

**STRATEGIC MANAGEMENT PRACTICES ADOPTED BY VIRTUAL
CITY GROUP IN KENYA**

BY

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DECLARATION

This research project is my original work and has not been presented for an award in any other Academic Institution.

Signature

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

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DEDICATION

This project is dedicated to my parents, sisters and brothers, who supported me each step of the way.

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I would like to acknowledge the team from Virtual City group as well as my supervisor Professor K'Obonyo for their support and contribution to the research and ideas behind this project. Thank you.

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ABSTRACT

Strategic Management is a concept that concerns with the formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. Generally strategic management practices can improve efficiency in various organizations. The objective of this research project was to determine strategic management practices in Virtual City group. An interview guide was used to obtain data from 14 key informants. The response rate was 64% representing 9 respondents replied. The qualitative data obtained was analyzed using content analysis. The findings of the research showed that strategic management is adopted implying that it is a practice. It also showed that strategic management practices adopted by virtual city group are yet to be fully implemented thus no need for review currently. However implementation and evaluation is done every quarter which is an indication of how serious the organization takes strategic management and how fast it will achieve the set objectives and goals. The limitation in the research emanated from the respondents busy work schedules. A fact that made it difficult to collect data. The study concludes that strategic management is a practice at Virtual City group and continuous review of strategic management practices in any organization is necessary for growth purposes. It is recommended that further researcher be done on survey basis with several similar organizations.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

According to Amason (2010) strategic management can be defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. Strategic management which has been publicized as one of the effective management tools in strengthening organization performance is a continuous process that involves attempts to match or fit the organization with its changing environment in the most advantageous way possible: this could be both present and future environment. It involves formulating organization's objectives, making, implementing, and controlling cross-functional decisions focused on achieving these objectives in the present and future environments. Strategic management practice on the other hand is considered to be an important practice as it gives a strong influence towards firms' success (Hunger & Wheelen, 2000).

The term and concept of "strategic management" is not new to the business arena since it was first used in the 1970s and it meant a staff of strategic planners who came up with strategic programs and tried to sell them to decision makers. The concept of strategic management builds up on the definition of strategic planning and reorganization which in the long run is insufficient unless followed up with deployment and implementation of the plan and evaluation of the plan action (Amason, 2010).

Cole (2003) states that strategic management is also considered by definition as a systems approach that involves identifying and making necessary changes and measuring firm's performance to move towards its vision. Strategic planning is considered a model with five processes which include: pre-planning, strategic planning, deployment, implementation and finally measurement and evaluation. For many years, the academic perspective on strategic management has looked at strategy as something that organizations have. Strategy as practice perspective, on the other hand, looks at strategy as something people do. It is

concerned with the practice of strategizing, encompassing both the formulation of strategy and how strategies are implemented to deliver strategic renewal and change in terms of : completeness of systems, established direction and mission, depth of analysis, implementation task and skills, control and feedback mechanism, employee empowerment and incentive compensation. It therefore asks questions such as: what do people do to develop strategies in organizations; how do they translate their strategies into strategic action and change in organizations; what competences are required for this; how do they actually use the concepts and tools that are advocated for strategic management? (Hill & Jones, 2012).

“Strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved; assesses its competitors and sets goals and strategies to meet all existing and potential competitors; and then reassesses each strategy annually or quarterly [i.e. regularly] to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technology, new competitors, a new economic environment., or a new social, financial, or political environment.” (Lamb, 1984).

1.1.1 Strategic Management practices

A big question is asked why some firms outperform other firms. Strategic management is concerned with how actions and events involving top executives in a company influence the success or failure of that organization. Executives in a firm are considered by scholars as having the ability to master strategy (Sekhar, 2009).The responsibility of senior leadership in any given organization is for them to strategically manage the organization keeping in mind that strategic management is a continuous process rather than a one-time event. For these leaders to achieve success they must be facilitators, consultants and consensus builders; the acquisition of these traits which form part of transformational leadership requires hard work and dedication, risk taking and the internalizing of an organization’s vision and objectives (Sekhar, 2009).

Sekhar (2009) adds on further that strategic management is not considered a step by step process neither is it linear but very dynamic which requires the discipline and dedication of the people in an organization to make it a reality and move it forward into the future. It is a representation of a new focus in an organization and a compelling future vision. Strategic management practices can be either financial as well as non-financial and may result in benefits to an organization; some of the benefits that come with strategic management practices include:

Sustainable competitive advantage implying the business secret or master plan over its competitors, having strategic direction which means a long term plan and a cost saving strategy.

1.1.2 Virtual City Group Ltd-Kenya

Virtual City is a Leading Provider of Innovative Mobility Solutions that Simplify Lives. It was founded by a Kenyan entrepreneur John Waibochi. For more than a decade, Virtual City has been able to carve a unique position for itself as the market leader in the development and implementation of innovative mobility solutions. The role of virtual city as a provider of solutions that simplify lives has allowed it to become more customer-oriented leading to higher standard of rural services. It is this context that the study intends to investigate to what extent strategic management is being adopted and practiced at Virtual city and to determine factors affecting the adoption of strategic management practices within the company (Virtual City Group, 2013).

Virtual City has won numerous awards and millions in cash prizes and the most notable one is the 2010 Nokia Growth Economy venture Challenge award. The company has specialized in the automation of supply chain management, knowledge management and interactive solutions. Virtual City has also sister companies such as Virtual Mobile which is a distributor of mobile applications and also Virtual Sat which is involved in the establishment and running of contact centers. The application of strategic management practices in Virtual city has long been adopted as a response to market demand, variations in clients' taste and changing of technology. Considering that adoption of a clear strategic perspective in

organizations is one of the factors that affect the performance of most organizations, Virtual city is chosen as the setting because of their significant role as the Leading Provider of Innovative Mobility Solutions in Kenya (Virtual City Group, 2013).

1.2 Research Problem

Strategic management from a general perspective is a set of managerial decisions and actions that in the long run will determine the performance of an organization. There are facets involved in strategic management and they include: external and internal environment, strategy formulation, and strategy implementation and finally evaluation and control. In a nutshell then when strategic management is idealized, emphasis is placed on monitoring and evaluation of external opportunities and threats taking into consideration the strengths and weaknesses of an organization (Amason, 2010).

Strategic management practices have gained importance in recent years argues Cole (2003). Cole further argues that during the past years, organizations focused on long-term planning. Long-term planning assumed that external and internal environment will remain stable for a long period which in most cases is not the case. Today it is clear to the managers that environment can change at any point of time and their plans should follow a strategy that put into consideration that both internal and external environmental changes may influence the strategic management practices of an organization.

Virtual city has adopted various strategic management practices and this study is undertaken to let this be understood clearly. It is vital to study on how strategic management is being adopted by Virtual city putting into consideration its role in the society as the leading provider of innovative mobility solutions in Kenya. Some of the strategic management practices adopted by Virtual City Group include: putting in place strategies that are well adopted to meet the environment in which they operate which are political, social, economic and technological: having strategies in place to ensure that the goals and objectives of the organization are met with an internal audit for evaluation. The firm also has a best practice human resource strategy that ensures employees are well taken care of resulting to them

giving the organization their best effort. The research question that is to be researched on includes: What are the strategic management practices adopted by Virtual City Group?

Most of the strategic management studies done on mobility solutions provider companies mostly focused on change management as well as issue management practices and the conclusion was that there is no bedrock methodology in both change and issue management. There are a number of studies done on strategic management practices in different companies which are not necessarily mobility solution providers for example implementation of strategic management practices in Malaysia construction industries strategic management in Indian companies, Strategic management practices at KWS .All these however, are not done at Virtual Group and this study aims at looking at strategic management practices adopted by Virtual City Group.

1.3 Research Objectives

To determine strategic management practices adopted by Virtual City group.

1.4 Value of the Study

The objective of the study is to examine the extent of adoption of strategic management practices in Virtual City: gathering of data on the extent of strategic management adoption at Virtual City Group will be based on models of strategic planning by notable strategic management gurus such as Steiner (1979) and Glueck (1982).

Findings of the research will add to the knowledge and understanding of the subject of strategic management and its application by organizations. The study will be significant in the sense that it will allow the identification of the concepts and frameworks of strategic management that takes into account the nature of work and environment under which organizations operate.

Greater awareness will be gained by organizations on the importance of having a proper and practical strategic management framework as a vehicle to organizational effectiveness while at the same time providing useful knowledge on the challenges that face the whole strategic management process and how they can be overcome.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the literature related to the purpose of the study providing a clear understanding of existing knowledge base in the problem area. It reviews the literature on strategic management and then goes on to explore literature on the strategic management practices.

2.2 Theoretical foundation

This chapter is focused on theoretical foundation of Strategic management. The first step is to provide a definition of strategic management where several definitions from different authors are presented. Secondly, the strategic management process will be outlined and lastly the strategic management practices will be stated.

2.3 Strategic Management

Strategic management as a tool is used for exploitation and creation of new and different opportunities for tomorrow; strategic management is considered most of the time as the 'game plan' of the organization for it to achieve success. Between the mid-1960s and mid-1970s strategic management was considered to be the solution to all the problems faced by organizations and in that view, corporate America was engrossed and obsessed with strategic planning. During the 1980s strategic planning was cast aside due to the fact that the models of planning that were developed did not yield much returns. In the 1990s however, there was a revival of strategic planning and the process is now widely practiced in the business world currently (Amason, 2010).

According to Berger (2011) the process of strategic management is a constituent of three stages which include: strategy formulation, strategy implementation and strategy evaluation; all these components have to be carefully crafted out in all the stages to ensure that the objectives that are well laid down are achieved. The significance of strategic management

can be analyzed in an organization by looking at the relationship between strategic management and organizational performance.

The decisions that are made by an organization in order for it to maintain a competitive advantage is considered as strategic management; Strategic management is the process of specifying the organization's objectives, developing policies and plans to achieve these objectives, and allocating resources to implement the policies and plans to achieve the organization's objectives (Cole, 2003).

Strategic management techniques can be viewed as bottom-up, top-down or collaborative processes. In the bottom-up approach, employees submit proposals to their managers who, in turn, funnel the best ideas further up the organization. This is often accomplished by a capital budgeting process. Proposals are assessed using financial criteria such as return on investment or cost-benefit analysis. Cost underestimation and benefit overestimation are major sources of error. The proposals that are approved form the substance of a new strategy, all of which is done without a grand strategic design or a strategic architect. The top-down approach is the most common by far. In it, the CEO, possibly with the assistance of a strategic planning team, decides on the overall direction the company should take. Some organizations are starting to experiment with collaborative strategic planning techniques that recognize the emergent nature of strategic decisions (Hunger & Wheelen, 2000).

2.3.1 Strategic Management Process

Strategic management is designed to effectively relate the organization to its environment. The environments include political, social, technological, and economic elements (Sharplin, 1985). Generally, strategic management process can be divided into three phases, i.e., the formulation phase is a strategy that aims at ensuring that organizations achieve their objectives (Certo and Peter, 1991). David (1997) stated that strategy formulation include deciding which business to pursue. He also added that strategy formulation phase comprises development of a mission statement, identification of external opportunities and threats, determination of internal strengths and weaknesses, establishing long-term objectives,

generating alternative strategies, and choosing the best strategy to be implemented. The process of formulating a strategy has to take into consideration the changing business environment and it has to provide a window of preparedness in case of a change while at the same time a strategic plan will enable an organization to evaluate through the assets it has, allocate an appropriate budget and come up with the most effective plan of maximizing on return on investment (Thompson & Martin, 2010).

Implementation phase then follows and it initiates activities in accordance to strategic plans (Sharplin, 1985). This requires firms to establish objectives, devise policies, motivate employees, and allocate resources to execute formulated strategies. Certo and Peter (1991) stated that without the effective strategy implementation, Organizations are unable to reap the benefits of performing an organizational analysis, establishing organizational direction, and formulating organizational strategy. Hills and Jones (2012) state that the executors of a strategy majorly are top management, middle management, lower management and the non-management; effective strategy implementation is at some extent affected by the quality of people involved in the implementation and the qualities referred to include: skills, attitudes, capabilities and experiences of those involved. Evaluation and control phase is then done by reviewing current strategies, measuring performance and taking corrective actions.

2.4 Strategic Management Practices

Strategic management practices that have been adopted by companies are as a result of models that have been developed in the recent past and tend to act as the framework for most firms as they go about developing their strategies.

2.4.1 Development of Mission Statement and Vision

Many organizations develop both a mission statement and a vision statement. Whereas the mission statement answers the question “What is our business?” the vision statement answers the question “What do we want to become. When employees and managers together shape or fashion the vision and mission statements for a firm, the resultant documents can reflect the personal visions that managers and employees have in their hearts and minds

about their own futures. Shared vision creates a commonality of interests that can lift workers out of the monotony of daily work and put them into a new world of opportunity and challenge. Clear vision and mission statements are needed before alternative strategies can be formulated and implemented. As many managers as possible should be involved in the process of developing these statements because through involvement, people become committed to an organization (Hill & Jones, 2012).

Some of the benefits of a mission statement is that they ensure unanimity of purpose within the organization, provide a basis, or standard, for allocating organizational resources, and finally to serve as a focal point for individuals to identify with the organization's purpose and direction, and to deter those who cannot from participating further in the organization's activities (Hill & Jones, 2012).

Yin (2008) states a mission statement is more than a statement of specific details; it is a declaration of attitude and outlook. It usually is broad in scope for at least two major reasons. First, a good mission statement allows for the generation and consideration of a range of feasible alternative objectives and strategies without unduly stifling management creativity.

A good mission statement describes an organization's purpose, customers, products or services, markets, philosophy, and basic technology. According to Yin (2008), a mission statement should define what the organization is and what the organization aspires to be, be limited enough to exclude some ventures and broad enough to allow for creative growth, distinguish a given organization from all others, serve as a framework for evaluating both current and prospective activities, and be stated in terms sufficiently clear to be widely understood throughout the organization.

Every organization has a unique purpose and reason for being. This uniqueness should be reflected in vision and mission statements. The nature of a business vision and mission can represent either a competitive advantage or disadvantage for the firm. An organization

achieves a heightened sense of purpose when strategists, managers, and employees develop and communicate a clear business vision and mission. Amason (2010) says that developing a clear business vision and mission is the “first responsibility of strategists.”

2.4.2 External Auditing

The purpose of an external audit is to develop a finite list of opportunities that could benefit a firm and threats that should be avoided. As the term finite suggests, the external audit is not aimed at developing an exhaustive list of every possible factor that could influence the business; rather, it is aimed at identifying key variables that offer actionable responses. Firms should be able to respond either offensively or defensively to the factors by formulating strategies that take advantage of external opportunities or that minimize the impact of potential threats (Cohen & Marion, 2009).

External forces can be divided into five broad categories: economic forces; social, cultural, demographic, and natural environment forces; political, governmental, and legal forces; technological forces; and finally competitive forces. Changes in external forces translate into changes in consumer demand for both industrial and consumer products and services. External forces affect the types of products developed, the nature of positioning and market segmentation strategies, the type of services offered, and the choice of businesses to acquire or sell. External forces directly affect both suppliers and distributors. Identifying and evaluating external opportunities and threats enables organizations to develop a clear mission, to design strategies to achieve long-term objectives, and to develop policies to achieve annual objectives (Cole, 2003).

According to Jeff (2008) to perform an external audit, a company first must gather competitive intelligence and information about economic, social, cultural, demographic, environmental, political, governmental, legal, and technological trends. Individuals can be asked to monitor various sources of information, such as key magazines, trade journals, and newspapers. These persons can submit periodic scanning reports to a committee of managers charged with performing the external audit.

This approach provides a continuous stream of timely strategic information and involves many individuals in the external-audit process. The Internet provides another source for gathering strategic information, as do corporate, university, and public libraries. Suppliers, distributors, salespersons, customers, and competitors represent other sources of vital information (Jeff, 2008).

Increasing turbulence in markets and industries around the world means the external audit has become an explicit and vital part of the strategic-management process. A framework for collecting and evaluating economic, social, cultural, demographic, environmental, political, governmental, legal, technological, and competitive information is indeed needed. Firms that do not mobilize and empower their managers and employees to identify, monitor, forecast, and evaluate key external forces may fail to anticipate emerging opportunities and threats and, consequently, may pursue ineffective strategies, miss opportunities, and invite organizational demise. Firms not taking advantage of the Internet are technologically falling behind (Jeff, 2008).

2.4.3 Internal Auditing

All organizations have strengths and weaknesses in the functional areas of business. No enterprise is equally strong or weak in all areas. Internal strengths or weaknesses, coupled with external opportunities or threats and a clear statement of mission, provide the basis for establishing objectives and strategies. Objectives and strategies are established with the intention of capitalizing upon internal strengths and overcoming weaknesses (Jeff, 2008).

According to Sadler (2003) the process of performing an internal audit closely parallels the process of performing an external audit. Representative Managers and employees from throughout the firm need to be involved in determining a firm's strengths and weaknesses. The internal audit requires gathering and assimilating information about the firm's management, marketing, finance/accounting, production/operations, research and development (R&D), and management information systems operations.

Management, marketing, finance/accounting, production/operations, research and development, and management information systems represent the core operations of most businesses. A strategic-management audit of a firm's internal operations is vital to organizational health. Many companies still prefer to be judged solely on their bottom-line performance. However, an increasing number of successful organizations are using the internal audit to gain competitive advantages over rival firms (Sadler, 2003).

2.4.4 Making Long-Term Objectives

Amason (2010) states that long-term objectives represent the results expected from pursuing certain strategies, strategies represent the actions to be taken to accomplish long-term objectives. The time frame for objectives and strategies should be consistent, usually from two to five years. Objectives should be quantitative, measurable, realistic, understandable, challenging, hierarchical, obtainable, and congruent among organizational units. Each objective should also be associated with a timeline. Objectives are commonly stated in terms such as growth in assets, growth in sales, profitability, market share, degree and nature of diversification, degree and nature of vertical integration, earnings per share, and social responsibility. Clearly established objectives offer many benefits.

They provide direction, allow synergy, aid in evaluation, establish priorities, reduce uncertainty, minimize conflicts, stimulate exertion, and aid in both the allocation of resources and the design of jobs. Objectives provide a basis for consistent decision making by managers whose values and attitudes differ. Objectives serve as standards by which individuals, groups, departments, divisions, and entire organizations can be evaluated (Sekhar, 2009).

Two types of objectives are especially common in organizations: financial and strategic objectives. Financial objectives include those associated with growth in revenues, growth in earnings, higher dividends, larger profit margins, greater return on investment, higher earnings per share, a rising stock price, improved cash flow, and so on; while strategic objectives include things such as a larger market share, quicker on-time delivery than rivals,

shorter design-to-market times than rivals, lower costs than rivals, higher product quality than rivals, wider geographic coverage than rivals, achieving technological leadership, consistently getting new or improved products to market ahead of rivals, and so on (Sekhar, 2009).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter described the procedures that were followed in conducting the study. It outlined the research design, target population, sampling design, sample size, data collection instruments and data analysis methods. It gives the procedures that were undertaken to gather measure and analyze data. It presented in detail the characteristics of subjects and apparatus that the researcher used as well as the procedures that were followed in the whole process of the research.

3.2. Research Design

This study was a case study which was conducted through a descriptive survey that involved asking questions in form of interviews to a group of individuals (Yin 2008). This research adopted the use of interviews which enabled the researcher make a content analysis of the strategic management practices at Virtual City Group.

3.3. Data Collection

The data collection instrument was an interview guide. This study used key informants that comprised chiefs and line managers from each department. Each department has one chief and one line manager adding up to a total of 14 respondents.

3.4. Data Analysis and Presentation

Qualitative data from the key informant interviews was analyzed using content analysis implying developing coding categories to facilitate capturing of the data relevant to the objectives of the study.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1 Introduction

The chapter presents the data analysis and findings. The study sought to find out the strategic management practices adopted by Virtual City Group Kenya. Key informants were interviewed as per the interview guide. Content analysis was used to analyze the data.

4.2 Response Rate

The number of respondents targeted by the study was 14. However, only nine respondents were available for interview. This represented 64% response which conformed to Mugenda and Mugenda (2003) who recommended that a response rate of 50% is sufficient for scrutiny and exposure, 60% is good and a response rate of 70% and over is excellent.

This response rate can be attributed to unavailability of some of the key target respondents within the time of data collection.

Table 1: Response Rate

	Frequency	Percentage
Number of interviews Conducted	9	64
None Response	5	36
Total	14	100

4.3 Description of Strategic Management

The respondents described strategic management as the initiatives taken by the organization (Virtual City Group) especially the top management to ensure that success is obtained by meeting the objectives and goals set by investors or stakeholders of the company; formulation of strategies to ensure both the meeting of long term and short term goals.

Strategic management was further described as the process of achieving and maintaining competitive advantage in a given market; focus is on the integration of the management of

an organization with all its departments to ensure that an organization achieves its goals and objectives. Strategic management is considered as the logical, systematic and objective approach of making decisions that are crucial to an organization. Strategic management is also considered as the continuous monitoring of the internal and external environmental trends to ensure that change is made as needed.

4.4 Significance of Strategic Management to the Organization

Strategic management was considered of importance by Virtual City Group Kenya because it is used in the company as a tool for planning based on short term and long term goals and also for reviewing goals that have been set at different points of time. Since the company is ICT based, there are always rapid changes in the environment which underpins need for strategic management. Strategic management was also noted to be significant to the organization by the mere fact that the founder embedded it as a key strategic tool to propel the organization to greater heights and also as a way for mitigating the uncertainty of the economic climate.

4.5 Level at which Strategic Management is Applied

At Virtual City group, the respondents stated that it is at the top management level that strategic management is applied and then a presentation is made to the stake holders to ensure that whatever strategy is to be adopted at lower levels is in line with the mission and vision of the company.

Some of the respondents were of the idea that due to integration, all the departments were in one way or the other pursuing a strategic plan based on the goals they were to achieve: all the departmental focused strategies passed down from the top management.

4.6 Key Strategic Initiatives

Some of the key strategic initiatives are: new product launches, having a competitive edge, capacity building, outsourcing, mergers and acquisitions and finally corporate strategies like Corporate Social Responsibility (CSR). Innovation as a strategy has helped the company strategically. Initiatives under innovation include: cloud computing enabling world wide

access to products and use of cost effective technology. The firm has been able to form strategic partnerships with companies such as Safaricom, Commercial Bank of Africa, the ICT board of Kenya and the Acumen fund to get funds to further its course.

4.7 Description of Internal and External Environment

The respondents described the external market as a constituent of the threats and opportunities that include: economic, social, cultural, demographic, environmental, political, legal or technological whose changes are beyond the control of the organization while the internal environment in summary refers to the strengths and weaknesses that can be controlled by the organization; they come up in the day to day running of the organization from management to administration to operations in the firm.

4.8 Description of Overall Goal and Mission of the Organization

The respondents described the goals and objectives of the organization as customer oriented, sales oriented and well customized to meet the local and international needs of the market.

4.9 Strategic Management as a Theory or Practice

Some of the arguments presented by the respondents with regards to strategic management reflected the fact that it is indeed a practice. Strategies adopted reflect the mission and vision of an organization.

4.10 Review of Strategic Management Practices

Most of the respondents were for the idea that the strategic management practices currently adopted by the organization were yet to be fully implemented thus no need for a review currently. They looked at it as a future event to compare the objectives that were set with what has been achieved.

4.11 Areas of Strategic Growth and Changes in the Organization

Some of the areas the respondents noted needed strategic growth and changes included: product innovation, management of the various projects within the organization, information markets, and the sales department.

4.12 Strategy Implementation and Evaluation

The respondents stated that strategy is implemented in the organization by the middle and lower level managers as well as the team leaders and project managers. On evaluation, the respondents stated that the company evaluates its strategies at the end of every quarter.

Some of the methods used in the organization to perform strategy evaluation included: balance score card, evaluation of products and the market, getting feedback from clients and finally sales turnover. Strategy evaluation is done in the organization at the top level management and also at the project management level.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

The chapter presented the summary of findings, conclusion and recommendations on the strategic management practices adopted at Virtual City Group Kenya. It was structured as follows: summary of findings, conclusion, implication of the study, suggestions for further study limitations and recommendation.

5.2 Summary of the Findings

The response rate was quite commendable considering that the study targeted managers who are always busy running up and down not being able to find time to sit down for an interview. From the backdrop of things, most of the managers were able to define quite conclusively the meaning of the concept strategic management, thus to them strategic management means long run effectiveness in the strategy implementation.

Since the organization is an ICT based solution giver, strategic management consideration is significant, taking into account the rapid change and technological dynamics involved in the information technology sector. The application of strategic management at all the levels of the organization is an indication of how serious the organization takes strategic management and how fast it intends to achieve the set objectives and goals. Some of the key strategic initiatives adopted by the organization such as CSR and innovation are the leading strategy trends in the world today thus the company is better placed to compete in the current market.

The respondents understand quite clearly the distinction between the internal and external environment, thus are better placed to implement strategies effectively since they understand how in the long run their actions will either be a threat or opportunity to the organization as well as strength or weakness. It was found that there is harmony between the mission of the organization and its current operations which aligns well for strategy implementation.

5.3 Discussion

The findings suggest that Virtual City Group is conventionally using strategic management practices that are common and well known in the field of strategic management. Most of the strategic management processes from the formulation, implementation and then evaluation are common to most organizations that have adopted strategic management practices.

The findings also suggest that there are areas that need to be reviewed as the organization forges its way forward with strategic management as a tool for development and growth. This will also be in line with Ansoff (1984) and Berry (1995) who define Strategic management as a systematic process for managing the organization and its future direction in relation to its environment in a way that will assure continuous success as well as security from surprises.

5.4 Implication of the Results

Empirical literature supports the contention that strategic management plays a central role in the manner in which Virtual City Kenya group is run and the management is very keen on ensuring best practices and standards of strategic management practices. Secondly, organizations should come up with an evaluation process so that a true picture is drawn of the organization with regards to strategic management practices. Organizations should also consider implementing their strategies at all levels of the hierarchy.

5.5 Conclusion

Strategic management is not a theory but a practical approach that can be used in organizations to bring about the achievement of goals and objectives set out by the organization. Strategic management practices adopted and implemented by organizations should be reviewed at a regular interval to ensure that they are in line with the achievement of success for the organization. Strategic management practices in an organization are an investment that needs to be looked into seriously and amicably. The insights suggested by the study are that strategic management is indeed taken seriously by Virtual City Group and

that the organization is keen on ensuring that they use all the possible practices that are available in strategic management that will best be suited to the organization.

5.6 Recommendations

Virtual City group should do a SWOT analysis that will help them identify factors affecting the adoption of strategic management practices within the organizations to steadily grow since if neglected can result in catastrophic results. Virtual city group should also ensure that the practices are customized in such a manner that they meet the needs of the business based on the market in which they operate.

5.7 Suggestions for Further Study

Further research should be done on factors affecting strategic management at Virtual city group. Also, research is needed on strategic management practices for a large number of similar organizations.

5.8 Limitations of the Study

Some of the limitations in this study include: the study considered only Virtual city group and therefore the results may not be generalized over the entire market. Also not all the strategic management practices have been used for this study.

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APPENDIX I: INTERVIEW GUIDE

1. From a personal experience, how can you describe strategic management?
2. Is strategic management of any significance to your organization?
3. If yes, at what levels of the organization is strategic management applied?
4. What are the key strategic initiatives in the organization?
5. How would you describe internal or external environments? .What is important to them?
6. How would describe the overall mission and goals of your organization?
7. Do you think there is any strategic management practice(s) adopted by the organization that should be reviewed?
8. What difference does strategic management make to this organization?
9. Is strategic management just a theory or is it practical?
10. Where do you see strategic growth or change occurring in the organization?
11. How is the implementation of strategies carried out within the organization?
12. Is strategy evaluation carried out in the organization?
13. If yes, how often is the evaluation carried out?
14. Which are the methods used to carry out strategy evaluation?
15. At what level is strategy evaluation done?