

**CHALLENGES OF STRATEGY IMPLEMENTATION AT
CENTRE FOR AFRICAN FAMILY STUDIES**

BY:

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DECLARATION

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

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DEDICATION

This project is dedicated to my parents whose love and faith in my abilities inspires me to focus on higher goals.

To Almighty God who is a trusted and dependable friend.

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LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
ARHandD	Adolescent Reproductive Health and Development
BOD	Board of Directors
BSC	Balanced Score Card
CAFS	Centre for African Family Studies
CEO	Chief Executive Officer
GE	General Electric
HIV	Human Immune – deficiency Virus
ICPD	International Conference on Population and Development
IPPFAR	International Planned Parenthood Federation Africa Region
KDHS	Kenya Demographic and Health Survey
MBO	Management by Objective
MDG	Millennium Development Goals
MOMS	Ministry of Medical Services
MOPHS	Ministry of Public Health and Sanitation
NASA	Needs Assessment Situation Analysis
NGO	Non Governmental Organization
STI	Sexually Transmitted Infection
TSF	Technical Services Facility

ABSTRACT

Strategy implementation is often called the action phase of the strategic management process which is the most challenging. Executing strategy is a tougher more consuming management challenge than crafting strategy because of the wide array of managerial activities that have to be attended to. The demanding people-management skills required, the initiatives that need to be launched and moving, the bedeviling issues that need to be worked out, the resistance to change and the difficulties of integrating the efforts of work groups into a functioning whole. For the effective implementation of strategy an organization must achieve congruency between structure, leadership, culture and the capability of the organization.

This study had a special focus on challenges of strategy implementation at CAFS as the first objective and how these were overcome as the second objective. To achieve the said objectives a case study was carried out to gain an in-depth understanding of the challenges. A total of eleven respondents were interviewed by use of an interview guide. Some of the limitations encountered during the study included loss of institutional memory as a result of the restructuring process.

There was alignment between the research findings and the literature review carried out. The major challenges as revealed in the study highlighted lack of visionary leadership, frequent change in leadership, lack of succession planning, inactive participation of board members coupled with conflict of interest, lack of financial resources, high staff turnover, poor communication and monitoring of the plan, inappropriate organization culture, an unclear organizational niche, lack of guidelines to implement the strategic plan, poor response to the environmental changes,

resistance to change, lack of ownership of the strategic plan, poor resource mobilization and networking skills and setting unrealistic goals.

The research established that CAFS hired a consultant to assist in the turnaround strategy and recruitment of an executive director when it realized that it had challenges implementing the strategy. It also carried out a needs assessment situation analysis to find out why the subscription rate to the courses it offered revealed a downward trend. The findings enabled the organization to make the necessary adjustment to the courses. To boost its income the organization took on writing more proposals and ventured into other areas that would enable it earn more income such as conference management and doing more technical assistance. In addition the organization hired consultants to carry out assignments as a cost cutting measure. The organization was bloated therefore it restructured and became lean.

The researcher recommends that a similar study be carried out on organizations that are of the same size and operate in areas of intervention that are close to CAFS so as to establish if the challenges of strategy implementation encountered are similar to those of CAFS or unique.

CHAPTER ONE: INTRODUCTION

1.1. Background of the study

Strategic management is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives (Pearce and Robinson 2000). Strategic management is long-term, future-oriented, involves complex decision making, requires considerable resources and top management participation is essential. The strategic management process centers on the belief that a firm's mission can be best achieved through a systematic and comprehensive assessment of both its internal capabilities and its external environment.

Strategy implementation is the sum total of the activities and choices required for the execution of a strategic plan. It is the process by which objectives, strategies and policies are put into action through the development of programmes, budgets and procedures (Wheelan and Hunger 2008). Although implementation is usually considered after strategy has been formulated, implementation is a key part of strategic management. Strategy formulation and strategy implementation thus should be considered as two sides of the same coin. Strategy implementation requires the deployment and control of the organization's strategic resources to carry out action plans and hopefully achieve target milestones.

According to Thompson (1995), for an organization to be successful an intended strategy must be implemented. This argument is further supported by Aosa (1992) who argues that once strategies have been developed, they need to be implemented; they are of no value unless they are effectively translated into action. Wooldridge and

Floyd (1992) also agrees that once managers have decided on a strategy, the emphasis should turn to converting it into actions and good results.

Whereas crafting strategy is largely a market-driven activity, implementing strategy is primarily an operations-driven activity revolving around the management of people and business process. Wooldridge and Floyd (1992) observes that executing strategy is an action oriented task that tests the manager's ability to direct organizational change, motivate people, develop core competencies, build value organizational capabilities, achieve continuous improvement in business processes, create a synergy-supportive corporate culture and meet or beat performance targets.

1.1.1 Strategy Implementation

Organizations operate in very turbulent environments as observed by Pearce and Robinson (2005), thus making strategy implementation the greatest challenge in the strategic management process. Strategy implementation is the last phase of the strategic management process. According to Johnson and Scholes (1999) Strategy implementation is concerned with the translation of strategy into organizational action through the organizational structure and design, resource planning and the management of strategic change. Successful implementation of strategy is likely to be dependent on the extent to which these various components are effectively integrated to provide, in themselves competences which other organizations find difficult to match.

A new strategy must first be institutionalized then operationalized for effective implementation (Pearce and Robinson 2005). Institutionalization of strategy is the

alignment of the strategy to the organization's structure, leadership, culture, company resources and support systems which must permeate the whole organization. Operationalization means putting the strategy into action by developing plans and short term objectives, functional tactics, provision of adequate budget and empowering personnel who will perform the activities. A strategy could be good but it may fail if not properly institutionalized and operationalized.

Executing strategy is a tough, consuming management challenge than crafting strategy because of the wide array of managerial activities that have to be attended to. Wooldridge and Floyd (1992) cites some of the activities as; the demanding people-management skills required, the perseverance necessary to get a variety of initiatives launched and moving, the number of bedeviling issues that must be worked out, the resistance to change that must be overcome and the difficulties of integrating the efforts of many work groups into a smoothly functioning whole.

The effective development of and implementation of strategy depends on the strategic capability of the organization. The implementation of strategy also involves managing of strategic change; and this requires action on the part of managers in the process of managing the change. These mechanisms are likely to be concerned not only with organizational redesign, but also with changing day-to-day routines and cultural aspects of the organization and overcoming political blockages to change. According to Ansoff and McDonnell (1990), one major source encountered in implementing strategy comes from the fact that in most organizations the pre-strategy decision-making processes are heavily political in nature.

A newly drawn strategy for an organization will precipitate organizational capability realignment. Chandler (1962) is the leading proponent of the prescriptive approach to the relationship between strategy and structure in strategy implementation. Chandler (1962) argues that an appropriate structure is necessary for the successful implementation of strategy; therefore the organization structure has to be redesigned to fit into the new strategy for effective implementation. For the effective implementation of strategy an organization must achieve congruency between strategy, structure and leadership style.

Another widely accepted framework used in strategy implementation to ensure effective execution is the McKinsey 7-S framework. It provides a useful visualization of the key components managers must consider in making sure a strategy permeates the day to day life of the firm. The seven variables include structure, strategy, systems, skills, style, staff and shared values. Structure is defined as the skeleton of the organisation or the organisational chart. Strategy is the plan or course of action in allocating resources to achieve identified goals over time. The systems are the routine processes and procedures followed within the organisation. Staff are described in terms of personnel categories within the organisation, whereas the skills variable refers to the capabilities of the staff within the organisation as a whole. The way in which key managers behave in achieving organisational goals is considered to be the style variable; which is thought to encompass the cultural style of the organisation. The shared values variable, originally termed super ordinate goals, refers to the significant meanings or guiding concepts that organisational members share (Peters and Waterman, 1982).

The balanced score card popularized by Kaplan and Norton (1992) is also used in strategy implementation. This framework measures four perspectives: financial, customer, internal business process, and learning and growth. The balanced scorecard translates vision and strategy into objectives and measures across a balanced set of perspectives. According to Kaplan and Norton (2000), strategy focused organizations use the balanced scorecard to place strategy at the centre of their management processes. However the scorecard may be necessary but not sufficient to beat the odds against successful strategy implementation.

According to Johnson and Scholes (1999) leaders need to ask some critical questions if they are to succeed in strategy implementation which include: who is responsible for carrying through the strategy; what changes in organizational structure and design are needed to carry the strategy; what systems will be necessary to adopt to the necessary changes; what will different departments be held responsible for; what sort of information systems are needed to monitor progress; are there sufficient resources; what are the key tasks to be carried out; what changes need to be made in the resource mix of the organization and finally is there need for new people or retraining of the workforce. From this perspective, it will be interesting to study how the overall planned strategies of attaining financial stability, quality services, developing partnerships and strengthening internal capabilities contribute towards attaining the organization's vision.

1.1.2. Overview of Reproductive Health Sector in Kenya

Reproductive health includes the following main components; Family planning and unmet needs, Safe motherhood and child survival Initiatives, Promotion of adolescent and youth health, Gender and reproductive rights, Management of Sexual Transmitted Infections (STI)/Human Immunodeficiency Virus (HIV)/Acquired Immune Deficiency Syndrome (AIDS), Management of infertility, and other reproductive health issues. This is according to the National Population Policy for Sustainable Development and the Kenya Health Policy Framework of 1994.

Reproductive health in Kenya has had many challenges which include limited resources, inequitable distribution of resources, outdated institutional frameworks, policies and standards of practice, a high infant mortality rate and the impact of HIV/AIDS. Unlocking possibilities in Kenya's health care sector begins with committed leadership. Policy makers should recognize and acknowledge the existence of perpetual health care crisis in the country and in return pursue progressive health care policies that are practical to the need of the people. Humanitarian organizations involved in health care (World Health Organization and United Nations) should continue to support locally made policies and initiatives that are practical.

Kenya has in the recent years experienced remarkable progress in some areas of family planning services. Although great progress in addressing maternal health since the inauguration of Safe Motherhood Initiative Conference held in Nairobi in 1987, maternal health indicators show a deteriorating trend as evidenced by the maternal mortality ratio which has increased from 365 maternal deaths/100,000 live births in

1993 to 590/100,000 in 1998. This was revealed in a report published by the Ministry of Health division of Reproductive Health in 2004.

In a newspaper article published by Ongwae (2010) infant mortality has steadily declined over the last four decades, other mortality indicators especially maternal mortality have either stagnated or deteriorated. The 2008-09 Kenya Demographic and Health Survey (KDHS) revealed that child survival has improved while fertility decline has resumed. There was a high unmet need of family planning among the HIV population, HIV/AIDS being the biggest socio-economic challenge in Kenya. According to recent estimates 1,417,000 Kenyan men and women between the ages of 15 and 64 are HIV positive. Consequently, life expectancy at birth for the total population has declined from 58 years to 48 years for males, and 61 to 57 years for females.

The country's first national clinical guideline for family planning and reproductive health was published nearly 20 years ago in 1991. Over the years, as understanding of Kenya's reproductive health challenges have grown research has yielded solutions and best practices, the guidelines being revised to keep pace. New policy revisions on reproductive health appeared in 1997, 2005 and 2010 to reflect current trends in the provision of family planning services (Ongwae, 2010). The Plan of Action (2005 – 2015) developed by the Ministry of Health will guide the implementation of the policy with clear performance indicators. The plan outlined the Government's strategies for promoting the scaling up of adolescent reproductive health activities that have been going on in the country to increase commitment, partnership, collaboration and networking as well as resource mobilization. The Ministry of Public Health and

Sanitation (MOPHS) and the Ministry of Medical Services (MOMS) have developed the fourth 2010 edition of National Family Planning Guidelines for service providers. This edition covered strategies to improve access to quality family planning services such as training of Community Health Workers, integrating family planning with other reproductive health services, including HIV and AIDS and screening for cancers of reproductive organs, new contraceptives and male involvement in family planning. In all these there was increasing recognition that communication was an important input for achievement of reproductive health programme. Research conducted locally showed that service delivery guidelines, when properly disseminated can improve family planning and reproductive health practices.

In 1994, the International Conference on Population and Development (ICPD) held in Cairo urged governments to make reproductive health services available, accessible, acceptable and affordable to young people. In line with the ICPD recommendations, Kenya put in place an Adolescent Reproductive Health and Development (ARHandD) policy to enhance the implementation and coordination of programmes that address the reproductive health and development needs of young people in the country. Broadly, the policy addresses the following adolescent reproductive health issues and challenges: adolescent sexual health and reproductive rights; harmful practices; drug and substance abuse; socio-economic factors; and the special needs of adolescents and young people with disabilities. The effective implementation of the ARHandD policy will not only bring adolescent health issues into the mainstream of health and development, but also contribute to the achievement of some of the Millennium Development Goals (MDG) particularly MDG 3 (promote gender equality and

empowerment of women), MDG 4 (reduce child mortality), MDG 5 (improve maternal health) and MDG 6 (combat HIV/AIDS, malaria and other diseases).

The government with the support of development partners revised several national and reproductive health policy documents towards the achievement of the MDGs and Vision 2030. The article published by Ongwae (2010) highlighted one of the National Reproductive Health strategy 2009-2015 which linked the government strategy in reproductive health care with other socio-economic development blue prints including the National Reproductive Health Policy of 2007, the MDGs and Vision 2030. This demonstrated that the government of Kenya has embraced the concept of improving reproductive health services.

1.1.3. Centre for African Family Studies (CAFS)

CAFS is an African Institution dedicated to strengthening the capacities of organizations and individuals working in the field of reproductive health, population and development in order to contribute towards improving the quality of families in sub-Saharan Africa. CAFS operates from strategically located bases in East and West Africa, with its headquarters in Nairobi, Kenya and regional offices in Lome, Togo, Addis-abba, Ethiopia and Abuja, Nigeria.

The Centre was founded in 1975 by the International Planned Parenthood Federation – Africa Region (IPPF AR) as the African Education Project. It evolved and developed to become a vital training and technical assistance resource institution supporting development partners geared towards African development. For over 32 years, CAFS has been promoting and supporting human, program and organizational

capacity building and methodologies to aid interventions for African development especially in the health sector with a focus on sexual and reproductive health and more recently HIV/AIDS.

In 1998 the Centre attained full autonomy as an International Non Governmental Organization with its own independent board of directors (BOD). CAFS vision is to be the leading provider of training and technical assistance in health and development to organizations and individuals for the well being of African families. The mission is to improve lives of African families through skills development, knowledge management and technical assistance in health and development. In order for any organization to succeed in the market place it has to hone its core competencies and areas of focus. CAFS core competencies and areas of focus are in reproductive health and related areas; HIV/AIDS; maternal and child health, training and human capacity development. (Appendix 1)

CAFS current strategy was crafted in year 2005 to be operationalized from 2006 – 2010. To realize its vision, CAFS identified four key strategic directions that would enable it to achieve performance and fulfil its aspirations and social agenda. In the Strategic Plan (2005) the multi-year directions were: to develop CAFS into a high performing organization that continuously works to produce high quality results and exceed customer expectations; secondly to grow and strengthen CAFS capacity and capabilities; thirdly to strengthen CAFS financial base and achieve financial sustainability and finally to establish strategic partners for effective and efficient achievement of CAFS goals and objectives.

The Strategic plan (2005) outlined how the Centre would monitor the implementation. This would be done on a semi-annual basis through progress reviews aimed to assess the achievements made towards set objectives. In year three of the implementation, CAFS would conduct a mid-term review to ensure that implementation was on track and that the plan was still relevant and in line with market demands. A final evaluation would be undertaken towards the end of the strategic plan to draw lessons learnt from the implementation and to inform the next strategic plan.

1.2. Research Problem

All business firms exist in an open system. They impact and are impacted by external conditions largely beyond their control. Change in the environment of business necessitates continuous monitoring of a company's definition of its business, lest it falters or becomes obsolete (Johnson and Scholes 1999). Executives who take part in the strategy planning process must be aware of those aspects of their company's environment especially susceptible to the kind of change that will affect the company during the implementation process. According to (Ansoff and McDonnell 1990) organizations' generally lack managerial talents capable of formulating and implementing strategy. Most companies and organizations know their businesses and the strategies required for success however many of them especially large ones struggle to translate the theory into action plans. Many people regard execution as detail work that is beneath the dignity of a leader. That is wrong. It is the leader's most important job. Implementing strategy is challenging for many organizations, numerous companies have noted the very weak relationship between strategy formulation and strategy implementation. Strategy implementation is the hardest part because it involves all the staff and there is always resistance to change.

The environment in which an organization operates contributes to the challenges it faces in strategy implementation. Kimani (2003) observed that the past decade witnessed a remarkable growth in the number of NGOs providing capacity building in the areas of reproductive health and HIV/AIDS. Unable or unwilling to change and adapt to a more competitive and results-oriented environment, most of them perished after struggling for a year or two. Several survived precariously, only a handful of them flourished and looked forward to the future with confidence. In order to survive CAFS had to meticulously implement its strategy directions while being flexible enough to adapt to changes in the environment.

Various studies have been carried out on strategy implementation and its challenges by among others Dwallow (2007), Juma (2008), Adongo (2008) Wanjohi (2007) and Omollo (2007). Dwallow (2007) studied strategy implementation challenges of firms in the packaging industry in Nairobi. Juma (2008) carried out a case study on strategy implementation and its challenges on African Braille Centre a Kenyan Non-Governmental Organization whose core business is the production and distribution of Braille books and talking books for the visually impaired persons. Adongo (2008) identified the challenges to strategy implementation in health focused Non-Governmental Organizations in Nairobi while Wanjohi (2007) focused on challenges of strategy implementation in Mathare 4A slum upgrading project in Nairobi. Omollo (2007) studied the challenges of implementing strategic decisions at the Kenya Armed Forces Medical Insurance Scheme. None of the studies carried out have addressed strategy implementation challenges at CAFS and how these were overcome. This research sought to bridge that gap and specifically addressed the questions:-

- i) What are the challenges CAFS faced during strategy implementation?
- ii) How did CAFS overcome these challenges?

1.3. Research Objectives

The study addresses two objectives as follows:-

- i) To establish the challenges CAFS faced while implementing its strategy;
- ii) To determine how CAFS addressed the challenges it encountered during the implementation.

1.4. Importance of the Study

The findings of this study will be a source of reflection for CAFS management who will be keen to know what went wrong in the strategy implementation process. The lessons learnt will be useful in crafting the next period's strategy.

The study will also be useful to stakeholders and other interested parties who have an interest in CAFS activities, the centre being awash with knowledge yet it seems to struggle after being in existence for a considerable length of time.

Scholars, academicians and researchers who wish to carry further research on the linkage between strategy formulation and implementation or on the strategic management process will also benefit.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

A strategy is the pattern or plan that integrates an organization's major goals, policies and action sequences to a cohesive whole (Mintzberg, Quinn and Ghosal 1999). A well formulated strategy helps to marshal and allocate an organization's resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment and contingent moves by intelligent opponents.

Mintzberg (1987) defines strategy with a variety of views; as a plan, ploy, pattern, position and finally as a perspective. Strategy as a plan, deals with how leaders try to establish direction for organizations, while as a ploy it takes us to the realm of direct competition, manoeuvre is employed to gain competitive advantage. As a pattern strategy focuses on action that is consistent in behaviour and is key to achieving organizational goals. Strategy as a position encourages organizations in their competitive environments in order to protect, avoid or subvert competition. Strategy as a perspective is an ingrained way of perceiving the world. Strategies are abstractions which only exist in the minds of interested parties. A major issue in the study of strategy formation, becomes, therefore how to read the collective mind and to understand how intentions diffuse through the system called an organization to become shared and how actions can be exercised on a collective yet consistent basis (Mintzberg, Quinn and Ghosal 1999).

The military aspect of strategy refers to it as the "art of the general" which is to say the psychological and behavioural skills of employing forces to overcome the opposition and to create a unified system of global governance (Quinn 1980).

Another perspective of strategy is fronted by Kim and Mauborgne (2005) in the book *Blue Ocean Strategy* where value innovation is seen as the cornerstone of strategy through the pursuit of differentiation and low cost. The emphasis here is to create uncontested market space and make the competition irrelevant. The overriding focus in red ocean strategy is competition achieved through differentiation or low cost. Described from the competition arena, strategy here is about confronting an opponent and fighting with the need to beat an enemy in order to succeed.

Thus from the above definitions the very language of strategy is deeply imbued with bringing organizational success. In today's fast-moving-changing business world, strategy, with its long-range perspective, is critical. Most companies have strategies, but far fewer achieve them. Strategy implementation is an enigma in many companies. According to (Andreas 2004) the problem is illustrated by the unsatisfying low success rate of only 10 to 30 percent of intended strategies being realized. This low rate is discouraging, especially since a growing number of companies in recent years have invested considerable resources to develop strategic planning skills. The primary objectives are somehow dissipated as the strategy moves into implementation and the initial momentum is lost before the expected benefits are realized. This shows that implementing strategy is challenging for many organizations, yet it remains under-researched. Various studies carried out by Charan and Colvin (1999) support this view. Hussey (1998) concurs that although there has been considerable research into the success and failure of planning systems, much less attention has been given to the implementation of strategy.

Successful implementation is a challenge that demands patience, stamina and energy from the involved managers. The key to success is an integrative view of the implementation process. Strategy implementation skills are not easily mastered, unfortunately. In fact, virtually all managers find implementation the most difficult aspect of their jobs; more difficult than strategic analysis or strategy formulation. The ability to implement strategies is one of the most valuable of all managerial skills. Manager's intent on implementing strategy must master systems thinking to be able to co-ordinate a broad range of interconnected efforts aimed at transforming intentions into action, and take care of the factors impeding strategy.

2.2. Framework for Executing a Strategy

According to Thompson and Strickland (2003) strategy implementation is the least charted, most open ended part of strategic management. Unfortunately there are no 10- step checklists, no proven paths, and few concrete guidelines for tackling the work. The best practices come from the reported experiences of managers and companies. The wisdom they yield is inconsistent because what works well for some managers has been tried and found lacking by others. The reasons can be understood; not only are some managers more effective than others in employing this or that recommended approach to organizational change but each instance of strategy implementation takes place in a different organizational context. Different business practices, competitive circumstances, work environments, cultures, policies, compensation incentives, mixes of personalities and organizational history all require a customized approach to strategy implementation based on individual company situations and circumstances.

Some business planners are now using the complexity theory approach to strategy. Complexity can be thought of as chaos with a dash of order which is not quite so unpredictable. It involves multiple agents interacting in such a way that a glimpse of structure may appear. Axelrod (1976) calls these systems of multiple actions and reactions complex adaptive systems. He suggests that rather than fear complexity, businesses should harness it. This can best be done when there are many participants, numerous interactions, much trial and error learning, and abundant attempts to imitate each others' successes. Dudik (2000) observes that an organization must develop a mechanism for understanding the source and level of complexity it will face in the future and then transform itself into a complex adaptive system in order to deal with it.

Kotter (1996) alludes to the fact that successful implementation of strategy will not happen easily because of the long list of reasons, real and imagined. The process of producing successful change of any magnitude in organizations requires the following eight-stages: establishing a sense of urgency; creating a powerful guiding coalition; developing a vision; communicating the vision; empowering others to act on the vision; planning for and creating short term wins; consolidating improvements and producing more change and finally anchoring new approaches in the culture.

One of the early contributors to the literature of strategic management Alfred Chandler recognizes the importance of co-ordinating the various aspects of management under one all-encompassing strategy. He stresses the importance of taking a long term perspective when looking to the future. Chandler (1962) in his groundbreaking work *Strategy and Structure*, shows that a long-term co-ordinated strategy is necessary to give a company structure, direction, and focus. He says it

concisely, “structure follows strategy.” Therefore, as organizations introduce the new strategic change there is need to re-align both strategy and structure for effective strategy implementation.

Ansoff (1965) built on Chandler's work by adding a range of strategic concepts and inventing a whole new vocabulary. He developed a strategy grid that compared market penetration strategies, product development strategies, market development strategies and horizontal and vertical integration and diversification strategies. He felt that management could use these strategies to systematically prepare for future opportunities and challenges. In his 1965 classic *Corporate Strategy*, he developed the gap analysis still used today in which we must understand the gap between where we are currently and where we would like to be, then develop what he calls “gap reducing actions”.

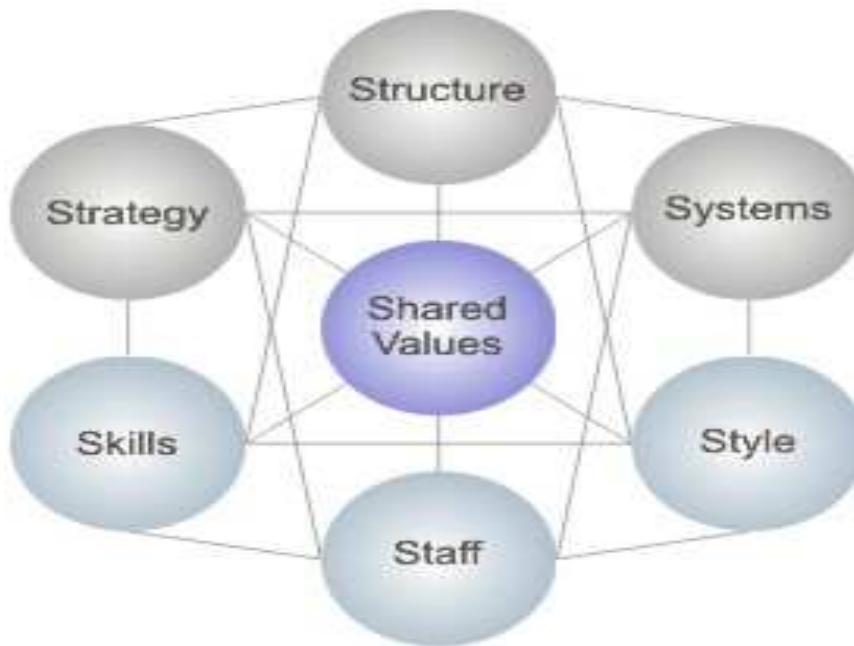
Another contributor to the strategy – structure debate was Thompson (1995) who argues that strategy implementation can be accomplished through the design of the organization structure and the process encapsulated within the structure. The structure must therefore be capable of implementing strategies and it can be described as the means by which an organization seeks to achieve its strategic objectives. The structural process should be a reflection of culture, power and political activity where people are empowered. These processes ultimately determine how the actual strategy will be implemented.

The prolific strategy theorist, Peter Drucker, author of dozens of management books, with a career spanning five decades stresses the importance of objectives. He observes that an organization without clear objectives is like a ship without a rudder. As early

as 1954 Drucker was developing a theory of management based on objectives. This evolved into the theory of management by objectives (MBO). According to Drucker (1954) the procedure of setting objectives and monitoring the progress towards them should permeate the entire organization top to bottom if strategy implementation is to succeed.

The success of Japanese companies which spans for over 40 years has intrigued the world. The first management theorists to suggest an explanation attributed to the success of Japanese companies was Pascale and Athos (1981). They claimed that the main reason for Japanese success was their superior management techniques. Japanese divide management into 7 aspects: Strategy, Structure, Systems, Skills, Staff, Style, and Super ordinate goals (shared values) which are similar to Mckinsey 7S Framework depicted in figure 1. In Japan the task of management is seen as managing the whole complex of human needs, economic, social, psychological, and spiritual. Pascale also highlights the difference in decision making styles; in Japan it is built on consensus and focus is on long term vision while in most other countries there is lack of long term vision, executives preferring instead to apply management fads and theories in a piecemeal fashion.

Figure 1: The McKinsey 7S Model



Source: Peters and Waterman (1982) page 10

Peters and Waterman (1982) who had several years earlier collaborated with Pascale and Athos at McKinsey and Co. asked “What makes an excellent company?” They looked at 62 companies that they thought were fairly successful. Each was subject to six performance criteria; forty-three companies passed the test. They then studied these successful companies and interviewed key executives. They concluded in the book *In Search of Excellence* that there were 8 keys to excellence that were shared by all 43 firms. These were: a bias for action; customer focus; autonomy and entrepreneurship; productivity through people; hands-on, value-driven chief executive officer (CEO); sticking to the knitting; simple form and lean staff; finally loose-tight properties fostering a climate where there is dedication to central values of the company combined with tolerance for all employees who accept those values.

The balanced scorecard also provides executives with a comprehensive framework that translates a company's vision and strategy into a coherent set of performance measures organized into four different perspectives: financial, customer, internal process and learning and growth. This system seeks to align short-term performance indicators within a long-term perspective. This avoids organizations having incompatible long and short term objectives. According to Kaplan and Norton (1996); if companies are to survive in the information age competition, they must use measurement and management systems derived from their strategies and capabilities. Measurement matters: "If you cannot measure it, you therefore cannot manage it".

2.3. Principal Strategy-Implementing Tasks

While the context in which strategy implementation is carried out is critical to its success, Thompson and Strickland (2003) point out that certain activities have to be covered no matter what the organization's circumstances are. Included are: building an organization with competencies; capabilities and resource strengths to carry out the strategy successfully; developing budgets to steer ample resources into those value chain activities critical to success; establishing strategy supportive policies and procedures; instituting best practices and pushing for continuous improvement in how value chain activities are performed; installing information and communication operating systems that enable personnel carry out their strategic roles successfully everyday; tying rewards and incentives to the achievement of performance objectives and good strategy execution; creating a strategy – supportive work environment and corporate culture and finally exerting the internal leadership needed to drive implementation forward. In devising an action agenda, strategy implementers should begin with a probing assessment of what the organization must do differently and

better to carry out strategy successfully. These strategy implementing tasks concur with those postulated by Pearce and Robinson (2000); Thompson (1995) and Williamson, Jenkins, Cooke and Moreton (2003).

2.4. Strategy Implementation Process

Curiously, some managers consider strategy implementation a strategic afterthought. Although creative chaos can help formulate strategy, a more administrative strategy implementation demands discipline, planning, motivation, and controlling processes (Andreas 2004). Basically, a well-formulated strategy can only generate a sustainable added value for the company if it is implemented successfully, so regardless of the intrinsic merit of a particular strategy it cannot succeed if an effective implementation procedure is missing.

The process of strategy implementation is very important because the organization has to justify the effort and resources it will use in developing strategy. It normally demands much more energy and time than mere formulation of the strategy. It is worth the effort. An efficient strategy implementation has an enormous impact on a company's success. It is here that strategy is activated to achieve the organization's objectives. Two elements that are fundamental in strategy implementation process are: institutionalizing and operationalizing the strategy (Pearce and Robinson 2000). To be effective strategy implementation must be integrated and co-ordinated. Depending on how much consensus building, motivating, and organizational change is involved, the implementation process can take several months to years.

Thompson and Strickland (2003) observe that after identifying appropriate business and corporate strategies to attain the organization mission and goals, managers confront the challenge of putting those strategies into action. Resources should be allocated to activities if strategy implementation has to be accomplished. An organization structure appropriate for the efficient performance of the required tasks must be made effective by information systems and relationships permitting coordination of subdivided activities. Strategy implementation is a five step process which involves drafting detailed action plans, allocating responsibility for the plans, establishing a timetable that includes precise measurable goals linked to the action plan, allocating resources and holding specific individuals or groups responsible for the attainment of corporate, divisional and functional goals. It also involves managing the process. This includes monitoring results, benchmarking and comparing best practices, evaluating the efficacy and efficiency of the process, controlling for variances and making adjustments to the process as necessary.

The role of personal leadership is important and sometimes decisive in the accomplishment of strategy as argued by Mintzberg and Quinn (1996). In today's business world, strategy implementation is inseparable from effective leadership and communication within the company. The value creation process, as found in strategy process literature follows these lines: formulation and effective communication of vision and values; formulation and effective communication of mission; generation of enthusiasm and buy-in at all levels; commitment to projects and business results that will fulfill on the mission; design of organizational architecture that allows for empowerment and communication; creation of tactics and short-term goals at the local level; effective action in a context of accountability.

2.5. Challenges of Strategy Implementation

Why is it seemingly so difficult to execute strategy? The answer, we believe, lies in the way the nature of business has changed in the past 30 years. For the first three-quarters of the 20th Century, strategy was not seen as difficult to formulate or difficult to execute. As recently as 1981, when Jack Welch took over as Chairman and CEO of General Electric he was able to formulate and execute strategy with legendary results. Yet 1981 was the beginning of one of the most remarkable shifts in the history of business.

2.5.1. Existence of Intangible Capital

There has been a shift from value based in tangible assets to value based in intangible assets. An extensive study made by Lev (2001) indicated that in 1982, 62% of the market value measured by market capitalization of companies could be attributed to tangible assets and only 38% to intangibles. A follow-up study in 1998 showed that with the rise of the knowledge-based economy, the ratio had further shifted to 85% intangible to 15% tangible. This shift could be attributed to a world where value was based in service and in selling solutions rather than in objects or hard assets. But why did this shift have such an effect on strategy implementation? The answer was deceptively simple – the rules of management have changed. Management of a company whose value-creating mechanisms were based largely on intangibles is a whole different ballgame than when those mechanisms are based on tangible assets. Drucker (1954) is said to have remarked that “if you can’t measure it, you can’t manage it.” Yet the measurement of intangibles is, by its nature, a tricky business. Tangible assets are measurable directly but intangible assets are well intangible. Like electrons in a cloud chamber they cannot be measured directly, but only by the tracks

they leave. The problem is that intangible assets reside in people's thinking and the value creating power of these assets lies in people's ability to put them to work. This means that in order to integrate them into the organization's strategy, that strategy cannot be a top-down imposition by management, but must be introjected and owned by the proprietors of the intellectual property. Mintzberg (1987) alludes to this challenge in his view of strategy as a perspective.

2.5.2. Lack of Innovation

Never is strategy implementation more important than when innovation is at the heart of a strategy. When it comes to innovation, execution is not about fulfilling the script. It is about constantly rewriting it. Innovation always involves treading into uncertain waters and as uncertainty rises, the value of a well-thought-out, but static, enterprise strategy drops. In fact, when pursuing entirely new business models, no amount of research can resolve the critical unknowns. All that strategy can do is give you a good starting point. From there, you must experiment, learn and adapt (Andreas 2004).

2.5.3. Disconnect Between Planning and Execution

Kaplan and Norton (2005) found that many organizations have a fundamental disconnect between the formulation of their strategy and implementation of that strategy into useful action. They introduce the notion of the strategy mapping which is a diagram that describes how an organization creates value by connecting strategic objectives in explicit cause-and-effect relationship with each other in the four BSC objectives: financial, customer, internal processes, learning and growth for value creation. One of the practical issues in executing strategy is that many managers have little experience of planning the implementation of strategies particularly those that

are transformational (Hussey 1998). A reasonable achievable time scale is not set during the planning process. The failure of many strategic planning initiatives is due to organizations' lacking inertia to sustain them once the initial enthusiasm has worn off (Ansoff 1987).

2.5.4. Operating in Turbulent Environments

Many organizations compete in uncertain, dynamic and turbulent environments where change pressures are continuous and changing (Thompson 1995). New opportunities and threats appear at short notice and require a speedy response. There are so many forces, most of which have the great strength and the power to combine, that one cannot, in a probabilistic sense predict events. Strategies which were appropriate "yesterday" are unlikely to be suitable "today", let alone tomorrow. This dynamism is a real challenge to strategy implementation. Thompson's views are echoed by Mintzberg's concept of emergent strategies. Organizations have to learn how to deal with both these strategies with an increasing emphasis on business adaptability, innovation and learning (Wharton 1997). Porter (1985) concurs that the impact the wider environment has on firms and industries can be significant which is why it is important for an organization to understand and recognize the forces that impact on it in the industry it operates in.

2.5.5. Lack of Expertise in Co-coordinating Activities

According to Pearce and Robinson (2000) implementing strategy requires co-ordination of many complex activities. Lack of adequate managerial skills to co-ordinate these activities hinder the successful implementation of strategy. Management is about coping with complexity. Without good management, complex

enterprises tend to become chaotic in ways that threaten their very existence. Lack of good management brings a degree of disorder and inconsistency to key dimensions of strategy implementation. Williamson et al (2003) argues that ineffective coordination of activities can bring about complexity and incorporate conflicting interpretations to multi-stakeholders with different and competing interests.

2.5.6. Lack of Ownership of the Strategy Being Implemented

To generate acceptance for the implementation, middle managers must help formulate the strategy. More often than not, however, middle managers and supervisors have important and fertile knowledge that is seldom tapped in strategy formulation. As long as these managers are a part of the strategy process, they will be more motivated because they see themselves as an important part within the process. Involving managers and supervisors increases the chances for a smooth, targeted, and accepted strategy implementation. That is why involving employees is an important milestone to making strategy everyone's everyday job. Without understanding the general course of strategy, employees cannot contribute to an effective strategy implementation.

2.5.7. Poor Integration of the Strategic Plan into Operational Plans

Company activities and crisis divert attention from implementation. Day to day business activities can be a hindrance to strategy implementation if these are not taken into account during the planning process. Pearce and Robinson (2000) points out, that for strategy implementation to be effective it has to be integrated and co-ordinate into the key functional areas that are central to implementing the business strategy. Andreas (2004) observes that, one of the most critical points within strategy

implementation processes is time restrictions. The problem? Many executives underestimate the amount of time needed and do not have a clearly focused view of the complexities involved when implementing strategies. One way to figure this out is through fine-tuning with the affected divisions and the managers responsible for them. In addition to the probable time frame, you should calculate an extra buffer for unexpected incidents.

2.5.8. Lack of Adequate Skills

In strategy implementation, planning the actions that people have to undertake is not sufficient. Hussey (1998) argues that it is imperative to ensure that the people who carry out the action have the skills and knowledge. Lack of adequate skills, knowledge and capabilities to implement the strategy can be an issue if the employees have incomplete understanding of the concepts they are trying to implement. Handy, (1976) notes that too often great plans stay as 'plans'. Typically, the energy and enthusiasm generated during the planning process quickly ebbs away, swamped by the weight of day to day operational issues. The organization and its people gravitate to fire-fighting and reactive task scheduling, instead of planning proactively to deliver the new strategic plan.

2.5.9. Poor Leadership Skills

Leadership is described as a set of processes that creates organizations in the first place or adapts them to significantly changing circumstances (Kotter 1996). Successful transformation is 70 to 90 percent leadership and only 10 to 30 per cent management. It takes adept leadership to convincingly communicate the new strategy and the reasons for it, overcome pockets of doubt and disagreement, build consensus

and enthusiasm for how to proceed. The leadership challenge as noted by Pearce and Robinson (2000) is to galvanize commitment among people within an organization as well as stakeholders outside the organization to embrace change and implement strategies intended to position the organization. When implementing strategy, the most important facet is top management's commitment to the strategic direction itself. In fact, this commitment is a prerequisite for strategy implementation, so top managers have to show their dedication to the effort.

2.5.10. Resistance to Change

Implementing new strategies requires large scale change (Kaplan and Norton 2005). Transformational change has emerged to differentiate the scale of change required by business strategy from the continuous improvement that organizations' routinely perform. The biggest challenge in implementing strategy is getting alignment throughout the organization and cultivating change initiatives that sustain momentum. Implementing strategic change requires the confidence, co-operation, and competencies of the organization's technical and managerial people, so the continual development of a company's vital asset-human resources is a very high priority. Another priority is managing change. It's a great challenge to deal with potential barriers to change because implementation efforts often fail when you underestimate these barriers. Experience shows that barriers against the implementation of the strategy can lead to a complete breakdown of the strategy. According to Andreas (2004) these barriers are psychological issues, ranging from delay to outright rejection, and companies need to pay more attention to them. After all, strategy implementation consists mostly of psychological aspects, so by changing the way

employees' view and practice strategy implementation, senior executives can effectively transform change barriers into gateways for a successful execution. Since change is part of the daily life within an organization, you need to emphasize communication regarding the changes to push the implementation process forward.

2.5.11. Little Experience in Planning

Planning is a complex difficult activity because of the goals an organization pursues which increases the chances of important tasks and activities being poorly defined. Thompson (1995) notes that it is not always clear how best to pursue the goals and which strategies to adopt since planning is done under uncertainty. This is a result of the poor process of planning itself. Jack Welch, the CEO of GE describes planning systems in some organizations as “slow, inefficient use of management time and stifling of innovation and opportunism.” More positively, Williamson et al (2003), describes how strategic planning is more effective when planning is driven down into the organization. In these circumstances strategic planning promotes strategic thinking.

2.5.12. Poor Monitoring and Evaluation of the Plan

In strategy implementation monitoring and evaluating activities is critical, inadequate monitoring of activities stifles this process. Top management must have a method of monitoring and controlling activities to ensure that actions are carried out and the results are acceptable. An effective monitoring system should have an information feedback loop capable of measuring the most critical variables. Performance measures should relate to objectives and milestones. Kaplan and Norton (2005) observe that the balance score card is usually not used as a tool of monitoring performance in the four

dimensions which measure financial, customers, internal processes, growth and improvement. The control function is a key aspect of the implementation processes. To facilitate the implementation in general, you should use tools to support the processes adequately. Two implementation instruments help here: the balanced scorecard (BSC) and supportive software solutions.

2.5.13. Lack of Motivation amongst Staff

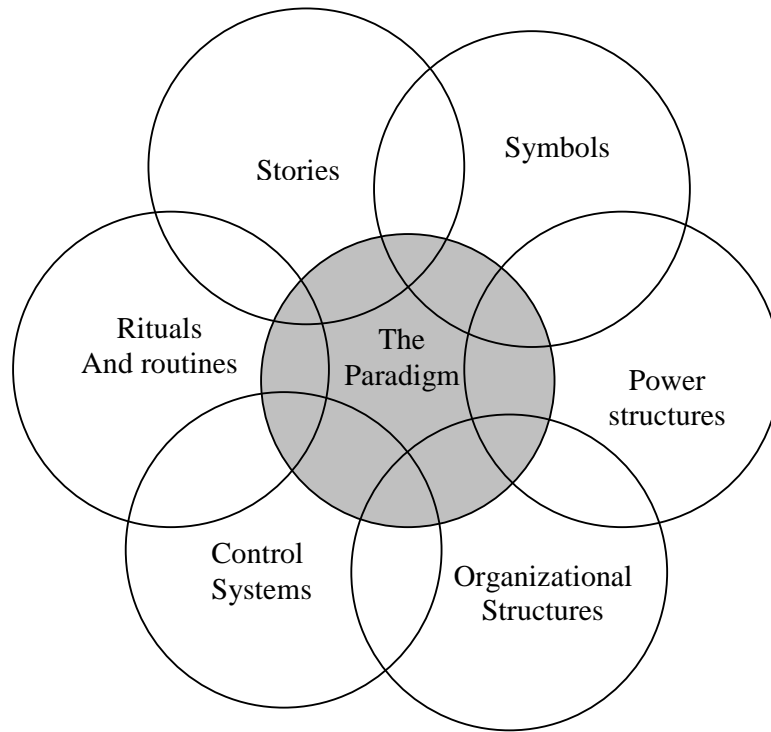
Motivation is concerned with the factors that influence people to behave in certain ways (Armstrong 2003). Motivating people is about getting them to move in the direction you want to go in order to achieve results. People are motivated when they expect a course of action is likely to lead to attainment of a goal and a value reward that satisfies their needs. One of the biggest strategy implementation challenges is to employ motivational techniques that build whole hearted commitment and winning attitudes among employees. How people are rewarded will affect whether they perform the tasks in the way the strategy requires. Wheelan and Hunger (2008) hold the view that when the reward systems are out of step with the strategy execution then implementation is inhibited. Andreas (2004) also notes that teamwork plays an important role within the process of strategy implementation. When it comes down to implementation activities, this is often forgotten even though it is indisputable that teams can play an important part in promoting the implementation.

2.5.13. Inappropriate Organizational Culture

Organizational culture refers to the set of assumptions that members of an organization share in common (Pearce and Robinson 2000). Each organization possesses its own culture that is a system of shared beliefs and values. The corporate

culture creates and, in turn, is created by the quality of the internal environment; consequently, culture determines the extent of cooperation, degree of dedication, and depth of strategic thinking within an organization. Andreas (2004) observes that top management's principal challenge in the cultural context is to set the culture's tone, pace, and character to see that it is conducive to the strategic changes that the executives are charged with implementing. Changing a company's culture to align it with strategy is among the toughest management's tasks according to Thompson and Strickland (2003). Changing problem cultures is very difficult because of the heavy anchor of deeply held values and habits, people cling emotionally to the old and familiar. It takes concerted management action over a period of time to replace an unhealthy culture with a supportive culture that facilitates strategy implementation. The idea of the "cultural web" depicted in figure 2, is particularly useful because it captures and distinguishes the factors that could constrain strategy implementation.

Figure 2: The Cultural Web



Source: Johnson, G, and Scholes, K. (1999) p.59

2.5.14. Inadequate Resources

Inadequate resources can hamper strategy implementation. David (1997) observes that, organizations have at least four types of resources that can be used to achieve desired objectives. These are financial, physical, human and technological. According to Hussey (1998) resource allocation is based on short term budgets and not on the strategy. A resource-fit test should be applied to determine whether the firm's resource strengths match the resource requirements of its present business line-up. If the resource-fit test fails then strategy implementation will be hampered. Kim and Maubourgne (2005) depart from the conventional thinking of an organization having adequate resources to implement their strategies. They assert that even organizations with scarce resources can still implement their strategies by concentrating on

multiplying the value of the resources they have. When confronted with the challenge of scarcity; executives can engage in hot spot activities which have low resource input and high potential gains; cold spot activities that have high resource input but low performance impact and finally horse trading which involves trading your unit's excess resources in one area for another unit's excess resources right to fill remaining resource gaps. By learning to use their current resources right, companies often find they can tip the resource hurdle outright.

2.5.15. Failure of Information Systems

Strategy can become impossible to implement as pointed out by Hussey (1998) if there is failure of information systems to meet the needs of the organization. This view is supported by Kotter (1996) who says that using every vehicle possible to communicate the new vision should be emphasized. Communicating the implementation plan to the right people is critical. When implementing strategy we are talking about the future of the company and this is not a time for light hearted comments, discussions or actions. Everyone in the company should understand the importance and their responsibility. It is important to focus on two-way communication because it solicits questions from employees. In addition, communication should cover the reasons employees are performing new tasks and activities because of the strategic implementation. This type of communication about organizational developments should take place both during and after an organizational change. It is essential to communicate information to all levels, and not to forget that the way you present a change to employees greatly influences their acceptance of it. To deal with this critical situation an integrated communications plan must be developed. Such a plan is an effective vehicle for focusing employees' attention on the

value of the selected strategy. Andreas (2004) concurs that it is indeed a big challenge to communicate a plan effectively and in a way that everybody understands.

2.5.16. The Process of Decision Making

Bureaucratic systems stifle the decision making process and hence cause a delay in the strategy implementation (Hussey 1998). Decision-flow processes are the vehicles companies use to integrate results into coherent patterns for developing, implementing, and controlling decision making. Where and how decisions are made, and who is allowed to make them will affect all parts of strategy implementation. Organizations are not as logical as they seem, even the supposedly democratic ones. Handy (1976) observes that in organizations there is a disparity between how decisions are actually made and the way they should be made, this is because of conflicting interests and power struggles. People do not usually go for the best possible solution but for the one that would suffice at that point in time.

2.5.17. Inappropriate Organization Structure

Structure shows the way tasks are grouped into jobs and jobs grouped into organizational units. It deploys accountabilities so the company can achieve its goals and objectives and, ultimately, its mission. The structure can help a strategy to be implemented or it can make it totally impossible. Structure and strategy have to be compatible. As Pearce and Robinson (2000) notes, structures that are designed without regard to strategy can cause strategy to fail regardless of other well intended efforts. According to Chandler (1962) if the structure is not realigned to match the

changes in strategy then this could frustrate the implementation process. Changes in structure should not be expected to make a bad strategy good or to make bad managers good.

Despite the experience of many organizations, it is possible to turn strategies and plans into individual actions, necessary to produce a great business performance. But it is not easy. Many companies repeatedly fail to truly motivate their people to work with enthusiasm all together towards the corporate goals.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Research Design

The research was conducted through a case study. A case study is a descriptive research technique that intensively investigates one or a few situations that are similar to the researcher's problem situation. The advantage of using a case study is that an entire organization can be investigated in depth with meticulous attention to detail. This highly focused attention enables the researcher to carefully study the order of events as they occur or to concentrate on identifying the relationship among functions, individuals or entities. Case studies provide deep learning opportunities, especially in the consideration of alternative perspectives and the ability to think outside the box. With time one is able to integrate theory with practice and produce clear arguments. Deep learning occurs when $L=P+Q$. where L is learning, P is programmed knowledge received through textbooks, research papers and company databases and Q is questioned insight where the learner questions the "status quo" that is embodied within programmed knowledge. The outcome of programmed knowledge plus questioned insight is deeper knowledge, even new knowledge. The objective of the study was to investigate the challenges encountered during the strategy implementation process at CAFS and how these were addressed.

3.2. Data Collection

The study used both primary and secondary data. An interview guide was used to collect the data on challenges of strategy implementation and ways to overcome them. The interview guide which had open ended questions was used to collect primary data. Secondary data was collected from Organization's documents such as annual

reports and the strategic plan. The respondents consisted of eleven people who included both current and former staff. Out of the eleven respondents nine were current staff members and three were former employees. The respondents interviewed included the Acting Executive Director, Heads of Department Finance and Technical, programme and administration staff. Some of the respondents were involved in strategy formulation; however all participated in the implementation process. This method of data collection was preferred as it reduced cost, increased the speed of feedback, allowed for clarifications and further probing, had greater flexibility and control of the situation.

3.3. Data Analysis

Analysis is the application of reasoning to understand and interpret the data collected. After the field work, data was converted into a format that would answer the research questions. Data processing began with editing then coding of the data. Editing involved checking the data collected for omissions, errors, legibility and consistency. The editing process corrected problems before the data was transferred to a computer. Content analysis was used to summarize the data. This technique was used because it determined consistent patterns and appropriate details revealed in the data collection phase. Content analysis enabled the researcher to describe the distribution of the research variables using few indices or statistics and gave a good quick picture of how the variables were distributed.

CHAPTER FOUR: FINDINGS AND ANALYSIS

4.1. Introduction

This study sought to obtain information on the two main objectives identified as; establishing the challenges CAFS faced during strategy implementation and how these were overcome. To achieve the intended objectives twelve respondents were targeted and an overwhelming eleven responded. An in-depth analysis on the organization was done with forty five per cent of the respondents being male and fifty five percent female. Of these, twenty seven percent were heads of department and seventy three percent were in middle and lower management. While forty five percent had worked in the organization for more than three and a half years fifty five per cent had less than three years experience. Of the forty five percent who had worked in the organization for over three years twenty seven percent had already left the organization.

The views of those who had left the organization were sought because of the wealth of knowledge they possessed in form of institutional memory. They were also present during the planning and part implementation of the strategy 2006 – 2010. The mix of past and current employees was a good representation to give a fair account of the above objectives. The nature of the data obtained during the study was qualitative hence analyzed using content analysis and presented in the order of the objectives stated above.

4.2. Challenges CAFS Faced During Strategy Implementation

Strategy implementation for the current strategic plan was largely affected by lack of having a visionary leader, frequent change of leaders who lacked the requisite skills, lack of a succession plan, poor recruitment decisions at the helm of the organization, short tenure of director's position for meaningful work to be done. Most of the interviewees cited a vacuum in leadership since the death of Pape Syr the executive director who had a great vision for CAFS as told in the book *The CAFS story*.

Most of the respondents were aware that a strategic plan existed however sixty per cent of them did not know which period it covered. Others thought it was a three years plan while others a five years plan and some had absolutely no idea. Some of those who knew that the plan existed had not read it and therefore were not aware of the contents. It appeared the document was not also easily retrievable.

The strategy making process was well articulated as a highly participative process by the former CAFS staff who were interviewed. There was a general consensus amongst the respondents that consultants spearheaded the strategy making process while working together with the board of directors, executive director, senior management team and other CAFS staff. Despite much effort being put into this process turning the plan into action still remained a nightmare for CAFS. Some respondents observed that as much as the exercise was highly consultative it was a period which many staff dreaded in the organization as the planning process was seen as work, part of a routine and not an exercise that took into account changes in the environment. The strategic plan was seen as a "must have" document that the organization could not do without,

however once prepared it was shelved with little reference being made to it during meetings.

It was clear that the strategy was communicated to staff through meetings, exchange of emails and staff retreat. However some of the newly employed staff felt that the organization left a lot to be desired as such a critical document was not part of the orientation package so they wondered how staff were supposed to be informed about the strategic direction of CAFS when there was a limitation in knowledge sharing of such a critical document.

Some staff confirmed that the strategic plan was reviewed annually during the period when the annual work plan and budget was being done. As much as this procedure was carried out annually it was viewed as an exercise that was largely routine where numbers were changed every year. It then became apparent that reviewing the strategic plan was a challenge because the document was not amended to cope with changes in the environment and the organization. In addition some respondents felt that there was no evidence that the operational plan was drawn from the strategic plan.

As much as most of the respondents concurred that there was a match between staff skills and work allocated towards the attainment of organizational goals, surprisingly tangible results were not being achieved. The irony was attributed to extra work being allocated to staff even if it was not in their area of specialization which then impacted on output. The organization did not also harness and therefore exploit the skills of various staff towards the attainment of organization goals.

The staff appraisal process was identified as the tool used in the organization to hold staff responsible for the attainment of goals. This tool however was largely criticized as not being effective for various reasons such as lack of performance appraisal skills amongst some staff carrying out the exercise, lack of follow-up on results obtained from the appraisal, lack of clarity in roles and responsibilities, the structure of the appraisal form not being linked to targets in terms of contributing to the sustainability of the organization. To sum it up performance management was not being taken seriously because the organization still retained staff who were not delivering results

The change in the organization structure was not aimed at aligning it to the strategy. It was seen as an exercise to downsize because the organization lacked financial resources to support the structure in place. Implementation of activities was affected because some key positions which were done away with and have not been filled to date leaving some areas of CAFS intervention unattended.

The respondents unanimously agreed that lack of support from the BOD's was an impediment to strategy implementation. They cited the board's attitude as laid back in dealing with governance issues. They expected the board to make contributions towards resource mobilization which was not done during the entire implementation period. It was largely felt that the board was not available when needed and did not devote enough time to CAFS. Their slow reaction towards the crisis CAFS encountered left a lot to be desired. According to the interviewees it seemed like the board did not understand what was at stake, had a knack for making poor decisions, had poor judgment skills and basically low commitment levels towards CAFS. The issue of the board's laxity was looked at a different angle by some respondents who

are passionate about CAFS by posing the following questions? Who owns CAFS? Could the challenges CAFS is facing be attributed to an ownership problem? Is the fluid situation also enhanced by lack of having founder members on the board thus making commitment an issue?

The strategic planning process was also cited as faulty by some interviewees. There were divergent views given by those employees who had been in the organization for more than three years and those who had been there for less. Despite those views there was a consensus that the staff did not own the strategy making process and it was also not appreciated by all. The strategic plan for the period 2006 – 2010 was described as too ambitious and unrealistic by those respondents who had read it. Since the strategy was not owned by the staff this also impacted on its implementation as some staff thought that they had no actual responsibility.

The high staff turnover during the implementation period also contributed to the low achievement of the strategic objectives. The organization suffered from low organization capacity and loss of institutional memory. A lot of learning had to be done by the newly recruited staff. There were fewer staff to implement the strategy which had not taken into consideration at the planning stage. In addition it was felt that there was nothing to ignite commitment amongst staff in the organization. There was lack of trust in the organization itself and people working in it thus creating an environment of a demotivated workforce.

Lack of financial resources coupled with poor asset management made the attainment of strategic objectives almost a mirage. CAFS had over the years been donor dependent therefore when some of the donors stopped the funding this threw CAFS into disarray as it had not made any provisions for being sustainable and had no reserves. The impact of the global financial crisis only worsened matters for CAFS as donors funds diminished. The inability to analyze the staff size to grant size ratio also helped deplete CAFS financial resources.

Resistance to change and slow response to global trends also had an effect on CAFS strategy implementation. The organization was still basking in the glory of the days when it was able to implement its strategy with a lot of zeal. It did not realize the importance of changing so as to adapt to the environment in which it operated. A lot of valuable time was wasted looking at the past instead of focusing into the future.

CAFS lacked proper guidelines and a plan to push the strategy through and make it work. For instance resource mobilization was enhanced through proposal writing of which very few proposals were won in this way. It also appeared that CAFS was still struggling to find its niche which meant that it was operating like a ship without a rudder. This inevitable caused challenges in enhancing donor relations and accounted for the poor networking skills seen in the organization.

The organization culture did not enhance attainment of results. The organization was stifled with bureaucracy and no sense of urgency. The project cycle behaviour was largely entrenched at CAFS, this is where an organization is used to receiving donor

funds and their work purely entails spending the money. This type of culture inhibited a business like approach to dealing with issues.

The responsibility of monitoring the progress of strategy implementation seemed to have charged to no employee or team. Some of the former CAFS staff interviewed claimed that this process was done through staff retreats, and annual work plan meetings, however some disagreed with that view citing that monitoring and communication of the same was done haphazardly.

4.3. How the Challenges Have Been Handled

As per the second objective, the study sought to determine how CAFS handled the challenges it encountered during the strategy implementation process. CAFS came up with various strategies and initiatives as discussed.

The BOD hired a consultant as the interim executive director who was charged with the responsibility of helping the organization achieve the strategic objectives and steering it forward, precisely turning the organization around. The consultant had vast experience in donor relations and good contacts with the same. During his tenure CAFS was able to secure new funding to boost its financial base.

One of the donor agencies who knew the potential of CAFS stepped in to help salvage the organization by funding a turnaround strategy which was to be executed through a reputable consultancy firm. The agency was also charged with the responsibility of recruiting the next full time executive director for CAFS.

Organization restructuring was done by declaring some positions redundant and coming up with a lean structure. Some of the positions were also reclassified from regional to country thus saving the organizations money in terms of staff emoluments. CAFS also opted to hire consultants to perform some of the functions thus not having to pay staff benefits such as medical cover and employer's contribution of the provident fund. Interns were hired as a cost cutting measure as they were cheaper and could help do some of the work under the supervision of experienced staff. The technical department employed specialists to focus on their areas of speciality. Specialist titles were adapted as a marketing tool in addition to clarifying roles and responsibilities in the organization.

There was an increase in proposal writing to secure more funding for the organization. The organization was able to win some of the proposals that injected some life into CAFS some of these being the Technical Services Facility (TSF) and the Ambassadors for Youth Development (AYAD). In addition the organization was able to form some working relationships with those organizations that had similar interventions.

The organization stepped up its marketing by redesigning its brochures, course materials and improving its website. The organization also performed a needs assessment situation analysis (NASA) so as to identify where its weaknesses were in terms of attracting more participants to the training courses. The results obtained saw CAFS dropping irrelevant courses, adding new ones and shortening the length of some courses in addition to adjusting the course fees downwards.

CAFS also came up with some income generating activities to augment its funding base. It also expanded its areas of interventions by venturing into conference management. This move boosted CAFS revenues.

New board members were recruited to inject new blood into the organization. In addition various committees were set up to deal with different organizational issues. The board members also committed themselves to being more proactive than they have been in the past.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This final chapter of the study chapter focused on the summary of the research findings, recommendations, limitations of the study, suggestions for further research and conclusions. The findings were presented in respect of the main objectives which were establishing the challenges CAFS encountered during strategy implementation and how these were overcome.

5.2. Summary of Findings

The first objective of the study was to determine the challenges CAFS encountered during strategy implementation. Results of the study identified the following challenges as an impediment to successfully implementing the strategy.

CAFS lacked a visionary leader which was worsened by the frequent changes in leadership and no succession plan. There was consensus amongst the interviewees that the vacuum left by the late executive director Pape syr was yet to be filled. The frequent changes in leadership caused some kind of instability in the organization which was worsened by the inadequate skills those appointed lacked.

Laxity amongst board members coupled with conflict of interest. Ninety –five percent of the respondents expressed their disappointment in the way the board of directors governed CAFS. There seemed to be lack of commitment and no involvement in resource mobilization. The board was accused of poor judgment skills and inability to make sound decisions.

The donor dependence syndrome saw CAFS engulfed in deep financial crisis when some of the donors stopped funding. The situation was aggravated by the global financial crisis which reduced donor funds. This largely impacted on the strategy implementation as the best laid plans could not be implemented without funds.

The organization restructured during this period leaving some positions vacant to date. This had not been envisaged at the strategic planning stage therefore implementing the strategy became a real challenge with the lean workforce where some competencies were lacking. The restructuring effect left staff feeling insecure as motivation dwindled. Staff had no trust in the organization as job security was lacking. In reality the structure was not aligned to match the strategic plan in place.

A large number of the respondents concurred that the organization did not seem to have a niche. The vision had outlived its usefulness and probably it was time for CAFS to rethink and recast its strategy taking into consideration its capabilities and the environment in which it operates. The mission statement would also need to be changed accordingly.

The organization did not respond to changes in the environment in which it operated in. It continued implementing activities as if it was “business as usual”. Not taking realities into consideration impacted on the strategy implementation process as the organization later realized when the income started diminishing.

Interestingly most of the interviewees were aware that a strategic plan existed, however they had not read it or could not identify with it. Lack of ownership of the

plan greatly affected the implementation process as some considered it to be another meaningless document that gathered dust on the shelf and was not easily retrievable in the organization.

The strategic plan was not monitored and reviewed accordingly as was envisaged. This crucial activity was not assigned to any individual or team, therefore as much as work plans were formulated from the strategic plan these were not followed.

The poor strategy planning process itself resulted into setting over-ambitious objectives which were not achievable given that financial resources were not set aside to implement the strategy. The organization pushed itself to do as much as it could with the meager resources that were available.

The second objective of the study was to establish how these challenges were handled by CAFS. Before the end of the strategic period year 2010, CAFS attempted to start addressing the challenges it had encountered by contracting a consultant to come up with a turnaround strategy that would see CAFS normalize its operations and change to adopt to the environment it was operating in. In addition the consultant would help fill the vacant position of executive director.

A needs assessment situation analysis (NASA) was carried out when the organization realized a downward trend in the course participation numbers. More business was sought through marketing the courses better and adjusting the course materials and fees in accordance to the findings of the NASA. The organization diversified into such areas as conference management and increased the work it was doing through

technical assistance. Putting out more proposals in order to secure more funding resulted in new projects and donor funds coming in.

CAFS took up some income generating activities to complement the donor funding from projects. The organization restructured from having a bloated workforce to a lean one, in addition it hired consultants to do some of the work. This was seen as a cost saving measure in terms of staff emoluments. Interns were also hired to work under experienced hands.

5.3. Conclusions of The Study

Strategy implementation is the end product of strategic planning. Hussey (1998) observes that without action, planning is a pointless and empty activity. The failure to carry a strategic plan into the day-to-day activities of the workplace is a major reason why strategic planning often fails to achieve its objectives. There was consensus from the respondents that strategy implementation at CAFS was not successful. On a scale to one to ten, ten being the highest score majority scored the success rate at thirty per cent. This view was supported by the fact that most of the strategic objectives were not achieved. Strategy implementation calls for a variety of different skills, not all of which may be possessed by the average manager. Leadership and management of change are critical to successful strategy implementation.

5.4. Recommendations of The Study

This study recommends a radical change in CAFS if the organization is to reposition itself to brace competition and deliver results. This involves hiring a visionary leader who has a balance of both technical skills and good business acumen in order to

propel CAFS to higher grounds. The leader should be open to good ideas which should be given space to grow.

CAFS needs to have clarity in what business it is involved in so as to identify its niche. This would call for analyzing whether its services are still needed in the market, conducting a market research on its products, embracing innovative ways of developing new products, reengineering its processes, adopting to change in the environment so as to survive the competition, being aware of the environment in which it operates, benchmarking with the best in the market, adapting private sector models of successful companies, forging partnerships with the private sector, getting involved with the government, having strategies for tapping into donor funding, reviewing the organization's vision and mission statements to be in line with what they are actually doing.

Active participation of the board is crucial. The rules of engaging board members should be clear and the recruitment process professionally done. Use of psychometric tests would be commendable to enhance the selection of members with the desirable personalities. The board should be evaluated during the span of their membership at agreed intervals.

The human resource strategy should be linked to the overall organization strategy. The organization structure should be changed to support strategy implementation; at this juncture ineffective staff should be weeded out. Staff should be involved in decision making; CAFS should have good recruitment procedures and packages so as to attract the best. In order to enforce accountability, it would be critical to match

skills to jobs. Delivery should be paramount and deadlines must be respected by all, there should be no impunity in the organization.

Lessons learnt from the previous strategic plan should be analyzed and guide the process of the next plan. Mid-term reviews should be set up so that adjustments can be made where necessary and progress of the plan communicated. Communication channels should be improved; there should be better coordination of activities between all departments in the organization. A staff retreat should be held to engage members in critical thinking which should result in good decisions being made.

There should be a budget allocation for the strategic planning process and implementation. The plan should be communicated to all, monitoring the strategy implementation process should be done by a team. The strategic planning process should be consultative in nature, led by clear policies. It is important for the strategic planning process to be owned by the stakeholders. In addition CAFS should have a resource mobilization strategy to implement the strategic plan. Once the strategy has been agreed upon, the organization needs to change the structure so as to support the strategy implementation process.

CAFS should form strategic alliances and be a part of relevant networks and align itself with successful partners. Donors like to give to successful organizations. Proper project management should be practiced, projects should be fully funded to cater for staff costs otherwise the project implementation will be affected. CAFS also needs to exercise some kind of frugality in its operations.

5.4.1. Suggestions for Further Research

It would be interesting to carry out further research in organizations that are similar to CAFS in terms of size and areas of intervention. Findings can then be compared to assess if there are any commonalities or unique factors.

5.5. Limitations of The Study

Limitations must be encountered in all research studies; therefore this one was not an exception to that. These can be cited as: the number of new employees the organization employed during the strategy implementation period 2006 -2010. The new employees who had served the organization longest had been there for a period slightly above two years, this meant that institutional memory had been lost through staff that had since left the organization. As such most of the current employees in the organization were not there during the planning process and a large part of the implementation period therefore most of the information they had was from the readings they had done and observations made. The researcher would have wished to interview more of the staff who had been involved in the strategic planning process and implementation but due to time constraint and accessibility this was not done.

The study was also limited to an in depth case study of CAFS hence the findings are unique to this organization and cannot therefore be generalized to be a representation of similar organizations in the industry.

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APPENDICES

Appendix I: CAFS 2010 Courses Nairobi, Kenya

No.	Title	Dates
1	Strengthening Prevention and Response to Gender-Based Violence in Refugee and IDP Settings	12 – 23 April 2010
2	Resource Mobilization and Donor Mapping	10 – 14 May 2010
3	Impact Measurement, Monitoring and Evaluation of Reproductive Health and HIV and AIDS Programmes	24 – 28 May 2010 23 – 27 August 2010
4	Developing Advocacy Strategies for Sexual and Reproductive Health and HIV/AIDS	7 – 18 June 2010
5	Advances in Behaviour Change Communications for HIV and AIDS, TB and Malaria	12 – 23 July 2010
6	Leadership and Organizational Learning	6 – 10 September 2010
7	Developing and Implementing an Effective Knowledge Management Strategy	20 – 24 September 2010
8	Leadership and Management of Reproductive Health, and HIV and AIDS Programmes	4 – 15 October 2010
9	Integration of Reproductive Health/Family Planning and HIV/AIDS	1 – 12 November 2010

Appendix II: Interview Guide

Objective of the interview process

To determine the challenges of strategy implementation at CAFS and how these were overcome.

Interview Questions

Sample questions are provided in this section that will be used to evaluate the objective of the interview.

Details of Respondent

Position Held _____

Department: _____

No of Years worked in position _____

Overall length of service in organization _____

1. Does the organization have a vision, mission and core values?
2. A. Are you aware of a strategic plan at CAFS?
b. If yes, what period does it cover?
3. How would you describe the strategy making process at CAFS?
4. Who is involved in the strategy making process in the organization?

5. How was the current strategy communicated to staff?
6. How often is the strategic plan at CAFS reviewed?
7. Who leads the strategy implementation process?
8. Is an operational plan or annual program of work formulated from the strategic Plan?
9. Who is responsible for preparing a timetable that includes measurable goals linked to the annual work plans?
10. Is there a match between staff skills and work allocated towards the attainment of organizational goals?
11. Are specific staff held accountable for the attainment of corporate/ divisional and functional goals?
12. Was the organization structure changed to facilitate the attainment of the organization's strategic objectives?
13. What factors affected strategy implementation for the strategic plan 2006 – 2010?
14. What multi-year objectives were achieved during the strategic plan period which spans 5 years?
15. How is the progress of strategy implementation communicated to staff?
16. Which strategies do you think would be effective in helping to overcome the challenges encountered during strategy implementation?
17. How would you rank the success of strategy implementation at CAFS on a scale of 1-10 (1 being the lowest and 10 the highest score)
18. Please give any other views regarding strategy implementation challenges or ways to overcome them at CAFS.

Appendix III: Letter of Introduction

August 3, 2010

Dear Respondent,

This questionnaire is designed to gather information on challenges of strategy implementation and how these were overcome by Centre for African Family Studies (CAFS). The study is being carried for a management project paper as a requirement in partial fulfillment for the degree of Masters of Business Administration, School of Business, University of Nairobi.

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

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

Thanking you in advance

Yours sincerely,

Catherine .M. Shimechero

MBA STUDENT

Mr. Eliud Mududa

SUPERVISOR