STRATEGY IMPLEMENTATION AND ITS CHALLENGES AT THE NATIONAL CEREALS AND PRODUCE BOARD, KENYA.

BY

KIBET ROBERT MUTAI

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI.

OCTOBER 2012
DECLARATION

I declare that this project is my own original work and has not been presented for award of any degree in any university.

Signed KIBET ROBERT MUTAI
REG NO. D61/70686/2009

This management project has been submitted for examination with my approval as the university supervisor.

Signature CAREN ANGIMA

Date 8/11/2012
ACKNOWLEDGEMENT

I would like to thank God for granting me perseverance throughout my period of study and seeing me through the completion of the course.

Secondly, I would like to extend my earnest gratitude to my supervisor, Caren Angima for her constant encouragement, guidance and patience. I say a big thank you for the great support.

Lastly, I thank the National Cereal and Produce Board top management staff who gave me a chance to interview them during the research process. I am highly indebted for the favor I was accorded by all of you.
DEDICATION

This project has been dedicated to my parents. I could not have done it without your support and encouragement.
ABSTRACT

Despite the various studies on the challenges of strategy implementation by State Corporations and how these organizations have responded to the challenges, there has been no focus on State Corporation under the agricultural sector, and more so those performing both social and commercial roles. The research sought to close this gap by focusing on the National Cereals and Produce Board. The study employed a case design and utilized both primary and secondary data. The objectives of the study were to establish strategy implementation, the implementation challenges and how these challenges are addressed by National Cereals and Produce Board.

The study established that N.C.P.B has a strategic plan (2009–2013), but, the findings show that, to date, the overall company performance in strategy implementation is poor. This was attributed to a number of factors including: failure to implement relevant policies, unsupportive organizational structure and culture, resistance to change, inadequate resources and government interference among others.

On how the organization addresses the challenges, the study established that apart from borrowing from financial institution, N.C.P.B resorts to asking for more government funding. The organization has also embarked on employee training, developing communication system and is currently considering aligning its organizational structure to the strategy in place.

The study recommends that the administrative and legal controls by the central government under the authorities of the various government policies and statutes be in cognizance of the commercial basis of the entity under the N.C.P.B and be given autonomy from the government.
TABLE OF CONTENTS

DECLARATION .................................................................................................................. II
ACKNOWLEDGEMENT ........................................................................................................ iii
DEDICATION ....................................................................................................................... iv
ABSTRACT .......................................................................................................................... v

CHAPTER ONE: INTRODUCTION ...................................................................................... 1
  1.1 Background of the Study .......................................................................................... 1
    1.1.1 Strategy Implementation ................................................................................. 1
    1.1.2 Challenges of Strategy Implementation .......................................................... 2
    1.1.3 The National Cereal and Produce Board ......................................................... 3
  1.2 Research Problem .................................................................................................... 4
  1.3 Objective of Study .................................................................................................. 6
  1.4 Value of the Study ................................................................................................. 6

CHAPTER TWO: LITERATURE REVIEW .......................................................................... 8
  2.1 Introduction ............................................................................................................ 8
  2.2 Strategic Management .......................................................................................... 8
  2.3 Tools for Strategy Implementation ......................................................................... 10
  2.4 Factors that Influence Strategy Implementation .................................................... 11
  2.5 Challenges of Strategy Implementation .................................................................. 14
  2.6 Addressing Challenges to Strategy Implementation ............................................. 17

CHAPTER THREE: RESEARCH METHODOLOGY ............................................................ 19
  3.1 Introduction .......................................................................................................... 19
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction ................................................................. 21
4.2 Details of the Respondents .................................................... 21
4.3 Strategic Management Practice .................................................. 21
4.4 Evidence of Strategy Implementation ......................................... 22
4.5 Extent of Strategy Implementation of the Documented Strategies .......... 23
4.6 Strategy Implementation Challenges .......................................... 24
    4.6.1 Organizational Structure Challenges .................................. 24
    4.6.2 Corporate Culture Challenges ........................................ 25
    4.6.3 Leadership/ Management Commitment Challenges .................. 26
    4.6.4 Reward and Motivational Challenges ................................ 27
    4.6.5 Resource Allocation Challenges ....................................... 28
        4.6.5.1 Financial Resources ........................................ 28
        4.6.5.2 Technological Resources ...................................... 29
        4.6.5.3 Human Resource ................................................ 29
        4.6.5.4 Physical Resources ............................................. 30
    4.6.6 Communication Challenges ........................................ 30
    4.6.7 Resistance to Change Challenge ...................................... 31
    4.6.8 Employee Training .................................................. 32
    4.6.9 Skills of Management Staff .......................................... 32
    4.6.10 Environment Uncertainty ........................................... 33
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Organizations are created in order to serve the needs of society in which they operate. The existence of such organizations has created the need for management, that is, the process by which such organizations are run to achieve their goals (Mobiso, 1997). To deliver their value propositions, firms need to perfect the management processes to make them proactive and responsive to the dynamic nature of the environments (Johnson Scholes and Whittington, 2007). This management process entails environmental scanning (both internal and external), strategy formulation, strategy implementation, evaluation and control.

1.1.1 Strategy Implementation

Strategic management has grown in importance over the last 30 years; largely on account of the increasing complexity of modern organization. The process of strategic management does not end when organization makes decision as to what strategy to pursue. It calls for consideration of several steps from formulating vision and objectives to their implementations. The major phase of strategic management process is translating strategic thoughts into organizational action. Once the strategies have been formulated, they need to be implemented. Without successful implementation, the company will not obtain the intended results.

Thompson and Strickland (1998) argue that strategy implementation is all about acting on what has to be done internally to put formulated strategies in place thus ensuring
that targeted results are achieved within the targeted framework of time. The results may be the expected levels of financial performance of an organization or the efficiency in service delivery, especially for non-profit making organizations and strategy implementation can also be understood depending on the perspective one takes on strategy. Strategy implementation therefore is the process where managers translate the strategies into action, for without implementation strategies are of no value.

Implementation of strategy remains the greatest challenge as many organizations are not able to address their goals adequately. Strategies and policies are translated by management into actions through budgets and procedures. To achieve success, a strategy has to be translated to carefully implementable actions. This means that strategy must be translated into guidelines for daily activities of firm’s members. The strategy and firm must become one, that is, the strategy must be reflected in the way the firm organizes its activities and in the firm values, beliefs and tone (Pearce and Robinson, 1991).

This has meant that organization’s managers are required to think strategically as never before, they need to translate these insights into effective strategies to cope with their ever changing environment and to develop rationales necessary to lay the groundwork for adopting and implementing strategies (Kibe, 2008).

1.1.2 Challenges of Strategy Implementation

Successful strategy formulation does not guarantee successful strategy implementations. Implementation challenges can arise because of shift in
responsibilities, especially if strategy formulation decisions come as a surprise to middle and lower managers. Al-Ghamdi (1998) identified barriers to strategy implementations which include; competing activities that distract attentions from implementing the decisions; changes in the responsibilities of key employees not clearly defined; key formulators of strategic decisions not playing an active role; problems requiring top management not communicated early enough; key implementation tasks and activities not sufficiently defined; information system used to monitor implantations are inadequate; overall goals not sufficiently understood by employees; and controllable factors in the external environment; among many others.

1.1.3 The National Cereal and Produce Board

National Cereals & Produce Board is a state corporation created by the NCPB Act, Cap.338, its vision is to be the leading agricultural commodity management and trading organization in East and Central Africa. Their mission is to promote free and fair trade in commodities through research and market development, and ensure that there is timely accessibility of commodities to all. Currently, NCPB is vested with the responsibility of being a Government of Kenya (GoK) tool for grain price stabilization; logistics support services provider for Strategic Grain Reserves (SGiR) and Famine Relief Stocks (FRS); and a commercial grain trading organization.

The origin of NCPB goes back to 1939, when the colonial Government formed the Maize & Produce Control Board to regulate the operations of the regional Marketing Boards. In 1967, the newly formed Kenyan Government consolidated the handling and marketing of maize and all produce, except wheat, by merging the Maize & Produce Marketing Board with all other regional marketing Boards to form the Maize & Produce Board. In 1979, the GoK established the National Cereals & Produce Board.
The NCPB Act, Cap.338, was subsequently enacted in 1985 making the NCPB a corporate body. Under the Act the Board was given monopoly powers to purchase, store, market and generally manage cereal grains and other produce in Kenya. In 1988, the government commenced the Grains Sector reform program in which the monopoly powers of NCPB were reduced culminating in full liberalization in 1993, exposing NCPB to stiff competition. This policy has since forced the once monopoly and regulator to re-examine its purpose and role in a liberalized environment. NCPB’s Commercialization Project was undertaken between 1996 and 1997. The key objective of this program was to transform NCPB into a commercially viable entity, free to make independent commercial decisions whilst removing dependency on the Exchequer. In 2002 the NCPB diversified into the marketing of various agricultural inputs such as fertilizers.

1.2 Research Problem

The implementation process is one of the most important aspects of strategic management because without implementation, a strategy has no concrete existence, but is merely an abstraction. Ngarachu, (2008) asserts that African countries are known for formulation of plans, but they lack in achieving timely action or they procrastinate in executing these plans. He argued that this matter appears to be both a matter of leadership and strategic management. Mitzenberg & Quins (1991) stated that 90% of well formulated strategies fail at implementation stage. The complexity of implementation is aggravated by elements such as political issues.
organizational culture, structure of the organization, systems that are in place and practices of managers (Heracleous, 2000).

After liberalization in 1993 NCPB, for the first time was faced with competition in the market that it previously dominated for decades. Market forces were left to determine prices, while marketing was opened to all players. The rationale for liberalization of the grain sector was to reduce the burden and reliance of the exchequer, reduce government control including price controls, improve efficiency of the corporation as such institution was expected to emulate private sector management principles and increase private sector participation in grain business. With such imminent competition, one would expect that the NCPB would develop a master plan to guide the company on the way forward. However, it was not until 2009 that the NCPB documented its strategies. It is therefore, expected that the company must now show some market improvement if the documented strategies are being implemented as planned. On the contrary the public are complaining about its poor service.

A number of studies have been carried out on strategy implementation in State Corporation. These include Hezron, (2010); Koske, (2003); Peter, (2006); Boke, (2009); Apudo, (2011) and Tonui, (2009), among others. However, all these are case studies of State Corporation with commercial, financial or educational orientation. Although, NCPB is a state corporation with commercial roles which constitute commercial grain trading, this corporation is distinct as it falls under Agricultural sector. Further, the corporation has other important social roles which includes; acting as a storage grain reserve on behalf of the government to be used for food security as well as facilitating the procurement, storage, maintenance and distribution of famine relief food to deficit areas, under the national famine relief program.
This additional important social roles and the fact that it falls under the Agricultural sector, makes NCPB unique from other state corporation. Strategy implementation processes and implementation challenges that would apply to purely commercial, educational or other State Corporation may not necessarily apply to NCPB. There is relatively little empirical research on strategy implementation in State Corporation in the Agricultural sector and more so those with both commercial and social roles, hence significant gap exist in our knowledge, which study aim at bridging. This study therefore sought to answer the following question. To what extent has the NCPB implemented the strategies formulated and how does it overcome the challenges encountered in the implementation process?

1.3 Objective of Study

The objectives of the research were as follows.

i. To find out the extent to which NCPB has implemented the strategies formulated.

ii. To determine the challenges of strategy implementation at the NCPB

iii. To determine how the organization addresses the challenges.

1.4 Value of the Study

The finding of this study can be compared with strategic management in other sectors to draw conclusion on how the various factors influence strategy implementation within different context. It will also benefit management consultants who endeavor to provide assistance to successful running of organizations in implementation of strategies.
Further, management teams at the NCPB and other organizations will draw lessons on the challenges of strategy implementation and learn how to overcome the challenges so as to achieve success.

Policy makers of State Corporation will obtain documented information on the challenges facing the organization in its endeavor to come up with strategies and their implementation.

The academic fraternity and researchers in this major economic sector will find new body of knowledge for possible application in their respective field. In addition, the study may stimulate interest that will lead to further research in related aspect in the field of strategic management.

The recommendations of this study will form part of action plan that will help in enhancing good service delivery by the state corporation. This is because management and the government will be able to make informed decision on issues of implementations of strategies. The government will be able to appreciate challenges resulting from its involvement and interference in the operations of the state corporations.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section reviews literature on strategy implementation, its challenges and how organizations address the challenges. The review has been done from a general perspective due to scarcity of literature that focuses specifically on strategic activities among the state corporation in the agricultural sector, performing both commercial and social roles.

2.2 Strategic Management

Strategy is an important element of management process (Aosa, 1992). Johnson and Scoles (2002) define strategy as a direction and scope of organization over the long-term, which achieves advantage for the organization, through its configuration of resources within a changing environment to meet and fulfill expectations. The strategic decisions in an organization are a blend of deliberate and purposeful actions aimed at marching the activities of the organization in which it operates. Strategy making therefore bring into play the critical managerial issues of how to achieve the intended results in light of the organization's prospect.

The complexity of strategic decisions requires strategic management. Strategic management has been defined as a set of decisions that results in formulation and implementations designed to achieve organizations objectives (Pearce and Robinson 1997). Camillus (1997) believes that strategic management represents an organization's ability to analyze strengths, weaknesses, opportunities and threats facing the organization; develop the scope, resources, competitive advantage and
synergy; and create organizational flexibility in order to respond to changes in the environment.

There are three ongoing processes that are central to the strategic management process, strategy analysis, strategy formulation and strategy implementation. These three processes are highly interdependent, that even though one of the processes was successful, it does not guarantee success to the organization as a whole (Dess & Lumpkin, 2003).

According to Aosa (1992), once strategies have been developed, they need to be implemented; they are of no value unless they are effectively translated into action. This is necessary if such organizations are to remain competitive and relevant to current market trends. The process might involve changes within the overall cultures, structures and or the management system of the organization (Pearce and Robinson, 1988). The strategy and firm must become one, that is, the strategy must be reflected in the way the firm organizes its activities and in the firm values, beliefs and tone (Pearce and Robinson, 1991). Strategy implementation might seem straightforward; a strategy is formulated and then implemented. On the contrary, transforming strategies into actions is more complex, difficult and challenging undertaking and therefore not as straightforward as one would assume (Aaltonen and Ikavalikos, 2001).

A manager who aspires to manage, or influence, strategy needs to develop a capability to take an overview of the whole rather than just the parts of the situation facing an organization (Johnson & Schules, 2002). Communication is key to successful strategic management. When managers and employees understand what the organization is
doing and why, they often feel that they are a part of the firm and become committed to assisting it. Nowadays it is not the formulation of strategies but the implementation of strategies that forms the biggest challenge (Dobni, 2003).

2.3 Tools for Strategy Implementation

The strategic management process does not end when the firm decides what strategy or strategies to pursue. There must be a translation of strategic thought into strategic action. Tools for successful implementation include annual objectives, policies and functional strategies. Annual objectives are short-term milestones that organizations must achieve to reach long-term objectives. They work as guidelines for action, directing and channeling efforts and activities of organization's members (Mobisa, 1997). The importance of annual objectives is postulated by the fact that they represent the basis for allocation of resources, act as primary mechanisms for evaluating managers, establish organizational, divisional and departmental priorities, and are a major instrument for monitoring progress towards achieving long term objectives. Annual objectives aid strategy implementation.

Policies refer to specific guidelines, methods, procedures, rules, forms and administrative practices established to support and encourage work towards stated goals. According to Pearce and Robinson (1997) policies are broad, precedent-setting decisions that guide or substitute for repetitive managerial decision making and therefore are directives designed to guide the thinking, decisions and action of managers and their subordinates in implementing the organization's strategy. This in turn increases the chance that the strategy will be implemented successfully.
The other tool for successful strategy implementation is functional strategies. Functional strategies are short term activities that each functional area within the organization must undertake in order to implement the grand strategy (Pearce and Robinson, 1997). These strategies are designed and managed in a coordinated way so that they interrelate with each other and at the same time collectively allow the competitive strategy to be implemented properly.

2.4 Factors that Influence Strategy Implementation

Probably the most crucial point of a successful strategy implementation is the strategy itself that is intended to be implemented. It is stated that without a properly developed strategy even the best implementation will not deliver the desired results (Dannenmaier & Dannenmaier, 2008). A properly defined strategy is based on a thorough analysis of the competitive environment which is combined with the analysis of internal capabilities and mainly encompasses the development of core competencies as differentiators that lead to competitive advantages in the market.

Planning & Execution is crucial part of strategy implementation. This is a comprehensive implementation plan, with clearly defined actions, responsibilities and timeframes, which makes it possible to track implementation progress (Alexander, 1985). The plan should also identify likely implementation problems including possible contingency responses. There is need to set clear priorities in the implementation plan. This means that a few key steps and decisions have to be set and executed at the right time in the right way to meet planned implementation performance. Planning alone is nothing without execution.
Further, Freedman (2003) recommends adapting the organizational design to the needs of the strategy, meaning that structure has to follow the new strategy. The organization has to make sure that all necessary organizational functions are being created in order to be able to fulfill the operational needs of the new strategy. Sterling (2003) opts for a basic assessment of organizational capabilities and for an immediate alignment of detected capability gaps according to the new strategic requirements.

Mankins & Steele (2005) suggest that resources deployment has to be discussed as early as possible in the whole implementation planning process, and these resources—financial, personal and time—have to be included in the company’s budget from the beginning (Allio, 2005). Resource allocation contains two aspects: the first one is the level of necessary resources, the second one is the timing of the allocation (Mankins & Steele, 2005).

Mankins & Steele (2005) state that no strategy implementation can be better than the people who have to make it work. Apart from the creation of the necessary structures and processes, it is crucial to have capable employees. An organization must either develop its employees by giving them the necessary capabilities to successfully implement the new strategies or to hire the right personnel. An organization must have capable employees for effective strategy implementation.

Another factor for successful strategy implementation is to continuously monitor implementation performance. Sterling (2003) states that effective implementation requires continual monitoring of progress in implementing the plan and of the financial returns generated by the strategy. That is why it is necessary to develop a
control system that is able to provide the necessary information (Raps, 2004). The first step to understanding and acceptance of a newly designed strategy is effective communication to all people involved in the implementation, which basically comprises all managers and employees of an organization (Al-Ghamdi, 1998). Freedman (2003) highlights the necessity to properly communicate to the stakeholders of the strategy implementation first, meaning those people who have a genuine interest in the new strategy or who are mostly affected by the new strategy.

Understanding strategy is also an important success factor. According to Mankins & Steele (2005) strategy is in most companies a highly abstract concept, which is something that cannot be easily communicated and translated into action. Mankins & Steele further argued that the more abstract the strategy is formulated the more difficult it gets for lower levels within the organization to put in place executable plans. They therefore point out the importance of a strategy that is being kept as simple and concrete as possible.

For successful strategy implementation a company needs leadership & support. There is need to fill key managerial slots with smart people who are clear thinkers, good at figuring out what needs to be done and skilled in making it happen and delivering good results (Thompson et al., 2007). Leading the strategy execution process is considered a top-down responsibility which encompasses among others staying on top of what is happening, as well as pushing corrective actions to improve strategy execution.
Further, company's culture should encourage strategic thinking and dialogue, which helps to develop a strategically more aware workforce which is also more open to necessary strategic changes. It is the task of top management to foster a corporate culture that paves the way for the effective implementation of new strategies (Thompson et al., 2007).

2.5 Challenges of Strategy Implementation

Strategy implementation can pose a number of challenges. The challenges arise from sources that are internal and external to the organization. The particular challenges that will face strategy implementation will depend on the type of strategy, type of organization and prevailing circumstances.

The greatest problem experienced in strategy implementation in many cases is lack of sufficient communication. The organization's ability to communicate is also a powerful tool to increasing levels of commitment to organization wide strategies by all staff at all levels (Floyd & Wooldridge, 1992). Strategies have to be demonstrated to the people through regular and effective communication channels. It is true that if a person does not understand what has to be done, then one cannot own the process and will thus not be able to deliver since no one can apply what they do not properly understand (Sterling, 2003).

Lack of understanding of strategy and poor operational planning are obstacles of strategy implementation. Aultonen and Ikavalko (2001) assert that lack of understanding of strategy is one of the obstacles of strategy implementations. The problem in understanding arrives when it comes to applying strategic issues in the day to day
decisions making. Operational planning refers to the planning of a set of actions necessary to realize a strategy. If the operational planning contradicts with the overall goals of implementation, this can be an obstacle to implementation.

Organization culture is yet another challenge to strategy implementation; the implementation of strategy often encounters deep rooted cultural biases. It causes challenges to implementation of strategies especially in organizations with defender cultures. This is because they see change as threatening and tend to favor "continuity" and "sacred" (Wang, 2000). Organizations that are able to understand their culture and align it to strategy usually perform more successfully than those whose strategy and culture is not aligned (Recardo & Jolly, 1997).

Resource insufficiency is a serious strategy implementation challenge. The availability of resources, in terms of staff, skills, knowledge, finance, and time, is thought to be a crucial part of strategy implementation. Allocating resources to particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors prohibit effective resource allocation. This includes overprotection of resources, too much emphasis on short-run criteria, organizational policies, vague strategy targets, reluctance to take risk, and lack of sufficient knowledge (Mobisa, 1997).

The importance of the environment to an organization is clearly illustrated in Heracleous' (2000) work, where environment is illustrated in his learning models as a key element which affects actions organizations take. For both the development, and implementation of strategies. Hence, if there are significant
changes in the environment, an organization needs to react to these changes or may find that the strategies that they want to implement may not longer be viable for the organization. This in itself makes environment uncertainty a possible barrier to strategy implementation.

Aosa (1992) identified barriers to strategy implementations which include: implementation taking more time than was originally allocated; uncontrollable factors in external environment having adverse impact on implementation; major obstacles surfacing during implementations that had not been identified before hand; competing activities and crisis destructing attention from implementing strategic decision; key implementation task not being defined in enough details; inadequate resources, inadequate training, lack of management skills and ineffective coordination of implementation activities. These problems originate from both external and internal sources.

In a study of strategy-structure fit by Chandler (1962) he believed that organizational performance is based on ensuring a fit between strategy and structure. Organization's structure can potentially affect the success of the implementation process especially where different levels of the organization have different perspectives of the strategy. Structure forms the foundation of a company since it is the way of how company activities are organized (Pearce and Robinson, 2004). These studies support the importance of organizational structure to the implementation process.
Strategy implementation is connected with organizational change. All organizations resist change and try to maintain the status quo. Resistance to change introduces delays, and instabilities into the process of introducing change. People working in an organization sometimes resist change proposals and make strategy difficult to implement (Nel et al., 2004) postulates that an organization needs to observe the requirements of a legally integrated human resource management system in order to successfully implement its strategy.

In addition, organizational leadership plays a role when implementing a strategy (Pearce and Robinson, 2005). This means that an organization needs managers who give direction to the implemented strategy and who provide staff with the necessary skills to comply with the outlined strategy. It should be noted that lack of commitment to strategic management practices, by top management of the organizations results in poor implementation.

2.6 Addressing Challenges to Strategy Implementation

When strategy have been developed they need to be implemented impartially, unless they are successfully implemented the organization will not obtain desired results. Hence the desire to have methods in place of overcoming challenges to strategy implementation. Alexander (1985) states that successful implementation in part involve preventing implementation problems from occurring in the first place. If such problems do occur during implementation, then quick actions should be taken to solve them. The faster corrective action is initiated during implementation, the more likely it is that problems will be resolved before they adversely impact on the company.
Successful strategies implementation depends on various factors. Aosa (1992) observes that strategy observation is likely to be successfully when concurrence is achieved between several elements of particular importance includes: organizational structures, cultures, resource allocations, system and leadership. Achieving concurrence among those elements is a useful way of addressing strategy implementation challenge. Further, Leadership of the organization should be at forefront in providing vision, initiative and inspiration. The management should promote team spirit and act as catalyst in the whole strategy implementation process.

Organizational structure and culture influences the type of strategy used by an organization. Organization structure means the formal structure by which job tasks are divided and coordinated. Structure of an organization help people to pull together in the activities that promote effective strategy implementation.

Organizational culture refers to the set of important assumptions that member of organization shares in common (Pearce and Robinson, 1991). Aosa (1992) stated that it is important that culture of an organization be compatible with strategy being implemented because where there is incompatibility between strategy and culture, it can lead to high organizational resistance to change and de-motivation which in turn can frustrate the strategy implementation effort.

Further, leadership is required for effective implementation of strategy as this will ensure that organizational effort is united and directed toward achievements of its goals (Pearce and Robinson, 1988).
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
This section of the paper discusses the methodology that was used in the study. The sources of information, the types of data collected the method of data collection used and the approach of data analysis that was adopted.

3.2 Research Design
This study employed a case design. Case study is commonly used in policy research. A policy research is the process of conducting research on or analysis of a fundamental special problem in order to provide policy makers with action oriented recommendations for alleviating the problem Majcharzak (1987). A case study includes a careful and complete observation of a social unit, a person, institution, family, cultural groups, or entire community and emphasizes depth rather than the breadth of a study (Kothari, 1990). It is a very powerful form of qualitative analysis that drills down rather than wide (Kothari, 1990). This design was employed because the objectives of the study required an in depth understanding of implementation process and its challenges at NCPB.

3.3 Data Collection
The study utilized both secondary and primary data. Secondary data was drawn from the NCPB strategic plan, internal circulars, journals, newsletters, NCPB websites and articles written about NCPB. Primary data was obtained through personal interviews. An interview guide was administered in person. Interview guide was used because it
was easier to analyze since it was in an immediate usable form and allowed the researcher to corroborate the information with collected data from secondary sources. According to Cooper and Schindler (2001), this kind of data collection was appropriate as it ensured that all data used were comprehensive.

The respondents were all the fourteen heads of departments at the NCPB. The NCPB departments are: Administration, Finance, Operations, Human Resource, Technical, Quality and Pest control, Information and communication technology, Sales and Marketing, Research and Business Development, Procurement, Legal, Services Marketing and Internal Audit.

3.4 Data Analysis and Presentation

Data collected was analyzed using content analysis. Hosti (1969) define content analysis as any technique for making inferences by objectively and systematically identifying specified characteristics and messages. Content analysis is a research tool used to determine the presence of certain words or concepts within texts or sets of texts. The presence, meaning and relationships of such words and concepts were analyzed. Inferences were drawn about the messages within text to help expose strategy implementation and its challenges at the NCPB.
CHAPTER FOUR
DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

The chapter presents the analysis, findings and conclusions of the study. The results are presented to highlight the convergence of ideas from the respondents. Incorporated in the research are findings from secondary sources. Research findings included supplementary data provided by the respondents.

4.2 Details of the Respondents

The study established that most of the top management have been in the organization's leadership for more than five years. This means that most of them were in office during the formulation of the strategic plan (2009-2013).

4.3 Strategic Management Practice

The study indicated that the National Cereal and Produce Board practices strategic management. It has a strategic plan that covers five year (2009-2013). The organization has a mission and vision statement. The respondents are aware of the existence of the strategic plan, though they could not easily remember its contents. The fact that managers cannot easily remember the contents of the strategic plan implies that the organization does not frequently refer to its strategic plan when planning to execute its activities.
4.4 Evidence of Strategy Implementation.

On the issue as to whether the organization has annual objectives. It was established that the Corporation has annual objectives and majority of the respondents are aware of their existence. Some of the respondents however, pointed out that, they were not sure of the existence of the annual objectives, on further probe, they indicated that even when such objectives existed, they were more ambiguous and less distinguishable and fluctuate in their order of priority depending on the government’s ever changing political agenda. It was further revealed that whereas, top management were responsible for setting these annual objectives, government policies and directives denied them the freedom to optimize performance and execute developed objectives. This indicates that management lack free hand in developing and executing the intended objectives.

The respondents were asked to indicate whether their departments had functional strategies. It was established that departments in this organization had functional strategies that guide it in its activities. However, the respondents were divided on the source of these strategies, with half of the respondents indicating that these strategies came from the master plan while the other half stated that the strategies originated from the top management. Further inquiry however, revealed that the heads of departments developed the functional strategies in line with the strategic plan.

The study also sought to find out whether the Corporation changed its policies when they launched the strategic plan (2009-2013). The data collected show that in 2009 most of the departments changed their policies. However, these changes did not enhance strategy implementation, as it was established that the present policies do not
adequately support organization's strategy implementation. The organization therefore, lacks specific and relevant guidelines, methods, procedures, rules and other administrative practices needed to support and encourage work towards stated goals.

4.5 Extent of Strategy Implementation of the Documented Strategies

The study sought to find out the extent of strategy implementation. The results indicated that there is poor implementation of the documented strategies. Although the current strategic plan provides the list of strategic objectives, their respective measures and targets, and the strategic projects or initiatives that were to be undertaken to achieve the objectives, results show that only three out of ten projects that were identified as a priority due to their impact in achieving NCPB's strategic objectives have been put in place.

Poor implementation is attributed to a number of factors which include, failure to develop and implement relevant policies, procedures, rules and systems for cultivating desired culture to effectively respond to the liberalized environment, unsupportive organizational structure, failure by the top management to be in the forefront in providing leadership, inadequate training of staff, government interference, scarcity of resources and systems of communication not effectively being developed to support implementation.

The implication is that the organization lacks leadership. Managers are not good at figuring out what needs to be done nor are they capable of developing and pushing corrective actions to improve strategy execution. The findings further reveals that the organization lack autonomy due to government interference and involvement, and
unless the corporation is released from these restrictions and given a free hand to source for resources, implement supportive policies, procedure, support systems and design its own reward and motivational structure which is not melted around the broader policies of the government, it may never experience prosperity through strategic planning. It is further evident that not all employees were involved in the formulation of strategies.

4.6 Strategy Implementation Challenges.

4.6.1 Organizational Structure Challenges

The study sought to find out whether organizational structure was considered an important factor to strategy implementation. The strategic plan acknowledges that implementation of these strategies will require fundamental changes to the structure of National Cereal and Produce Board. According to the senior managers, structure failed to facilitate clear delineation of responsibilities without overlaps/duplication or gaps.

Poor implementation of strategy was attributed to the current organizational structure’s failure to match the strategic plan in place. It therefore transpired that management considered the large vertical structure currently in place to be a major challenge to the implementation of the strategic plan. This finding is in line with the literature review which indicated that organizational performance is based on ensuring a fit between strategy and structure. However, it was reported that despite earlier proposals for restructuring having been made, no steps have been taken to actualize the proposed structure. The current structure therefore, inhibits effective coordination and operation of activities.
4.6.2 Corporate Culture Challenges

The study wanted to establish whether the organization considers corporate culture an important factor to strategy implementation. The findings were that organizational culture is important in strategy implementation. The strategic plan suggests changing the culture of National Cereal and Produce Board to a commercial culture that is customer-centric. NCPB has about 50 years of history as a "buyer of last resort." The current culture therefore is not focused towards adding value to its customers. It is inward looking. Despite various efforts between 1993 and 2008 to change NCPB's organizational culture, change in employee attitude and behavior, if any, has been insignificant.

On whether organizational culture is a challenge to strategy implementation. The findings of this study revealed that there is lack of strategic fit between strategy and culture. The culture at the National Cereal and Produce Board was described by some managers as outdated and not compatible to the changing industry and operating environment. It is a major challenge to promoting a market driven approach of accountability and transparency. The inculcation of new culture envisaged in the strategic plan (2009-2013) has not been easy, given the public sector traditional culture of a "don't-care" attitude that seems deeply entrenched.

The respondents confirmed that attitude is still a challenge as employees fail to appreciate and recognize their responsibility, accountability and role as process drivers. The culture was compounded by lack of adherence to performance appraisal systems and lack of rationalization of salaries and allowances that demoralized the staff further. The findings are in line with the literature review which indicated that
organizations that are able to understand their culture and align it to strategy usually perform more successful than those whose strategy and cultures are not aligned. NCPB culture therefore is not aligned to strategy.

4.6.3 Leadership/Management Commitment Challenges.

On leadership and management commitment, the focus was on top management who are engaged on day to day running of the organization and worked closely with the staff. The respondents indicated strongly that leadership and management commitment was paramount if the organization was to achieve successful strategy implementation. On whether top management commitment was a challenge to strategy implementation, the respondents were of the opinion that indeed management was a big challenge to the process. They supported this argument by pointing out the various kinds of challenges faced by the organization that resulted from top management. Rigidity and failure to embrace new ideas and innovational technology in business was noted as a challenge.

In addition some managers have been known to lack expected competence to ensure actualization of the strategies and also in communicating. The respondents indicated that most of the work done has no relation with what is in the strategic plan. Some managers are inward looking and sensitive to issues of seniority. It was however, found that management had no free hand to execute their objectives as they were expected to obey government directives and orders which in most cases contradicted the intended objectives.
Although top management acknowledges lack of leadership and commitment, they are not ready to own up as a team, and majority prefer to absolve themselves or pass the blame to others. This implies lack of team work on the part of top management. For successful strategy implementation, management has to work together in pushing corrective actions. The finding further, reveals power struggle between units and existence of government interference. Management is not in the forefront in providing leadership and commitment to comply with the outlined strategy.

4.6.4 Reward and Motivational Challenges

It was also important to establish whether the organization considered reward policy important to implementation of the strategies documented. All respondents indicated that reward policy is an important aspect of strategy implementation. However on whether reward and motivation was a challenge to the implementation of strategies documented, the respondents indicated that it remained a major issue to the organization. They pointed out that the organization's desire to improve remuneration was inhibited by both regulation and lack of resources. The respondents indicated that reward or motivations policies of National Cereal Produce Board were molten around the broader policies of the government.

According to the State Corporation Act, while the board of the State Corporation would determine the terms and conditions of employment, implementation of such terms and conditions of employment would be effected after approval by Government and is still subject to availability of funds. Such restriction has put the Corporations in a very awkward position in that they can hardly attract and retain highly qualified staff.
Although reward systems at the N.C.P.B. is tied to the ability to implement strategies, work plans and performance contract based on the targets, the respondents indicated that fast tracking good performance to higher job groups is not being implemented since the pay structure follows the government structure. The respondents further indicated that the staff were not well motivated to support strategic initiative because NCPB has an ineffective performance management system which has contributed to demoralization of staff. Review of literature postulates that an organization needs to observe the requirements of a legally integrated human resource management system in order to successfully implement its strategy. Reward or motivation is important to strategy implementation and the failure by the NCPB to put in place effective human resource management system will lead to failure in implementation of strategy.

4.6.5 Resource Allocation Challenges

On the question as to whether resource allocation was considered important to strategy implementation, the respondents strongly indicated that resource allocation was important to the implementation of documented strategies. They pointed out that these resources were financial resource, human resource, technological resource and physical resource.

4.6.5.1 Financial Resources

The study established that financial constraints reign high in hampering strategy implementation. The respondents observed that the NCPB had for many years experienced insufficiency of financial resources and this had posed a major challenge to the implementation of its strategic plan. NCPB is a state owned institution mandated to purchase and store grain on behalf of government to be used for food
security, it has further a role of distributing famine relief food to deficit areas and also act as a commercial grain trading organization. Lacks of finance has adversely affected the operation of these important roles.

The visible problems were the organization's inability to satisfy its targeted desire to purchase enough grains both for its social requirements and commercial purposes. This is notwithstanding that the 2009-2013 strategic plan have objectives relating to customer satisfaction and expansion of the organizations operations.

4.6.5.2 Technological Resources

The respondents observed that as far as technology is concerned the organization is struggling and can barely meet its desired position of ensuring a computer for every key officer. The respondents recognized that technological resources were important for strategy implementation as it would ensure the efficiency and effectiveness and aid in achieving the objective stipulated in the strategic plan. The inefficiency of technology, more so, information technology is a major obstacle to strategy implementation.

4.6.5.3 Human Resource

The respondents indicated that the National Cereal and Produce Board consider human resource critical to strategy implementation. However, it was indicated that there is still need to attract more skilled workers. It was also established that there is need to motivate staff and recognize their contribution so as to retain the existing workers, further still it was indicated that there is need to provide adequate training to staff in their roles in strategy implementation to enhance their competence in handling
demanding tasks. The respondents noted that when the organization is setting budgets it ought to incorporate adequate human resource to ensure realization of the set goals.

4.6.5.4 Physical Resources

The study further established that physical resources of NCPB posed challenge to strategy implementation. The crucial physical resource identified by all the respondents was the unavailability of space for storing grains. The respondents were in agreement that more space should be created for storage of grain in line with the new program of providing both the farmers and government modern warehouse storage facilities. The respondents further indicated the need to purchase trucks that will aid movement of relief food from their storage facilities to deficit areas. It was also indicated that old machines ought to be replaced.

However, the financial constraint suffered by the organization could not enable such an undertaking. The finding is clearly in line with the literature review which shows that resources deployment has to be discussed as early as possible in the whole implementation planning process, and these resources, financial, personal and time have to be included in the company's budget from the beginning. Resource insufficiency is a serious strategy implementation challenge.

4.6.6 Communication Challenges

The study sought to establish whether systems of communication have been developed to enhance access to information and support strategy implementation. According to the study findings, the respondents were in agreement that the organization is faced with the challenge of lack of a two-way communication program.
that permits and solicit questions from employees about issues regarding the formulated strategy.

They pointed out that communicating with employees is frequently delayed until changes have already crystallized and that communication of the responsibilities and accountability had not been quite sufficient. The respondents indicated that while the top level Managers got fully involved in the strategy formulation of operational plans, the lower level employees and some of middle level managers who are involved in actual implementation of the strategy were merely assigned responsibilities, derived from the strategic plan by their immediate supervisors.

This has not been supporting strategy implementation. The organization's ability to communicate is also a powerful tool to increasing levels of commitment to organization wide strategies by all staff at all levels. It is true that if a person does not understand what has to be done, then one cannot own the process and will thus not be able to deliver since no one can apply what they do not properly understand.

4.6.7 Resistance to Change Challenge

The research sought to establish whether resistance to change was a problem to strategy implementation at the National Cereal and Produce Board. Results indicated that resistance to change reigned high. Resistance experienced was attributed to failure by management to accommodate stakeholders views both at formulations stage and in the change process, ineffective communication, employees apprehension, lack of opportunity for employees to internalize the strategic plan and failure to build a case for the strategic plan. These were cited to have bred discontent and
resistance among the employees and other stakeholders. Literature review postulates that resistance to change introduces delays and instabilities into the process of introducing change. People working in an organization sometimes resist change proposals and make strategy difficult to implement and this appears to be the case at the NCPB.

4.6.8 Employee Training

The study established that employee training to enhance ability for successful strategy implementation in the organization was carried out. It was indicated that the initial training targeted top management. The respondents however pointed out that training is currently on going to enable mid level and other employees to be in a better position to implement the strategies. This late attempt to improve human resource development may not be necessarily significant to strategy implementation as training for all employees should have come immediately after the launch of the strategic plan. This delay in training is as a result of poor leadership and inadequate financial resources to support the process.

4.6.9 Skills of Management Staff

It was also important to establish whether management staff has the requisite skills for successful implementation. It was found out that the company’s management has the requisite academic skills for successful strategy implementation. It was pointed out that identification and recruitment of required talent and training, has been achieved. The goal is for N.C.P.B to become the sought after employer who ensures that employees realize their full potential through learning. However, the fact that the management staff has the requisite skills does not imply that managers are really
committed or are in the forefront in providing direction on the formulated strategies. The study reveals management failure to provide staff with necessary skills, initiative, and inspiration to comply with the outlined strategy. Though management has the requisite skills, this has not been translated to reflect clear thinking, competence and good figuring out of issues.

4.6.10 Environment Uncertainty

The government policies, procedures, declarations and bureaucracy have influence on the day to day implementation of activities in the organization with attendant red tape. These include appointment of key members of the strategy implementation structure who include Chief Executive and Board of Directors. Some of the appointments are without strict adherence to corporate governance procedures, which include balance of skills, competence and stakeholder’s representation. Some policies and practices impede implementation for instance the procurement Act, hence hindering competition with those organizations operating under the private sector and which are not bound by such regulations and rules. This interference by government results to bureaucracy in decision making and political patronage. The introduction of price controls by parliament is likely to further affect the profitability of the organization hence hindering strategy implementation. Uncontrollable factors in external environment have adverse impact on implementation and are often blamed for the need for change in organizations.

4.7 Addressing Strategy Implementation Challenges by the N. C. P. B

Also important to the study was to establish how NCPB address the challenges encountered during implementation. The results revealed that communication system
that will solicit questions and input from employees is currently being entrenched. In order to improve and provide necessary communication, the NCPB has slowly begun budgeting for more information technology equipment. This, if achieved will improve effectiveness and efficiency in communication hence enabling implementation.

On financial constraints, it was indicated that the State Corporation on its own cannot undertake to come up with solutions to all resource constraints. However, to address such challenge they resort to requesting for more funds from the government, the Corporation commonly request the government to consider allocating them extra cash from the supplementary budget. The organization also borrows from financial institutions.

In order to address structural challenge faced by the corporation, N.C.P.B embarked on a restructuring program. A proposed organization structure was developed and currently is under consideration for implementation, the proposed organization structure provides for five departments unlike the current one which has fourteen departments; this will reduce the duplication of functions. If the proposed organizational structure is effectively put in place it will ensure proper strategy implementation. Literature review reveal that strategy is likely to be successful when concurrence is achieved between several elements of particular importance which includes; organizational structures culture, resource allocations, communication system and leadership. Achieving this concurrence is useful way of addressing implementation challenge.

It was further established that the organization has embarked on regular staff training on change management, time management, customer care and good corporate
governance to minimize cases of resistance to change. It is expected that training employees will play a key role in enhancing overall strategy implementation as these will increase their competence.

In addition, tickle down effect of leadership is currently being encouraged. The managing director has come up with leadership strategies for the state corporation. These changes include giving regional offices mandate to come up with regional strategies and programs that will enable the corporation achieve its strategic goals. This is aimed at encouraging speedy response to matters.
CHAPTER FIVE
SUMMARY, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter presents a summary of the data findings, discussions, conclusions, and recommendations of strategy implementation at National Cereals and Produce Board. The conclusion and recommendations were based on the objectives of the study.

5.2 Strategic Management Practice

The findings of the study reveal that the National Cereals and Produce Board have a strategic plan (2009-2013). It also has both vision and mission statement. However, the respondents though acknowledged the existence of the strategy, were unable to easily remember its contents, this imply that management does not refer to the document strategies. The study further established that the organization has both annual and functional objectives. The annual objectives were derived from top management, but government policies and directives interfered with execution of the objectives. This implies that government exercise control over top management.

The respondents however, were divided on the source of these functional strategies. Half of the respondents indicated that these strategies came from the master plan while the other half were of the opinion that the strategies originated from the top management. Further inquiry, however, revealed that the heads of departments developed the functional strategies in line with the strategic plan. It was further found that the organization changed its policies with the launch of the strategic plan, but,
even so, it was established that the present policies do not adequately support organization’s strategy implementation. This means that the policies, procedures and rules put in place were not in line with the new strategy.

5.3 Extent of Strategy Implementation

The study sought to find out the extent to which NCPB has implemented the strategies formulated. The findings show that, to date, the overall company performance in strategy implementation is poor. Only three out of ten projects that were identified as priority due to their impact in achieving NCPB’s strategic objectives had been put in place. The executions of functional strategies by individual departments are more or less at the same level as many of the projects that were identified as priority due to their impact in achieving strategic objectives had not been put in place. The results indicate that the organization is experiencing inadequate availability of financial resources, lack of good leadership, unsupportive culture, unsupportive organization structure as well as interference from Government and more others.

This shows that government interference and involvement remain a big challenge. Managers are not in the forefront in providing leadership and direction to strategy execution, and have been unable to work as a team leaving room for power struggle between units, leading to difficulty in pushing corrective actions. Organization structure should be compatible with the chosen strategy as it is through structure that firms are positioned so as to execute its strategy. NCPB should also lobby for autonomy from the government.
5.4 Strategy Implementation Challenges

The second objective was to establish strategy implementation challenges at the National Cereal and Produce Board. The organization is faced by implementation obstacles; it is not able to build an organizational capability supportive of the strategy. The N.C.P.B. like other State Corporations does not have absolute control over the impediments. They operate under restrictions that inhibit its ability to match its competencies and capabilities with the strategy.

Successful strategy implementation involves creating a sense of tight fit between strategy and the organizational skills and competences; between strategy and internal policies, between strategy and reward, procedure and support system and between strategy and corporate culture. The tighter the fits the more powerful the strategy execution becomes and the more likely targeted performance can be achieved. The National Cereal and Produce Boards inability to match its resources, rewarding system, policies, culture, structure and support systems among others, with its strategic plans posed a major obstacles to its strategy implementation process and indeed may lead to the failure of its strategies.

It is important to note however, that the N.C.P.B operates under restrictions like many other State Corporations that were expected to emulate the private sector, and operate competitively, notwithstanding that they did not operate as freely as private enterprises. The prevailing situations places the organization in a very difficult position since it cannot meet the government's expectation as indicated in the Policy Paper on Public Enterprise Reform and Privatization that called for State Corporations to operate commercially and reflect profit. State Corporations operate in a complex
environment, their objectives are more ambiguous and less distinguishable and fluctuate in their order of priority depending on the government's ever changing political agenda. The findings indicate that management lack freedom to optimise and execute developed strategies and thus the need to give the organization autonomy.

5.5 Addressing Strategy Implementation Challenges by the N. C. P. B

The third objective of the study was to establish how NCPB address the challenges it encounters while implementing strategies. It was established that the organization has embarked on developing a communication system that will encourage soliciting questions and input from employees, more information technology equipment is being sourced. On financial constraints, the organization commonly requests the government to consider allocating them more funds. In addition to their budgetary allocation, the corporations insist on extra allocation from the supplementary budget. The organization also borrows from financial institutions.

National Cereals and Produce Board is currently considering restructuring so as to align its structures to the strategy. Further, relevant policies, procedures and systems are currently being implemented for cultivating desired cultures to effectively respond to the liberalized environment. It should be noted however, that all this measures may not necessarily aid strategy implementation as they should have been put in place immediately the strategic plan (2009-2013) was launched. The delay in putting such corrective measures in place has adversely affected strategy implementation at NCPB.
5.6 Conclusions

Strategy implementation remains to be the most difficult part of strategic planning process and many strategies fail at implementations stage. For an organization to successfully implement its strategy and achieve its targeted performance, there must be tight fit between strategy and organizational skills and competences; between strategy and resource allocation, between strategy and internal policies, between strategy and environment, strategy and the reward systems, strategy and structure and between strategy and corporate culture.

The absence of any of these fits will lead to the failure of the strategy at implementation stage. It should be noted that all the strategy supportive aspects of an organization are critical and must all be aligned to the strategy so as to achieve successful strategy implementation. Further, the organization must put in place methods and mechanism of overcoming the challenges of strategy implementation. This however, should be done immediately after formulation as strategy implementation is about managing change and resistance to change, the faster corrective action are initiated during implementation, the more likely it is that problems will be resolved before they adversely impact on the company. The delay in putting such corrective measures in place has adversely affected strategy implementation at NCPH.

5.7 Limitation of Study

Scarcity of resources, mainly time and money, narrowed the sample size for this study. A larger sample would have given a more representative position of the organization. The study involved only the heads of departments. Similarly some of
the current mid level staff had joined the organization after the formulation of the current strategic plan and hence might not have had adequate knowledge of the strategy.

5.8 Recommendation for Policy and Practice

The National Cereal and Produce Board is a State Corporation and operate under restrictive conditions. It operates under the State Corporation Act cap 446 of laws of Kenya. It is obvious that unless the organization is released from these restrictions and given a free hand to source for resources, particularly financial and technological resources, formulate strategy supportive policies, procedure, support systems and design its own reward and motivational structure, it may never experience prosperity through strategic planning. The administrative and legal controls by the central government under the authorities of various government policies, circulars and statute need to be in cognizance of the commercial basis of the entity.

The National Cereal and Produce Board should lobby for autonomy from the government because its current status as a state corporation is responsible for it being exposed to restrictions that result to poor implementation of the strategies intended. It is worth noting that strategy is implemented in a changing environment. The government together with N.C.P.B must change their expectations of the Policy Paper on Public Enterprise Reform and Privatization.

The paper places profitability as the major goal of a State Corporation. Autonomy will increase efficiency, effectiveness, accountability and responsibility in state corporations. The poor performance of NCPB strategy implementation may be
attributed to lack of fit among aspects of the organization and its strategy. It should be ensured that there is congruence. These will ensure that the organization implements its programs as per its strategic plan, hence successful implementation.

The top management of NCPB should not be an impediment of strategy, and therefore, if it is recommended that they should be at the forefront in ensuring that there is teamwork and effective sharing of responsibilities. The organization should also strive to create a sense of tight fit between strategy and the organizational skills, and competences; between strategy and internal policies, between strategy and reward, procedure and support system and between strategy and corporate culture. The tighter the fits the more powerful the strategy execution becomes and the more likely targeted performance can be achieved.

5.9 Suggestions for Further Research

There is need to undertake further research in strategy implementation in Public Corporations. A cross-sectional study should be undertaken so that a comparison can be drawn between many Public Corporations. A study can also be carried out to establish the impact of government involvement and its regulations on management of these organizations in the area of strategy implementation.
REFERENCES


Emma A. N., Strategic Plan Implementation at the Kenya Agricultural Research Institute. Unpublished MBA Research Project, University of Nairobi.


Peter O. O., (2006), Strategy Development processes and Factors Influencing them at Kenya Pipeline. Unpublished MBA Research Project University of Nairobi


Sterling, J. (2003), Translating Strategy into Effective Implementation: Dispelling the Myths and highlighting what works. strategy and leadership. 31(3).

46


APPENDIX I: INTERVIEW GUIDE

PART A: DETAILS OF RESPONDENTS

1. Position held ...........................................................
2. Number of years in position ............................................
3. Department .............................................................

PART B: STRATEGIC MANAGEMENT PRACTICE

1. Does National Cereals and Produce Board have a strategic plan?
2. Does National Cereals and Produce Board have both vision and mission statements?

PART B1: EVIDENCE OF STRATEGY IMPLEMENTATION

1. Does National Cereal and Produce Board have annual objective? If yes, how are they set?
2. Does your department have functional strategies? If yes, where do you derive them?
3. Have there been any changes of policies in the company since 2009?
4. Do the current policies adequately support the company’s strategic plan?
5. To what extent has the National Cereals and Produce Board implemented its formulated strategies?
PART C: CHALLENGES OF STRATEGY IMPLEMENTATION:

INSTITUTIONAL AND OPERATIONAL CHALLENGES

1. Structure challenges

1.1 State whether the Nation Cereal and Produce Board considers structure an
important factor to strategy implementation.

1.2 Is the organizational structure a problem at National Cereals and Produce Board?
Why do you say so?

1.3 What aspects of organizational structure are problematic if any?

2. Cultural challenges

2.1 State whether National Cereals and Produce Board considers culture an important
factor to strategy implementation. Why do you say so?

2.2 Is the culture a problem at National Cereals Produce Board?

2.3 What aspects of culture are problematic, if any?

3 Leadership challenges

3.1 State whether National Cereals and Produce Board considers leadership and top
management commitment an important factor to strategy implementation.

3.2 Is leadership a problem at National Cereals Produce Board? Why?

3.3 What aspects of leadership are problematic, if any?

4 Reward and motivational challenges

4.1 State whether National Cereals and Produce Board considers reward and
motivation important to strategy implementation.

4.2 Is reward or motivation a problem at National Cereals Produce Board?

4.3 What aspects of the reward or motivation are problematic, if any?
5 Resource allocation

5.1 State whether National Cereals and Produce Board considers resource allocation an important factor to strategy implementation.

5.2 Is resource allocation a problem at National Cereals and Produce Board? Why do you say so?

5.3 What aspects of resource allocation are problematic, if any?

6. Communication in strategy implementation

6.1 State whether National Cereals and Produce Board considers communication of responsibilities and accountability important factor to strategy implementation.

6.2 State whether systems of communication have been developed to enhance access to information.

6.3 What aspects of the communication are problematic, if any?

7. Resistance to change/organizational change

7.1 Is resistance to change a problem at National Cereals and Produce Board? Explain.

8. Employees training

8.1 Is employee training a challenge to strategy implementation at National Cereals Produce Board? Explain.

9. Skills of management staff

9.1 Do management staff have the requisite skills for successful implementation? Explain.

10. Environment uncertainty

10.1 Are uncontrollable factors in the extent environment a problem at National Cereals and Produce Board?
10.2 Is government interference a challenge to the implementation of strategies at the National Cereals and Produce Board? Why do you say so?

PART D: ADDRESSING CHALLENGES TO STRATEGY IMPLEMENTATION

1. How does the National Cereals and Produce Board address strategy implementation challenges?

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

Thank you very much for your time.