STRATEGY IMPLEMENTATION AT NATIONAL BANK OF KENYA

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DECLARATION

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

Signature…………………………… Date……………………………..

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

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DEDICATION

I dedicate this project to my wife Abigail Mwikali, for your words of advice, support and prayers.

I also dedicate the project to my mother Salome Wambui for being an inspiration and pillar in my life.
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ABSTRACT

With the changing business environment, globalization, competition, influence of technology and consumer changing needs and wants, commercial banks have to implement strategies formulated to remain competitive. The drive behind this study was to investigate the impact of effective strategy implementation at National Bank of Kenya by looking into strategy implementation practices, challenges and measures to be put in place to overcome the challenges. The objectives of this study were to; determine the practices of strategy, challenges of strategy implementation and measures put in place to overcome challenges of strategy implementation at National Bank of Kenya. The study adopted a case study as the unit of analysis was one organization. The researcher used both primary and secondary data. The interview guide used in the study. Data was analyzed qualitatively since content analysis was used. The analyzed data was presented qualitatively using themes as measurement variables. It was established that, both internal and external factors influenced effective strategy implementation. It was established that organizational structure, leadership styles, organizational resources, culture, employees motivation and information communication technology influenced effective implementation of strategy. It was concluded that for the success of commercial banks in the turbulent and competitive business environment, proper training to employees, adequate financial support, ICT integration in the system, and democratic style of management was key to effective strategy implementation for both small and large organizations locally and internationally. This is supported by Mckinsey’s theory that argue that effective strategy implementation is determined by internal factors of the organization. It was recommended that for effective strategy implementation, National bank of Kenya should formulate internal management policies that support strategy implementation. The internal policies should support flexible organizational structure to enhance communication, democratic style of management, effective resources management, and employee motivation and information communication technology for effective strategy implementation. Further studies should be carried out to investigate factors that influence effective strategy implementation among Commercial banks operating in Kenya thus bridging gaps that exist due to inadequate information.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Due to changing business environment, both local and global organizations have been necessitated to transform formulated strategies into action (Strickland & Gamble, 2008). To develop and sustain competitive advantage, firms practice strategic management in order to remain competitive in the market. Strategic management consists of the analysis, decisions, and actions an organization undertakes in order to create and sustain competitive advantage (Allio, 2005). Successful strategy implementation of any competitive organization needs support from all members of the organization. Institutionalization of strategy promotes a sense of direction to all employees of the organization based on the vision, mission and long term goals.

According to Peters and Waterman (1982), the McKinsey 7-S framework is a qualitative framework that was developed to analyze seven different aspects of an organization to determine if it is functioning effectively or not. According to Peters and Waterman (1982), the model is based on the foundation that an organization is not just structure, but consists of seven critical aspects of an organization which include strategy, structure, systems, style, skills, staff, and shared values (the 7Ss). Thus, strategy is the central integrated concept of how to achieve the firm’s objectives. The essence of strategy is choosing a set of core business activities to create value for its stakeholders, and performing those business activities in the most ideal manner. It is evident that both the resource view of the firm and the McKinsey 7-S framework supplement institutional
theory by emphasizing on the administrative systems and resource competencies of organizations (Pearce and Robinson, 2011).

The history of National bank dates back to 14th November 1968, at the time it was a Government owned bank. The main objective was to help Kenyans get access to credit and control their economy after independence. Over the years the Government has reduced its shareholding which now stands at 22.5%. In this era of rapid technological development and changes in market environment, NBK, has to put its strategic responses right to enable it compete both locally and internationally. The current banking environment is rapidly changing and the rules of yesterday no longer apply.

1.1.1 Strategy Implementation

According to Arthur et al, (2008), strategy implementation can be referred to as the process in which the planned strategies are translated into carefully implemented action. In other words, this is the ‘action’ phase. It is the fourth phase in the strategic management process which comes after strategy formulation, analysis of alternative strategies and strategic choice. Pearce and Robinson (2011) observed that to ensure success, the strategy must be translated into guidelines for the daily activities of the firm’s members. The strategy and the firm must also become one such that the strategy is reflected in the way the firm organizes its activities and in the firm’s values, beliefs and culture.

Operationalization of strategies is critical for effective implementation process by modern competitive firms operating in the turbulent business environment (Allio, 2005). Strategy entails considerations of who will be responsible and accountable for strategy
implementation; the most suitable organizational structure that should support the operationalization of strategy need to adapt the systems used to manage the organization. Operationalization of strategy entails organizational support from the top level management and team work among workers of the organization. Continuous monitoring of strategic activities of the organization enable an organization to evaluate its performance and avoid obstacles that influence the strategy implementation process (Pearce and Robinson, 1997).

Strategy institutionalization entails collaborative culture of an organization where each employee works towards a common goal (Charles & Gareth, 2007). The four fundamental elements that must be managed by competitive firms if the strategy is to be institutionalized effectively include; organization structure, leadership, culture and rewards. It is of critical importance to directly link the company’s daily activities and work efforts so as to accomplish the strategy implementation. It will be impossible to implement strategies if this link is not made (Blahová, & Knápková, 2010).

Implementing strategy is a tough and time consuming challenge. Practitioners emphatically agree that it is a whole lot easier to develop a sound strategic plan than it is to “make it happen (Charles & Gareth, 2007).” Putting strategy into effect and getting the organization moving in the chosen direction calls for a different set of managerial skills. Successful strategy implementation depends on working through others, organizing, motivating, culture-building and creating strong fits between strategy and how the organization does things. Ingrained behavior does not change just because a new strategy
has been announced (KIPPRA, 2013). Implementation of strategies enable organizations to increase profits, increase volume of sales, develop new products that meet consumer needs compared to competitor products and services, ability of the management to predict the future changes, and ability of the organization to accept change and work towards common organizational goal for competitive edge of the organizations in the global market (Gomez, 2001).

1.1.2 Banking Industry in Kenya

There has been tremendous growth in the Kenyan banking industry. Changes in the Kenyan economy and Commercial Banks have not been spared from the impact of these changes. The banking sector in Kenya comprises 43 registered Commercial Banks that are licensed by the Central Bank of Kenya. There are various banking laws in Kenya that govern and regulate the way banks are formed, operate and are managed in the country. Some of these laws include but not limited to the appropriation act, banking act, bankruptcy act, Barclays of Kenya limited act, capital markets, Central Bank of Kenya act, central depositories act, cheques act, general loans and stock act among other laws. The laws are divided and partitioned to cover the different aspects in the banking industry. It also enables the government to keep an eye in the way the banks are operated and managed (www.cbk.co.ke).

Environmental challenges which include entry of new competitors, high cost of operations, unstable economic conditions, tight policies and regulations from cbk has necessitated banks to adopt strategic management in order to survive. Use of effective
strategies by Commercial Banks in Kenya has led to enhanced organizational performance and market competitiveness. Effective strategy implementation has enabled commercial banks to realize increased return on investment, minimal employee resistance, increased market share and minimal costs of operation with emerging technologies.

1.1.3 National Bank of Kenya

National Bank Of Kenya Limited was incorporated on 19th June 1968. The main objective of its establishment was to help Kenyans to get access to credit and control their economy after independence (National Bank of Kenya, 2012). National bank in the past has been operating below its capacity due to increased bad debts in loan portfolio amounting to 36 billion which was politically motivated that pushed the bank into massive losses in the late 1990s and early 2000. With emerging technologies, globalization and changing business environment, organizations operating in the dynamic business environment have to formulate, implement and control strategies for their survival.

With tremendous growth in the Kenyan banking industry due to emerging technologies, Commercial Banks in Kenya have not been spared from the impact of these changes. The banking sector in Kenya comprises 43 registered Commercial Banks that are licensed by the Central Bank of Kenya. Despite the efforts of National bank to perform in the dynamic business environment, strategy implementation has become the key drive of gaining competitive advantage in the market.
With the challenge of globalization, technology integration in the supply chain, consumer changing needs, unpredictable internal and external environment, and National bank of Kenya should actualize its strategic initiatives locally and internationally (National Bank of Kenya, 2012). National bank of Kenya to remain competitive in the global market, strategy operationalization and institutionalization is necessary. Strategy implementation will result to minimal change resistance in the organization, new product development, diversification, minimal operational costs, improved customer experience locally and internationally (Onyango, 2012).

1.2 Statement of the Problem
Arthur, Strickland and Gamble (2008) argued that formulating an appropriate strategy is not enough; strategic managers must ensure that the strategies are implemented effectively and efficiently. Whereas this is done, they are faced by various challenges. First and foremost, implementation is done in a changing and dynamic environment and the organization must align itself to the change. Budgets also pose a challenge especially when they are surpassed due to innovations, new technologies or even economic factors (Davenport, 2007). Chava and Nachmian (2010) articulate that its strategic objectives, the contributions it makes to the community may be ad hoc and difficult to fulfill. Effective strategy implementation has remained the driver of competitive organizations in the domestic and international markets.
Strategic management entails concepts of mutual dependency and benefit and its success demands trust, equality of treatment, honesty, accountability, flexibility and prior agreement on objectives, resources and responsibilities. Strategies enable organizations to increase profits, increase volume of sales, develop new products that meet consumer needs compared to competitor products and services, ability of the management to predict the future changes, and ability of the organization to accept change and work towards common organizational goal for competitive edge of the organizations in the global market (Charles & Gareth, 2007).

National Bank of Kenya is currently in the process of implementing various strategies despite the internal and external challenges. Onyango (2012) postulates that strategy implementation is a key challenge for today’s organizations. Both internal and external factors hinder effective strategy implementation. Stiff competition from other players in the industry, changing consumer needs and wants, influence of technology on business practices, organizational governance, political and economic influences have necessitated financial institutions to change its dimension of operation and adopt a strategic direction to survive in the dynamic business (Konzi 2012).

It is evident from previous studies that organizations face challenges during strategy implementation process. Related studies that have been carried out in Kenya with regard to strategy implementation agree that strategy implementation is one of the challenges of modern organizations. Studies conducted by Konzi (2012); Onyango (2012); KIPPRA (2013); Machuki (2005) and (2012); Okumu (1999); Aosa (1992) and among others
clearly indicated that there is a positive relationship between strategy implementation and performance despite the challenges from the internal and external factors influencing strategy implementation. Studies indicated that organizations failed to achieve their objectives in the long run due to improper planning and inadequate leadership support. Lack of employee motivation, resources allocations, communication, and management of change, political, economic social-cultural and technology were key aspects that influenced strategy implementation.

However, from the findings of previous studies little has been done on strategic implementation at National Bank of Kenya. Previous studies that have been carried out focused in different sectors and did not specifically focus on National Bank of Kenya. There is a knowledge gap that exists on strategy implementation at National Bank of Kenya. How was strategy implemented at National Bank of Kenya?

1.3 Objectives of the Study

The objectives of the study were to:

i. To determine the practices of strategy implementation at National Bank of Kenya.

ii. To establish challenges of strategy implementation at National Bank of Kenya.

iii. To determine measures put in place to overcome challenges of strategy implementation at National Bank of Kenya.

1.4 Value of the Study

This study will therefore increase the existing body of knowledge in the area of strategy implementation. It would test whether the practices held in literature can be applied to
National Bank of Kenya. The study would also be of importance to future scholars in the field of strategy implementation that is currently gaining popularity among majority of companies in all industries. Future scholars would use this study to enrich on their literature review. This is especially on the challenges of strategy implementation where little literature exists.

This study would benefit the Commercial Banks in Kenya to establishing effective and efficient policies of overcoming challenges of strategy implementation. This would enable them gain competitive advantage over other players in the financial industry. The commercial Banks would be proactive in dealing with the challenges that they face in the implementation since they would be anticipated.

Furthermore, the study would be of great value in management practice in that the study would identify environmental challenges faced by financial institution in the current times and through its findings, the study would be able to recommend strategic responses that can be adopted by these institutions. In addition, having knowledge of these environmental challenges, management would be able to set their priorities and goals in line with the challenges they expect to face hence giving them better competitive advantage in the ever changing market environment.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter outlines; theoretical foundation of the study, strategy implementation, strategy implementation practice, challenges of strategy implementation, measures of overcoming strategy implementation.

2.2 Theoretical Foundation of the Study

McKinsey 7S model is one of the models competitive organization in the dynamic business environment applies during strategy operationalization and institutionalization. According to McKinsey theory, effective strategy implementation should be aligned with the seven within the organizational context. These variables include; structure, strategy, systems, skills, style, staff and shared values. These seven variables include structure, strategy, systems, skills, style, staff and shared values. Structure of the organization is one of the key determinants of effective strategy implementation it promotes communication and continuous feedback to key stakeholders in the organization (Peters and Waterman, 1982).

Structure relates to the way the organization is structured and its chain of command. Strategy is the plan devised to maintain and build competitive advantage over competition. Systems are the daily activities that staffs engage in to get the work done. Shared values are the core values of the company that can be seen in the corporate culture and general work ethic. Style relates to the leadership style adopted. Staff is the employees and their general capabilities. Skills are the actual skills and competencies of
the employees working for the company. The 7S framework can be utilized in situations whereby there is need for realignment in order to improve company performance, establish likely effects of future changes in a company and to determine the best way to implement a proposed strategy (Peters and Waterman, 1982).

Resource Based View theory of the firm is one of the concepts applied by modern competitive firms in the dynamic business environment when formulating, implementing and monitoring strategies (Thompson et al., 2012). Helfat & Peteraf (2003), define resources as stocks of available factors that are owned or controlled by the firm, which are converted into final products or services. Capabilities, in contrast, refer to a firm’s capacity to deploy resources, usually in combination, using organizational processes, to produce a desired effect. Hence, the presence of capability enables resources to begin to be utilized, and the potential for the creation of output arises. While resources are the source of a firm’s capabilities, capabilities are the main source of its competitive advantage (Zingier, 2002).

The RBV suggests that the resources possessed by a firm are the primary determinants of its performance, and these may contribute to a sustainable competitive advantage of the firm. According to Zingier (2002), the concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness. Basically the resource view states that a firm’s internal resources and capabilities are the best source of competitive advantage over other
firms. This view seeks to develop distinctive competencies and resources and apply them to produce superior value. If these competencies can be kept unique to the firm, they can be used to develop a competitive advantage.

Strategy spells out long term strategic intent of the firm and its employees in the long run. Effective institutionalization of strategy is also based on the systems and routine processes and procedures followed within the organization. Employee skills and capabilities are aspects that determine how plans are transformed into action. The way in which key managers behave in achieving organizational goals is considered to be a driving force to effective strategy implementation. According to Peters and Waterman (1982) the shared values and norms of employees also promote a culture among workers that is driven by team work towards common goals of the organizational thus strategy implementation.

2.3 Strategy Implementation
Whereas successful strategy making depends on strategic vision, solid industry and competitive analysis and shrewd market positioning, successful strategy implementation depends on doing a good job of working with and through others; allocating resources; building and strengthening competitive capabilities; creating an appropriate organizational structure; instituting strategy-supportive policies, processes, and systems; motivating and rewarding people; and instilling a discipline of getting things done (Thompson et al., 2012).
Once managers have decided on a strategy, the emphasis turns to converting it into actions and good results. This will call for different sets of managerial skills (Thompson, Peteraf, Gamble and Strickland, 2012). Thompson and Strickland (1998) argue that successful strategy implementation depends on doing a good job of leading, working with and through others, allocating resources, building and strengthening competitive capabilities, installing strategy supportive policies and matching how the organization performs its core business activities to the requirement of a good execution.

According to Arthur Thompson et al (2012), strategy implementation is an action-oriented, make-things-happen task that tests a manager’s ability to direct organizational change, achieve continuous improvement in operations and business processes, create and nurture a strategy-supportive culture, and consistently meet or beat performance targets. Good strategy implementation requires team effort. All managers have strategy-implementing responsibility in their areas of authority, and all employees are active participants in the strategy implementation process. When strategies fail, it is often because of poor implementation. Strategy implementation is therefore a critical managerial endeavor (John, Richard and Robinson, 2011).

Formulating an appropriate strategy is not enough and strategic managers must ensure that the new strategies are implemented effectively and efficiently. According to Bateman and Zeithmal (1993), there has been greater appreciation to implementation of strategies by corporations which has led to the emergence of the following two trends. First, organizations are adopting a more comprehensive view of implementation whereby the
strategy must be supported by decisions regarding the appropriate organizational structure, technology, human resources, reward systems, information systems, organization culture, and leadership style (Zingier, 2002).

According to Thompson et al (2008), managing the implementation and execution of strategy is an operation-oriented, make-things-happen activity aimed at performing core business activities in a strategy supportive manner. It is easily the most demanding and time consuming part of the strategy management process. Converting strategic plans into actions and results tests a manager’s ability to direct organizational change, motivate people, build and strengthen company’s competences and competitive capabilities, create and nurture a strategy supportive work climate and meet or beat performance targets. Pearce and Robinson (2011) argues that management’s action agenda for implementing the chosen strategy emerges from assessing what the company will have to do differently or better given its’ particular operating practices and organizational circumstances in order to execute the strategy competently and achieve the targeted financial and strategic performance.

2.4 Strategy Implementation Practice

According to Pearce and Robinson (2008), the key aspect of implementing a strategy is the institutionalization and operationalization of the strategy such that it permeates daily decisions and actions in a manner consistent with long term strategic success. Pearce & Robinson (2008) observed that four fundamental elements must be managed to “fit” a strategy if it is to be effectively institutionalized. These include the organizational
structure, leadership, organizational culture and reward system. Strategy operationalization and institutionalization within the organizational context is determined by the support of employee culture and ability to adapt to new changes in the business environment.

A good strategy execution requires diligent pursuit of operating excellence (Thompson et al 2008). It is a task of the whole company’s management team and success hinges on the skills and cooperation of operating managers who can push for needed changes in their organization units and consistently deliver good results. Leslie, Rue & Lloyd and Byars (2009) argue that people should also be motivated to pursue the target objectives energetically and if need be modify their duties and job behavior to better fit the requirements of successful strategy execution.

Motivation will also be achieved by tying rewards and incentives directly to the achievement of performance objectives and good strategy execution. It is also vital to create a company culture and work climate that is conducive to successful strategy execution. Lastly, organizations should exert the internal leadership needed to drive implementation forward and keep improving on how the strategy is being executed. When challenges are encountered, the management should see that they are addressed and rectified in timely and effective fashion (Rahimnia, Polychronakis & Sharp, 2009).

The company’s managers must put into place steering controls that provide strategic control and the ability to adjust strategies, commitments and objectives in response to
ever-changing future conditions (Purcell & Boxal, 2003). Increasingly, the organization must make a serious commitment to be innovative and must consider bringing the entrepreneurship process into their company to survive, grow and prosper in a vastly more competitive and rapidly changing business arena. Pearce and Robinson (2011) argued that organizational action is successfully initiated through four interrelated steps. The first step is the creation of clear short term objectives and action plans. Next are the developments of specific functional tactics to include outsourcing thus creating competitive advantage. The third step involves empowerment of operating personnel through policies to guide decisions and lastly the implementation of effective reward systems to motivate personnel and encourage effective results.

2.5 Challenges of Strategy Implementation

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work by implementing it throughout the organization is even more difficult (Hrebiniak, 2006). A myriad of factors can potentially affect the process by which strategy implementation is turned into organizational action. Unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic (Charles, Hill, Gareth and Jones, 2007). Both internal and external factors influence successful strategy implementation. Internal factors which influence strategy range from; organization structure, organization culture, leadership, company resources, strategies, rewards and staff motivation.
There is a relationship between organizational structure and leadership in any successful strategy implementation process (Price & Chahal, 2006). Organization structure comprises of activities such as task allocation, coordination and supervision, directed towards the achievement of organizational aims. It simply involves the formal framework by which job tasks are divided among workers, grouped, and coordinated. There is an intrinsic association between strategy formulation and structure of the organization. The structures facilitate how the process and relationships work, thus affecting strategy implementation process. Organizational structure and strategy have to be linked for the success of the any firm. The firm’s strategies need to be aligned to its structure. Leadership is the process of influencing an organization in its efforts towards achievement of its long term goal (Johnson and Scholes, 2002).

Organizational leadership entails providing a long term road map that guides the organization to deal with change in the business environment, and to clarify strategic intent, that builds the organization and shape their culture to fit with the opportunities and challenges. Lack of strategic leadership within the organization will result to poor performance of the firm in the market. Strategic leadership is regarded as one of the key drivers of strategy implementation (Leslie & Lloyd, 2009). For effective strategy implementation, the top leadership of an organization has to constantly monitor progress, anticipate obstacles and take corrective actions where necessary, in order to ensure that the organization is agile to changing market conditions and competitive forces (Thompson et al, 2006). Strategic leadership is multifunctional, involves managing through others, and helps organizations cope with change that seems to be increasing exponentially in today’s globalized business environment. Strategic leadership requires
the ability to accommodate and integrate both the internal and external business environment of the organization, and to manage and engage in complex information processing (Peter and Kumssa, 2006).

David (2003) stated that it should be possible to implement the chosen strategy with the resources available. Financial and non-financial resources are critical in effective strategy implementation. Resources may include physical, financial, technological and human resources. Without proper resource allocation, strategy implementation will be a challenge in the modern changing business environment (Hrebinia, 2006). It is not possible to implement strategies which demand more resources than the company can avail. Inadequate resources will tend to suppress the ability of the company to carry out the strategy implementation exercise effectively. Budgetary allocations demonstrate management commitment and support to the strategy implementation (Pearce & Robinson, 2009). Adequate budgetary allocation promotes successful strategy implementation. This is helpful especially in ensuring that activities of the company are carried out efficiently so as to strengthen the implementation of strategy (John & Richard, 2011). If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering strategic alternatives begins. Finance must be prepared to offer reasonable assumptions for these alternatives based on prior understanding and investigation of potential sources of capital (Andrew and DuBrin, 2009).
Organization culture involves the set of assumptions that members of an organization share in common and dictated their way of behavior in the organizational context (Pearce and Robinson, 2002). Robins and Coulter (2002) define culture as a system of shared meaning and beliefs held by organizational members that determines, in large degree on how they act. Culture influences not only the way managers behave within organization but also the decisions they make about the organization’s relationships with the environment and its strategy. Corporate culture refers to the character of a company’s internal work climate and personality, as shaped by its core values, beliefs, principles, traditions, ingrained behaviors and style of operating (Thompson et al, 2006). As strength, culture can facilitate communication, decision making, and control, and can create cooperation and commitment.

Motivation directly relates to the achievement of employees in the workplace (John & Richard, 2011). Achievement in the workplace deals with the pride and sense of accomplishment employees feel about their jobs and employers. Managers who notice a decline in achievement must take proactive steps to implement strategies to increase motivation and employee morale. Neglecting to motivate employee’s results in dissatisfied workers, which hurt effective strategy implementation. Motivation can be financial (monetary rewards or non-financial which include; recognition of employee efforts by managers, delegation, promotion, training, job design and salary increment (Burgelman, Grove & Meza, 2006). Effective motivation, recognition, and timely feedback among employees boost their morale and adapt quickly to change, as to when it comes. Satisfied employees are likely to adapt to changes more easily compared to
dissatisfied workers. Institutionalization and operationalization of strategy in any organization is based on motivated staff with a common goal and drive (Boyle, 2007).

Information Communication Technology is basically an electronic based system of information transmission, reception, processing and retrieval, which has drastically changed the way we think, the way we live and the environment in which we live (Boyle, 2007). Effective strategy implementation is determined by the extent of ICT adoption in the subsystem of the organization. Innovation, research and development activities of an organization are influenced by ICT adoption. It must be realized that globalization is not limited to the financial markets, but encompasses the whole range of social, political, economic and cultural phenomena (Leslie and Lloyd, 2009). Information and communication technology revolution is the central and driving force for strategy implementation and globalization and the dynamic change in all aspects of human existence is the key by-product of the present globalization period of ICT revolution (Boyle, 2007). The world telecommunication system, the convergence of computer technology and telecommunications technology into the Information Technology, with all its components and activities, is distinctive in its extension and complexity and is also undergoing a rapid and fundamental change. ICTs are increasingly playing an important role in organizations and in society's ability to produce, access, adapt and apply information (Leslie and Lloyd, 2009).
2.6 Measures of Dealing with Challenges of Strategy Implementation

Investments in training and development of employees can make them more productive or more effective in their jobs, directly contributing to the bottom line (Chava and Nachmian, 1996). The purpose of training and management development programs is to improve employee capabilities and organizational capabilities. When the organization invests in improving the knowledge and skills of its employees, the investment is returned in the form of more productive and effective employees (Chava and Nachmian, 1996). Therefore, to maximize the effectiveness of training and development, organizations must constantly assess their employees’ current training and development needs and identify training and development needs to prepare employees for their next position (Lynch, 2005). This requires that organizations recognize that different employees will have different needs and that these needs will change over time as these workers continue in their careers. Top management plays an ever increasing role to ensure that a knowledge-friendly culture is built in the organization (Hrebiniak, 2006).

Finance has a role early in the implementation phase of a new strategy to systematically identify and execute all such changes either as part of its own strategic initiative or as steps in corporate-wide initiatives. Finance has a function of assuring long-term cash availability that is essentially just an extension of its short-term function (Lynch, 2005). Successful development of strategy requires a clear understanding by the strategic planning team of future capital limitations perceived by Finance (Andrew and DuBrin, 2009). If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering
strategic alternatives begins. Finance must be prepared to offer reasonable assumptions for these alternatives based on prior understanding and investigation of potential sources of capital (Andrew and DuBrin, 2009).

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Management support entails strategic leadership. Strategic leadership is widely described as one of the key drivers of effective strategy implementation (Pearce & Robinson 2007). However, a lack of leadership, and specifically strategic leadership by the top management of the organization, has been identified as one of the major barriers to effective strategy implementation. Strategic leadership is defined as the leader’s ability to
anticipate, envision, and maintain flexibility and to empower others to create strategic change as necessary (Peter and Kumssa, 2006).

Several identifiable actions characterize strategic leadership that positively contributes to effective strategy implementation include; determining strategic direction, establishing balanced organizational controls, effectively managing the organization’s resource portfolio, sustaining an effective organizational culture and emphasizing ethical practices. Strategic leaders have a role to play in each of the above-mentioned strategic leadership actions. In turn, each of these strategic leadership actions positively contributes to effective strategy implementation (Peter and Kumssa, 2006).
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodology that was used for this study. It discusses the research design that was adopted. A case study was adopted since the study targeted a single unit that was the National Bank of Kenya. Data collection methods used are described including primary and secondary data. Primary data was collected from respondents who were employees of the National Bank of Kenya. Data was analysed using qualitative method that adopted content analysis and themes were used as measurement variables in this study.

3.2 Research Design

Krishnaswami (2003) defined the research design as an arrangement of conditions for collection and analysis of data in a manner that aimed to combine relevance to the research purpose with economy in procedures. This was a case study as the unit of analysis was one organization. The case study design was necessary because it brought out clearly an in-depth understanding of complex issues or objects and extended experience and new knowledge to what had already been known in previous research. The research design therefore was a case study (Stake, 2006).

A case study was a method of learning about a complex instance, based on a comprehensive understanding of that instance obtained through extensive description and analysis of that instance taken as a whole and in its context (Yin, 2005). Case study emphasized detailed contextual analysis of a limited number of events or conditions and
their relationships; it also emphasized the contextual analysis by limiting the research to a single firm and hence allowed for in-depth probing into the subject matter.

### 3.3 Data Collection

The researcher used both primary and secondary data. Primary data was collected using an interview guide which had open ended questions. These questions enabled the researcher to collect qualitative data. The interview guide used in the study consisted of two parts. The first part was related to the demographic and operational characteristics of respondents. The second part was related to the identification of the responses to factors affecting strategy implementation at National Bank of Kenya.

The National Bank of Kenya top, middle and low level managers were the interviewees in the study. This made easier the acquisition of accurate and adequate information as these were the people involved in strategy implementation hence they were conversant with the factors and challenges faced during strategy implementation. The researcher further collected secondary data from library materials, bank journals and reports covering strategy implementation practices at the bank. This was done in order to compare and further enrich data collected from primary sources.

### 3.4 Data Analysis and Presentation

Mugenda and Mugenda (2003) defined data analysis as a process of data collection and analysis of qualitative data that involves three concrete sub-process of data reduction, data display drawing and unifying conclusions. In the descriptive study, data collected was qualitative hence the main method that was used to analyze data was content analysis. Kombo and Trump (2006) argue that content analysis examines the intensity
with which certain themes have been used and systematically describes the form or content of written or spoken material. Content analysis helped to capture the in-depth opinions of the respondents’ thus accurate decision making of the problem under investigation.

Content analysis was used to analyze the respondent’s views about the factors affecting strategy implementation at National Bank of Kenya. By breaking the content of the material into a meaningful and pertinent unit of information certain characteristics of the massage was analyzed and interpreted. The analyzed data was presented qualitatively based on the respondent’s in-depth analysis and measurement of their arguments, opinions, and ideas with regard to strategy implementation at National Bank of Kenya. Data obtained was compared with existing literature in order to establish areas of agreement and those of contrary opinion in order to establish facts.
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This Chapter outlined interviewees’ profiles and explains how data that was collected from respondents was critically analyzed based on facts that respondents raised with regard to strategy implementation at National Bank of Kenya. The data was qualitatively analyzed and measured and discussions were based of the facts that were presented by the respondents.

Majority of the interviewees were managers were interviewed who included 3 directors located at the National bank head office, 6 branch managers from St. Paul’s, Limuru, Meru, Greenspan, Moi Avenue and Kitengela branch. The researcher wanted to establish how long the respondents had worked with the bank. From the research findings it was established that majority of the respondents had worked for a period of 5 years and above with the bank and some had worked with the bank for over 10 years. Based on this it can therefore be assumed that due to the experience and understanding of the organization by most managers, the more objective and well informed would their responses be.

The interview also aimed at establishing the highest education level of the respondents. It was established that majority of the respondents were University degree holders and most of them had enrolled for master degrees due opportunities provided by National Bank Ltd in terms of education loan facilities to develop employees skills and knowledge for better performance.
4.2 Strategy Implementation Practice at National Bank of Kenya

Majority of the respondents interviewed indicated that the bank had a strategy that was being implemented for a period of five years as spelt out in the strategic plan. It was clearly evident from the most of the participants that employee skills were key aspects that determined the success of strategy implementation at National Bank of Kenya despite the inadequate support of the practice from top level managers. Employee training and proper communication was identified as a determinant of strategy implementation at National Bank of Kenya but were rare practices among new employees.

Majority of the respondents indicated that a common culture grounded on team work, knowledge management and innovation was a key determinant to strategy implementation despite the lack of support from top level managers. Participatory decision making was uncommon practice among employees of the bank. Employees with a common ideology and goal were driven to achieve their goals easily than individual efforts. Most of the respondents clearly indicated that influence of leaders based on good communication, interpersonal relations, and involvement in decision making and a flexible structure promoted strategy implementation practice at National Bank of Kenya even though the extent of applying them were minimal.

Respondents also indicated that technology integration in the system was another practice that influenced strategy implementation based on achieving customer demands and improvement of customer service. ICT culture was not a common practice of all systems as many employees were not conversant with modern ICT skills for efficiency and effectiveness.
Majority of the respondents indicated that motivation was not a common practice within the organization despite it’s the drive among employees to perform effectively. Motivation will also be achieved by tying rewards and incentives directly to the achievement of performance objectives and good strategy execution. It is also vital to create a company culture and work climate that is conducive to successful strategy execution.

4.3 Challenges of Strategy Implementation

To meet the second objective, the study sought to identify the challenges faced by National Bank Ltd in strategy implementation. National bank operates in a challenging environment due to the highly competitive nature of the banking sector. Some of the challenges identified include staff turnover, rigid organization structure, and inadequate company resources to support strategy implementation activities, lack of innovation culture, poor staff motivation, and bureaucratic leadership styles among others.

Most of the respondents indicated that the organizational structure was too bureaucratic. Most of decisions could not be made at the departmental/branch level. They were made at head office level. This delayed the decision making process and at times led to impractical and uninformed decisions which could not be applied on the ground. This had an effect on staff motivation due to the lack of their involvement in the decision making process. There is a move to move decision making for routine decisions back to the branches/ departments in order to shorten the decision making process.
From the study findings, the leadership style practiced at the bank is autocratic. This is whereby the decisions are made unilaterally by the top management with minimal consultations with their juniors. As a result staff did not feel as if they were part of the decisions which were being made. This has led to some of the strategies not being realized as the staff do not understand or see the value of implementing the strategies.

The study revealed that the bank was facing some challenges in implementing some of its strategies due to inadequate resources. This was occasioned by a delay by the capital markets authority in authorizing its 10 billion Kenya shillings rights issue. The funds were to be utilized in branch expansion and increasing its lending and deposit taking capacity.

The organization is in talks with the Capital Markets Authority in order to get a go ahead for the rights issue while at the same time looking for other sources of funds. This is helpful especially in ensuring that activities of the company are carried out efficiently so as to strengthen the implementation of strategy

The study showed that organizational culture was a major hindrance in the implementation of the bank’s strategy. It was evidenced from the findings that most members of staff were still stuck in the old way of doing things popularly known as the civil servant mentality. They still work in accordance with their job descriptions but without taking personal responsibility for their actions. This has been a big challenge for the management to change as it involves a total change in the mindset of the employees.
However the company is on track to ensuring that the employees change their mind sets and start taking personal responsibility for their actions.

The study revealed that employees working at National bank of Kenya were unsatisfied by compensation criteria that was used by the management. There was no clear compensation policy in place to reward good performing workers. Most of middle level and lower level employees did not understand that criteria that was used to promote workers. A high rate of staff turnover was highlighted as a challenge to National bank. The bank underwent some structural changes which saw some positions declared redundant, also the coming in of new management with new members of staff has led to a feeling that there are limited growth opportunities within the bank. This has resulted in the experienced members of staff leaving the bank to look for greener pastures. This has proven to be expensive for the bank as it has to incur recruitment costs to replace the staff. Competent, experienced and skilled members of staff are crucial to the strategy implementation process. There is also an image problem whereby the organization is viewed by potential employees as unstable, which becomes an issue when they try to recruit new staff.

From the finding, staff motivation is an important aspect in the realization of a company’s strategies. Motivation is linked to the achievement of employees at the workplace. The motivation of most of the old members of staff was found to be low. This was due to the fact that there was a general feeling that the new management favored new members of staff for promotions at the expense of the staff members who had worked in
the bank longer. The bank has however started to recruit internally as the first option and only embark on external recruitment if they fail to get a suitable candidate from within. This has resulted in the uplifting of staff motivation as they feel more satisfied with the knowledge that they can move up the ladder if they put in effort. Satisfied employees are likely to adapt to changes more easily compared to dissatisfied workers.

It was revealed by the study that Information Communication Technology was a practice that was adopted on a small extent in the organization due to challenges employee training and inadequate support from the management. Majority of the employees clearly indicated that they were not conversant with new technological advancements of the bank in the changing business environment.

The study revealed that there was lack of proper communication channels within the organization due to lack of appropriate technologies to support the practice. There was no structured way of information flow from the top to the bottom hence there were many instances of miscommunication or different managers issuing different instructions on the same issue. This hindered strategy implementation and was mainly due to the bureaucratic nature of the bank. National bank has however created a communications department charged with imparting crucial information to the entire bank network.
4.4 Measures of Mitigating Challenges of Strategy Implementation

Majority of the respondents interviewed clearly indicated that if proper measures were put in place by the bank, minimal challenges were to be experienced by the bank during strategy implementation exercise. Most of them indicated that trainings among employees of the bank were the most appropriate measure to be used to minimize resistance among workers during strategy implementation.

When the organization invests in improving the knowledge and skills of its employees, the investment is returned in the form of more productive and effective employees. The purpose of training and management development programs is to improve employee capabilities and organizational capabilities to adapt in dynamic business environments.

When the organization invests in improving the knowledge and skills of its employees, the investment is returned in the form of more productive and effective employees.

Majority of the respondents clearly indicated that with adequate financial support in training, innovation and research, the bank will overcome challenges of strategy implementation. These resources include physical, financial, technological and human resources. It is not possible to implement strategies that demand more resources than the organization can benefit. If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering strategic alternatives begins.

Most of the respondents proposed that automation of the system will overcome some of the challenges experienced by the bank during strategy implementation. Effective
strategy implementation is determined by the extent of ICT adoption in the subsystem of the organization. Innovation, research and development activities of an organization are influenced by ICT adoption.

The study revealed that management support plays a key role in effective strategy implementation. Management support entails strategic leadership. However, a lack of leadership, and specifically strategic leadership by the top management of the organization, was identified as one of the major barriers to effective strategy implementation. Several identifiable actions characterize strategic leadership that positively contributes to effective strategy implementation include; determining strategic direction, establishing balanced organizational controls, effectively managing the organization’s resource portfolio, sustaining an effective organizational culture and emphasizing ethical practices.

4.5 Discussion of the Findings

The discussion describes major findings based on the research questions and research objectives. The discussion further gives detailed interpretation of the findings by comparing them with theory and previous studies. The discussion of this study was based on the major findings on the study. National Bank of Kenya is striving to implement its strategies in the changing business environment despite that challenges it has faced in its implementation process. From the research findings it was established that there was a lack of culture-strategy fit in National Bank. The study established that the culture of a majority of employees negatively influenced strategy implementation at National Bank.
This is in support of the Mckinsey 7s model by Peters and Waterman (1982) on the effect of shared values in strategy implementation.

The findings indicate the effect that leadership style has in the strategy implementation process. From the findings it is evident that the autocratic leadership style adopted by top management has a negative impact on strategy implementation. The findings established that lack on involvement in decision making by staff members led to resistance to change hence affecting strategy implementation. This is in line with the Mckinsey 7s model by Peters and Waterman (1982) on the significance of style in strategy implementation. Therefore, it is evident from literature that lack of leadership and specifically strategic leadership by the top management of the organization, effective strategy implementation will be a nightmare.

Several identifiable actions characterize strategic leadership that positively contributes to effective strategy implementation include; determining strategic direction, establishing balanced organizational controls, effectively managing the organization’s resource portfolio, sustaining an effective organizational culture and emphasizing ethical practices. Strategic leaders have a role to play in each of the above-mentioned strategic leadership actions. In turn, each of these strategic leadership actions positively contributes to effective strategy implementation (Peter and Kumssa, 2006).

The research findings shows the contribution of organizational structure to strategy implementation by National Bank. The study established that the hierarchical structure adopted by the bank led to a lot of bureaucracy and slow decision making thus impacting
negatively on strategy implementation. These findings are in line with the Mckinsey 7s model by Peters and Waterman (1982) on the significance of structure in strategy implementation. Also this is supported by Johnson and Scholes (2002) who argue that local and global organization structure consists of activities such as task allocation, coordination and supervision, directed towards the achievement of organizational objectives. It simply means the formal framework by which job tasks are divided, grouped, and coordinated to achieve its intended goal. The structures facilitate or constrain how the process and relationships work, hence affecting strategy implementation process Changes in strategy implementation often require changes in the way an organization is structured for two major reasons.

The study established the importance of staff to successful strategy implementation in National Bank. The findings indicated that dissatisfied staff can be a major impediment to the successful implementation of a firm’s strategies. These findings are in support of the Mckinsey 7s model by Peters and Waterman (1982) on the significance of staff in strategy implementation. Motivation directly relates to the achievement of employees in the workplace (John & Richard, 2011). Achievement in the workplace deals with the pride and sense of accomplishment employees feel about their jobs and employers. Managers who notice a decline in achievement must take proactive steps to implement strategies to increase motivation and employee morale. Neglecting to motivate employee’s results in dissatisfied workers, which hurt effective strategy implementation.

The research findings show that company resources have an impact on strategy implementation by National bank. The study established that inadequate resources have
negatively impacted strategy implementation at the bank. These findings are in support of Resource based view theory of the firm which suggests that it is the resources controlled by a firm that enable it to conceive of and implement strategies that improve its efficiency and effectiveness (Zingier, 2002). According to Johnson and Scholes (2002), without resource commitment, strategy implementation remains a key challenge to modern competitive firms. These resources include physical, financial, technological and human resources. It is not possible to implement strategies that demand more resources than the organization can benefit. Too little resources will tend to suppress the ability of the organization to carry out the strategic plan implementation.

Several studies have been conducted to establish how strategy implementation is carried out in organizations as well as the challenges involved and how to overcome them. Aosa (1992) did an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. He observed that strategy implementation is likely to be successful when congruence is achieved between several elements, particularly organization structure, culture, resource allocation, systems and leadership without which major challenges are bound to arise in the process of strategy implementation. Ndungu (2013) studied strategy implementation process in commercial banks in Kenya and concluded that commercial banks face various challenges including limited resources, poor functioning top management, and poor training among others.

Finally, the study established that inadequate resources, lack of trainings, lack of management support and lack of ICT integration in the system were key challenges of
effective strategy implementation at National Bank of Kenya. This is in line with Machuki 2005 and 2011; Obonyo 2012; Onyango 2012; Koskei 2003 who observed that most organizations are unable to implement their strategies due to non-committal of top management, inadequate resources, lack of clear communication and untimely introduction of change.

Despite the efforts to implement strategies formulated, strategy operationalization is one of the critical processes that the National bank of Kenya experienced during strategy implementation. Transforming formulated strategies to actual plans determined the success of strategy implementation process. Most of the respondents indicated that strategy institutionalization at the National Bank of Kenya was initiated through four interrelated steps: the creation of clear short-term objectives and action plans; the developments of specific functional tactics to include outsourcing that creating competitive advantage; empowerment of operating personnel through policies to guide decisions and, the implementation of effective reward systems to motivate personnel and encourage effective results. Pearce and Robinson (2009) also acknowledged that an effective organizational leadership and the consistency of a strong organizational culture reinforcing norms and behaviors best suited to the organization’s mission are two central ingredients in enabling successful execution of a firm’s strategies and objectives.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter outlines a summary of findings of the study. It described findings based on the objectives of the study. Conclusions of the study were described based on the theories and existing literature of previous studies carried out locally and internationally. Recommendations were described based on the findings and context of the organization in order to add new knowledge in the field of management, policy formulation and research. Limitations of the study were described based on conceptual, contextual, and methodological manifestations. Finally, suggestion for further research was based on the research findings and existing theories.

5.2 Summary of Findings

This study sought to establish the strategy implementation practice, challenges and measures that were put in place by National Bank of Kenya to overcome challenges faced during strategy implementation. Strategy implementation is a crucial stage in any organization that is characterized by several obstacles from the internal and external environment. To achieve objectives like profit maximization, offsetting costs of operations, business survival and gaining competitive advantage in the market, large and small firms should implement competitive strategies to survive in the changing business environment.

It was established that good leadership skills based on good communication, interpersonal relations, and employee involvement in decision, promoted strategy
implementation practice at National Bank of Kenya. It was established by the study that staff motivation was a key aspect that determined the success of strategy implementation at National bank of Kenya. Employee training and proper communication enhanced strategy implementation at National Bank of Kenya.

The study also established that team culture and knowledge management was a key determinant to strategy implementation. Employees with a common ideology and goal were driven to achieve their goals easily than individual efforts. It was evident that financial resources were key determinants of strategy implementation at National Bank of Kenya despite the challenges of financial resources during strategy implementation.

The study established that strategy implementation challenges have a serious impact on the implementation of strategy by National Bank of Kenya. It established that effective strategy implementation was hindered with both internal and external challenges which included; poor leadership styles, rigid organization structure, poor communication styles, lack of trainings to employees, lack of team work In addition socio-cultural and technological factors, were identified as key obstacles to effective strategy implementation.

The study revealed that despite the internal and external challenges of strategy implementation, effective training among employees of National Bank of Kenya would promote effective strategy implementation. Motivation of employees using both monetary and non-monetary rewards would be a measure of effective strategy implementation. Restructuring of the organization was proposed as a measure of
enhancing communication within the system thus promoting participatory role in decision making. It was revealed that appropriate leadership styles like democratic was a measure that would enhance strategy implementation. ICT integration in the system was another aspect that enhanced strategy implementation.

5.3 Conclusion

It was concluded that for the success of National bank of Kenya in the turbulent and competitive business environment, proper training of employees, adequate financial support, organization structure, and democratic style of management was key to effective strategy implementation. Despite the challenges from the internal and external environments, organizations need to scan the environment periodically, formulate, implement and evaluate strategies in order to survive. For the best practices in the financial sector, organizations need to benchmark their best practices with global firms for strategic advantages locally and internationally. The findings indicated that National Bank of Kenya endeavor to achieve some competitive advantage over their competitors in such a stormy environment by striving to implements strategies formulated. Therefore, to mitigate challenges experienced during strategy implementation, it can be concluded that that top level management need to institutionalize training and ICT culture in the organization.
5.4 Recommendations for Policy & Practise

The study established that rigidity of the organizational structure influenced strategy implementation. Therefore, this study recommends that shareholders to restructure the organization in order to promote a culture of open communication among workers and participatory decision making practice.

The study established that beauracratic style of leadership denied employees a chance to participate in management decisions. Therefore, this study recommends that top and middle level managers to be inducted on the value of democratic style of management during strategy implementation.

The study established that National Bank of Kenya did not put more emphasis on training employees for effective strategy implementation. Therefore, the study recommends that managers should be accountable for organizational development. Periodical trainings should be carried out to enable employees execute their roles effectively. Managers should make delegation a culture and engage workers in key decision making to minimize resistance during strategy implementation.

It was established that top managers did not commit adequate resource to support activities of strategy implementation. Therefore, the study recommends that managers to expand financial budgets in areas that support implementation of the bank’s strategies. The study identified that existing and newly recruited employees were poorly motivated and this resulted to poor performance and high staff turnover. Therefore, the study
recommends that top management to engage external human resource consultants to review compensation policies and match responsibilities with pay. Criteria for promotion and salary increment should be clearly spelt out in order to encourage workers to perform.

The study established that ICT integration in the system was on a small extent. Therefore, this study recommends that all employees to be trained on ICT skills in order to minimize costs of operation. Efficiency and effectiveness of the system should be the operational culture of the bank based on modern technologies.

5.5 Limitation of the Study

After evaluating the results of this study, the following limitations should be kept in mind. The limitations took on conceptual, contextual, and methodological manifestations. Conceptually, the study only focused on factors influencing strategy implementation at the National Bank of Kenya and not on growth and performance.

Contextually, the study was limited to the National Bank of Kenya and that these findings may not represent all Commercial Banks. Gathering accurate information from the respondents was one of the major challenges since they were threatened that the information may be used against them by the management in the terms of performance hence insecurity of their jobs. Assuring the respondents of the confidentiality of the information they gave minimized the challenge. The respondents were unwilling to give
the information due to the sensitivity of disclosing management matters that require high-level directives and guidelines for interviews or disclosure.

Methodologically, that this study relied on employees of the National Bank of Kenya and now in the absence of the interviewer, these questionnaires could have been answered by other subordinate staff, who might not be actively involved in the strategy implementation process, therefore creating a source of bias. The methodology adopted by the study was content analysis that analyzed data using qualitative in nature compared to quantitative that could be more specific and accurate.

5.6 Suggestions for Further Research

What this research would achieve can only be considered to be little, thus requiring further research work. Future study should link strategy implementation and performance, to ascertain how the two variables relate in respect to each other. There is need also to carry out the study in all commercial banks in Kenya, to try and find out whether the findings from one bank can truly be reflected in all the commercial banks during strategy implementation. A replication of this study should be done after some time to find out if there are any changes that might have taken place as a result of time difference and then comparisons to be made with the current data, so that viable recommendations can be drawn.
REFERENCES


http://www.nationalbank.co.ke

http://www.cbk.co.ke.


Appendix 1: Introductory Letter

Richard Mureithi Warugongo
P.o Box 8760 - 00200
Nairobi

The Managing Director
National Bank of Kenya
Nairobi

Dear Sir,

REF: MBA RESEARCH STUDY
I am a student studying for a Masters’ degree in Business Administration at the University of Nairobi. In partial fulfillment of the requirement for the award of the degree, I am required to write a research paper. The topic of my research is “Strategy Implementation at National Bank of Kenya.”

I am kindly requesting you to allow me to conduct in-depth interviews with some of your senior staff. The results of this study will be purely for academic purposes and a copy will be availed to you upon completion.

Yours Faithfully,

Richard Warugongo
Appendix 2: Interview Guide

STRATEGY IMPLEMENTATION AT NATIONAL BANK OF KENYA

Part A: Demographic Data
   i. For how long has your business been in operation?
   ii. For how long have you been worked in the business?
   iii. What is the highest level of education you have achieved?

   i. Does the business unit have a strategy? If yes, what duration does the business strategy cover?
   ii. What is the role of employee skills in strategy implementation process?
   iii. What is the influence of employee training in strategy implementation process?
   iv. What is the role of organizational culture in strategy implementation process?
   v. What is the role of organizational values/norms in strategy implementation process?
   vi. What is the role of leadership in strategy implementation process?
   vii. What is the role of communication in strategy implementation process?
   viii. What is the role of structure in strategy implementation process?
   ix. What is the role of technology in strategy implementation process?
   x. What is the role of financial resources in strategy implementation process?
   xi. What is the role of political influence in strategy implementation process?
   xii. What are the other factors leading to strategy implementation success in your business unit?

Challenges of Strategy implementation
   i. Do you face the challenge of strategy implementation?
   ii. How do you relate organizational leadership and strategy implementation?
   iii. How do you relate organizational structure and strategy implementation?
iv. How do your relate organizational communication and strategy implementation?

v. How do your relate employee training and strategy implementation?

vi. How do your relate organizational culture and strategy implementation?

vii. How do you perceive the influence of technology on strategy implementation?

viii. How do you perceive the influence of training on strategy implementation?

Measures to overcome strategy implementation Challenges

i. How do you relate management support with strategy implementation?

ii. How do you relate employee motivation with strategy implementation?

iii. How do you relate training with strategy implementation?

iv. How do you relate financial support with strategy implementation?

v. What are other measures that can be put in place to overcome strategy implementation challenges?

“THANK YOU FOR YOUR TIME”