Table 4 indicates that 40% of the respondents believe that these strategies are derived from the company's master plan of 1999 while 47% believe that they are derived from management meetings' resolutions. It is further revealed that 46.7% and 20% of the respondents respectively believe that the company occasionally or rarely refer to the master plan when planning to execute its activities while 20% do not know whether the master plan is referred to or not.

Table 3: **Results on existence of functional strategies in Depts.**

Response	Frequency	percentage
Yes	14	93.3
No	1	6.6
Total	15	100.0

Source: Research data

The researcher wanted to establish the source of these functional strategies. Respondents were given choices of expected sources. Table 4 below indicates that majority of the respondents are divided on the source of these strategies. 40% of the respondents believe that these strategies come from the master plan while 46.7% believe that they originate from company's management meetings.

Table 4: **Source of functional strategies**

source	Frequency	Percentage
Company master plan	6	40.0
Customer feedback	0	0.0
Management meetings	7	46.7
Government directives	1	6.7
Other	1	6.7
Total	15	100.0

Source: Research data

13-4

The researcher wanted to establish whether the company changed their policies when they launched its master plan. The data collected indicated that in 1999 when the company launched its master plan, most of its departments changed their policies to be in line with the new strategies. Table 5 indicates that 86.7% of the respondents believe that there was change of policies in the company in 1999 while 13.3% disagrees. Unfortunately these changes did not enhance strategy implementation, as 80% of the respondents believe that the current policies do no adequately support company's strategy implementation.

Table 5: **Change of policies in 1999**

Response	frequency	percentage
yes	13	86.7
No	2	13.3
Total	15	100.0

Source: Research data

4.2 Evidence of institutionalisation of the chosen strategies:

4.2.1 Organisational structure

The researcher wanted to confirm whether organizational structure of the company has been changed since the launch of its master plan in 1999. Organization structure is always the

first element to be changed in order to align it to the new strategy. It was realised that there has been continuous change in the organizational structure of the company. Table 6 indicates that 80% of the respondents agree that the organisational structure has been changed since 1999 while 13.3% strongly agree. They agree that this was done to align the structure to the strategies documented in the master plan. The remaining 6.7% of the respondents disagree.

Table 6: **Change of organizational structure**

Response	Frequency	Percentage score
Strongly disagree	0	0.0
Disagree	1	6.7
Agree	12	80.0
Strongly agree	2	13.3
Do not know	0	0.0
Total	15	100

Source: Research data

The researcher wanted to find out whether changes in the current organizational structure supports the implementation of the strategies, the researcher asked the respondents to register their level of agreement. Table 7 indicates that 53.3% of the respondents agree that the current organisational

structure supports implementation of the strategies documented in the master plan, a total of 26.7% strongly disagree or disagree while 20% do not know.

Table 7: **Degree of agreement Whether or not organizational structure Supports strategy implementation**

Degree of agreement	Frequency	Percentage
Strongly disagree	1	6.7
Disagree	3	20
Agree	8	53.3
Strongly agree	0	0.0
Do not know	3	20.0
Total	15	100.0

Source: Research data

4.2.2 Corporate culture

The researcher wanted to establish whether company's corporate culture supports strategy implementation. Respondents were requested to tick the answer that best describe their level of agreement. Of the respondents interviewed 40% agree that current corporate culture supports implementation of strategies documented in the master plan, 40% disagree or strongly disagree while 20% do not know whether it supports or not. This high proportion (60%) paints a gloomy picture on the success of implementation of the strategies, as a supportive corporate culture is an essential factor to successful strategy implementation.

4.2.3. Leadership in strategy implementation

The researcher established that 60% of the respondents believed that the company's chief executive has been in the forefront in providing leadership to ensure strategies are implemented while 6.7% strongly disagree.

To find out whether company procedures support strategy implementation, respondents were asked to state their level of agreement on the statement. It was established that the respondents were divided on whether they support strategy implementation. Table 8 indicates that 46.7% of the respondents disagree while 40% agree that the procedures are supportive of strategy implementation.

Table 8: **Degree of agreement whether or not current procedure**
supports strategy implementation

Level of agreement	Frequency	Percentage
Strongly disagree	1	6.7
Disagree	7	46.7
Agree	6	40.0
Strongly agree	0	0.0
Do not know	1	6.7
total	15	100.0

Source: research data

4.2.4 Skills of Management staff

The researcher wanted to establish whether the management staff have the requisite skills for successful implementation. Respondents were asked to state their level of agreement by ticking the level to suits their agreement. It was found out that the company's management has the requisite skills for successful strategy implementation. Table 9 indicates that 60% of the respondents agreed while 20% strongly agree that the management staff has the skills to ensure successful implementation. Only 20% of the respondents disagree.

Table 9: Reaction of respondents on management skills

Level of agreement	Frequency	percentage
Disagree	3	20
Agree	9	60
Strongly agree	3	20
Total	15	100

Source: Research data

4.2.5 Financial resources

To researcher wanted to establish whether funds for implementing these strategies were readily available. It was established that financial constraint reigns high in hampering

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strategy implementation. Table 10 indicates that 66.7% of the
respondents disagree while 13.3% strongly disagree that
financial resources required for implementation of the
documented strategies have been readily available, while 6.7%
strongly agree.

Table 10: **Reaction of respondents on availability of funds**

Level of agreement	Frequency	Percentage
Strongly disagree	2	13.3
Disagree	10	66.7
Agree	1	6.7
Strongly agree	1	6.7
Do not know	1	6.7
Total	15	100.0

Source: Research data

4.2.6 Company reward policy

The study established that the current reward policy of the
company does not support fully strategy implementation. Table
11 below indicates that only 26.7% of the respondents agree
that it supports while 46.7% disagree.

Table 11: **Reaction of respondents on company reward policy**

Level of agreement	Frequency	percentage
Strongly disagree	1	6.7
Disagree	7	46.7
Agree	4	26.7
Strongly agree	1	6.7
Do not know	2	13.3
Total	15	100.0

Source: Research data

4.2.7 Employee training

The researcher established that employee training to enhance ability for successful strategy in the company was carried out. Table 10 indicates that 5.7% of the respondents agree and 6.7% strongly agree that training has been carried out since 1999. 33.3% of the respondents disagree. When probed further those who disagreed stated that the training that has been carried out was not tailor-made to enhance implementation of the documented strategies.

Table 12: **Reaction of respondents on employee training**

Level of agreement	Frequency	Percentage
Strongly disagree	1	6.7
Disagree	5	33.3
Agree	8	53.3
Strongly agree	1	6.7
Total	15	100.0

Source: Research data

4.3 Extent of implementation of documented strategies.

The research wanted to find out the extent of implementation of strategies that were planned to be accomplished by the year 2003 as documented in the company's Master Plan of (2000-2015). Strategies for each department were rated on the extent of implementation. Rating was from 1 to 5. 1 was to represent those that have not been implemented at all and figure 5, for those that have been fully implemented. A mean score was taken for rating of strategies for each department as well as the overall mean score for the company.

The results indicate that implementation of strategies by the company implementation have been fairly been accomplished. It also found out that Finance and marketing departments are

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leading in implementation of functional strategies (mean score of 3) while Human resource department was trailing (mean score of 2). Table 13 below indicates the number of strategies that each department was to execute by 2003. It also indicates the level of execution of these strategies and their mean scores. The researcher established that out of the sixty-four strategies that were to be accomplished by year 2003, only 12.5% are fully executed while 17.2% have not been executed at all. The rest (70.3%) are at various levels of execution.

Table 13: **Number of strategies for each department and their Level of execution**

DEPARTMENT	No. of strategies documented	1	2	3	4	5	Mean score	Standard deviation
Human resources	9	3	3	2	0	1	2.2	1.38
Sales and Marketing	24	2	7	6	6	3	3	2.96
Information Technology	10	3	2	3	1	1	2.5	1.15
Finance and Accounts	10	2	2	2	2	2	3	1.12
Engineering	11	1	3	4	2	1	2.9	1.52
Total	64	11	17	17	11	8	overall mean 2.81	

Legend:

1= not executed at all   3= executed   4= significantly executed

2= somewhat executed   5= fully executed

Table 14 below gives an overview of the extent of strategy implementation in various departments of the company. It

indicates the proportion of the strategies that are in various levels of execution.

Table 14: **Percentage of strategies in each level of execution**

DEPARTMENT	No. of strategies documented	1	2	3	4	5	Total %age
Human resources	9	33.3	33.3	22.2	0	11.1	100
Marketing	24	8.3	29.2	25	25	12.5	100
Information Technology	10	30.0	20	30	10	10.0	100
Finance and Accounts	10	20.0	20	20	20	20.0	100
Engineering	11	9.1	27.3	36.4	18.2	9.1	100

Legend:

1= not executed at all   3= executed   5= fully executed

2= somewhat executed   4= significantly executed

4.4: The Challenges Encountered in Strategy Implementation

The respondents were asked to rate the levels at which the listed challenges affected implementation of strategies in the company. This was an attempt to reveal whether the company faced challenges that any business organization face as described in the literature review. A mean score in each category of rating was obtained. Table 15 indicates the rating of each challenge on the level that the respondents believed has affected strategy implementation of strategy. Poor management of resources (3.9), poor leadership styles (3.7)

and lack of financial resources (3.7) and limited IT capacity (3.7), topped the list of challenges that significantly affected strategy implementation in the company. While inadequate technical know how (2.5) and insufficient human resource skills somewhat affected strategy implementation (2.7)

Table 15: **Scores of rating on the level of challenges**

Challenges to strategy implementation	score for level of affect						
CHALLENGE	1	2	3	4	5	Mean score	Std deviation
Poor management of resources	0	2	2	7	4	3.9	2.83
Poor leadership style	1	1	4	4	5	3.7	2.03
Government regulations	0	2	4	8	1	3.5	3.21
Lack of financial resources	1	1	5	5	3	3.5	2.08
Wrong strategy choice	2	1	7	3	4	3.5	2.3
Wrong organizational structure	2	2	3	7	1	3.2	2.36
Inadequate physical resources	1	1	8	5	0	3.1	3.39
Un-supportive culture	2	4	2	4	3	3.1	1.10
Global trends in the industry	1	4	5	5	0	2.9	2.35
Insufficient human resources skills	1	2	2	5	2	2.7	1.55
Inadequate technical know-how	4	3	4	4	0	2.5	1.82

Source: Research data

Legend: 1= least affected   to   5= extremely affected

Percentage scores for significantly affected and extremely affected were summed together and challenges are ranked on this basis. The researcher wanted to find out the respondents view on the challenges that had been listed. Table 16 indicates that poor management of resources is number one challenge with a score of 73.4%. Poor management style (60%), government regulations (60%), wrong organizational structure (53.4%) and lack of financial resources (53.4) emerge as major challenges that has affected strategy implementation in TKL. Other challenges that score less than 50% can be treated as minor challenges.

Table 16: **Ranking of challenges on the basis of percentage score**

Challenge	Percentage score	rank
Poor management of resources	73.4	1
Poor leadership style	60.0	2
Government regulations	60.0	2
Wrong organizational structure	53.4	4
Lack of financial resources	53.3	5
Un-supportive culture	46.7	6
Limited IT capacity	46.7	6
Insufficient human resources skills	46.6	8
Wrong strategy choice	40.0	9
Inadequate physical resources	33.3	10
Global trends in the industry	33.3	10
Inadequate technical know-how	26.7	12

4.4 Level of the company's determination in implementing its strategies.

The researcher wanted to find out the company's level of determination in strategy implementation. It requested respondents to circle the level of determination from not determined at all to fully determined. The results revealed that majority of the respondents (46.7%) feel that the company is determined in implementing the documented

Table 17: level of determination

Rating	Frequency	Percentage score
Somewhat determined	2	13.3
Determined	7	46.7
Significantly determined	5	33.3
Fully determined	1	6.7

Source: Research data

4.5 Other findings: Relationships of observations

The researcher further cross -tabulated the data to find out the relationships between elements that enhance

institutionalisation of strategies to be implemented and challenges that were encountered by the company.

A cross tabulation was done between two challenges; poor management style versus government regulations. This was to find out whether government regulations have interfered in the management of the company that may have resulted in poor management. The research revealed that 20% of the respondents believe that poor leadership style has extremely affected implementation of documented strategies and government regulations have significantly affected. While 13.3% of respondents believe that both challenges have significantly affected strategy implementation. It can therefore be concluded that government regulations are partly to blame for poor management style. This can be supported by the fact that major decisions in the company are done by the parent ministry. The government is also responsible for appointing the company's board together with its Chief Executive officer.

A cross tabulation between leadership of the CEO in strategy implementation and poor leadership style. This was to find out whether the CEO leadership has any relationship with rating of poor management style as a challenge. The researcher discovered that 20% of the respondents who agree that the CEO is in the forefront in strategy implementation also believe that poor leadership style has fully affected strategy implementation. This may mean that though the CEO is leading

strategy implementation, it is his poor leadership style that may have contributed to problems in implementing these strategies.

It was also discovered that reward policy of the company has contributed to lack of determination in strategy implementation. Only 6.7% of the respondents who strongly disagree that reward policy supports strategy implementation believe that the company is determined in implementing its strategies while 93.3% do not agree.

Changes in organizational structure in 1999 after all did not support strategy implementation. This has been revealed by the cross tabulation between change of organizational structure and wrong organizational structure as a challenge. 60% of those respondents who agree that there was change of organizational structure also believe that the current organizational structure has significantly affected strategy implementation. This clearly indicates that the changes were not aligned to the strategies that were to be implemented.

CHAPTER 5

CONCLUSIONS

5.1 SUMMARY, DISCUSSIONS AND CONCLUSIONS

The study examines implementation of documented strategies (Master Plan 2000- 2015) and challenges encountered by Telkom Kenya. This study will review implementation of those strategies that were to be accomplished by 2003.

5.1.1 Extent of Strategy Implementation

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 (1999-2003), the overall company performance in strategy implementation is average. The results also show that the executions of functional strategies by individual departments are more or less at the same level with the exception of Human resources department, which is lacking behind.

The results indicates that the company is experiencing inadequate availability of financial resources, un-supportive culture, lack of good leadership qualities, un-supportive organizational structure as well as lack of prudent management of resources. As stated in the literature review, adequate leadership style, organizational structure, supportive procedures and culture and availability of financial resources 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 efforts is united and directed towards achievement of company goals. Organizational structure of a company should be compatible with the chosen strategy as it is through structure that firms are positioned so as to execute its strategy.

5.1.2 Challenges Encountered In Strategy Implementation

The second objective of the study was to identify the challenges encountered by the TKL in implementing its strategies. Results of the study show that the major challenges encountered by the company are - poor management of resources, poor leadership style, lack of financial resources, limited IT capacity and government regulations. Minor challenges include - un-supportive culture, wrong strategy choice and inadequate physical resources. As observed earlier in the literature review, it is necessary that the company's strategy is in line with several strategies critical components in the company. Such components include structure, leadership, culture, resources and supportive systems.

Finally, it is instructive to state that it is of critical importance that TKL's activities and work efforts directly relate to accomplishing its strategic plan. It will be impossible to implement strategy if this link is not made. In order to achieve this link, TKL must always refer to its

Master Plan whenever they are intending to engage in company development programmes. The company should also ensure that enough resources are allocated to carry out their part of strategic plan. This includes having enough funds for them to carry out work. Too little resources will tend to stifle the ability of the company to carry out programmes documented in the master plan. In future, TKL should endeavour to see strategy development and strategy implementation together. 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. This seems to be the problem in TKL as the results show that employees are not involved in strategy formulation.

5.2 LIMITATIONS OF THE STUDY

This study covered a period of three months. This duration could not allow the researcher to collect enough data for comprehensive analysis. The study therefore only focused on extent of strategy implementation and challenges encountered, it ignored other important areas such effectiveness of implementation of the strategies, the effect of turbulence in the business environment on implementation of the documented strategies. The effect of government controls on the process of implementation was not studied either. The other limitation that the researcher encountered was that organizations' rules

do not allow release of information to the public hence was difficult to obtain. Most of the company's activities are not recorded when accomplished hence results could be subjective as the respondents gave what they could remember.

5.3 RECOMMENDATIONS FOR FURTHER RESEARCH

There is need to undertake further research in strategy implementation in public corporations. A cross-sectional study should be undertaken so that a comparison can be made between many public corporations. As the government controls these organizations, a study can be carried out to find out the effect of the government involvement and its regulations on the management of these organizations and most importantly in the area of strategy implementation. Effectiveness of strategy implementation in TKL can also be studied to find out whether the process is navigating the company towards its objectives.

5.4 RECOMMENDATION FOR POLICY AND PRACTISE

The empirical evidence from this study shows that TKL has documented all tools necessary for successful strategy implementation. These include formulation and documentation of annual objectives, policies and functional strategies. It went ahead to institutionalise its strategies by changing its policies, organizational structures and training its staff. The study revealed that though all the above was done,

corporate culture and procedures did not support strategy implementation.

For TKL to fully implement its documented strategies, it is recommended that it should source for enough funds. It should formulate financial plans and policies that will enable the company access funds for implementation of strategies.

It is evident that the company did not involve its staff in 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. In order to correct the situation, the company should ensure that staffs are involved in the formulation of the new strategies. The company should also ensure that the staff and especially those at the implementation levels 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 TKL in strategy implementation may be attributed to lack of fit or congruence and co-ordination among various company strategies. The company should endeavour to align functional strategies with the company's corporate strategy. It should also ensure that

there is congruence and co-ordination at the level of individual functional strategies. These ensure that the company implements its programmes as per its corporate strategy as well as ensuring that there is harmony in implementation of functional strategies.

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QUESTIONAIRE

PART A- RESPONDENT'S PERSONAL INFORMATION

1. Department

_____

2. Position held

_____

PART B-STRATEGIC MANAGEMENT PRACTISE

1. Does Telkom Kenya have a vision statement? Yes[ ] No[ ]
   If yes, what is it?

   _____
   _____

2. Does Telkom Kenya have a mission statement? YES[ ]NO[ ]
   If yes, what is it?

   _____
   _____

3. Does Telkom Kenya have long term plans? YES [ ]NO[ ].
   If yes, how many years do they cover?
   a) 3 years   ▭
   b) 5 years   ▭
   c) 10 years   ▭
   d) 15 years   ▭
   e) other, please specify_____

4. Have you reviewed your plans since 1999? YES [ ] NO[ ].
   If yes, how often?
   a) Quarterly   ▭
   b) Annually   ▭
   c) Bi-annually ▭
   d) 3 years   ▭
   e) Other, please specify_____

5. Who formulates strategies in Telkom Kenya?
   a) CEO   ▭
   b) Top management   ▭
   c) All employees participate   ▭
   d) Consultants   ▭
   e) Government   ▭

PART B1- EVIDENCE OF STRATEGY IMPLEMENTATION

1. Does Telkom Kenya have annual objectives? YES [ ]NO[ ].
   If yes, how are they set?
   a) By board of directors.
   b) By top management
   c) Heads of department
   d) Through participation of all the employees
   e) Government policies

2. Does your department have functional strategies?
   YES [ ] NO[ ]

   If yes, where do you derive them?
   a) Company's master plan
   b) Customer feedback
   c) Management meetings
   d) Government directives
   e) Other. Please specify_____

3. When were the above functional strategies last
   reviewed?
   a) 1999
   b) 2000
   c) Have never been changed
   d) Other, please specify _____

4. Were there any changes of policies in the company in
   1999? Yes [ ] No [ ]. If no, have they been changed
   since that year? (Please state the year)
   _____

5. Does the company refer to the master plan (1999-2015)
   when planning to execute its activities
   a) Always
   b) Occasionally
   c) Rarely
   d) Never
   e) Do not know

6. Does the current policies (1999-2003) adequately
   support the company's strategic plan? Please tick the
   choice that best describe the status

   a) Very adequate
   b) Slightly adequate
   c) Less adequate
   d) Not at all
   e) Do not know

Please explain your answer

_____
_____
_____
_____

C EVIDENCE OF INSTITUTIONALISATION OF THE CHOSEN STRATEGY

Please answer the following questions by ticking in the box that best describes your level of agreement or disagreement with each statement.

1. There has been a change in organizational structure of TKL since its inception in 1999?
   a) strongly disagree   ☐
   b) disagree   ☐
   c) agree   ☐
   d) strongly agree   ☐
   e) do not know   ☐

2. The current (1999-2003) organizational structure support implementation of the documented strategies in the Master Plan?
   a) Strongly disagree   ☐
   b) Disagree   ☐
   c) agree   ☐
   d) Strongly agree   ☐
   e) Do not know   ☐

3. The current (1999-2003) corporate culture support implementation strategy documented in the Master Plan
   a) strongly disagree   ☐
   b) disagree   ☐
   c) agree   ☐
   d) strongly agree   ☐
   e) do not know   ☐

4. The CEO of TKL since 1999 has been in the forefront in providing leadership to ensure strategy implementation.
   a) strongly disagree   ☐
   b) disagree   ☐
   c) agree   ☐
   d) strongly agree   ☐
   e) do not know   ☐

5. The procedures followed by the company are supportive of the strategy implementation.

    a) strongly disagree   ☐
    b) disagree   ☐
    c) agree   ☐
    d) strongly agree   ☐
    e) do not know   ☐

6. The management staff has the skills that ensure successful implementation of strategy.
    a) strongly disagree   ☐
    b) disagree   ☐
    c) agree   ☐
    d) strongly agree   ☐
    e) do not know   ☐

7. Since 1999, there has been a massive employee training to enhance their ability to implement the new strategies.
    a) strongly disagree   ☐
    b) disagree   ☐
    c) agree   ☐
    d) strongly agree   ☐
    e) do not know   ☐

8. Financial resources required for implementation of documented (1999-2003) strategies has been readily available.
    a) strongly disagree   ☐
    b) disagree   ☐
    c) agree   ☐
    d) strongly agree   ☐
    e) do not know   ☐

9. The reward policy of the company support implementation of strategies documented in the Master Plan.

a) strongly disagree   ☐
b) disagree   ☐
c) agree   ☐
d) strongly agree   ☐
e) do not know   ☐

D. MARKETING STRATEGIES

The company came up with marketing strategies that would enable it achieve its documented goals and objectives. These strategies spelt out action plans to be covered in distribution, pricing, promotion and products plans.
Please circle a number that indicates extent of implementation of the following action plans. (1 for not implemented at all and 5 for fully implemented).

D1.DISTRIBUTION ACTION PLANS

Designing of sales territories and targets   1 2 3 4 5

Branding the public telephone bureau service   1 2 3 4 5

Implementation of debit card calling system   1 2 3 4 5

Network customer care to relevant databases   1 2 3 4 5

Use of field sales and marketing officers   1 2 3 4 5

D2.PRICING ACTION PLANS

Initiate study on tariff re-balancing   1 2 3 4 5

Price discrimination for market segments   1 2 3 4 5

Introducing pricing rates for various usage   1 2 3 4 5

Install a product accounting system   1 2 3 4 5

D3. PRODUCT ACTION PLANS

Establish brand names   1 2 3 4 5

Introduce internet based products   1 2 3 4 5

Introduce premium services   1 2 3 4 5

Introduce prepaid card calling services   1 2 3 4 5

Introduce satellite-based products   1 2 3 4 5

Introduce voice mail services   1 2 3 4 5

D4. PROMOTION ACTION PLANS

Establish a web site for Telkom Kenya ltd   1 2 3 4 5

Introduce personal selling campaigns   1 2 3 4 5

Introduce direct mailing campaigns   1 2 3 4 5

Introduce the staff marketing programme   1 2 3 4 5

D5. MARKET RESEARCH ACTION PLANS

Survey on employee attitude toward TKL   1 2 3 4 5

Buyer motivation research   1 2 3 4 5

Consumer behaviour research   1 2 3 4 5

Market segmentation research   1 2 3 4 5

Competitor profiles research   1 2 3 4 5

E. FINANCIAL STRATEGIES

The financial strategies documented in the master plan were to
enable the company to evolve into a financially self-
sufficient, profitable and efficient telecommunications
company. In order to achieve this, the company identified
various action plans that to be executed. In your view, how do
you rate the level at which these action plans have been
executed? (1 for not executed at all and 5 fully executed).

E1. Improve control of working capital   1 2 3 4 5

E2. Reduce average collection period   1 2 3 4 5

E3. Payment of bills on average to 30 days 1 2 3 4 5

E4. Organise funding for the network improvement 1 2 3 4 5

E5. Reduce operating expenditure on non-core areas 1 2 3 4 5

E6. Decentralise plant and equipment budgets 1 2 3 4 5

E7. Capital expenditure allocation be predetermined 1 2 3 4 5

E8. Outsource for funds in terms of soft loans 1 2 3 4 5

E9. Determining break even points for all services 1 2 3 4 5

E10. Implement a modern and efficient payroll system 1 2 3 4 5

F. HUMAN RESOURCE STRATEGIES

 Human resources department planned to implement numerous re-organization, people planning and development processes. It therefore came up with action plans that were to be executed to realise the objectives. Please circle the number that best describe the extent of implementation of these plans. 1 for not implemented at all and 5 fully implemented.

F1.Reform the corporate structure from 12 General Managers to a 2 director structure   1 2 3 4 5

F2.Re-deploy staff according to relevant skills   1 2 3 4 5

F3.De-layer organization structure   1 2 3 4 5

F4.Rightsizing as opposed to downsizing of staff   1 2 3 4 5

F5.Revise salary structure to be competitive   1 2 3 4 5

F6.Revise Tele-code   1 2 3 4 5

F7.Enhance training policies/plans   1 2 3 4 5

F8.Introduce performance management   1 2 3 4 5

F9.Profile personnel particulars on a Web-site   1 2 3 4 5

G. INFORMATION TECHNOLOGY STRATEGIES

To augment other departmental plans, Information Technology Department came up with action plans that were to ensure implementation of the company's Digital Nervous System. This was to enhance how people work and transform how the organization shall operate. You are requested to circle the number that best describe the extent that implementation of IT strategies through the actions plans. 1 not executed at all and 5 fully executed.

G1. Assess organization's information requirements   1 2 3 4 5

G2. Assess current and projected information needs   1 2 3 4 5

G3. connect the LANs and WANs as per work process   1 2 3 4 5

G4. Identify reputable solutions provider   1 2 3 4 5

G5. Implement the Help desk   1 2 3 4 5

G6. Supply stand alone computers   1 2 3 4 5

G7. Establish information centres and frequently asked questions

   1 2 3 4 5

G8. Establish Decision Support System (DSS), Management Information System (MIS) and Transaction processing System

   1 2 3 4 5

G9. Introduce Artificial Intelligence in planning sections and DSS

   1 2 3 4 5

G10. With the help of Solution Provider, implement the Digital Nervous System for the company   1 2 3 4 5

H. TECHNICAL (ENGINEERING) STRATEGIES

The Company planned to increase the exchange capacity from 416,000 lines to 1milliom by the year 2005 and 2.7 million by 2015 among other objectives. Please circle the number that best represent the extent of implementation of the following documented strategies.1 for not executed at all to 5 fully executed.

H1.To upgrade minimum local exchange capacity from 300 to 20,000 lines in major cities   1 2 3 4 5

H2.Construct an intelligent network infrastructure and info-structure   1 2 3 4 5

H3.Re-arrange the network structure from a five layer to a two layer network   1 2 3 4 5

H4.Inter-link all Toll Offices by optical fibre cable employing SDH technology   1 2 3 4 5

H5.Replace analogue exchanges in major towns with digital switches   1 2 3 4 5

H5.Provide an optical fibre ring within the access network in Nairobi and Mombasa and other toll areas   1 2 3 4 5

H6.Provide for interconnect facilities at Toll Offices
                                                        1 2 3 4 5

H7.Minimise system types in the network particularly switching and transmission systems to achieve a homogenous network
                                                        1 2 3 4 5

H8.Provide large (greater than 20,000) switches with ISDN capability at the Toll Offices   1 2 3 4 5

H9.Deploy Wireless technologies to provide Just In Time (JIT) services and assist in quick roll out   1 2 3 4 5

H10.Introduce integrated Network Management Systems 1 2 3 4 5

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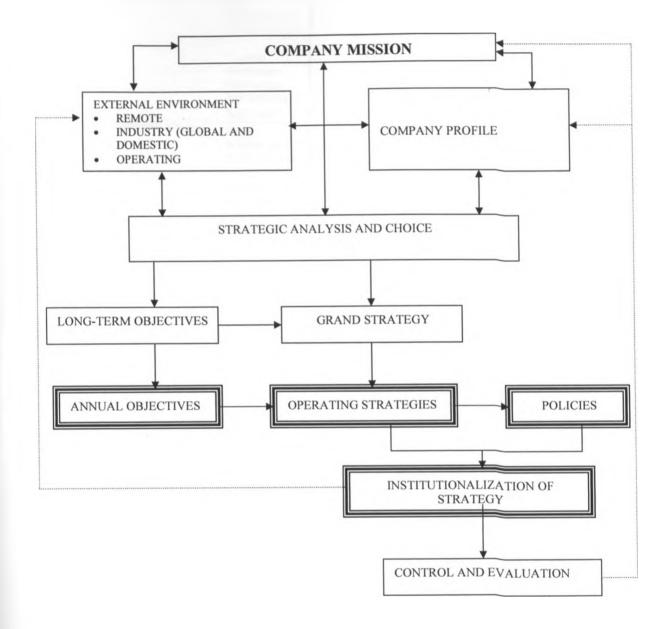
1) Many challenges face business organizations in their pursuit to implement strategies. In your view how do you rate the level at which those challenges affect implementation of the documented strategies in your department? (Please circle the number on the right of each statement, 1 for the least affected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

I1. Poor leadership style   1 2 3 4 5

I2. Wrong organizational structure   1 2 3 4 5

I3. un-supportive organizational culture   1 2 3 4 5

I4. Lack financial resources   1 2 3 4 5

I5. Insufficient human resource skills   1 2 3 4 5

I6. Inadequate Physical resources   1 2 3 4 5

I7. Inadequate technical know-how   1 2 3 4 5

I8. Wrong strategy choice   1 2 3 4 5

I9. Limited information technology capacity   1 2 3 4 5

I10. Government interference and regulations   1 2 3 4 5

I11. Poor management of resources   1 2 3 4 5
I12. Global trends in the industry   1 2 3 4 5

Others (specify and rate)

_____   1 2 3 4 5
_____   1 2 3 4 5
_____   1 2 3 4 5
_____   1 2 3 4 5

2) In your opinion how do you rate the level of the Company's determination in implementing these strategies? 1 for not determined and 5 for highly determined   1 2 3 4 5

THANK YOU VERY MUCH FOR YOUR ASSISTANCE

STRATEGIC MANAGEMENT MODEL

```
                    ┌──────────────────────────────────────┐
                    │           COMPANY MISSION            │
                    └──────────────────────────────────────┘

  ┌────────────────────────────┐        ┌────────────────────────────┐
  │ EXTERNAL ENVIRONMENT       │        │                            │
  │   • REMOTE                 │◄──────►│      COMPANY PROFILE       │
  │   • INDUSTRY (GLOBAL AND   │        │                            │
  │     DOMESTIC)              │        │                            │
  │   • OPERATING             │        └────────────────────────────┘
  └────────────────────────────┘

           ┌──────────────────────────────────────────────┐
           │        STRATEGIC ANALYSIS AND CHOICE         │
           └──────────────────────────────────────────────┘

  ┌────────────────────────┐        ┌────────────────────────┐
  │  LONG-TERM OBJECTIVES  │───────►│     GRAND STRATEGY     │
  └────────────────────────┘        └────────────────────────┘

  ┌────────────────────┐   ┌────────────────────────┐   ┌──────────────┐
  │  ANNUAL OBJECTIVES │──►│  OPERATING STRATEGIES  │──►│   POLICIES   │
  └────────────────────┘   └────────────────────────┘   └──────────────┘

                         ┌────────────────────────────┐
                         │  INSTITUTIONALIZATION OF   │
                         │          STRATEGY          │
                         └────────────────────────────┘

                         ┌────────────────────────────┐
                         │   CONTROL AND EVALUATION    │
                         └────────────────────────────┘
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Pearce, J. A., (II) & Robinson, R. B. (Jr.) , (1994)

poor leadership style * government interference and regulations Crosstabulation

			government interference and regulations				Total
			somewhat affected	affected	significantly affected	fully affected	
poor leadership style	least affected	Count	0	0	1	0	1
		% within poor leadership style	.0%	.0%	100.0%	.0%	100 0%
		% within government interference and regulations	.0%	.0%	12.5%	0%	6 7%
		% of Total	.0%	.0%	6.7%	0%	6 7%
	somewhat affected	Count	0	0	1	0	1
		% within poor leadership style	.0%	.0%	100 0%	.0%	100.0%
		% within government interference and regulations	.0%	.0%	12.5%	.0%	6 7%
		% of Total	.0%	0%	6.7%	.0%	6.7%
	affected	Count	1	2	1	0	4
		% within poor leadership style	25.0%	50 0%	25.0%	.0%	100 0%
		% within government interference and regulations	50.0%	50.0%	12.5%	.0%	26 7%
		% of Total	6.7%	13 3%	6.7%	.0%	26 7%
	significantly affected	Count	1	0	2	1	4
		% within poor leadership style	25.0%	.0%	50.0%	25.0%	100.0%
		% within government interference and regulations	50.0%	0%	25.0%	100 0%	26 7%
		% of Total	6.7%	.0%	13 3%	6 7%	26.7%
	extremely affected	Count	0	2	3	0	5
		% within poor leadership style	.0%	40.0%	60.0%	0%	100 0%
		% within government interference and regulations	.0%	50 0%	37.5%	.0%	33 3%
		% of Total	.0%	13.3%	20.0%	0%	33.3%
Total		Count	2	4	8	1	15
		% within poor leadership style	13.3%	26.7%	53.3%	6.7%	100 0%
		% within government interference and regulations	100.0%	100.0%	100.0%	100 0%	100.0%
		% of Total	13.3%	26.7%	53 3%	6.7%	100 0%

change in organ. structure * wrong organisational structure Crosstabulation

| | | | wrong organisational structure | | | | | |
			least affected	omewha affected	ffected	ignifican y	fully affected	Total
change in organ. struc	disagree	Count	0	1	0	0	0	1
		% within chang organ. structur	.0%	100.0%	.0%	.0%	.0%	0.0%
		% within wrong organisational structure	.0%	50.0%	.0%	.0%	.0%	6.7%
		% of Total	.0%	6.7%	.0%	.0%	.0%	6.7%
	agree	Count	2	1	3	5	1	12
		% within chang organ. structur	16.7%	8.3%	25.0%	41.7%	8.3%	0.0%
		% within wrong organisational structure	100.0%	50.0%	00.0%	71.4%	100.0%	0.0%
		% of Total	13.3%	6.7%	20.0%	33.3%	6.7%	0.0%
	strongly a	Count	0	0	0	2	0	2
		% within chang organ. structur	.0%	.0%	.0%	100.0%	.0%	0.0%
		% within wrong organisational structure	.0%	.0%	.0%	28.6%	.0%	3.3%
		% of Total	.0%	.0%	.0%	13.3%	.0%	3.3%
Total		Count	2	2	3	7	1	15
		% within chang organ. structur	13.3%	13.3%	20.0%	46.7%	6.7%	0 0%
		% within wrong organisational structure	100.0%	100.0%	00.0%	100.0%	100.0%	0.0%
		% of Total	13.3%	13.3%	20.0%	46.7%	6.7%	0.0%

reward policy supports implementation * level of determination to implement all strategies Crosstabulation

			level of determination to implement all strategies				
			somewhat determined	determined	significantly determined	fully determined	Total
reward policy supports implementation	strongly disagree	Count	0	1	0	0	1
		% within reward policy supports implementation	.0%	100.0%	0%	0%	100%
		% within level of determination to implement all strategies	.0%	14.3%	0%	0%	6.7%
		% of Total	.0%	6.7%	.0%	.0%	6.7%
	disagree	Count	2	3	2	0	7
		% within reward policy supports implementation	28.6%	42.9%	28.6%	0%	100%
		% within level of determination to implement all strategies	100.0%	42.9%	40.0%	.0%	46.7%
		% of Total	13.3%	20.0%	13.3%	0%	46.7%
	agree	Count	0	2	1	1	4
		% within reward policy supports implementation	.0%	50.0%	25.0%	25.0%	100%
		% within level of determination to implement all strategies	.0%	28.6%	20.0%	100.0%	26.7%
		% of Total	.0%	13.3%	6.7%	6.7%	26.7%
	strongly agree	Count	0	0	1	0	1
		% within reward policy supports implementation	.0%	0%	100.0%	0%	100%
		% within level of determination to implement all strategies	.0%	0%	20.0%	.0%	6.7%
		% of Total	.0%	.0%	6.7%	.0%	6.7%
	dont know	Count	0	1	1	0	2
		% within reward policy supports implementation	.0%	50.0%	50.0%	0%	100%
		% within level of determination to implement all strategies	.0%	14.3%	20.0%	0%	13.3%
		% of Total	.0%	6.7%	6.7%	0%	13.3%
Total		Count	2	7	5	1	15
		% within reward policy supports implementation	13.3%	46.7%	33.3%	6.7%	100%
		% within level of determination to implement all strategies	100.0%	100.0%	100.0%	100.0%	100%
		% of Total	13.3%	46.7%	33.3%	6.7%	100%

CEO leadership in strategy implement. * poor leadership style Crosstabulation

			poor leadership style					
			least affected	somewhat affected	affected	significantly affected	fully affected	Total
CEO leadership in strategy implement.	strongly disagree	Count	0	0	1	0	0	1
		% within CEO leadership in strategy implemen	.0%	.0%	100.0%	.0%	.0%	100.0%
		% within poor leadership style	.0%	.0%	25.0%	.0%	.0%	6.7%
		% of Total	.0%	.0%	6.7%	.0%	.0%	6.7%
	disagree	Count	0	1	0	2	1	4
		% within CEO leadership in strategy implemen	.0%	25.0%	.0%	50.0%	25.0%	100.0%
		% within poor leadership style	.0%	100.0%	.0%	50.0%	20.0%	26.7%
		% of Total	.0%	6.7%	.0%	13.3%	6.7%	26.7%
	agree	Count	1	0	3	2	3	9
		% within CEO leadership in strategy implemen	11.1%	.0%	33.3%	22.2%	33.3%	100.0%
		% within poor leadership style	100.0%	.0%	75.0%	50.0%	60.0%	60.0%
		% of Total	6.7%	.0%	20.0%	13.3%	20.0%	60.0%
	dont know	Count	0	0	0	0	1	1
		% within CEO leadership in strategy implemen	.0%	.0%	.0%	.0%	100.0%	100.0%
		% within poor leadership style	.0%	.0%	.0%	.0%	20.0%	6.7%
		% of Total	.0%	.0%	.0%	.0%	6.7%	6.7%
Total		Count	1	1	4	4	5	15
		% within CEO leadership in strategy implemen	6.7%	6.7%	26.7%	26.7%	33.3%	100.0%
		% within poor leadership style	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		% of Total	6.7%	6.7%	26.7%	26.7%	33.3%	100.0%