STRATEGY IMPLEMENTATION AT METROPOL CORPORATION LIMITED, KENYA

BY

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DECLARATION

This research project is my original work and to the best of my knowledge it has never been submitted for the award of a degree in any other university.

Sign………………………………….. Date………………………………………

Thuku Florence Nyambura
D61/85657/2016

This research project has been submitted with my approval as the university supervisor.

Sign………………………………….. Date………………………………………

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DEDICATION

I dedicate this research project to my dear husband Jeremiah, daughter (Natasha) and son (Ryan) for their selfless support throughout my course. Many thanks for the continuous encouragement, understanding and the millions of Prayers during this period. I would also like to dedicate this research project to my supervisor, Dr. Machuki, for his continuous and effortless guidance during my course. Above all, I wish to dedicate this research project to the Almighty God for all the blessings of life.
ACKNOWLEDGEMENTS

God Almighty I sincerely appreciate you and acknowledge that you are the force behind the far that I have reached, you are Ebenezer.

My special gratitude goes to my supervisor Dr. Vincent Machuki, who tirelessly through his effort, experience, expertise and initiative guided me step by step to complete this research project.

I would like to express my gratitude to my interviewees at Metropol Corporation Limited, especially for finding time out of their busy schedules. Their input made a difference. I appreciate the support accorded to me by the top management of Metropol Corporation Limited for availing the necessary data for the project without which this study would not have been successful.

To my parents Mr. and Mrs. Thuku, I thank you for your encouragement and great support that you give your only daughter. You are a great inspiration.

GOD BLESS YOU ALL
# TABLE OF CONTENTS

DECLARATION .................................................................................................................. ii
DEDICATION .................................................................................................................... iii
ACKNOWLEDGEMENTS ................................................................................................... iv
ACRONYMS AND ABBREVIATIONS ............................................................................ viii
ABSTRACT ....................................................................................................................... ix

CHAPTER ONE: INTRODUCTION ................................................................................. 1
  1.1 Background of the Study ......................................................................................... 1
    1.1.1 Strategy Implementation ................................................................................. 2
    1.1.2 Professional Services Industry in Kenya ...................................................... 4
    1.1.3 Metropol Corporation Limited ....................................................................... 5
  1.2 The Research Problem ......................................................................................... 6
  1.3 Research Objectives ............................................................................................ 8
  1.4 Value of the Study ............................................................................................... 8

CHAPTER TWO: LITERATURE REVIEW ........................................................................ 10
  2.1 Introduction ....................................................................................................... 10
  2.2 Theoretical Foundations of the Study .................................................................. 10
  2.3 Strategy Implementation Practices ...................................................................... 12
  2.4 Challenges of Strategy Implementation ............................................................. 15
  2.5 Measures to Mitigate the Challenges of Strategy Implementation .................. 17
  2.6 Summary of Knowledge Gaps ............................................................................. 20
CHAPTER THREE: RESEARCH METHODOLOGY ........................................ 21
3.1 Introduction ................................................................................... 21
3.2 Research Design .......................................................................... 21
3.3 Data Collection ........................................................................... 22
3.4 Data Analysis ............................................................................. 22

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION .... 24
4.1 Introduction .................................................................................. 24
4.2 Strategy Implementation Practices at Metropol Corporation Limited . 24
4.3 Challenges of Strategy Implementation at Metropol Corporation Limited .... 30
4.4 Measures to Mitigate the Challenges of Strategy Implementation at Metropol Corporation Limited ....................................................... 35
4.5 Discussion of the findings ............................................................ 38

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.
........................................................................................................... 45
5.1 Introduction .................................................................................. 45
5.2 Summary of Findings ................................................................... 45
5.3 Conclusion ................................................................................... 46
5.4 Recommendations for Policy and Practice .................................... 47
5.5 Limitations of the Study ............................................................... 49
5.6 Suggestions for Further Research ................................................ 50
REFERENCES ....................................................................................... 1
APPENDICES .................................................................................................................. 57

Appendix I: Interview Guide ....................................................................................... 57
Appendix II: Secondary Data Capture Form ................................................................. 60
Appendix III: Strategic Plan ......................................................................................... 61
Appendix IV: Action Plan ............................................................................................. 62
Appendix V: Policies, procedures and standards manual ............................................ 63
Appendix V1: Metropol Corporation Limited Organizational Structure ...................... 64
## ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>BOD</td>
<td>Board of Directors</td>
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<tr>
<td>CBK</td>
<td>Central Bank of Kenya</td>
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<tr>
<td>CMA</td>
<td>Capital Market Authority</td>
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<tr>
<td>CRB</td>
<td>Credit Reference Bureau</td>
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<tr>
<td>GCR</td>
<td>Global Credit Rating</td>
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<tr>
<td>IRA</td>
<td>Insurance Regulatory Authority</td>
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<tr>
<td>KPI</td>
<td>Key Performance Indicators</td>
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<td>MCL</td>
<td>Metropol Corporation Limited</td>
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<tr>
<td>MoE</td>
<td>Ministry of Education</td>
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<td>RBA</td>
<td>Retirement Benefits Authority</td>
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<td>RBT</td>
<td>Resource Based Theory</td>
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<td>SACCOs</td>
<td>Savings and Credit Cooperatives</td>
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<tr>
<td>SASSRA</td>
<td>Sacco Societies Regulatory Authority</td>
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<tr>
<td>SBU</td>
<td>Strategic Business Unit</td>
</tr>
<tr>
<td>TCS</td>
<td>Total Customer Solution</td>
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<tr>
<td>TQM</td>
<td>Total Quality Management</td>
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Strategy implementation entails putting into actions the formulated plans that enable an organization to achieve its goals and objectives. It is vital because its success or failure rate may have a great impact on the success and sustainability of the business. Strategy implementation is basically administrative, therefore, it requires that the strategy is supported by an appropriate organization structure, systems, culture, resources, and a leadership that plays a leading role in the implementation process. However, the success of strategy implementation is not assured. This study was carried out to establish the nature of strategy implementation at MCL. The study had three objectives to achieve; to determine strategy implementation practices at MCL, to establish the challenges in strategy implementation and to establish the measures to mitigate the challenges of strategy implementation at MCL. Through a case study design, primary and secondary data were collected using an interview guide which was administered to senior management through personal interviews. Secondary data was gathered through document analysis. The documents include the strategic plan and performance reports. Both primary and secondary data were analyzed using content analysis along the study objectives. The study established that MCL carries out strategy implementation practices and that there are various factors that affected effective strategy implementation at MCL, Kenya. The strategy implementation practices included developing action plans, budgeting, formation of strategy implementation advisory team, direct supervision, and communication practices. The challenges that impended strategy implementation at MCL included fund disbursement delay; weak bottom up communication system; lack of commitment from the management, poor organizational structure, poor organizational culture and poor coordination in task allocation. The study established that for MCL to deliver services in a competitive business environment the following has to be done; disbursement of funds in time, bridging communication gaps, proper task allocation, good planning and top management support for the strategies being implemented. In conclusion, this study recommends the need to have a strategy implementation advisory team, creation of a communication plan and systems for monitoring and feedback for the strategy and training of staff in the area of strategy implementation. However, a number of contextual, methodological and conceptual limitations were identified hence the need for further research.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Organizations operate in a highly dynamic and ever changing environment leading to a lot of uncertainty. Organizations operate in an environment which have turned out to be dynamically uncertain as well as more highly interconnected (Machuki, 2005). The business environment ceaselessly changes to adopt new technologies or to react to meet new client needs or to match rivalry. Both internal and external environment regularly encounter changes brought about by the turbulence of the environment which has made strategic management popular in organizations (Pearce & Robinson, 2009). This implies that organization’s managers need to think strategically in order to translate their insight into effective strategies so as to endure in the changing environments and to broaden rationales necessary for adopting and executing strategies within the ever changing environment.

Strategy implementation is anchored on a number of theories. This study was anchored on Resource Based Theory (Wernerfelt, 1984), Contingency Theory (Fiedler, 1964) and Institutional Theory (Scott, 1995). The Resource based theory focuses on firms’ possession and use of resources and competencies as a competitive advantage. The theory basic premise is that the competitive advantage of organization’s lies in their internal resources and competences as opposed to their positioning in the external environment. (Barney, 2001). The contingency theory basic premise is that, there is no one way or approach to managing organizations since each organization has an alternate and a one of a kind context which is dictated by both its internal and external environments.
The Contingency theory recommends that organizations ought to build up a managerial strategy in light of the circumstances and conditions they are encountering. The Institutional theory states that institutions are social structures which attain a high degree of resilience. North (1991) defines institutions as humanly devised constraints that structure political, economic and social interactions. These constraints create rules that ensure order in a market or society. Institutional theory takes into consideration the processes by which structures such as schemes, rules, norms, and routines, become established as authoritative guidelines for social behavior (Scott, 2004).

Metropol Corporation Limited (MCL) is a private owned company which has been in existence for several years. With it operating within an external environment that is highly turbulent and experiencing constant change with time thus giving rise to a lot of uncertainty, several external contingency measures including economic, social, political and technological developments, must be anticipated, monitored, and assessed. This has led to MCL engaging in strategic management.

1.1.1 Strategy Implementation

The manner by which strategies, goals and policies are put into action defines strategy implementation. This is done via budgets, programs and techniques development. Ngonze (2011) defines strategy implementation as carefully considered approaches of ensuring strategies that have been formulated by the organization are implemented in order to achieve organizational objectives.
Strategy implementation is an iterative procedure that actualizes policies, strategies, action plans and programs that enables a firm utilize exploit opportunities in environment that is competitive using its resources defines implementation of strategy (Harrington, 2006). According to Hrebiniak & Joyce (2001), strategy implementation is a series of interventions on organizational structures, organizational systems, and actions that are of key personnel with an aim of controlling performance with respect to desired conclusions. Strategy implementation is critical to an organization’s success as it addresses who, where, when, and how of achieving the coveted objectives and targets.

Formulation of excellent strategic plans does not guarantee an organization achievement unless the plans are institutionalized and operationalized to produce results (Machuki, Aosa & Letting, 2012). A new strategy need to be institutionalized first then operationalized to guarantee effective execution (Pearce & Robinson 2005). According to Pearce & Robinson (2007) strategy institutionalization is the alignment of strategy to the organizations’ culture, structure, leadership, skills, staff, company resources management style and support systems which must permeate the entire organization. According to Aaltonen & Ikavaliko (2002) operationalization of strategy involves the actual adoption of new systems and processes. Systems and processes determine how work is done. There is need to make changes to the processes that underwrite the ability of organization to meet its expectations.

Rajasekar (2014) states that Strategy implementation involves executive, managerial talent and the potential to forecast hindrances that may emerge in strategy implementation. It also involves pursuit of objectives through others, spurring,
organizing, building culture and making firm connections between strategy and how the company operates. According to Adem (2012) strategy implementation involves a strategies changing process developed into operations to attain the goals set by organizations.

1.1.2 Professional Services Industry in Kenya

The professional services industry comprises of firms and individuals who provide such services as IT services, marketing, financial, insurance, communication, construction, environmental, and tourism among others. Most of the professional services firms are registered as limited liability companies, but some operate as a sole proprietorship. The service offered by a professional service firm depends on its type and target market. The industry is regulated by different statutory bodies depending on the sector the firms are in. Such statutory bodies include the Central Bank of Kenya (CBK), Ministry of Education (ME), Capital Markets Authority (CMA), Insurance Regulatory Authority (IRA) and National Environmental Management Authority (NEMA). (Common Wealth Network, 2017)

The professional services industry has recorded tremendous growth in Kenya both in retail and institutional sectors. It has also witnessed stiff rivalry within the industry forcing the firms to redesign and repackage their services and products so as to satisfy their customer needs and retain their market share. As rivalry heightens, professional firms have become more aggressively to increase their market share. They have also redefined their strategies to be more innovative and offer solutions that are low cost but of high quality to retain and capture customers. (Common Wealth Network, 2017).
There are changing trends in the professional services industry that have transformed the sector. These trends have been necessitated by the changing environment which the sectors have to respond to. The changes include marked increase in market completion, lack of sufficient resource, over reliance on outsourcing services, technology increased use and increased specialization in firm capabilities among others. The professional service firms have to respond to these changes in order to survive in the turbulent environment (Maister, 1993)

1.1.3 Metropol Corporation Limited

MCL was established in 1996 as a business Information and credit management company. In 2006, it joined forces with Global Credit Rating (GCR) to provide credit rating services that empowers corporates to raise capital and meet their financing needs. It is also licensed by the CBK to provide Credit Reference Bureau (CRB) Services to all banks and nonbanks organizations in Kenya. MCL also bolster Credit providers in managing Credit Risk all through the credit life cycle so as to increase efficiency and lower risk of default thus maximizing profit (Metropol Limited, 2017).

The MCL’s vision is to empower people to make sound decisions when engaged in exchanges of economic value both for themselves and for the organization they represent. In its effort to achieve this, it came up with its first strategic plan in the year 1996. MCL affairs are governed by the CBK, Credit Act, 2013 and CMA. The BOD is responsible for policy decisions and general corporate governance while the top management is responsible for formulating policies and procedures and ensuring that they are adhered to (Metropol Limited, 2017).
MCL has a strategic plan (2013-2017) in operation recording goals, objectives, and activities to be accomplished in the 5-year life of the plan. This strategic plan spells out the organizations’ reaction to a dynamic operating environment with positioning strategies to counter challenges in the future. MCL has entrenched performance based culture by placing it’s senior officers on performance based contracting, and introduced policies, procedures and standards manual that guide service delivery. This therefore has placed a lot of pressure on the management to implement the strategic plan to enable MCL achieve its objectives guided by the MCL core values such as integrity, fairness, trust, professionalism, confidentiality, innovation and promptness. (Metropol Corporation Limited, 2017).

1.2 The Research Problem

Implementation of the strategic plan is a puzzle in many companies. Strategy implementation is a critical step in the strategic management process. It is the manner by which strategy formulation is put into place. If not effectively translated into actions, Strategies formulated should be implemented as they are of no value (Aosa, 1992).

According to Burdin (2011), on the survey of strategy implementation in Chinese Corporations, only 17 percent felt there was a steady strategy implementation process while 83 percent of the surveyed organizations fail to effectively execute strategy, Aaltonen and Alkavalko (2001) contend that it is more complex to transform strategies into action and a more challenging undertaking and therefore not as straightforward as one would assume.
Metropol Corporation Limited affairs are governed by the policies and regulations set by CBK and CMA. With time, the organization has extended its operations internationally making the organization to undergo various changes that has led to quality services, inadequate resource supply, and too much workload to the staff which may lead to demotivation and burn-outs. The organization therefore looked into crafting and having a formally written strategic plan which was done first in 1996, the current one being for the year 2013-2017. The implementation of its strategic plan has not been without its fair share of success, challenges and implications.

A number of studies have been conducted on strategy implementation both in international and local arenas. In international arena, the studies include Rajasekar (2014), observed organizational culture as a key element of strategy implementation process. Harrington (2006), found out that management involvement in strategy implementation is key and Lehnar (2004), concluded that environmental imperatives affects strategy implementation. Locally there are many studies done on strategy implementation. They include Gichohi (2011) found out that technology enhances strategy implementation. Kalali (2011) concluded allocation of insufficient resources impede strategy implementation. Kidiga (2013) identified inadequate resource as an impediment to strategy implementation. However, regardless of all these studies, there still exists a gap in light of the fact that their findings, recommendations and conclusions may not apply to MCL currently.

A critical view of the studies revealed that they were done under different context, in different environment using different methodologies. In particular, Kidiga (2013) study gave a higher importance to challenges of strategy implementation without
looking at the practices and process. Therefore there exists a conceptual, contextual and methodological gap that needs to be addressed. Study by (Harrington 2006) revealed that strategy implementation can fail if the attitudes and habits of the managers and employees are at crossroads with the needs of the strategy and if the usual ways of doing business hinder the implementation. Little is known about strategy implementation at MCL. This study intended to address the aforementioned knowledge gap. What is the nature of strategy implementation at Metropol Corporation Limited?

1.3 Research Objectives

The main objectives of this study were:

i. To establish Strategy Implementation practices at Metropol Corporation Limited

ii. To establish the challenges of strategy implementation at Metropol Corporation Limited

iii. To establish measures that Metropol will take to deal with the challenges of strategy implementation.

1.4 Value of the Study

The outcome of this study will facilitate in theory building in the area of strategy implementation. This is because the findings of this study will provide an understanding of the practices of strategy implementation among professional services organizations and challenges affecting strategy implementation as well as the measure to mitigate the challenges of strategy implementation.
The findings of the study might support some of the already undertaken research or might bring a new dimension to the concept of strategy implementation. The study will be of importance to policy makers because it will craft practical policies that will enable them to give direction towards improving the Professional Services Industry. The study will highlight factors affecting strategy implementation in MCL and possibly other professional services firms to address the challenges of implementing the strategic plans through policies that will ensure good correctional practices in Kenya.

Practitioners including MCL’s management will look into some of the recommendations to see the practices that they will adopt to ensure that the strategy implementation process is well taken care of. The various subsidiaries if empowered enough to make major critical decisions on behalf of the management, they will make small but important changes which will be a buildup in the success of the organization. Other consultants for the organization are important as they will be able to use the recommendations for now and future to advise the organization’s management appropriately. This ensures that the management will be put to check and the performance thereof will be improved for the benefit of their clientele.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature related to this study. The specific areas reviewed were the theoretical foundations, strategy implementation practices, challenges of strategy implementation and measures to mitigate the challenges, and knowledge gaps.

2.2 Theoretical Foundations of the Study

Strategy implementation is anchored on many theories. This paper will be informed on the Resource Based Theory (Wenerfelt, 1984), Contingency Theory (Fiedler, 1964) and Institutional Theory (Scott, 1991). These theories are embedded in the fact that organizations competitive advantage is enhanced by the resources and capabilities they possess and the ability of the internal processes to interface with the dynamic changing environment to attain the desired goals which are the output.

Resources based Theory (RBT) states that resources controlled by a firm are the essential primary determinants of its performance (Hoffer & Schendel, 1978). This theory holds that a company's resources contribute to its sustainable competitive advantage. Barney (2001) contends that a company's resources incorporate all organizational procedures, assets, firm attributes, capabilities and knowledge that a firm controls in order to execute strategies that enhance its efficiency and effectiveness. This theory is conditioned on the fact that resources are heterogeneous in nature and are restricted in mobility. Porter (1996) underscores on the significance of a firms’ ability to "match its resources and skills, to the external opportunities and risks created by its external environment” to accomplish upper hand.
Contingency theory is an organizational theory that contends that there is no single most ideal way or approach to managing organizations (Fiedler, 1964). Organizations should therefore develop a managerial strategy that suits the situation and condition they are encountering. In an organization, the ideal strategy is dependent (contingent) to the internal and external factors. Fielder (1964) concludes that a formal structure of an organization portrays the roles of its members particularly and accordingly guides their conduct to a specific degree. The performance of the organization relies upon the degree to which these roles enable members to adapt to the requirements coming from the context of the organization. Learning from particular circumstances and utilizing these lessons to impact future management of the same or comparative circumstances is integral to this theory.

In institutional theory, Institutions are humanly formulated constraints that structure social, economic and political connections (North 1991). These confinements create policies to guarantee directive in the society. According to Scott (2004) the theory puts into account procedures whereby structures, schemes; tenets, routines and norms, are set up as for social behavior authoritative guidelines. Scott (2004) stresses that social structures which have accomplished a high degree of resilience is what defines institutions. Organizations are viewed by institutional theorists as a way by which the societal beliefs and values are placed in organizational structure and conveyed in organizational change.
2.3 Strategy Implementation Practices

Strategy implementation practices are all the activities and measures in a strategic plan that an organization lays down in order to ensure that the implementation process is carried out well and that the strategic objectives are achieved. Pearce & Robinson (2007) stresses information systems, organizational structure, action on key managers, planning, leadership styles, rewards, and control frameworks are key to control and direct the utilization of the firms’ resources effectively. It includes changes in the organization culture and the management which is achieved through resource mobilization, technological, policy, process and leadership change (Thompson & Strickland, 2003).

The structure is the basic way a firm’s various activities are organized with structural patterns ranging from functional, divisional, strategic business unit (SBU) and matrix structure (Hill et al, 2013). They assert that it is of value to adopt a simplest organizational structure that will perform the job. There exist diverse organizational structure types that the management of an organization can decide on which that best suits their organization. Some adopt more than one type of structure to ensure smooth flow of operations.

It is prudent for an organization to put in action a strategy implementation advisory team (Brown & pope 2011) states that. This team ought to be made out of representatives with important experience on strategy implementation. For strategic plans to be realistic, the team upon tabling need to make necessary revisions to the plans chosen.
Johnson et al., (2008) states that organizational culture entails a set of assumption and beliefs, values, traditions, behaviors, and attitudes commonly shared and often not stated but prescribe the conduct and actions of individual employees within a firm. Institutionalization requires that managers develop institutional memory among the staffs by inculcating the use of key themes, dominant and observable values that depict stories relating to the envisaged future and success of the organization. These values may be tied to some core functions of the firm like customer service practices and marketing (David, 2009). Continual replication of these practices reinforces the values and beliefs around the organizational environment.

Employees are the key aspect of an organization’s resource. Therefore, organizations need to pay special attention to recruit the best people, train, develop, and pay well in order to keep their motivation high for sustained competitive advantage (Tahir, 2011). Organizations should recruit and retain highly skilled employees and have them share knowledge in the organization. Barney (2010) stresses that knowledge is a treasured resource that can’t be easily imitated by the competitors. Therefore, organizations that constantly build the capabilities of its personnel in terms of knowledge and skills, command a strong knowledge base to outwit their competitors.

Direct supervision involves direct control of strategic decisions by supervisors. It requires the supervisors to be familiar with the job they are supervising. This practice is appropriate when there is a major transformation taking place in the business environment which threatens the endurance of the organization thus calling for autocratic control through direct supervision. Ansoff et al, (1990) states that this method entails the participation of every managers that will be accountable for
implementation similarly to other individuals having key influence to the process of decision making. Organizations are regarded as systems consisting of components that interact with the external environment to deliver desired output (Scott, 2008). If the components are efficiently managed and their interaction internally and externally controlled, then organizational performance may be guaranteed. When operationalizing strategy, organizations need to adapt and be able to evolve from the current structure to the one that will propel them to the desired future. The rate of adaptability will be dependent on how organizational components evolve, and how quickly new ones are created and the rate of speed within which components are interacting with one another (Kaplan & Norton, 2013).

Performance targets practice concentrate on the outputs of an organization such as quality of the product and revenue generated. As per Karanja (2014), performance is assessed by comparing the real results versus set targets in view of KPIs and these are typically joined by motivations and prizes that identify with the attainment of targets set. Formulating successful reward and incentive system that is linked to strategic performance is vital (Haynes & Mukherjee 2001). Ansoff (1990) stresses that rewards and incentives whether essentially based are key on historic performance and growth.

There is a need for organizations to adopt effective communication practices with feedback and processes clearly articulated. This is critical in successful strategic plan implementation regardless of whether it is an organizational strategic plan, marketing, or operational plan (Gichohi, 2015). Informing the employees’ about the existence of the plan and its importance to the organization is critical so that they are familiar with how the plan was developed, its implication to the company, their level of
involvement and how they can constructively contribute to its success. Effective communication will lead to the greater scale of accountability thus ensuring the process is explicit to ensure successful implementation of the strategy (David, 2003).

2.4 Challenges of Strategy Implementation

Failure of strategy implementation costs an organization massively. It also contributes to wastage of resources, lower productivity, lower employee morale, lack of trust in senior management and decline in performance (Sorooshian, Norzima, Yusof & Rosnah, 2010). Drawing from the researchers (Schaap, 2006; Kalali, 2013; Machuki & Aosa, 2012; Kidiga 2013); failure of strategy implementation revolves around poor or inadequate allocation of resources, organizational culture, poor communication, lack of strategic leadership, lack of clarity of strategic roles and responsibilities, lack of fit between strategy and structure, lack of management commitment to strategy, lack of training, and uncontrollable factors or variables in the external environment.

Pearce and Robinson (2011) observed that communication is often distorted from the source to the recipient. Moreover, the way the message is interpreted contributes to its enhancement, thus a strong culture of building mechanisms of information stream. This requires that the managers are aware of individual’s beliefs, behaviors, attitudes, demands, and arguments in order to develop an effective communication plan that is engraved in the strategic plan (Burnes, 2004).

Resource insufficiency is a serious strategy implementation challenge. The availability of resources in terms of employee competencies, knowledge and skills, financial and physical resources and time are thought to be a crucial part of strategy
implementation, however allocating resources to particular divisions and departments is often a challenge (Thompson, Gamble & Strickland, 2012). Under funding arising from constrained financial resources or management's inability to fund critical areas hampers strategy implementation. Johnson & Scholes (2008) argued that under funding result to decisions to outsource some functions like hiring consultants.

Lack of clarity on roles and responsibilities of employees in implementing a given strategy hampers strategy implementation (Kirubi & Oloko, 2014). They argued that even though managers have a crucial role in harnessing the potential of employees towards successful implementation of a strategy, little can be done when tasks are not clarified. Hrebniak (2006) asserts that if job responsibilities and accountability framework are unclear then creating coordination mechanisms or integrating strategic and short-term operating objectives becomes a mirage.

Hill et al. (2013) recognized organization’s culture as a hindrance to strategy implementation. Culture, assumptions, and attitudes shared by the members of an organization determine the manner in which employees and managers appreciate one another and the organization itself and also determine the suitable course to change it. The suitable way brought forth and regarded efficient and useful in propelling the organization will depend on the manner by which managers and employees build their actions on the shared values (Coulter, 2008). Rigid culture retards integration and coordination of operations opposing cohesiveness in the execution of tasks, commitment and decision making.
According to (Morill, 2010), lack of strategic leadership is a big challenge to strategy implementation. Strategic leadership directs the people on what to do and how best to do it. Vision of a leader provides the benchmark for strategy formulation. Implementation of the strategy is ensured by their commitment. Without involving everyone to understand the need and urgency for change through leadership inspiration and motivation, formulated strategies cannot be implemented. Weakness in leadership may not unveil the externalities affecting the institution due to inadequate skills and capabilities to collaborate and involve stakeholders (Jooste & Fourie, 2009).

Activities coordination, aligning of organization structure, motivating employees, skillful leadership, streamlining of processes, and motivating employees and commitment to strategy implementation are main leadership responsibilities. Poor coordination across functions of the organizations and leadership skills that is inadequate are impeders of implementation of strategy process (Beer & Eisenstat 2000).

2.5 Measures to Mitigate the Challenges of Strategy Implementation

Institutionalization of strategy plays a huge role in guaranteeing positive implementation of the firm's strategy (Pearce & Robinson, 2007). Thus organizational heads need to take actions earliest possible so as to institutionalize the strategy in the organization. Organization Strategy formulators must demonstrate ownership of the strategies, inform the stakeholders about its details and its importance in the firm. The management need to find support from key opinion leaders and ask for their help in advocating for the strategy to other organization stakeholders. With time, such moves will assist in generating buy-in among partners, resulting to greater support for the
strategic plan and the adjustments inherent in its execution (Ashioya, 2014). According to Pearce and Robinson (2011), successful strategy implementation requires an executive leadership that directs activities, clarify the vision and motivate others to achieve superior performance (John & Richard, 2011). Thompson et al (2007) also suggested that the top management need to put substantial pressure on the organization to improve its performance over time by nurturing a work climate that embraces results, promoting positive culture, setting stretch objectives and expectations and promoting the use of performance management tools such as Total Quality Management (TQM), benchmarking, Six Sigma, and business process reengineering models to enhance productivity.

According to Aosa (1998), Strategy creates a fit between an organization's external characteristics and internal conditions to solve a strategic problem, which is a mismatch between an organization's internal characteristics and its environment. Consequently, organizations need to not only notice changes in their external environment, but also formulate strategies that match these changes. Failure to do so will result in a strategic problem which is detrimental to the survival of the organization. Thompson & Strickland (1989) stated that how well a strategy implementer ties the organizations budget directly to the needs of strategy can either promote or impede the process of strategy implementation and execution. The ability of employees to communicate and learn new skills facilitates effective implementation of the strategy. Highly skilled employees are likely to have an extensive understanding of the business environment and adjust quickly to changes. Training promotes motivation among workers thus giving them the drive to undertake their duties (John & Richard 2011). Managers should be proactive to implement
strategies upon noticing that there is a decline in the achievement of objectives and results so as to increase motivation and boost employee morale. Musyoka (2011) stresses that the way an organization’s culture permeates the daily business operations, allows the management identify dimensions of their corporate culture to allow correspondence to the employee-related variables that include cohesiveness, commitment to work, satisfaction by employees and the general performance.

According to Hrebiniak (2006), an important component of strategy implementation success encompasses holding the organizational heads accountable for driving and supporting strategy execution process irrespective of the role they play to support strategic initiatives. Evaluation and follow ups at regular intervals is key to determine if the present strategy implementation activities and assignments are performing well or if another approach needs to be taken. Such evaluations are important so as to ensure that implementation process if followed to the latter.

According to Nyariki (2012), those who implement strategies need to be trained by organizations about formulation of strategy and execution. The management team ought to be trained so as to equip them with the right skills to carry out the process. Training need analysis need to be done to determine the importance, frequency, type, length and the costs involved to carry out the training. Management should regularly undergo trainings so as to be updated on the current trends in the business environment. Execution of major roles should be assigned to employees who are experts in various areas in order to improve on overall performance and competitiveness of the organization.
2.6 Summary of Knowledge Gaps

Several scholars have investigated various aspects of the implementation of strategies in private and public organizations. Scientists include Aosa (1992), who focused on aspects of strategy formulation and implementation in large, private companies in Kenya; Machuki (2005) focused on the Challenges to Strategy Implementation at CMC Motors Group Limited; Kalali, (2011) focused on Why Does Strategic Plans Implementation Fail; Musyoka (2011) focused on Challenges of Strategy Implementation in Jomo Kenyatta Foundation. Rajeskar (2014) whose focus was on Factors affecting Strategy Implementation in a Service Industry; while Radomska (2015) focused on Strategy Implementation and its effect on Superior Performance and Competitive Advantage.

The literature reviewed on the variables relating to implementation practices while listing the variables affecting the implementation process did not examine how these variables interact and influence other variables and the resulting effects on the overall implementation process and results (Okumus, 2003). Reviewed research publications about strategy implementation have tended to focus more narrowly on specific perspectives such as structure, culture, strategic leadership, employee competence, external environment and inadequacy of resources (Mathias et al., 2008), while relatively few Publications aimed at providing integrated and comprehensive literature to help effectively align an organizational strategy with its structure (Beer & Eisenstat, 2000). Moreover, the literature on the processes that organizations use when implementing their strategies had little evidence on the subsequent consequences for performance.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology that was employed in the study. Research methodology is the architecture or the layout of the research framework. It presents the research design, data collection, and the data analysis technique that will be adopted during the study.

3.2 Research Design

A case study was utilized for this research which involves an inquiry of an organization, phenomenon or individual (Mugenda & Mugenda, 2007). Case studies place more weight on a full contextual analysis conditions or fewer events and their interrelationships (Cooper & Schindler, 2003). Further, they are carried out to test the theoretical concepts in real-life situations in order to develop a generalizable application (Mugenda & Mugenda, 2003). Context and procedures analysis will be provided given that this study will be within a real life context. This will enlighten the theoretical issues being studied subsequently leading to theory building contribution.

Case studies are used to determine factors and relationships that result in the behavior under study. This study seeks to investigate strategy implementation at Metropol Corporation Limited, thus a case study was deemed the best design to fulfill the objectives of study since it is a one unit under consideration. This research design has also been successfully used in similar studies by Machuki (2005), Badrudin (2011), Chemutai (2014), Muinde (2015), and Kinyua (2015) among others.
3.3 Data Collection

This study used both primary and secondary data. Primary data was collected through interviews that were administered through a structured interview guide (Appendix I). A list of questions that a researcher asks the participants when conducting the interview is termed as Interview guide (Mugenda & Mugenda, 2003). The researcher interviewed nine MCL departmental heads namely; Group Chief Operating Officer, Head of Human Capital, Finance Manager, Head of Customer Service, Head of Customer Information Sharing, Head of Research and Development, Account Manager, Investigations Manager, and Head of Agency. The interviewees have been involved in implementation of strategies at MCL hence they were the most suitable for the study. The data were put down by writing the responses as provided by the interviewees. Probing technique was used to seek clarification or additional information from the interviewees.

The researcher guided by a secondary data capture form (Appendix II) collected secondary data by reviewing the contents of various relevant publications and reports such as the MCL strategic plan and policies and procedures manual. The main reason for collecting secondary data was to compare and further enrich data collected from primary sources.

3.4 Data Analysis

The qualitative data obtained from the interview guides were analyzed using content analysis. Content analysis is a research technique used to make replicable and valid inferences from data to their context with the objective of building a body of knowledge. According to (Kothari, 2004) content analysis is a widely used qualitative
research technique that allows researchers to sift through large volumes of data with relative ease in a systematic fashion. The analyzed data was presented qualitatively based on the interviewees’ feedback with regards to strategy implementation practices at MCL, strategy implementation challenges faced by MCL, and the measures to mitigate strategy implementation challenges at MCL. Without altering the original content as given by the respondents, the researcher examined the several feedbacks from the interviewees and made sensible extrapolations. Data obtained was then compared with the existing literature in order to establish areas of agreement and those of the contrary opinion in order to establish facts. This method has been used by similar studies like Machuki (2005) among others.
CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents analysis of data, research findings and discussions of the results of the study. The researcher interviewed nine MCL department heads involved in the development and implementation of the strategy. Interviewees were expected to answer questions under the supervision of the researcher in the interview guide. Secondary data were also used to support interviewees' facts. This was done through the review of the strategic plan, the policy and procedures manual of the MCL (2013 - 2017) and other documents available to the researcher. Qualitative data techniques were used to analyze data involving the making of inferences by systematically and objectively identifying and specifying message characteristics related to the objectives of the study.

The findings discussed in this chapter include strategy implementation practices at Metropol Corporation Limited, challenges faced during strategy implementation and measures to mitigate these challenges. The results were finally compared with the relevant theories which guided the study and the literature review.

4.2 Strategy Implementation Practices at Metropol Corporation Limited

This Section presents the findings to the first objective of the study which was to determine the strategy implementation practices at MCL. On the question as to whether MCL has documented strategies, the interviewees concurred that the organization has documented strategies that are tailor made for every department to
enable it achieve its strategic objectives. The researcher confirmed that the organization has documented strategies by laying hand on and perusing MCL’s strategic plan (Appendix III).

The study established from the interviewees that MCL lays down various action plans that ensure strategies are executed (Appendix IV). Quarterly reviews of organization action plan are conducted by each department in effort of ensuring that the action plans are on track. The key players in the development of action plans are department heads who play an important role in the formulation and implementation of the strategy.

The study also established that company has well spelt out policies and procedures for each specific department to pursue (Appendix V). The arrangement gives expansive rules from which every department draws its self-ruling plans and activity plans which, upon usage prompts the achievement of the general organization targets and objectives. The study established that strategy implementation process at Metropol Corporation limited is well structured. To come up with action plans, the interviewees stated that every department has to hold staff meetings where they discuss and agree on the plans to put in place to ensure they achieve their objectives.

These activity designs must fit in with the courses of events that are generally set by the administration. To ensure everything is moving as planned, the departments must also carry out quarterly reviews. An interviewee said:

“The strategy implementation process is very much organized. Each department concocts activity intends to guarantee that rules are very much taken after and they have an obligation to make subsequent meet-ups through the departmental heads.” (Account Manager).
The study established that MCL has an organization structure in place as was stated by the interviewees. The organizational structure defines how activities such as coordination of tasks, allocation and supervision focus on the achievement of organizational goals. MCL’s organizational structure has not been static over a period of time due to expansion of the business. An interviewee said that;

“The structure was as of late rebuilt to oblige the necessities of strategy implementation by formation of the position of Chief Operations Officer, Training Manager, Head of Sales, Production Manager, and Portfolio Manager.” (Head of Agency).

The study established that MCL has a culture that is in line with the strategies being executed. MCL embrace an Open Door Policy which has improved the culture of accountability, trust, and transparency in the management of the organization. As stated by the interviewees, there is a blend of values and beliefs that have been practiced for some time by individuals who have had senior management positions for quite a period of time at Metropol Corporation Limited. These angles have been ingrained in the other organizational members and characterize their mode for getting things done. As an interviewee said;

“There exist a culture that impacts both negatively and positively on the organization operations. The managers therefore are tasked to ensure there is limited culture that negatively affects the organization in its strategy implementation process.” (Investigations Manager).

The study sought to find out from the interviewees the various management practices employed during strategy implementation at MCL. The interviewees revealed that there is quite a number of practices they undertake in the process of strategy implementation and that they are measured on how effective they execute the practices which include budgeting, planning, task allocation, supervision, and performance management among others. The interviewees also stated that as they
execute the practices they are guided by the organization’s vision and mission from where the company strategy is drawn.

“Heads of departments undertake various strategy implementation practices that enable them to effectively implement their strategies. They are guided by clearly stated principles with defined objectives to help realize the Vision and Mission.” (Chief Operations Officer).

The study established that the company sets performance targets to implement its strategies. The interviewees stated that the targets are set for every department and are largely dependent on the services offered in each department.

The heads of departments then set targets for their respective staffs. The heads ensure that strategies are implemented to the latter in pursuit for achieving the set targets.

The study further established that performance is measured at agreed timelines to ensure the set targets are met and if not take corrective measures. One of the interviewees said that:

“We set targets at the beginning of every year. Every departmental head is answerable to the targets they set. Therefore they must ensure the strategies are implemented effectively so as to achieve the set targets.” (Chief Operations Officer).

The study sought to determine whether MCL has an advisory team on the implementation of the strategy. The interviewees indicated that the department heads act as the advisory team in the implementation of the strategy. They collect data on the progress of the strategy implementation process and call on the organization to adopt the best strategy during the implementation procedure. An interviewee stated that:

“It is our responsibility to advise the company and the employees who report to us either directly or indirectly on the best practices for strategy implementation process.” (Account Manager).
The study established that MCL communicates to its employees via various modes. The interviewees stated that the most normal approach of conveying the objectives is through top down approach sort of correspondence. The management falls the objectives to the juniors they oversee. The organization additionally urges workers to give open input with the goal that the implementation procedure can be comprehensive of all people in the organization. The other strategy for cascading the objectives is through meetings held at departmental level chaired by heads of respective departments. The interviewees also stated that clear understanding of key roles and responsibilities of all stakeholders is led by effective communication throughout the organization.

They also confirmed that in Metropol Corporation Limited top-down communication is done through use of emails and loose minutes. However, they stressed that the level of open communication is rare in lower functional levels.

“We ensure that we thoroughly communicate to our subordinates about the strategies to be implemented. We mostly use emails and meetings to inform and discuss about the strategies clearly so as to minimize deficiencies in the implementation process.” (Head of Agency).

The study sought to establish how MCL monitors strategy implementation. The interviewee concurred that they do it through direct supervision of various activities in their respective departments that they head. It involves direct control of strategic decisions by one or a few individuals.

The researcher established that, the head of customer service directly supervises the respective customer service officers to ensure that they deliver in terms of the number of customers they attend to per day, the number of inbound and outbound calls they
handle, making frequent customer follow-ups and eventually ensure they achieve the set revenue targets. An interviewee said;

“For the implementation of our strategies direct supervision is good. It is most effective because it’s performed by the section heads who ensure timely implementation of the strategies.” (Head of Customer Service).

The study sought to establish how tasks are assigned and responsibilities delegated within the organization. The interviewees stated that heads of department are responsible for tasks allocation in their respective departments. They also delegate responsibilities to their subordinates so as to ensure that every activity is carried out in the right manner and at the right time. An interviewee said that;

“It is my responsibility to assign tasks to my team members. I also delegate to them especially when I have a lot on my table. It is a practice exercised by heads of department across the board.” (Head of Research).

The study established that monitoring of operational plans is carried out by performance executive committee which is composed of finance manager, chief operations officer and the head of human capital. Their role is to ensure that the action plans are executed effectively and efficiently to enable the organization achieve its objectives. Monitoring is done on a monthly basis so as to keep track of any deviations so that corrective measures are taken accordingly. An interviewee stated that;

“We have a performance executive committee tasked to ensure that they monitor all the activities in the organization and measure whether they translate to results and if not advice on the next course of action.” (Finance Manager).

On the question as to whether there are other factors leading to strategy implementation success at MCL, the interviewees stated that innovation and staff expertise on various activities has led to a successful strategy implementation process.
Employees perform better if they are assigned jobs that they are expertise at. The interviewees also stated they have a robust innovation team that enable the organization to increase their product lines thus making the organization have a competitive edge in the market. An employee said that;

“We ensure that we hire expertise in the organization so as to ensure that they will perform perfectly on the job they are tasked to do. Our innovation team has given the organization an upper hand because of their creativity in coming up with new products and improving the existing ones.” (Head of Human Capital).

4.3 Challenges of Strategy Implementation at Metropol Corporation Limited

During the implementation of the strategy, organizations face numerous challenges. They can be internal or external difficulties. The interviewees were asked to establish the challenges of strategy implementation at MCL. It was clear from the responses given, that most of the challenges cut across all the departments but some are specific to some departments. The challenges were manifested at decision making levels and at operational levels and were majorly internal in nature.

The study sought to find out how communication of strategies to be implemented was done. The study found that strategies are not communicated effectively by the top management to the staff. This makes the strategy implementers not to be fully knowledgeable on the strategy implementation process which often leads to failure. The management team found that it did not fully support a bottom - up approach to address the implementation problems of the strategy. Furthermore, the feedback mechanism was poor because it takes time for employees to provide feedback on the ongoing strategy implementation process. Some interviewees said;
“We once in a while get criticism from staff on the advance the department has made as our correspondence is diverted in certain way.” (Head of Research).

“We have had strategy implementation failures just because the heads of departments didn’t communicate effectively about the strategy implementation process and how their staff should carry out the process.” (Account Manager).

The study sought to establish whether the organization structure impede strategy implementation at MCL. The study found that the structure defines the reporting process, which proves to be unnecessarily long and time consuming. Overlapping of roles and responsibilities has been highly reported. For instance there lacks a clear line of authority on decisions to be made by support managers and heads of departments. All these structural design issues stand on the way of successful strategy implementation. The following was said by interviewees;

“Our reporting structure is overlapping thus slowing the decision making process which eventually affects strategy implementation.” (Investigations Manager).

“Some of our employees are not sure whom to report to because they get instructions from more than one head of departments. This makes them confused and thus can’t deliver as expected.” (Account Manager).

The way of life of an organization influences the achievement or disappointment of its strategy implementation process. There is need to adjust the culture of organization to its procedures. The study built up that a few parts of culture contrarily influence the strategy implementation process at MCL. For instance the way of life of looking for endorsement on each choice to be taken makes laxity henceforth drag implementation. At times, the way of life of opposing change regardless of whether it is to the advancement of the general organization was additionally featured to influence the strategy implementation process. Interviewees stated that;
“We have a culture of seeking approval on every activity that we need to carry out. In fact this delays our strategy implementation process because in most cases there are delays before we get feedback which leads to failure.” (Head of customer service).

“Some of us have stayed in this organization for so long thus we have our own way of doing things. Actually we have tried to change but it has proven to be difficult.” (Account Manager).

Lack of commitment by the top management Interviewees was cited as one of the impediment to successful strategy implementation. This at that point streams down to a portion of the subordinate staff that doesn’t endeavor to guarantee compelling strategy implementation. In general this impedes successful strategy implementation and eventually the organization can not realize its objectives. Poor leadership was also cited. This has been proved by a few undertakings and exercises not meeting their timetables because of choices not being set aside in time such a provision of resources. This was said by an interviewee;

“We are trying our level best to implement our objectives with the available resources at our disposal, but there is nothing much that can be done when the resources are lacking.” (Account Manager).

“We just need a 360 degree support for strategy implementation process from the management. This will encourage other employees and ensure that strategies are implemented effectively and efficiently.” (Head of Research).

The study established that there existed disconnect between people involved in strategy formulation and the people involved in strategy implementation. This created a gap during implementation process negating institutionalization of the implementation process.

The research identified that poor communication of strategies impeded strategy implementation at MCL. Communication is the process of passing information to the audience through a channel thus if well done strategy implementation is enhanced.
They indicated that the systems that were employed to communicate strategy were not adequate (Organization monthly meetings, memos, and telephone calls) to accommodate and follow up understanding of the same. This lack of understanding of the strategies being implemented among employees impeded ownership and implementation. Moreover the heads of departments that received the copies of the strategies did not share with the subordinates aggravating the knowledge gap further. An interviewee said:

“The strategies were formulated by a team of departmental heads. The chief executive officer severally shared with heads of departments about the strategies to be implemented during the monthly staff meeting. This was however not adequate communication as not all staff attend the meeting and there was no clear role and tasks that the staff were to carry out to ensure implementation is well done.” (Head of Customer Information Sharing).

“Some of our managers have insufficient knowledge on how to relate with the people they manage. This has really affected our performance since the juniors want to prove their bosses are wrong which leads to failure in implementation of strategies.” (Head of customer care).

As stated by the interviewees, the implementation of the strategy needs sufficient and consistent planning, and this is not the case at MCL, so some strategic movements are abandoned halfway or do not begin at all. There is likewise the challenge of pushing for implementation of the strategies at the same time and strategy in nature is systematic. Staff training is one of the ways of planning for strategy implementation since it improves their skills required for strategy implementation.

The interviewees agree that staff training was selective to heads of departments and at times subordinate staff were offered short internal trainings going for a few hours. This was said by an interviewee;
“We have managed to train some heads of departments and their assistants who are in turn supposed to train the staff in their respective departments.”
(Head of Human Capital).

Poor planning has made us abandon implementation of strategies. This has made us not to achieve our targets over a long period of time.” (Investigations Manager).

According to the interviewees there was poor coordination in allocation of task in day to day running of activities within the institution depicting a lapse in the allocation of responsibilities. This included allocation of task, roles and responsibilities towards strategy implementation. There were some departments that got overwhelmed and required reinforcement which could not be availed on time as the process of task assignment was departmental and within the preserve of the head of the department as developing action plans are departmental based. As some interviewees said;

“The departmental head is expected to allocate tasks and responsibilities to the members of their department and this makes it difficult especially in departments that are extremely understaffed and also for continuity especially when the staff is on leave or after transfers.”(Head of Customer Service).

“We are wholly responsible for coordinating ant allocating tasks within our respective teams. Failure in coordination and allocation of activities translates to failure in strategy implementation and eventually we can’t achieve our objectives.” (Finance Manager).

The study sought to establish whether there are other strategy implementation challenges that are faced by MCL in its strategy implementation process. The interviewees stated that they lack proper knowledge on strategy implementation process.

“Most of us do not have proper knowledge on strategy implementation. This leads to failure in implementation of some strategies.” (Account Manager).
4.4 Measures to Mitigate the Challenges of Strategy Implementation at Metropol Corporation Limited

Metropol Corporation Limited tried to accomplish its strategy implementation by setting up measures to guarantee that exercises were executed as planned. The difficulties confronted were those inside the authoritative command to address. Measures were put in place to ensure that all stakeholders were brought on board to ensure success during implementation. However, with diverse stakeholders satisfying all their needs is a big challenge that management needed to go beyond normal management activities to ensure success. The section highlights the measures taken to address the challenges identified.

On the question on how the organization deal with challenges of organizational culture in its strategy implementation process, the interviewees stated that to harmonize how activities are carried out the organization developed policies and procedures manual that guide how activities should be carried out in every team.

“Every department has a manual that guides them on how to carry out the various activities in the respective department.” (Chief Operations Officer).

The interviewees stated that the organizational structure influenced strategy implementation. They stressed that the structure should be reviewed and adjusted effectively in order to assist in allocation of tasks and assignment of roles and responsibilities. This enhanced accountability and transparency thus enabling the departments to coordinate their functions in a more harmonized manner. Managers need to identify and close those gaps and make everybody involved to have clarity on the direction of the organization. An interviewee said;
“The organization structure is very complex and does not have clear cut tasks and roles. There is also an aspect of task duplication and no clear reporting lines.” (Head of Research).

On the question as to how committed is the top management in providing financial resources to support implementation of strategy, the interviewees stated that top management do their best to provide financial resources so as to support strategy implementation. They further stated that despite the delays in disbursement of funds, the management always ensure that the daily operations run as expected. This was said by an interviewee;

“We try our best to ensure there is enough financial resources in to support the implementation of strategies. In fact, sometimes we are forced by circumstances to borrow funds such that operations run smoothly so that we achieve our organizational goals.” (Finance Manager).

“We have experienced delays in disbursement of financial resources to support strategy implementation, but at least the management ensures that daily operations are not adversely affected.” (Account Manager).

Upon answering the question on whether the current MCL structure is appropriate to support the implementation of strategy, the researcher established that, the structure was recently revised to accommodate new positions that were created due to business growth. They further stated that the lines of authority are clear thus there will be no overlapping of duties and responsibilities. An interviewee said;

“We are happy that the organization structure has been revised. The reporting lines are now clear such that there will be no more confusion on who reports to who or what each employee is supposed to do.” (Head of human capital).

On the question on what organizational policies or systems that MCL has put in place to respond to challenges of strategy implementation, the interviewees stated that the company is now keen by ensuring activities such as budgeting, planning, provision of resources, performance measurement and tasks allocation among others are done in
the right manner so as to ease the process of strategy implementation. Interviewees stated that;

“Currently we are very careful when making decisions so that we ensure every activity is executed as planned so that we ease the strategy implementation process for all of us and for the organization as a whole.” (Chief operations officer).

On the challenge of poor communication strategies, the study indicated that communication mechanisms, methods and tools should be developed and emphasized in the implementation process. It was evident that communication was a key factor to effective strategy implementation. The study indicated that not all staffs attend management meeting and therefore proceedings and other valuable information should be availed in form of short notes to each department including the subordinate staffs. If appropriate strategies could be adopted to keep employees constantly informed and reminded on the strategic plans and their role in implementation, then their participation would be fully guaranteed. As an interviewee said;

“Communication of the strategies to be implemented was not well across the board. It is important for the departments to be given the information either in form of short notes or posters. Also, constant reminders on what the document entailed should be done to all staff within departments including subordinate staff.” (Head of Research).

On the challenge of allocation of tasks, the interviewees suggested that the responsibility of tasks allocation should not solely lie with the head of the department but should be delegated to his team manager or team. This was suggested so because the departmental heads are aware of the competencies within and the commitment levels for staffs. It was found out that though delegation could be embraced, the departmental head should be aware in order take responsibility. This would ensure day to day flow of activities and matching of skills with tasks. When tasks are
allocated, the study suggested that timelines for completion should also be set to ensure compliance to deadlines. The following was said by an interviewee;

“We should not be the only ones who allocate tasks to the people we manage. Our team managers and team leaders should be empowered so that they help us with some activities.” (Head of customer Information Sharing).

The study established the need for the organization to create an independent monitoring and evaluation team to ensure every activity within the organization is being executed as planned. The team should develop tools and methods that they will use to measure the extent of performance of the organization activities at agreed timelines. They should ensure that the departmental heads share reports of how their respective departments are performing to ascertain implementation gaps and inconsistencies are addressed timely. An interviewee said;

“The organization should have a monitoring and evaluation team or department whose duties would be to constantly monitor the practices in the various departments. They should do this often and reports presented in management meetings and these shared with departments to assess progress. This will ensure that implementation is done in line with the strategic plan.”(Chief Operations Officer).

A review of secondary data showed that the organization faces a number of challenges arising from non-compliance with the policies and procedures of the organizations, poor performance management, dissatisfied employees, poor performance assessment techniques and a lack of adequate skills for key positions.

4.5 Discussion of the findings

This section compares the study results with the postulation of theories of the anchoring. It also draws a parallel with the results of similar studies in the past. The theories anchored in this study include: Resource Based Theory (Wernerfelt, 1984), Contingency Theory (Fiedler, 1964) and Institutional Theory (North, 1991).
Resource Based theory (Wernerfelt, 1984) The Resource based (Wernerfelt, 1984) emphasizes the resources of the company as the key determinants of competitive advantage and performance. Two assumptions are adopted in analyzing competitive advantage sources; the resources at the firm’s disposal and the resources that need to be harnessed by the firm externally. To transform a short run competitive advantage into a sustained competitive advantage, the organization must employ complementary efforts such as committed personnel, a strong culture, a strong organization structure, good relationship between management team and the staff they manage, bound by goals, good practices, structures and standards. According to Judson (1991) Successful implementation of the strategy is due to the design, development, acquisition and implementation of the resources required to implement the new strategies of the institution. The findings also coincide with those of Olsen (2005), which noted that the organization needs sufficient funding and time to support the process. The study shows that in as much as MCL has good strategies, their implementation was hampered by the existing organizational culture, structure, delay in disbursement of financial resources, poor planning, and poor coordination of task allocation which were not easy to rub off.

According to Fiedler (1964), contingency theories, which are a class of behavioral theory states that there is no best way or approach to organizational management. Organizations should therefore develop a management strategy based on the situation and status they experience. The optimum course of action in an organization depends on internal and external situations. Therefore, organizational design and choice depend on uncertainty about the association of uncertainty with mathematical concepts and fuzziness or limited rationality proposals (Pike & Ryan, 2004).
From the findings of this research, this theory has turned out plainly; in the implementation of the systems at MCL, as the top managers have conceived various methodologies/practices for the achievement of key objectives. The MCL objective implementation, strategies, and practices are guided by its vision and mission. Likewise, the management executes the strategies by planning, development and control frameworks by setting performance goals quarterly in a year. MCL likewise adjusts coordinate supervision of all exercises. The management gets yearly action plans from the five year strategic plan.

Institutional theory (North, 1991) equally applies to MCL in that it is affected by its condition and the intellectual, standardizing and regulative structures that encompass the organization. It also takes a gander at the developing confirmation that institutional contemplations are probably going to be especially applicable and stresses that foundations are the guidelines of the amusement in a general public or all the more formally are the humanly contrived compels that shape human association. Along these lines it thus influences and structures the organization culture that is installed in the organization and influences strategy implementation particularly when organization change is required. It considers the processes through which structures, including schemes; rules, standards and routines, are established as guidelines for social behavior (Scott, 2004). Various components of institutional theory explain how these elements are created, disseminated, adopted and adapted over time and space and how they decline and disuse (Wachira, 2014).
It was evident from the study that Metropol Corporation Limited used a number of practices to ensure successful implementation of strategies, such as budgeting, direct supervision, performance targets, planning, task allocation and resources as supported by Johnson and Scholes (2003) Who said that regardless of any organizational structure, without formal and informal strategic organizational practices, organizations can never work successfully. MCL also formulated a vision and mission statements to enable it implement its strategies as supported by Pearce & Robinson (2008).

The study established that MCL has a strategy implementation advisory team that includes all department heads who advise the company on the progress of the implementation process. These findings are consistent with Brown and Pope (2011), who explained that it is prudent for an organization to have a strategy management advisory team in place. This group should contain persons with extensive experience in implementing the strategy.

It was confirmed that training is very important when strategies are being implemented. Manager training was also supported by Alexander (1985), who shows that many companies have a very detailed planning and strategy development process and that future managers undertake various executive education programs to learn how to manage these processes. Organizations train workers on the execution of new strategies so they can get the important information. Strategy implementers training has additionally been bolstered by Nyariki (2012) who agrees that organization should prepare their strategy implementers on system plan and implementation and that the preparation should concentrate on administration staff in light of the fact that if an
organization is to acknowledge fruitful strategy implementation, the general population included ought to be of significant and right abilities. The study identified that the MCL structure hindered effective strategy implementation. This is supported by Hill et al. (2013) who argued that the organizational structure determines how roles, power and responsibilities are assigned, controlled and coordinated and how information flows across management levels.

Adapting to changes in strategy implementation often require changes in the way organization structures its activities (Arthur et al., 2012). It was established that at MCL, the current structure contribute to cross functional activities breeding conflict in supervision of staff and decision making.

The study has shown that the challenges faced by the company are evident in other previous studies. One challenge, for example, was the lack of proper coordination between departments. These challenges were also observed by Thompson et al. (2007), who realized in their study that the implementation of any strategy is challenging when there is no proper coordination between departments.

The study established that in implementing strategy, the organization adopted communication mechanism such as departmental meetings, memos and reports. During the meetings, the departmental heads communicated budgets and work plans however review of the same was not done to rate the extent of performance to ascertain gaps. This is in line with Gichohi (2015) who alluded that communication practices are essential to strategy implementation as it is required in supporting the plan. All employees should also know why the plan was developed, what it means to
the organization, who would participate in its implementation and how it can contribute to its success. The study also found that communication and feedback posed a challenge to the implementation of the strategy at MCL, where top-down communication with limited feedback was preferred; this was against Wang (2000), who agreed that communication should be two-way so that information can be provided to enhance understanding and responsibility and motivate staff.

The study established that lack of clarity on roles and responsibilities impeded strategy implementation. This is in line with the argument of Kirubi & Oloko (2014) who state that roles and responsibilities must be clear and structured for an organization to realize the goals and objectives as spelt out in the strategy. At MCL, it was established that there was no clear roles and responsibilities of some staff when discharging their duties. This lead to overlapping roles that eventually leads to conflicts among the employees.

The study established that assigning and matching task to employees in relation to their competencies, identifying and filling relevant competency gaps was a key strategic action at MCL to enhance effective service delivery. However the study established that the organization does not have adequate mechanisms in place to retain the employees. This is in line with Tahir (2011) who argued that the key aspect of an organization’s resource is its employees and organizations need to pay special attention to recruit the best (most qualified, talented, and motivated) people, train and develop them, and pay well in order to keep their motivation high for sustained competitive advantage.
The study established that inadequate resources impeded strategy implementation at MCL. This is in line with Kidiga (2013) who alleged that most organizations are unable to implement their strategies efficiently and effectively due to inadequate financial and physical resources. This is also in line with Thompsons et al. (2012) who argue that resource insufficiency can retard organizational effort to achieve objectives.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the research findings, conclusions, and recommendations based on the objectives of the study. Limitations of the study are cited together with suggestions for further research.

5.2 Summary of Findings

The first objective of the study was to establish the strategy implementation practices used by MCL. The study revealed that there are a number of strategy implementation practices that are adopted by MCL in implementing its strategies. The major implementation practices used include budgeting, task allocation, allocation of resources, direct supervision, setting performance targets and performing quarterly review of set targets.

The second objective was to establish the challenges encountered by MCL in its efforts to implement its documented strategies. The study revealed that the major challenges encountered by MCL include delay in disbursement of financial resources to various departments, unsupportive organizational structure; unsupportive organizational culture; lack of inclusiveness in decision making; lack of commitment by management on strategy implementation; inadequate training of staff; and poor coordination in allocation of tasks.
The third objective was to establish measures that MCL can take to mitigate challenges encountered during strategy implementation. The results of the study showed that the major measures that MCL can take to mitigate challenges during strategy implementation include disbursement of funds in time, bridging communication gaps, proper task allocation, good planning and top management support for the strategies being implemented.

The study revealed that the top management should ensure that strategies are institutionalized properly and that the implementers are aware of them through having an all-around plan of communication that will direct the strategy implementation process in order to empower all partners to comprehend their part in implementation.

5.3 Conclusion

There are various strategy implementation practices at MCL. The first is preparation of budget by each department at the start of every year, the heads of departments act as the advisory team on matters strategy implementation, measurable targets are also used in evaluating the level of achievement in strategy implementation. Direct supervision is one of the major approaches used by MCL to ensure that every ongoing activity is as stated in the strategy implementation process.

The challenges encountered by the company during strategy implementation include delay in disbursement of funds to departments, poor communication of strategies to be implemented, lack of management commitment on strategies to be implemented and poor coordination in allocation of tasks, Poor structure and negative culture. The study uncovered that it takes pointlessly too long to have a portion of the budgets
affirmed due to the process it has to go through before it is approved. It is one of the major causes of delay in disbursement of funds which to some extent affect strategy implementation.

The findings above correspond to Brown and Pope (2011), who stated that it is essential for an organization to have a strategy implementation advisory team in place. This team should include individuals with appropriate experience and skills so as to ensure that the strategy implementation practices are as planned, detect any challenges that might impede the strategy implementation process and be in a position to provide measures that mitigate the challenges encountered in the process so as to enable the organization achieve its objectives.

**5.4 Recommendations for Policy and Practice**

From the discussions and conclusions, the researcher recommends that for the successful implementation of the strategy at MCL, his management should use the appropriate practices for the implementation of the strategy. The practice of direct supervision, timely allocation of resources, proper planning, embraces culture change and proper allocation of tasks. The management should always involve all employees in a constructive effort to agree on the best practices that will enable MCL to achieve its objectives in a timely and convenient manner.

To address the issue of delay in disbursement of funds that result to some projects stalling, it is important for the management of MCL to shorten the process that the budgets have to go through for approval so as to speed up strategy implementation.
Metropol Corporation Limited should consider restructuring the current organization structure. The number of departments can be reduced to eight from the current twelve to avoid duplication of duties and to allow clear definition of roles. The organization structure should be aligned to the goals and objectives and allow for quicker decision making and the realization of capabilities within the organization.

The strategies documented should be comprehended by all engaged with strategy implementation. This calls for MCL to set up clear correspondence instruments for all engaged with strategy implementation process so they can unmistakably comprehend and add to the procedure. Training of staff was also suggested as this will furnish them with fitting and applicable abilities. The organization needs to consider the plan of the organization structure and perceive the way that the fundamental apparatuses for effective strategy implementation are managers and employees who ought to be engaged to act and take choices without following a long-method looking for endorsements on a few choices which thus causes loss of chances. It could likewise be suitable if such procedures could be given some adaptability and greater administration control to guarantee organization don't fizzle strategy implementation because of unnecessary postponements.

To avoid these issues from reoccurring again in future, MCL needs to guarantee that strategy formulation should be made participatory by including all staff and other stake holders. This make all parties involved own the strategy which facilitates effective execution of the same. By every party understanding the strategies to be implemented, the implementation process is simplified since they know what is expected of them thus working towards achieving the organizational objectives. The
fact that not all employees are involved in strategy formulation, it is important to let them know that they are part and parcel of it so as that they ensure the strategies are implemented successfully.

5.5 Limitations of the Study

The following limitations were encountered after evaluating the results of this study. The limitations took on contextual, methodological and conceptual manifestations. The study only focused on Strategy Implementation at MCL, Kenya and not formulation of strategies and evaluation of performance of the Strategy itself.

The study only focused on MCL Kenya and not the professional services industry in Kenya, therefore future studies should focus on these professional service providers across the country to compare the implementation of strategies in such organizations.

The study was done within MCL, getting responses from the interviewees was a challenge as some employees thought that the management would act against them. They were assured of the confidentiality and the basis of the research.

The interviews were held with top management staff at MCL. The study did not make any reference to middle and lower level employees or even staff. While we recognize that top management authorities are instrumental to strategic direction, staff at lower levels are basic in strategy implementation. Along these lines, the findings of the may not be intelligent of the real circumstance on the ground consequently an identification of the study.
The study focused exclusively on strategy implementation aspects of the strategic management process. The study did not focus on the formulation of the strategic management process and the control, monitoring and evaluation aspects. These are important elements of the strategic management process that must not be overlooked.

5.6 Suggestions for Further Research

A comparative study should be conducted to compare the findings of this study with other professional services organizations in the private and public sectors. This will help in identifying ways to bridge the gaps that currently exist in both sectors.

A survey of Strategy implementation practices through the administration of questionnaire in professional service industries for both public and private sector should be done so that more information can be gathered and a comparison between the practices is drawn to allow for selection of best practices across the board.
REFERENCES


Badrudin, E.S. (2011). Challenges of strategy implementation at First Community Bank (Unpublished MBA project), School of Business, University of Nairobi, Kenya.


Wachira, C.J. (2014). *Strategic Approaches to Affordable Houses in Nairobi County, Kenya* (Unpublished MBA project), School of Business, University of Nairobi, Kenya.


APPENDICES

APPENDIX I: INTERVIEW GUIDE

The aim of this interview guide is to collect information on strategy implementation at MCL. The information is required for academic purposes only and will be treated as confidential.

Part A: Interviewee Profile

i. Which Section do you head?

ii. What is your Job Title?

iii. For how long have you worked for Metropol Corporation Limited?

Part B: Strategy Implementation Practices at Metropol Corporation Limited

1. Does MCL have documented strategies?

2. In an effort to implement them, what action plans are put in place?

3. Does the organizational structure support implementation of the strategies?

4. How does organizational culture support implementation of strategic plan?

   Explain

5. What are the management practices employed during strategy implementation at MCL?

6. Does the Organization set performance targets to implement its strategies?

7. What role does communication play in the process of strategy implementation at your organization?

8. Does the company have an advisory team for strategy implementation?

9. How are tasks assigned and responsibilities delegated within the organization?
10. How is monitoring of operational plans carried out during implementation process?

11. What are the other factors leading to strategy implementation success at MCL?

Part C: Challenges of Strategy Implementation at Metropol Corporation Limited

12. What are the challenges faced in strategy implementation at MCL?

13. How does communication affect implementation of strategies at MCL?

14. How does the organizational structure affect strategy implementation in the organization?

15. Which specific issues about organization culture pose a challenge in strategy implementation at MCL?

16. How committed is MCL top management on matters strategy implementation?

17. How is the relationship between the employees who formulate strategies and the employees who implement strategies at MCL?

18. Does MCL plan adequately on matters strategy implementation?

19. How does coordination of activities affect strategy implementation at MCL?

20. What other challenges does your company face in strategy implementation?

Part D: Measures to Mitigate Challenges of Strategy Implementation at Metropol Corporation Limited

21. How does the organization deal with challenges of organizational culture in the strategy implementation process?
22. Which specific issues about organization culture that if addresses will enhance strategy implementation at MCL?

23. How committed is the top management in providing financial resources to support implementation of strategy?

24. How appropriate is the current organization structure to support the implementation of strategy initiatives?

25. What organizational policies or systems have been put in place to respond to these challenges of strategy implementation?

26. Suggest the possible measure that could also be implemented to counter the challenges of strategy implementation.

27. How do you relate management staff training with strategy implementation?

28. How do you relate proper planning with strategy implementation?

29. How do you relate organization leaders and partners accountability with strategy implementation?

30. Suggest the possible measure that could also be implemented to counter the challenges of strategy implementation.

31. Are there any other measures that can be used to mitigate the challenges faced in strategy implementation at MCL?

THANK YOU FOR YOUR TIME!
# APPENDIX II: SECONDARY DATA CAPTURE FORM

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<th>SOURCE OF DATA</th>
<th>DATA</th>
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<td></td>
<td>Vision</td>
<td>Available</td>
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<tr>
<td></td>
<td>Strategies</td>
<td>Available</td>
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<td></td>
<td>Organization structure</td>
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<tr>
<td></td>
<td>Action Plan</td>
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<tr>
<td>2 Policies and procedures manual</td>
<td>Departmental Processes</td>
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APPENDIX III: STRATEGIC PLAN

STRATEGIC PLAN

PERIOD: 2013-2017

Dated: January 2013

Source: Metropol Corporation Limited Strategic Plan
## APPENDIX IV: ACTION PLAN

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<td>Implementation of a new Organisation structure in Kenya and the Group</td>
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<td>Implement the Metropol Leadership scheme.</td>
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<td>Mobilise financial resources for growth and expansion</td>
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<td><strong>Strong Governance and Regulatory Framework</strong></td>
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<td>Implementation of clear and comprehensive internal governance</td>
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<td>Systems that conform to international standards</td>
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<td>Develop Staff motivation and retention Schemes</td>
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<td>Leverage existing Partnerships</td>
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<td>Improve product development and diversify products</td>
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*Source: Metropol Corporation Limited strategic plan 2013-2017*
APPENDIX V: POLICIES, PROCEDURES AND STANDARDS

MANUAL.

POLICIES, PROCEDURES & STANDARDS MANUAL

CREDIT MANAGEMENT SERVICES

Metropol Credit Management Services Limited
7th Floor, Pension Towers, Loita Street, Nairobi
P.O. Box 35331-00200, Nairobi, KENYA
Telephone: +254 (0) 709 834000
Email: info@metropol.co.ke
Website: www.metropolcorporation.co.ke

Source: Metropol Corporation Limited-Credit Management Services Department
APPENDIX V1: METROPOL CORPORATION LIMITED

ORGANIZATIONAL STRUCTURE

Source: Metropol Corporation Limited-Credit Management Services Department