

**INFLUENCE OF ORGANIZATIONAL FACTORS ON IMPLEMENTATION OF  
STRATEGIC PLANS  
AMONG INDEPENDENT REGULATORY PARASTATALS IN KENYA**

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**DECLARATION**

This thesis is my original work and has not been presented for a degree or any other award in any other University

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## **DEDICATION**

I dedicate this thesis to my dear wife Benardine Jerono Mundui and children Master Owen Kibet and Olia Jerop. To my parents without whom I would not be where I am today. I also dedicate this thesis to my siblings Mr. Barnabas Kipyator, Mr. Charles Kiptoo, Mr. Julius Kiptoo, Mr. Felix Kiptoo, Mrs. Rosemary Kibos, Mrs. Anne, Mrs. Pamela Rono, Mrs. Jebet and the late Paustine Kademi.

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## ABSTRACT

The study set out to examine the factors influencing implementation of strategic plans of selected Kenyan parastatals. The study specific objectives were to examine the effect of resources, top management commitment, business dynamics and communication on implementation of strategic plan of selected Kenyan parastatals. Implementation of strategic plans in parastatals involves use of resources both financial and staff in the existing business environment to remain relevant and competitive. To deal with the unprecedented level of change, sufficient preparation is necessary for successful implementation of strategic plan. Despite a lot of efforts and resources being channeled into implementation of strategic plans in parastatals face imminent failure. This implies that, implementation of strategic plan still remains a challenge for parastatals in Kenya. To implement strategic plans in parastatals, allocate sufficient human, financial and other resources such as equipment and IT support to each step of the action plan. Assigning adequate resources shows that the parastatal's leadership is serious about the plan and helped motivate employees to accomplish their assigned tasks. To strengthen the conceptual framework the study adopted the following theories; dynamic capability view theory, human capital theory, general systems theory and management theory. The target population was 2,238 employees at industry regulators consisting of top managers and middle level managers. The sample size was 339. A pilot study was carried out to refine the instrument. The quality and consistency of data was further assessed using Cronbach's alpha. Data analysis was through Statistical Package for Social Science (SPSS Version 23) for Windows. Descriptive analysis was done using frequency counts, percentages, means and standard deviation, regression, inferential statistics, correlation and the information generated was presented in form of graphs, charts and tables. On resources, the study findings established that independent regulatory parastatals in Kenya allocate sufficient financial resources, manpower and time to enable successful implementation of strategic plans in Kenya. On top management commitment, the study results showed that they are committed in implementation of strategic plans of independent regulatory parastatals in Kenya. On business dynamics, the study results revealed that parastatal prefer to implement strategic plans during economic boom. Frequent changes in top management in parastatals affect implementation of strategic plans. Changes in technology affects implementation of strategic plan in parastatals. On communication, the study results revealed that employees are full involved in the implementation of strategic plan of independent regulatory parastatals in Kenya. The study Pearson correlation demonstrates that there is a positive correlation between the independent variable's and the dependent variable implementation of strategic plan in independent regulatory parastatals in Kenya. In answering the research question as to whether resources, top management commitment, business dynamics and communication have an effect of implementation of strategic plans in independent regulatory parastatals in Kenya, the study findings established that resource affects implementation of strategic plans in independent regulatory parastatals in Kenya.

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## **LIST OF ABBREVIATIONS**

<b>GDP</b>	Gross Domestic Product
<b>IT</b>	Information Technology
<b>MDG</b>	Millennium Development Goals
<b>SPSS</b>	Statistical Package of Social Sciences

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the Study**

Implementation of strategic plans in parastatals involves use of resources both financial and staff in the existing business environment to remain relevant and competitive. To deal with the unprecedented level of change, sufficient preparation is necessary for successful implementation of strategic plan (Olson, et. al, 2017). Despite a lot of efforts and resources being channeled into implementation of strategic plans in parastatals face imminent failure. This implies that, implementation of strategic plan still remains a challenge for parastatals in Kenya. To implement strategic plans in parastatals, allocate sufficient human, financial and other resources such as equipment and IT support to each step of the action plan. Assigning adequate resources shows that the parastatal's leadership is serious about the plan and will help motivate employees to accomplish their assigned tasks. (Kiplagat, 2017). Communicate the plan clearly showing the requirements of your action plan throughout the implementation process, making sure that employees understand how the plan delivers on the parastatals vision. Continuously monitor implementation of strategic plans progress towards milestones and other performance measures you have set down in the action plan. Finally update and adjust your implementation of strategic plan as condition change over the course of during of implementation of strategic plan.

Hrebina (2018) states that there are tremendous obstacles to effective implementation of strategic plan. Some of the obstacles arise from the conditions or demands of the execution process, including: 1) the need to get many more people involved in execution than were involved in planning; 2) the longer time frames associated with the process of strategy implementation and the resultant probability that competitive forces or conditions will change over time and 3) the existence of many factors or variables that can affect execution results or success, and the need to handle them effectively to achieve desired outcomes. Implementation of strategic plan has been ranked high on top managers' agenda and at the same time, there is increased awareness that developing implementation of strategic plans

capabilities is an important driver for competitive advantage (Verweire, 2017).

Different parastatals have developed their own strategic plans depending on their status, needs, and objectives. Kenya government in the year 2013 Presidential Task Force on Parastatal Reforms made it mandatory for parastatals to develop their domesticated strategic plans to guide the parastatal's development. It is difficult for any management team to formulate a consistent strategy and it's even more difficult to implement the strategic plan in the whole organization any factors can affect the process of turning strategies into organizational action (Noble & Mokwa, 2017). In Kenya there are 139 parastatals clustered into commercial parastatals, strategic functions parastatals, state agencies parastatals, independent regulatory parastatals and research parastatals (Presidential Taskforce on Parastatals Reforms, 2017). Majority of parastatals have failed to implement strategic plans because of merged functions, transferred functions, performance of devolved functions and some are earmarked for dissolution (Bett, 2018). Parastatals in Kenya are established within the provision of State Corporation Act Chapter 446 of the laws of Kenya and given the autonomy to run and concentrate on specific mandate in order to improve service delivery to the public. Although parastatals have board of directors to oversee the day-to-day operations, they operate with general supervision of respective Ministries under which they were created (PTPR, 2017).

In a global perspective, a case in point is Xerox Corporation. Chesbrough et al. (2014) states that even though Xerox contributed too many break-through technical revolutions but failed to profit from them due to its failure to scan both internal and external environment. Some inventions which are based on knowledge such as the desktop terminal, Ethernet LAN, windows explicit boundary, script acknowledgement, updraft inkjet, image accomplished nets, live Board, HR flat panel display and 3Dimension information conception (that is, all these un settling machineries formed between 1970 to 1990) were not interpreted to industries or goods by Xerox (Rajasekar, 2014). This failure is attributed to lack of strategic learning from external business environment and capture marketplace for its products. From a global perspective, Rajasekar (2014) examined the factors aspects influencing effective

plan implementation in a facility industry in Oman. The research showed that successful strategic implementation is crucial for any organization to survive in the competitive environment. Organizations cannot bear a competitive advantage despite strong strategy design because of the lack of the procedures in executing the strategy.

Apple strategically planned for its iPhone device and it turned to be the keystone of the product line of the company. This made Steve Jobs, the CEO to declare that it was “plainly five years’ in advance with the rest of the mobile companies. While the rest of the other systems dealt failure, the Apple Company deliberately planned for the iPhone in the most perfect way possible. Borrowing from this, Kenya postal corporation, mighty its resources and network could have capitalized to gain competitive niche in service sector. Instances of the execution of strategic statistical systems are predominant all over the modern philosophy, right from the ineffective publication of the leading US healthcare exchange site, healthcare.gov, to the extremely fruitful delivery of iPhone, for the apple company, which recurrently shoves the borderline of mobile gadgets ability and eminence. These binary systems play totally different roles; they both exceptionally exemplify effective and ineffective strategized planning and execution.

In the United Kingdom strategic plan implementation has also been found to have a significant impact on the functioning, performance, and effectiveness of an organization, and is essential for its success (Schaap, 2017; Noble & Mokwa, 2017). Furthermore, the cost of strategy implementation plan failure could sometimes be fatal for an organisation in terms of benefits lost, formulation expenses, and the firm’s sustainability (Nutt, 2016). That is why strategy implementation plan has been considered a vital concern in managing strategic changes (Thomas, 2016).

At the same time, formal strategic plan implementation could potentially enable public service organizations to better manage the support from stakeholders that is needed to achieve strategic objectives (Pfeffer & Salancik, 2018). This is especially important in the public sector, since the context in which public organizations operate has a massive influence on organizational behaviour and outcomes (O’Toole & Meier, 2016). In particular, the ways

in which public organizations respond to stakeholders has become increasingly important as those organizations have needed to do more to collaborate and co-operate with the diverse actors who have a stake in the process of strategy implementation (and formulation) (Osborne, 2016).

During the past two decades, strategic planning in Canadian governments has gained importance in response to increasing public demands for accountability and transparency. For example, since the late 1990s, the federal government has required government departments and agencies to produce annual Reports on Plans and Priorities (RPP) (Pollitt & Bouckaert, 2016). The RPPs, which detail departmental priorities by strategic outcome, program, and expected results for a three-year period, play an important role in the Government's planning and resource management processes, as well as provide a basis for ministerial accountability to Parliament by allowing comparisons of the actual results published in annual performance reports against the plans (Treasury Board Secretariat Canada, 2016). To further improve the efficiency and effectiveness of such administrative functions, the Priorities and Planning Sub-Committee on Government Administration was created in 2012 (Treasury Board Secretariat Canada, 2016). At the provincial level, although implementation can vary significantly, all ten Canadian provinces also have priority-setting/strategic planning, budgeting, and performance reporting functions as key elements of their performance management and accountability frameworks (Canadian Institute of Chartered Accountants, 2016). Hence, the increasing importance of strategic planning practices across Canadian governments makes the Canadian public sector a highly relevant and contemporary context in which to examine the strategy planning-implementation relationship.

A study by Jooste and Fourie (2019) in South Africa concluded that leadership and especially strategic leadership role of providing direction during strategy implementation is important in influencing organization performance. Noble and Mokwa (2019) found out that manager's commitment to strategy (which refer the extent to which a manager comprehends and supports the goals and objectives of a strategy) and individual manager's role performance

(the degree to which a manager achieves goals and objectives of a particular role) positively influences the success of strategy implementation effort and performance in an organization.

Pressman and Wildavsky (2016) state that implementation of strategic plans in parastatals could not be successful if it is divorced from Planning. They further argue that good implementation of strategic plan must begin in the actual planning of the policy. Policy makers tend to divorce themselves from the actual implementation of strategic plans and as a result they misestimate the amount of time and detail that is required to be successful. This comes in many forms. Pressman and Wildavsky (2016) note leaders make decisions and in thinking about the finish line, often fail to contemplate all the intricacies of getting there. They expect those under them to figure out the sequence of events. Implementation of strategic plan is an evolutionary process, not a revolutionary. There must always be evaluation and tweaking occurring for implementation of strategic plan to be successful. This must be an ongoing process, or the project will hit a wall and may not recover. The longer the players take to implement the policy the more difficult it is to be successful. The key to a successful implementation of strategic plan is by aligning the initiatives, having a full and active executive support, widespread perceived need for the strategic planning effective communication, through engaging employees, thorough organizational planning and competitive analysis, aligning budgets and performance, and by monitoring and adapting.

Poor strategy execution has caused about 70% of planned strategy to fail, whereby managers lacked commitment and were indecisive of strategic content or decision itself (Lynch, 2016). Also, other studies anticipated the failure rate to be between 50% and 90% (Gebhardt & Eagles, 2014). Hence, wise and informed decisions from top management are needed when approaching certain strategic issue that could affect people and their overall implementation (Gebhardt & Eagles, 2014)uncertain business environment often center's around CEOs given their ultimate responsibility on the strategic direction of organization (Gebhardt & Eagles, 2017).

Furthermore, divisional, and functional managers work in developing programs, budgets,



and procedures for executing strategy with their colleague managers (Cherop, 2017). Moreover, the most important pre-condition for successful execution of strategy is the commitment of executives at top level to follow the direction of the strategy (Lynch, 2016; (Wanjiku & Ombui, 2017). Top managers, therefore, need to show their willingness to give loyalty and energy to the execution process (Mutuku, 2017; Waititu, 2016). To ensure the strategy is executed as planned, top executives should not consider that lower level managers have the same perceptions about executing strategies, and their importance and urgency, but rather, they must work together with employees to attain these goals (Mapetere, et al., 2015; Koech & Were, 2018).

## **1.2 Statement of the Problem**

Parastatals reforms are long overdue and the Presidential Taskforce on parastatals reforms has not been implemented (PTPR, 2017). Lack of implementation of the strategic plans in parastatals results in low staff morale, wastage of financial resources which would have otherwise be put to productive activities and poor performance (Kiplagat, 2017). Parastatals have a second cycle of five-year strategic plans running through the year 2018 to 2022.

In this era of performance-based management, Kenyan parastatals are currently implementing their strategic plans for 5 years developed for the period of between 2013 - 2018. Some researchers have noted that parastatals fail to implement up to 70% of their strategic initiatives in the first two years (Miller, 2017). To survive, parastatals have to implement strategic plan to aid them to succeed in the competitive environment in which they operate (Madegwa, 2017).

Wairimu (2016) examined the influence of implementation of strategic plans in the service industry while Juma (2017) evaluated the influence of implementation of strategic plans in Non-Governmental organizations. Kariuki (2017) examine the influence of implementation of strategic plans on performance of National Government Constituency Development Fund for Gachoka Constituency and Messah and Mucai (2018) examined the factors influencing the implementation of strategic plans in Government Tertiary institutions.

Though parastatals struggle to implement strategic plans, their efforts tend to pull and diffuse apart since less has been done to uncover the problems they face during implementation. It is against this premise, which formed the purpose of the study to examine the extent to which resources, top management commitment, business dynamics and communication influences implementation of strategic plans among selected Kenyan parastatals.

### **1.3 Purpose of the Study**

To examine the factors influencing implementation of strategic plans among independent regulatory parastatals in Kenya.

#### **1.3.1 Specific Objectives**

- i. To examine the influence of resources on implementation of strategic plan among independent regulatory parastatals in Kenya
- ii. To determine the influence of top management commitment on implementation of strategic plan among independent regulatory parastatals in Kenya.
- iii. To establish the influence of on business dynamics on implementation of strategic plan among independent regulatory parastatals in Kenya.
- iv. To evaluate the influence of communication on implementation of strategic plan among independent regulatory parastatals in Kenya.

### **1.5 Significance of the Study**

The study will aid various stakeholders in the country.

#### **1.5.1 Parastatals**

Public sector in the country will obtain details on how they can be able to effectively implement their strategies in the face of numerous challenges facing them. In addition, the study will be an invaluable source of material and information to educational institutions operating in the country.

#### **1.5.2 Academics**

For researchers and academicians, this study would add to the existing body of literature

thereby acting as a source of reference. In addition, this study would provide areas for further research where future scholars could explore to widen the knowledge base on implementation of strategic plans. The findings of this study would be important to scholars in the field of strategy formulation, planning and implementation.

### **1.5.3 Government**

This study serves as a rich source of information to policy makers, especially the government of Kenya. Non-profit and government leaders are often hesitant to implement changes to programs and operations that disrupt the status quo, even when things are not going well for the organization (Gebhardt & Eagles, 2017). This study may enable the government to appreciate that after a business plan is developed and implementation starts, progress can be achieved only through the perseverance and staying power of those committed to adopting change or a new way of doing business by understanding that the process of monitoring performance, evaluating progress, and mentoring strategy implementation teams is integral to successful goal achievement (Koech & Were, 2018).

### **1.6 Limitations of the Study**

The respondents may take a lot of time in filling in the questionnaires therefore the researcher will have to collect the already filled questionnaires to do the analysis because of the time constraints. This will make the response rate not to be 100% as expected. The respondents may not be free to give personal information as they considered it of private nature, but the researcher will assure them the information will be treated confidentially and purely used for academic purposes.

### **1.7 Delimitation of the Study**

All studies that explore causal or other relationships among variables must be conducted within dimensional identities. This study focuses on the factors affecting strategy implementation in public sector in Kenya. This is because many organizations in the public sector have a challenge in implementing strategic plans.

### **1.8 Assumption of the Study**

The study will be based on the following assumptions: That resources, top management

commitment, business environment and communication influences implementation of strategic plan in selected Kenyan parastatals.

### **1.9 Operational Definition of Terms**

**Business Dynamics:** Is a pattern of change of business growth or intensity of business phenomenon.

**Communication:** Is the systematic planning, implementing, monitoring, and revision of all the channels of communication within an organization, and between organizations; it also includes the organization and dissemination of new communication directives connected with an organization, network.

**Resources:** In strategic planning, resource allocation is a plan for using available resources, for example human resources, especially in the near term, to achieve goals for the future. It is the process of allocating scarce resources among the various projects or business units.

**Strategic Implementation:** Is the activity performed according to a plan in order to achieve an overall goal.

**Top Management Commitment:** Top management commitment refers to the demonstration of top management's belief in the importance of strategic planning process. Top management affirms strategic orientation of the firm. Top management commitment avoids interdepartmental conflicts by making whole organization function as a unit rather than as departments.

### **1.4 Research Questions**

- i. How does resources affect implementation of strategic plan among independent regulatory parastatals in Kenya?
- ii. How does top management commitment affect implementation of strategic plan among independent regulatory parastatals in Kenya?
- iii. How does business dynamics affect implementation of strategic plan among independent regulatory parastatals in Kenya?
- iv. How does communication affect implementation strategic plan among independent

regulatory parastatals in Kenya?

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter summarizes the information from other researchers who have carried out their research in the same field of study. The specific areas covered here are theoretical underpinnings, implementation of strategic plan, resource allocation in parastatals, top management commitment, business environment and communication.

#### **2.2 Theoretical Review**

This section reviewed the theories that will support the study. These theories are Dynamic capability view, Human capital, General systems theory, and Management Theory

##### **2.2.1 Dynamic Capability View Theory**

The dynamic capabilities view of a firm was launched Teece in early 1990s. The framework is based on the works of (Teece, 1997). The theoretical framework is an advancement of the resource-based view of the firm which views resources as the key to superior organization performance. If a resource exhibits the VRIO attributes, it enables an organization to achieve a competitive advantage (Barney, 2017).

According to Barney (2017), the dynamic capability view theory framework emerged in 1980s and 1990's after the major works published by Teece. Barney, J. (Firms resource and sustained competitive advantage). However, the dynamic capability view theory failed to recognize the fact that environment in which organizations works today is not static but dynamic and turbulent in nature (Barney, 2017). The effort to rethink about the applicability of the dynamic capability theory in a dynamic environmental context that characterizes today's organizations is what gave birth to the Dynamic Capabilities Theory or approach to organizations.

According to Teece (1997), a capability is the capacity to utilize resources to perform a task or an activity, against opposition of circumstance. Capabilities flow from astute bundling or

orchestration of resources. Dynamic capability theory refers to physical, human and organizational assets (Eisenhardt & Martin, 2000), as well as learned and stable patterns of behavior through which a firm systematically generates and modifies its way of doing things, so that it can become more effective (Zollo & Winter, 2002). The dynamic capability theory (Eisenhardt & Martin, 2000) is based on the concept that organizations will always attempt to renew their resources in a way that suits the changes taking place in a dynamic environment. According to Teece (1997), dynamic capability approach examines how firms are able to integrate, build, and reconfigure their specific competencies (internal or external) into new competencies that match changes taking place in a turbulent environment (Helfat & Margaret, 2009).

The dynamic capability framework assumes that firms with greater dynamic capabilities will always outperform those with smaller dynamic capabilities. Therefore, operations in a dynamic environment call for firms to continuously renew, re-engineer and regenerate their internal and external firm's specific capabilities in order to remain competitive (Teece, 1997). The dynamic capabilities are hard to develop and difficult to transfer because they are tacit and are embedded in a unique set of relationships and histories of a firm. Ordinary capabilities, according to RBV Rumelt (2017), are about doing things right whereas dynamic capabilities are about doing right things at the right time based on unique processes, organizational culture and prescient assessments of the business environment and technological opportunities surrounding a firm (Teece, 1997). Managerial functions are relevant to dynamic capabilities in areas of co-ordination, guided learning, and reconfiguration or transformation. Dynamic capabilities reside in at least part, in managerial entrepreneurship and leadership skills of the firm's top management and in managerial ability to design, develop, implement, and modify their daily organizational routines (Teece et al., 1997).

Strong dynamic capabilities include processes, business models, technology, and leadership skills needed to effectuate high performance sensing, seizing, and transforming an

organization. Firms with strong dynamic capabilities exhibit technological and market agility, they are able to create new technologies, differentiate and maintain superior processes and modify their structures and business models in order to stay ahead of competition, stay in tune with the market and even shape and reshape the market when necessary (Teece, 1997).

The dynamic capability theory underpins three independent variables in this study. Leadership is a dynamic capability and a change in leadership skills is required as the environment of business changes. Organizational structures keep on changing with changes in strategies necessitated by the market changes. Structural capabilities and adaptability are required for organizations to survive in a complex and dynamic environment. Technology is a dynamic capability and keeps on changing with changes in the environment. Human resource is not a dynamic capability, but new capabilities can be created in human resources through training and acquisition of new knowledge and skills in line with environmental changes.

### **2.2.2 Human Capital Theory**

Human Capital Theory founded by Becker's (1993) noted that the most valuable of all capital is that of investment in human being. The theory distinguishes firm-specific human capitals from general-purpose human capital. Examples of firm-specific human capital include expertise obtained through education and training in management information systems, accounting procedures, or other expertise specific to a particular firm. General-purpose human capital is knowledge gained through education and training in areas of value to a variety of firms such as generic skills in human resource development (Odongo & Owuor, 2015). Baron and Armstrong (2017) suggest that human capital arises out of any activity able to raise individual worker productivity. In practice full-time education is, too readily, taken as the principal example. For workers, investment in human capital involves both direct costs, and costs in foregone earnings (Odongo & Owuor, 2015). Okumus and Roper (2017) affirm that workers making the investment decisions compare the attractiveness of alternative future income and consumption streams, some of which offer



enhanced future income, in exchange for higher present training costs and deferred consumption. Returns on societal investment in human capital may in principle be calculated in an analogous way (Kiplagat, 2017).

A major strength of HCT is that it helps policymakers and researchers evaluate the relationships between education and training as inputs and economic and social benefits as outputs. Extensive empirical research within the HCT framework suggests that increased amounts of schooling are associated with higher individual wages, GDP growth, higher rates of civic participation, lower crime rates, and better health outcomes. This research offers policymakers a lens for evaluating the relative efficiency of public investments in programs that encourage more schooling. The framework can also contribute to more effective policy development by helping policymakers understand the amounts and characteristics (e.g. quality) of education and training that matter most for achieving desired outcomes such as economic growth and increased levels of civic participation.

Another strength of HCT is that it provides a useful lens for understanding how policy can be developed to incentivize individuals' investment in their own education. Pursuing education involves both costs (e.g., forgoing potential earnings in the present) and benefits (e.g., higher wages in the future) at the individual level. By using HCT to understand what these costs and benefits are, policymakers can more effectively develop policies such as student loan and dual enrollment programs to change individuals' cost/benefit calculations (Becker, 1993).

A limitation of HCT is that it assumes education increases productivity in the workplace, resulting in higher individual wages, but it provides little insight into the processes through which education and training are translated into higher wages. In statistical models, education and training account for about 30 percent of the variance in individual wages, which suggests HCT leaves a significant percentage of wage variability unexplained. A variety of "middle range" theories (e.g., screening and credentialism) attempt to explain the other 70 percent of individual wage variability, and some of these theories examine the relationship between educational credentials (e.g., a bachelor's degree) and earnings. Many

of these “middle range” theories focus on the social and cultural contexts in which employment decisions are made and suggest numerous factors besides productivity (e.g., cultural, and social capital) are involved in the relationship between education and higher wages. It is thus critical for policymakers to consider alternative frameworks in conjunction with HCT to more fully understand the relationship between education and private economic returns such a higher wage (Becker, 1993).

Mwangu (2016) argues that human capital is ‘generally understood to consist of the individual’s capabilities, knowledge, skills and experience of the company’s employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning. Despite the important role of human capital in modern societies, there are still many unknowns about the process of educational production as well as individual and collective decisions concerning how much and what kind of education to obtain (Mwangu, 2016). The theory applicable in this study on the premise that employee skills and knowledge will lead to quality decisions formulation and implementation to promote organizational performance. Organizations should invest in employee trainings in order implement strategies formulated without difficult. Employee training will minimize change resistance and enhance strategic planning process.

### **2.2.3 General Systems Theory**

According to Chesbrough, et al. (2014) the General Systems Theory (GST) emerged from the works of an Austrian biologist Ludwig von Bertalanffy in 1930’s. The theory studies the structure and properties of a system in terms of relationships and interdependencies among various components from which the properties of the whole emerge. The system theory also views the world in terms of relationships and integration and emphasizes the principle of organization.

Banks, et al. (2017) define a system as a group of objects that are joined together in some regular interaction or interdependence toward the accomplishment of some purpose. This implies that a system is made up of different components that work together in a regular

relationship to accomplish a common goal. The system components include entities, objects of interest within the system, attributes, or defining properties of entities, states of the system's collective descriptive variables at a given time, activities taking place at a given time, and events that have the potential to change the state of the system (Bank et al., 2017). Modern organizations qualify as open systems and within an organization as a system; there exist subsystems like human resource, administrative, management information systems, social-technical, structural and others (Swanson & Holton, 2016). The common features of a system include the systems boundary, its external environment, and sensitivity to disturbances both within and outside the system.

The foundation of systems theory is that all the components of an organization are interrelated and changing one variable brings changes to other variables. Organizations are viewed as open systems where they are continually interacting with their environment. They are in a state of dynamic equilibrium as they adapt to environmental changes. A central theme of systems theory is that sometimes nonlinear relationships might exist between variables where small changes in one variable can cause huge changes in another and large changes in another variable might only have a nominal effect on another.

French, et al. (2018) underscored that the systems theory views organizational structure as the established pattern of relationships among different parts of the organization. The most important according to the theory are the patterns in relationships and duties which includes integration (the way activities are coordinated), differentiation (the way tasks are divided), the structure of the hierarchical relationships (authority systems), and the formalized policies, procedures, and controls that guide the organization (administrative systems).

The relationship between the environment and organizational structure is especially important in the system theory. Organizations are open systems and always depend on their environment for support. Generally, the more complex environments which characterizes today's organizations lead to greater differentiation (Burn & Stalker, 2017). The trend in organizations is currently away from stable (mechanistic) structures to more adaptive (organic) structures. The advantage is that organizations become more dynamic and flexible

while the disadvantage is that integration and coordination of activities require more time and effort. From a systems theory point of view, successful implementation of strategic plans requires a well-coordinated effort and harmonious interactions among various components of an organization. The leadership component in an organization alone may not succeed in implementation of strategic plans effort without creating proper structures and ensuring active participation of other subsystems like human resources (people), social-technical and information subsystem (technology). Moreover, organizations must also continuously interact with the dynamic environment to obtain the required resources that drive implementation of a strategy to success. The systems theory underpins all the variables in this study.

The strength of systems theories lies in the interdependency, adaptability and exchange of resources and energy from the different systems. In the general systems theory, there is an emphasis on removing obstacles in the system of implementation of strategic plans in parastatals. Further, the theory focuses on inclusion of all stakeholders rather than separation. The general systems theory is helps to synchronize how the top management of parastatals utilizes resources allocated to them in a most effective manner.

From a systems theory point of view, successful strategy implementation requires a well-coordinated effort and harmonious interactions among various components of an organization. The leadership component in an organization alone may not succeed in strategy implementation effort without creating proper structures and ensuring active participation of other subsystems like human resources (people), social-technical and information subsystem (technology). Moreover, organizations must also continuously interact with the dynamic environment to obtain the required resources that drive implementation of a strategy to success. The systems theory underpins all the variables in this study apart from strategic direction of the firm.

#### **2.2.4 Management Theory**

Management theory generally is known as Frederick Taylor's Scientific Management. In his theory he emphasizes on efficient training of workers (Taylor, 2014). His major contribution

was the idea of breaking down an intricate task into a unit (Work Breakdown Structure) to optimize the performance where management plays a role of execution of sciences and teaching and workforces in the labor sector, with each sector handling a task that it will do the best (Lynch, 2016). This is his strongest positive heritage of subdividing a complex task into numerous subtasks and improving the presentation and productivity of the subtasks. The theory gives a modest conceptual framework and a plan that can guide a firm to achieve their objectives. This is demonstrated by its contributions to business process outsourcing (BPO) a real-world application daily firm (Dobni & Luffman, 2017). It is this critical survival aspect and having the ability to adapt as a firm to cope and adapt to the dictates of changing business landscape as a result of rapid change of consumer needs, due to liberalization, globalization, de-regulation, technological advancement and dynamism in the market, calls for the corporation to re-cast its competitive strategies in order to deliver its core mandate.

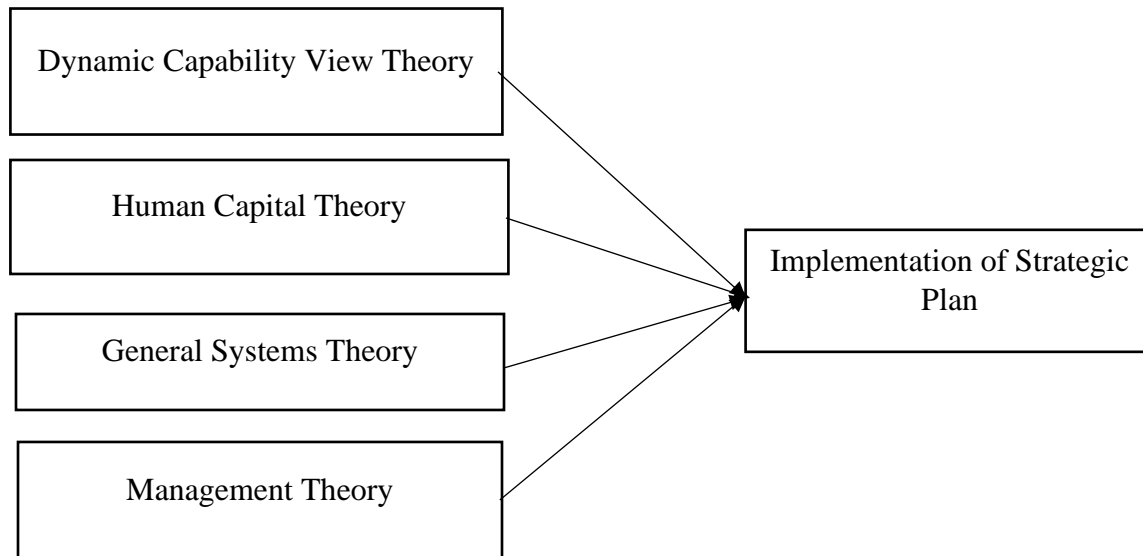
In the words of Kirui (2017) the concept of strategic management addresses three key questions namely, what the goals of the organization are, how they will be attained and how they will be evaluated. Strategized planning entails scanning of an organization's internal and external environment, strategic preparation, execution, assessment and regulation and in the words of Bagire and Namada (2015) management theory has unquestionably captured the dynamism of being responsive and adaptive to the internal and external environmental needs of evolving organizations such as Kenya postal corporation. The impact of information technology and the internet that have significantly affected the way organizations, managers and workers performs (Bagire & Namada, 2015). The application of management theories in this view is technology especially service industry, the impact of technology advancement has changed the rules of engagement on how organizations conduct their business with regards to services delivery (Kirui, 2017).

### **2.2.3 Theoretical Framework**

The theoretical framework expresses the conceptualization of the elements of the theories discussed above in Figure 2.1 below.

**Figure 2.1**

***Elements of Theoretical Framework***



**2.3 Empirical Review**

**2.3.1 Resources**

The availability of resources in terms of staff, skills, knowledge, finance and time, is thought to be a crucial part of strategy implementation (Miller, 2017). In essence represent the strengths that forms can use to assist with the conception and implementation strategies (Barney, 2017). Therefore, appropriate allocation of resources is important to use survival and success of an organization. Examples of resource allocation could be the budgeting process, training and development of staff to increase level of skills within the organization and availability of physical resources such as assets for use in the organization (Miller, 2017). Resource allocation must be oriented to objectives achievements. Objectives should be clearly laid down with strategic priorities for resource allocation. Their preferences attract more resources for their pet reports (Bett, 2018).

Budgets and resources allocated within the functional areas of an organization will affect whether plans will be achieved or not and the time it will take to achieve these targets.

According to Jooste and Fourie (2019), the organizational workplace will also affect how smooth the implementation process moves. Organizations' cultures include a political component making all organizations to be political in nature. Managerial behavior cannot be purely rational, and this affects how implementation process progresses (Osborne, 2016).

Schaap (2017) noted that organizations need resources (human and financial) to be able to implement formulated strategies to achieve identified goals and objectives. How effective these resources are allocated will influence how effective a strategy will be implemented. The main objective of a business entity is to generate profits providing products and services that meet the needs of the consumers. To meet their objectivity of profitability firms, adopt strategies like, adoption of new technology to enhance service delivery, reduction of staff occupying obsolete positions due to adoption of a new organization structure, hiring of professionals, all this require financial resources to be achieved. According to Schaap (2017) how successful and effective a strategy will be implemented will depend on the organizations human resource and financial resources are allocated. If an organization implements a strategy without proper allocation of resources as per the strategic implementation schedule, challenges are bound to arise during implementation process.

Wangari (2017) argues that implementation of strategic plans fails because not enough resources were allocated to successfully implement them, and that lack of resources is generally a bigger threat to capital-intensive strategies. Wangari (2017) as cited by Jebukosia (2017) argues that deploying the requisite resources is critical for successful implementation of strategic plan. From strategic leadership, resources needed adequately to effectively implement organizational strategy include financial resources, human resources and technological resources.

Korir and Moronge (2017) evaluated drivers of implementation of corporate strategic plans in government parastatals. The study focused on resource allocation and leadership. The study concluded that that implementation of corporate strategic plans in the government parastatals in Kenya is affected by leadership followed by resources allocation management

being the major factors that mostly affect implementation of corporate strategic plans in the government parastatals in Kenya. Okumus and Roper (2017) on the other hand identified that there should be a process of ensuring that all necessary time financial resources, skills and knowledge are made available. Resources are intricately linked with operational planning and has a great deal of impact on communication and on providing training and incentives. In the implementation of strategic plans, the main areas to look into when allocating resources are the procedures of securing and allocating financial resources for the new strategy, information and knowledge requirements, the time available to complete the process and the political and cultural issues within the company and their impact on resource allocation. Ndegwa (2016) viewed that some strategies fail because not enough resources were allocated to successfully implement them.

Kosar (2017) examine challenges in implementation of strategic plans by secondary schools in Mandera county. The study however found out that most of the schools lacked enough finances to implement their strategic plans, which showed that lack of resources adversely affected the implementation of strategic plans in schools. It emerged from the study that the schools had effective leadership, which had a positive effect on strategic planning in schools. Effective leadership in strategic planning play the role of making good plans for the future, providing better awareness of needs and of the facilities related issues and environment, defining the overall mission of the organization and focuses on the objectives, providing a sense of direction, continuity, and effective staffing and leadership. It could also be argued that the large extent of formal strategic planning observed is attributed to the MoE policy requiring every school to formulate a strategic plan in the overall Government's endeavor to improve quality of education and achieve the MDGs and the vision 2030. It could also be due to the dynamism and complexity in the environment presenting numerous opportunities and threats to schools hence the need to determine individual strength and weaknesses and channel the scarce resources in meaningful strategies to develop competitive advantage.

Kamau (2018) based a research on the recognized aspects affecting implementation of strategized plans in government hospices in Kitui Central Sub-County; Kitui County, Kenya



argues that adequate capital and resources will lead to an effective implementation. Each individual cashes in with the funding to ensure that the execution successfully takes place. Governments should include the dispersal of funds in the allocation budget. The endless procedures which need the sufficient funding includes: the administration style, mode and efficiency of communication, structural culture, shareholders and structural resources all impact on the efficiency of execution of strategized plans Nkosi (2015) identified lack of adequate financial resources, inadequate structure, weak continuous professional development policies and resistance to change as key factors affecting strategic implementation.

Resources generate a principal power for an organization, and they remain tough to reproduce transversely in any specified sector. Johnson and Scholes (2018) directs that administration relationships may be a foundation for analogous resources and other greatest practices, but it is always becomes hard to get some resources with duplication for instance, employee services, experienced cultural standards, time managing skills and monetary savings capability. Human resources such as executive and middle-class administrations and production workforces] had the ability to explicate the level of structural competitive benefit and the subsequent structural presentation (Adner & Helfat, 2013).

### **2.3.2 Top Management Commitment**

Thompson and Strickland (2017) further stated that strategic leadership keeps organizations innovative and responsive by taking special plans to foster, nourish and support people who are willing to champion new ideas, new products, and product applications. Griffins (2015) identified leadership in an organization as one of the main factors influencing strategy implementation by providing a clear direction, up to date communications, motivating staff and setting up culture and values that drives organizations to better performance.

Van Mass (2018) identified leadership as an important variable affecting organization performance. Consequently, strategy implementation and superior performance requires a leader who drives the implementation effort successfully by motivating employees, by

providing the overall direction for the implementation effort, by creating strategic vision and communicating that vision to organizational members, by actively leading the implementation effort as an example or a role model, by radiating and building confidence of the organizational members implementing the strategy, by taking decisive stand when confronted with problems of resistance to change or when they are forced to take tough decisions during implementation effort and by maintaining integrity, honesty and making just decisions during the strategy implementation effort.

Heracleous (2017) identified various roles played by leaders during strategy implementation process and classified them as a commander (a leader who attempts to formulate an optimum strategy), an architect (a leader who tries to designs the best way to implement a given strategy), a coordinator (a leader who attempts to involve other managers to get committed to a given strategy, a coach (a leader who attempts to involve everybody in the strategy implementation efforts) and a premise-setter (a leader who encourages other managers to come forward as champions of sound strategies).

Successful strategic implementation relies on knowledgeable employees, operational internal structural organization, resources strength and allocation, and prevailing market conditions (Kosar, 2017). Most people understand that strategic growth and strategic execution commences at the highest level of the organization. This is evidenced in recent research by Bagire and Namada (2015) who claimed and got support for the element that the implementation of strategy by firms originated from the fact that the executive management teams set goals, and worked towards ensuring that the set goals and objectives are accomplished. (And then sub goals) and setting in motion the actions needed to ensure that the goals would be achieved. One major step is to delegate part of the implementation responsibilities to middle (and lower) managers. In fact, those managers have the most responsibility for meeting the goals established in the implementation of the strategy. To meet the goals, these managers will have to garner and shape the resources needed to implement the plan. Unsuccessful implementation results from failure of the administration

to understand the plan and vision of the company in addition to the lack of attention and positive influence on the on people. Jooste and Fourie (2019) noted that managerial competency is critical to successful strategic implementation. According to Henri Fayol management is the coordination of all resources through the process of planning, organizing, directing, controlling, and coordinating.

It is believed that the executive management commences that strategic implementation. This is evidenced in recent research by Bagire and Namada (2015) who claimed that the executives are responsible for setting goals and implementing ways that will ensure that at the end of the day, they are all achieved. (And then sub goals) and setting in motion the actions needed to ensure that the goals would be achieved. One major step is to delegate part of the implementation responsibilities to middle (and lower) managers. In fact, those managers have the most responsibility for meeting the goals established in the implementation of the strategy. To meet the goals, these managers will have to garner and shape the resources needed to implement the strategy. Management plays a vital role in guiding the organization through the process of strategic implementation. According to Kirui (2017) management not only develops the necessary strategies but also guides their organizations towards implementation of the strategy by ensuring the required human and financial resources are available and develop a strategic implementation schedule to guide the process used as a control mechanism during implementation. The top management is responsible for planning the strategic implementation process. The level of managerial competence at the management of any organization has a direct influence as to whether a strategy will be successfully or unsuccessfully implemented (Jebukosia, 2017).

Zaribaf and Hamid (2018) carried out a study on the factors affecting implementation of strategic plans in commercial banks in Tehran Iran. The study focused on leadership, organizational structure, human resources, information systems and technology. The study concluded that top management leadership affects implementation of strategic plans of an organization. Maiche and Oloko (2016) carried out a study on the factors affecting

implementation of strategic plans in Co-operative Societies in Turkana County in Kenya. They examined the effect of top leadership commitment, availability of resources, level of risks and monitoring and evaluation on implementation of strategic plans in Co-operatives Societies. The study concluded that top leadership commitment affects implementation of strategic plans. Top leadership commitment and support factors include: delegation of duties; establishment of staff training programmes; adherence to Co-operative policies, guidelines and governance; prioritization of activities in the strategic plan; maintaining membership consensus on strategic decisions; decision making process; competences of board and senior executives; communication of strategic changes; involving lower-level managers in the formulation and implementation of strategic plans; gaining employees “buy-in of board”’s ideas on the implementation of strategic plan.

Gebhardt and Eagles (2017) evaluated those factors leading to implementation of strategy plans for parks and recreation in the province of Ontario, Canada. The study revealed the factors required for successful implementation and those that were obstacles to implementation. The implementation of strategic planning process and the human implementation factors that were important to successful implementation of the strategic plan included, staff understanding the rationale behind the plan and having a commitment to the plan, consulting both public and general interest groups. Having key policy leaders lobbying on behalf of the plan and the staff agreeing with recommendations were also identified as being key to successful implementation of sytrategic plan. The researchers listed the main obstacles to implementation as; lack of resources and staff having negative feelings towards the plan. Other obstacles listed included lack of staff involvement and high staff turnover.

Wairimu (2016) examined the factors influencing the implementation of strategic plans in organization. The study posits that the most important thing when implementing strategic plans is the top management’s commitment to the strategic direction itself. This is undoubtedly a prerequisite for implementation of strategic plans. Therefore, top managers must demonstrate their willingness to give energy and loyalty to the implementation of

strategic plan process. Nyandeje (2017) evaluated factors influencing implementation of strategic plans in public secondary schools in Homabay County in Kenya. The study focused on the influence of communication, resource allocation and organizational structure on implementation of strategic plans in secondary schools. The study concluded that school leadership affects implementation of strategic plans in secondary schools.

Messah and Mucai (2018) examine factors affecting the implementation of strategic plans in government tertiary institutions. The study focused on top management, resource allocation and institutional policies. The study concludes that the weak influence of managerial behaviour was guided more by the strategic thinking of the management. However, the low influence of managerial actions in allocation of resources had a great influence on implementation of strategic plans as this was more of institutional leadership decisions which would wish to be seen to be supportive. The influences of reward management are found to be relatively weak as it was more of the intrinsic motivation of the teacher's professional ethics than extrinsic motivation through tangible reward by Management. Institutional policies have been revealed to be relatively weak in influencing strategy implementation because of low awareness and infrequent use of the service charter which is a critical 'barometer' of strategy implementation effectiveness and efficiency.

Deliberations relating to the strategy and its employment in an ordinary way manner have to apprehend the purpose portrayed in this procedure by the planners who decide as per their expertise and character (as well as the risk tendency) or fundamental and moral standards (Bagire & Namada, 2015). This considers the choosing of the idea of development of the organization as well as the way it operates. As specified by Adner and Helfat (2013) managers are supposed to have some sort of supernatural ability to recognize sources of competitive advantage, generate the strategy and chase the strategic aims. The strategic implementation procedure alone needs extraordinary capabilities, as it seems to be a much more complex task than the strategy preparation and invention. In the aspect of the conditions that come with this procedure particularly the frequency of exchanging and analyzing data and information, it would be meaningful to reflect on a modification of the

existing functional approach. Rajasekar (2014) proposed that an average preparation approach to the strategic implementation program ought to be substituted by the concept of recognition by introducing common values and principles. That could create a foundation for the conclusions about the effective usage of resources. A modification in aptitudes is also a derivation of the fluctuations taking place in the vent of the procedure itself which has currently been subdivided into better long-lasting tasks which are less complex. At this time, it is somewhat obligatory to engage strategic thoughts and consequently to change the purpose of the managers to assume bottom-up method to the process of making decisions (Lorange, 2017). It needs numerous abilities like creation of the suitable administrative culture and provision of sufficient translation of the plans (Ashforth & Kreiner, 2017). Bergeron (2014) argues that this also combines a talented approach, that is, the capability to apply skills, knowledge and expertise which regulate the chances of accomplishing the goals.

Successful employment of the need's sufficient adaptations of the abilities which the organization has, that applies particularly to fundamental issues such as the collective experience and knowledge of managers and properly functioning decision-making mechanisms (Mutunga, 2017). According to Haakonsson et al. (2017), this is also impacted on by the administration style and the capability to apprehend and analyze information, which associates with the kind of plan that is strategically implemented in an indirect manner. Consequently, the key purpose of the administrators, including the thorough establishment, the assessment of the uprising opportunities, for creation of a competitive benefit as well as the analysis on proper decision making is emphasized (Mutunga, 2017). Therefore, the managers take the executive role by involving themselves in the implementation activities (Bagire & Namada, 2015). As stated by Haakonsson et al. (2017) effective decisions will be made when the executive members of the administration have exemplary skills, and expertise

A lot of authors put emphasis on the fact that the perceptions leadership team should get consideration (Wanjiku & Ombui, 2017). Cherop (2017) highlights the essentiality to examine their effect on the activities prior and those following the real procedure followed

when making the basic strategic decisions. The middle-class managers are literally called the agents of deviations, that is, the people who make use both of interior and exterior social relations for sustenance of the strategic deviations (Kariuki, 2017).

Malei, (2017) detects that management remains to be the focus of contemplation for a long time, customarily because of its interdependency nature with administrative presentation. However, it inspires enthusiasm and obligation, inspiring productivity and performance. Multiple styles and modes of administration influence productivity because lack of a dynamic form of leadership can adapt to different challenging environments. Considering the fact that leaders are responsible for pushing their subordinate staff to attain the set goals, it is acknowledged that they play a significant role in shaping and transforming the workforce. Managerial competencies refer to management's ability to provide leadership, control and direct, decision making, planning skills that are necessary for one to be able to guide an organization towards achievement of outlined objectives.

Koech and Namusonge (2019) investigated the effects of leadership styles on organizational performance of state owned corporations in Kenya and found a high correlation between transformational leadership, a low but significant correlation between transactional leadership style and performance and no correlation between the passive avoidant leadership (Laissez-faire) style and performance. Noble and Mokwa (2017) studied Kenyan SMEs and found out that leadership practice has a direct relationship with strategy implementation. The study concluded that managerial practices greatly affect implementation of strategic plan in Kenya.

Zumitzavan and Udchachone (2017) examined the influence of leadership styles on organizational performance in hospitality industry in Thailand and found out that transformational leadership style has a positive influence with organizational performance; Transactional leadership style has a weak positive influence while passive avoidant leadership style has a negative influence with organizational performance. All these studies

on leadership styles reinforces the idea that leadership style as contained in Higgins 8-S strategy implementation framework (2005) positively or negatively affects performance in organizations.

It is believed that the executive management commences that strategic implementation. This is evidenced in recent research by Banks et al. (2017) who claimed that the executives are responsible for setting goals and implementing ways that will ensure that at the end of the day, they are all achieved. (And then sub goals) and setting in motion the actions needed to ensure that the goals would be achieved. One major step is to delegate part of the implementation responsibilities to middle (and lower) managers. In fact, those managers have the most responsibility for meeting the goals established in the implementation of the strategy. To meet the goals, these managers will have to garner and shape the resources needed to implement the strategy. Management plays a vital role in guiding the organization through the process of strategic implementation. According to Kirui, (2017) management not only develops the necessary strategies but also guides their organizations towards implementation of the strategy by ensuring the required human and financial resources are available, and develop a strategic implementation schedule to guide the process used as a control mechanism during implementation. The top management is responsible for planning the strategic implementation process. The level of managerial competence at the management of any organization has a direct influence as to whether a strategy will be successfully or unsuccessfully implemented (Eisenhardt & Martin, 2000).

Kiplagat (2017) observed that knowledge resources, material wealth, and coordination ability are key to successful Implementation Strategic Plans. Jebukosia (2017) on a study of challenges of Implementation of Strategic Plans at Action Aid Kenya found out that resources can be a real challenge to Implementation of Strategic Plans. Their use as a “strategic weapon” to gain competitive advantage is essential together with adequate allocation of material resources to facilitate successful implementation. Action Aid had an ambitious plan, yet it was not possible to implement strategies which require more resources



than could be made available. The researcher noted that too little resources stifled the ability to carry out the strategic plan to the fullest.

### **2.3.3 Business Dynamics**

Ndegwa (2016) examine factors influencing implementation of strategic plans by SACCOs. The study focused on the influence of resources and business environment on implementation of strategic plans in SAACCOs. The study conclusions revealed that business dynamics affects implementation of strategic plans. During great economic boom it is easier to implement strategic plans and conversely when there is great depression it is difficult to implement strategic plans in an organization. Malei (2017) evaluated institutional factors influencing implementation of strategic plans in government hospitals. The study focused on business risk, top management leadership and communication. The study concluded that business risk affects implementation of strategic plans.

Kusimba (2017) examined implementation of strategic plans in Kenya's forestry department. The study concluded that business dynamics have created more challenges for public sector, with the emergence of the global economy, advances in technology, increased societal demands, and the need to provide more social services with fewer resources. As well, a widespread desire for increased organizational scrutiny has increased the pressure for change, given more accessible globalized information systems and heightened media attention critical of government inefficiencies in service delivery. New approaches to management in the public sector are therefore imperative.

Otiende (2017) examine factors affecting implementation of strategic plan in the public sector. The study focused on leadership commitment, information communication and technology, employee training and organizational cultural values. The study recommended that the institution should develop tangible mechanism to manage change to facilitate implementation of strategic plans. Personnel need to be adequately prepared through regular information sharing to eliminate misunderstanding of plans. A platform needs to be created whereby employees in teams are given the opportunity to express their fears, as well as an

explanation to them in fewer details how the proposed change is going to affect them.

Dobni and Luffman (2017) evaluated the scope and impact of market orientation profiles on implementation of strategic plans of private company. The study solely focused on the effect of business/market dynamic on implementation of strategic plan. The study concluded that business/market dynamic has an effect on implementation of strategic plan. The ability to profile business/market orientation will also reduce the risk associated with joint venture, acquisition, strategic alliance, and diversification decisions. It is not unforeseeable that a profile assessment will form part of the due diligence performed. As important, being aware of ideal profiles may prevent managers from making ill-conceived and potentially devastating decisions. At the very least, it would be prudent for managers to consider implementation of strategic growth efforts that are coaligned.

Walker and Ruekert (2017) examine marketing roles in implementation of business strategies and focused in business dynamics. The study concluded that Extensive marketing communications should be important in the successful implementation of both prospector and differentiated defender strategies. The form of that communication, however, may be different under the two strategies. As prospectors must work constantly to generate awareness, stimulate trial, and build primary demand for new and unfamiliar products, a policy of high advertising and sales promotion expenditures in relation to those of competitors seems likely to bear a positive relationship to the new product and share growth success of such businesses.

Studies conducted as highlighted above suggest a set of hypotheses that can be tested empirically. The studies are consistent with results of past studies though their predictions need to be investigated. Dynamic business environment has various variables which impact organizations differently and strategic responses will also differ based on the context and the timing. Most of the strategic responses studies have provided different approach adopted by organizations in responding to the dynamic business environment. Ashforth and Kreiner (2017) contend that strategic responses involve changes to the organization behavior and may take many forms depending on the environment in which it operates.

Mugoi and Munyoki (2018) posited in their study effect of technology in strategy implementation at the Nairobi County Government. The study established the respondents were in favor of involvement of technology in the strategy implementation process. This indicated that IT was applied in large extent in the strategy implementation, evaluation and control. The study established that there must be well and organized structures in the organization which was to have people who have equal skills and knowhow. This would help define roles and responsibilities. The results revealed that the organization formulated appropriate strategies which were befitting its objectives. The study revealed that there were challenges in communications which were affecting strategy implementation and hence needed to be addressed through a well-defined organization structure. The study indicates that in order to enhance competitiveness in strategy implementation and management process, there was need to align technology with strategy. The study recommends that management can elicit more support for the technological ways in implementing strategies by having clear and communicated career paths for their employees, that the organization leaves room for improvement to ensure unity of efforts in support of strategy implementation.

#### **2.3.4 Communication**

Alexander (2015) points out that communication is mentioned more frequently than any other single item promoting successful strategy implementation successful strategy implementation. The content of such communications includes clearly explaining what new responsibilities, tasks and duties need to be performed by the affected employees. Rapert et al. (2016) find that organizations where employees have easy access to management through open and supportive communication climates tend to outperform those with more restrictive communication environments.

Findings of Peng and Litteljohn (2015) show that effective communication is a key requirement for effective strategy implementation. Organizational communication /plays dissemination and learning during the process of strategy implementation. In fact, communication is persuasive in every aspects of strategy implementation, as it relates in a

complex way to organizing processes, organizational context, and implementation objectives which, in turn, have an effect on the process of implementation. The communication issues may be influenced to some extent by the organizational structure. According to Heide et al. (2015), they constitute the key barrier to the implementation process. The study of Schaap (2017), reinforces that frequent communication up and down in organization enhances strategic consensus through the fostering of shared attitudes and values.

The corporate communication function is the department or unit whose purpose is facilitates strategy implementation through communication. Forman and Argenti (2015) find that the alignment between the corporate communication function and the strategic implementation process was particularly visible in those institutions that were going through fundamental strategic change. It has been argued that manager's effectiveness is closely related to the organization's ability to develop and sustain quality strategies for internal communication (Forman & Argenti, 2015). 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, 2018). Communication with employees encourage of viewpoints and provides opportunities for feedback (Sadler with the manner which a manager communicates to his/her staff, it is also about the flow information to all areas of an organization. However, effective communication within organizations takes time and effort (Miller, 2017).

The administrator should choose which medium works best to communicate updates, changes and mission. Newsletters are not effective, but email blasts are better in communication between teams. If one group of educators is part of a task force to reduce conflict, find a way to share what this team is doing with other teams, so everyone builds on each other's achievements. Parents want to be involved but can be hard to rally together. An institution needs to appoint facilitators and team leads to charge of communicating with specific groups (Govindarajan, 2018).

Miniane and Falter (2018) stated that communication stands out as the key success factor when it comes to strategy implementation. It is imperative for an organization to develop a

comprehensive communication plan in order to improve the success communication plan in order to improve the success rate of its implementation projects .communication and commitment are critical elements in strategy implementation to facilitating the achievements of strategic goals and objectives (Govindarajan, 2018). Because of increased accountability required by external audit and quality control mechanisms, the institution of higher learning has been placed to greater accountability to communicate strategic goals and encourage commitment among the institutional members to achieve those strategic goals (Nag, et al., 2018).

Many a times we find that managers who are supposed to be delivering performance to meet the strategic goals of the school do not have a clear idea of what the strategy is all about. They do realize what needs to be done to fulfill the strategic plan. Lack of proper communication of what is important for the strategy to be delivered may result in having your priorities wrong and the reported levels of returns will never be a reality (Jebukosia, 2017). Communication is very important as implementation involves many more people working for seemingly unrelated processes but with the same end goal, structure but the fact is that it is as much as function of voluntary involvement and spirit of the people in the institution.

It is this aspect of strategy deployment that differentiates initiates of two institutions pursuing similar strategy. Communication along with vigorous reviews is the key to efficient execution of strategy (Ashforth & Kreiner, 2017). When we are communicating strategy, we are communicating change. The key for communicating strategy is to be able to align the extent and scope of the change and the approaches of implementation with the values and principles outlined in the related policy document (Jooste & Fourie, 2019). Some parastatals communicate their strategy really well. They manage to communicate what they want to achieve and how they will go about it. They get staff motivated and remove the blocks that have prevented the strategy from working in the past; blocks that may be embedded when the culture of the organization. They get parastatals staff, behind the strategy; adding to it and making it work in their part of the institution (Jooste & Fourie, 2019).

Nyakeriga (2018) examined the factors that influenced implementation of strategic plans in newly established public universities in Kenya. The researcher concluded that the existing human resources management practices, organizational culture and organizational leadership, organizational structure and administrative systems, and effective communication and consensus influenced strategic plan implementation newly established public universities in Kenya. Kirui (2017) investigated the significant institutional factors that influenced the overall push of the former local authorities in Kenya to their pre-determined implementation of strategic plans. The thematic focus was on organizational culture, structure, leadership, and financial resources. The study found out that all the four affected implementations of strategic plans in Kenya's former local authorities. In addition, culturally, poor internationalization of mission and strategic content, lack of participation in making of rules and regulations, lack of operational manuals, insensitive employee development policies, and highly structured downward communication effected employee's mobilization to executing strategic plans. Organizational structures of the local authorities influenced implementation of strategic plans in the forms of task allocation, decentralization of authority, span of control, hierarchical length, employee co-ordination and integration, and structural flexibility.

Kimani (2017) examined the influence of leadership, communication, and control on implementation of strategic plans at Caritas, Nyeri Archdiocese. The leaders of Caritas Nyeri Archdiocese were committed to the implementation of strategic plan and had the necessary skills and experience. While most of the employees were aware of the existence of the strategic plan, very few knew of its contents basically because sessions for communication of the content and staff roles in the plan implementation were non-existent or were far and in between. However, there was no feedback on implementation of strategic plan. Policies and performance targets to guide the implementation of the Strategic plan exist. However, performance was not measured against targets and many staff members did not know whether or not plan adjustments have been done based on feedback.

Wambui (2016) focused on managerial involvement related to Implementation of Strategic

Plans. This represented one aspect of factors that influence implementation leaving a gap to be pursued by other scholars. Kosar (2017) studied the environment under which NGOs fail to implement their strategic plans but did not directly scan the other factors that affect implementation of strategic plans. Arasa and K'Obonyo (2012) studied poor leadership as the biggest obstacle to strategy execution in Eastern Europe, and not Africa. The implementation gaps illuminated by previous studies (Awino, 2017; Aosa, 2011; Arasa & K'Obonyo, 2012) such as poor leadership, poor communication, and lack of stakeholder involvement, was brought into account.

Mutuva (2017) examined factors influencing implementation of strategic plans at the Independent Electoral and Boundaries Commission in Kenya. The study concluded that the adoption of Information Communication and Technology positively and significantly influenced the implementation of strategic plan. In addition, it was revealed that adoption of Information Communication and Technology at the commission has fastened implementation of strategic plans and stakeholders' involvement leads to effective implementation of strategic plans at the commission.

Nutt (2016) opines that the leadership techniques that a company uses has a significant role in overcoming the obstacles which comes from the juniors and may occasionally be seen in the execution plans. Nutt (2016) clarified that premeditated conclusions articulated by the executive managers of an organization may be managerially compulsory on lower-level managers and those who are not managers while in competently bearing in mind the subsequent practical level discernments. The execution of strategies consequently, may not be effective if the lower level managers and the non-managing work forces are not sufficiently informed on matters concerning the employment of strategies, besides, where the info passes through numerous administration levels in an association may result to lack of consent regarding the information hence making of a barrier that encumbers the accomplishment of executing a strategy (Noble & Mokwa, 2017).

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Pearce and Robinson (2016) have observed that miscommunication occurs between the point where communication starts and the point where it is received. More so, the interpretation of that communication plays a vital role which requires managers to be enforcing a strong culture that embrace clear understanding of communications from all corners of the organization. This means that managers must be aware of people's beliefs, attitudes, behaviour, demands and arguments in order to effectively communicate the message of strategic plan implementation to the employees (Burnes, 2014).

### **2.3.5 Implementation of Strategic Plans**

The aim of strategy implementation is to turn plans into actions in order to accomplish strategic objectives and goals of the organization. Lynch (2016) identifies four elements of implementation: Identifying strategic objectives, formulating specific plans, allocating resources and budgets, and Monitoring and controlling the procedures. Implementation requires carefully planned activities for the organization to achieve its objectives. Within the implementation process, there are three major approaches: comprehensive (pushed through regardless of changes in the environment), incremental (in conditions of great uncertainty) and selective (compromises are made).



According to Pfeffer and Salancik, (2018) implementation is a continuous and iterative process, not one that simply occurs after the formulation of the strategy. Hrebina, (2018) highlight two significant limitations in implementation: Bounded rationality (managers are bound by their own limitations in terms of options and will attempt to reduce implementation to bite size chunks; they may also make decisions that favour their own personal goals which are not necessarily the same as the organisation) and Minimum intervention (the philosophy of "if it aren't broke, don't fix it"; managers only change what they perceive to be necessary and sufficient).

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Kirui, (2017) investigated the significant institutional factors that influenced the overall push of the former local authorities in Kenya to their pre-determined strategic goals. The thematic focus was on organizational culture, structure, leadership, and financial resources. The study found out that all the four affected implementations of strategic plans in Kenya's former local authorities. In addition, culturally, poor internationalization of mission and strategic content, lack of participation in making of rules and regulations, lack of operational manuals, insensitive employee development policies, and highly structured downward communication effected employee's mobilization to executing strategic plans. Organizational structures of the local authorities influenced implementation of strategic plans in the forms of task allocation, decentralization of authority, span of control, hierarchical length, employee co-ordination and integration, and structural flexibility.

Kimani (2012) examined the influence of leadership, communication, and control on implementation of strategic plans at Caritas, Nyeri Archdiocese. The study established that the strategic plan was, to a large extent, implemented successfully. The leaders of Caritas

Nyeri Archdiocese were committed to the implementation and had the necessary skills and experience. While most of the employees were aware of the existence of the strategic plan, very few knew of its contents basically because sessions for communication of the content and staff roles in the plan implementation were non-existent or were far and in between. However, there was no feedback on implementation of the plan. Policies and performance targets to guide the implementation of the Strategic plan exist. However, performance was not measured against targets and many staff members did not know whether or not plan adjustments have been done based on feedback.

Mutuva, (2017) conducted a study on critical factors affecting NGOs while implementing their strategic plans and revealed that most of the factors were internal to the organization, thus easy to identify but psychologically challenging to solve. This was because they were largely emanating from management practices which did not favour smooth implementation of strategic plans. The practices were in turn influenced by social and behavioral aspects of individuals within the organizations. Almost all the organizations contacted had strategic plans, but they were hardly implementing them rightfully. The organizations however shared the measures they were employing to deal with this common situation. Strategic plans were not being implemented, not because managers are deviant but rather because of the lack of the know-how and know-why. It was concluded that implementation of strategic plans was being approached as a onetime activity rather than a process demanding: effective communication; excellent remuneration packages; staff training and continuous motivation; stakeholders' involvement; budgeting, planning and resource mobilization; continuous monitoring and evaluation; effective recruitment; and engaging employees in decision making.

Although is a complex phenomenon, it is apparent that strategic implementation is a key organizations survival today. Malei, (2017) notes that the aspects which influence strategic implementation includes individuals who interconnect or device the strategy, organization structure, schemes or instruments in place for organization and regulation, availability of both resources financial and non-financial. This can be viewed from different theoretic

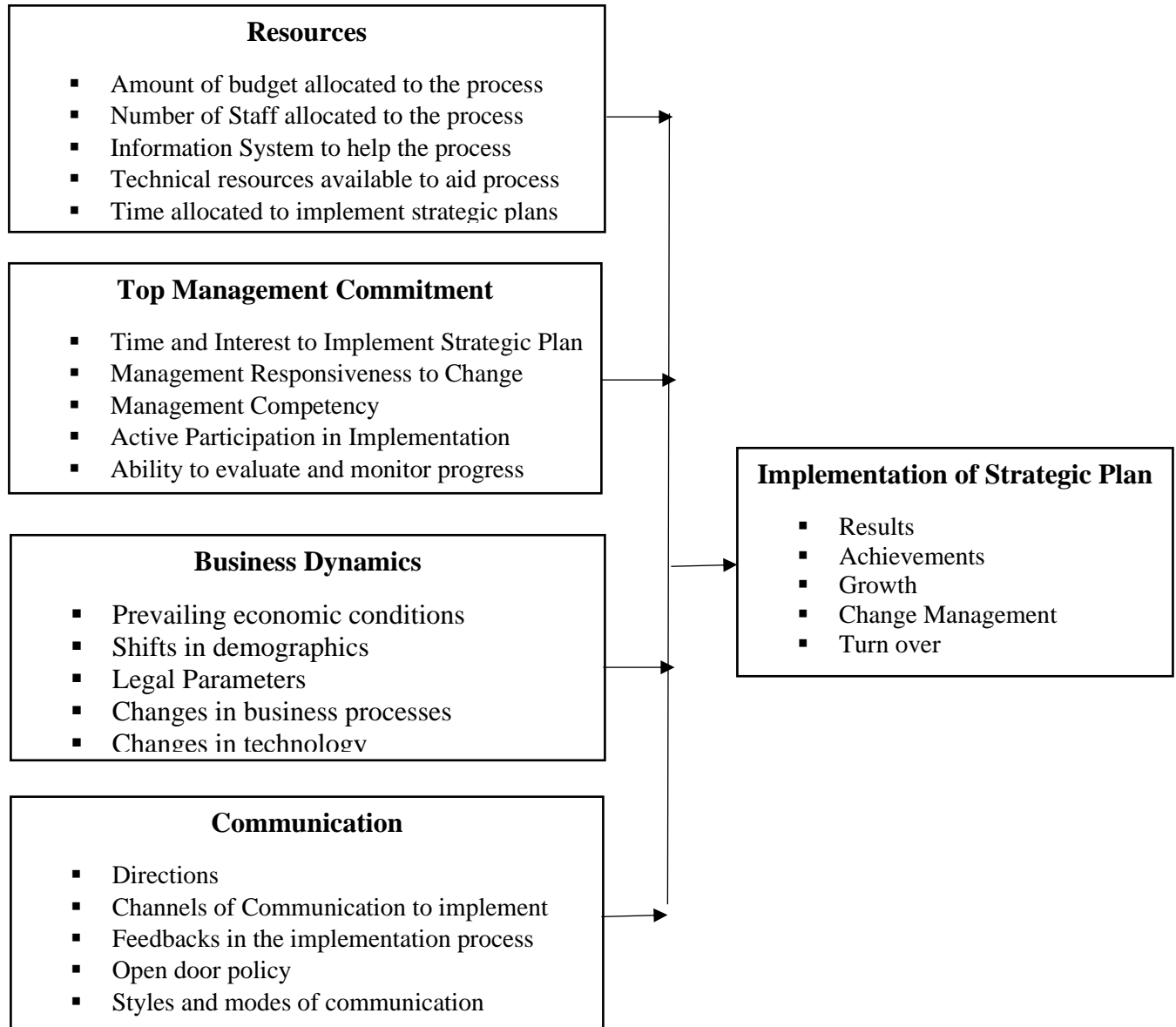
perceptions to discover complications in strategy execution Jebukosia, (2017) claim that organizations' rudimentary track to the future is plainly predicted in the strategized planning that needs a well understood plan to increase productivity and greater incomes for the association. For organizations to remain competitive in this turbulent, complex, dynamic, and unpredictable environment, successful implementation of its strategy is critical (Helfat & Margaret, 2009). In the words of Mbaka and Mugambi (2018) implementation of the strategic plan is more vital for entity as compared to preparation of the strategy because if fails to be effectively implemented by the workforce the cost and the damages of grows at a faster rate as compared the preparation of the strategy. Van Mass, (2018) noted that the survival of a firm is largely determined by how successful that organization has implemented its strategies. Productivity if the organization is one of the most significant administration roles. Evaluating presentation, reviewing disparities in the adjacent environment and creation of modifications are habitual and crucial parts of the strategic administration exercise (Van Mass, 2018).

#### **2.4 Conceptual Framework**

A conceptual framework is a graphical representation of the theorized interrelationships of the variables of a study. The conceptualization of variables in any academic study is important because it forms the basis for testing hypothesis and coming up with generalizations in the findings of the study. In this study, the independent variables will be the conceptualized implementation of strategic plan in Kenya. The independent variables of this study will include resources, top management commitment, business environment and communication. The conceptual framework will further explain the sub variables to be tested in each variable which are the measures that will be tested. The dependent variable is implementation of strategic plan and the operationalization of the variables is as shown in Figure 2.1.

**Figure 2.2**

***Conceptual Framework***



**Independent Variables**

**Dependent Variable**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter describes the methodology that was used in undertaking the study based on the conceptual framework proposed in chapter two. This chapter will cover the research design and research methodology that was used to test the variables. In particular, issues related to research design, the study population, sampling method and procedures, data collection procedures and instruments, validity and reliability of the instrument, data analysis and reporting and ethical issues.

#### **3.2 Research Design**

According to Bryman and Bell, (2018) research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement, and analysis of data. Cooper and Schindler (2017) described research design as the arrangement of all conditions that affect a research ranging from data collection to data analysis. This study aimed at establishing the factors influencing implementation of strategic plans among independent regulatory parastatals in Kenya. To achieve this, the study employed a combination of both qualitative and quantitative designs. Part of the designs in this study was the exploratory design which was guided by the philosophy of logical positivism with the claim that a statement is only meaningful if it can be proven to be true or false (Creswell, 2019). Under this philosophy, knowledge is accumulated through logical reasoning and empirical experience (Creswell, 2019). This research study adopted a descriptive survey as its research design. Descriptive research studies seek to obtain pertinent and precise information concerning the current status of the phenomena aimed at drawing varied conclusions from the facts discovered (Saunders, et al., 2016). Descriptive design is considered appropriate for this research study because the study seeks to find new ideas and insights in the factors influencing implementation of strategic plans among independent regulatory parastatals in Kenya.

### 3.3 Study Population

Target population consists of all members of a real or hypothetical set of people, events or objects from which a researcher wishes to generalize the results of their research while accessible population consists of all the individuals who realistically could be included in the sample (Kothari, & Garg, 2018). There were 39 independent regulatory parastatals in the various sectors in Kenya with a collective staffing level of 2238 top and middle level managers (SAC, 2016). The study targets all these 2238 top and middle level managers involved in the implementation of strategic plans in all the 39 industry regulators.

### 3.4 Sampling Method and Procedures

Sampling is an important activity in any research project and it is commonly used because it is cheaper to collect information from a small sample rather than the entire population, especially when the population is large. Cooper and Schindler (2017) define sampling as selecting a given number of subjects from a defined population as representative of that population. A sample is a set of entities drawn from a population with the aim of estimating characteristics of the population.

A formula was employed in calculating the sample size for the study. The inquiry made use of formula that was advanced by Saunders, et al. (2016) having been made simpler and which served as an alternative of the formula that had been advanced by Cochran. As per the formula, at a confidence level of 95% and 0.05 significance level (p), the sample size is;

$$n = \frac{N}{1 + N(e^2)}$$

Whereby;

n= represented the size of the sample

N= represented the population's size

e=the error of 5% points

When the formula is used, a sample size of 339 is yielded as shown below;

$$n = \frac{2238}{1 + 2238(0.05^2)}$$

n=339

The study applied simple random sampling technique in selecting the 339 respondents.

### **3.5 Data Collection Procedures and Instruments**

The data collection instrument was the questionnaire. This is because all the respondents are literate. This instrument comprises closed ended questions. The closed ended questions were used to limit the respondent's answers on the subject matter for easier analysis (Kothari, & Garg, 2018). The questionnaire will be self-administered to the sample group on the give and take basis and was collected after three days.

### **3.6 Pilot Study**

Cooper and Schindler (2017) indicated that a pilot test is conducted to detect weakness in design and instrumentation and to provide proxy data for selection of a probability sample. Pilot testing provides an opportunity to detect and remedy a wide range of potential problems with an instrument. By conducting a pilot testing it ensures that appropriate questions are asked, the right data is collected, and the data collection methods work. A pilot study was undertaken on 34 respondents to test the reliability and validity of the questionnaire. The rule of the thumb is that 10% of the sample should constitute the pilot test (Cooper & Schindler, 2017). The proposed pilot test is within the recommendation.

#### **3.6.1 Reliability of the Instruments**

Reliability refers to the extent to which the index is without bias and ensures a consistent measurement across time and across the various items in the instrument (Sekaran, 2016). That is, reliability is an indicator of a measure's internal consistency; a measure is reliable when the different items in the instrument show a similarly consistent result (Zikmund, et al., 2018). Bryman and Bell, (2018) points out that in social science; the research instrument is affected by factors such as the wording of questions, physical aspects, the respondent's mood, and the interviewer's mood, the nature of the interaction and the regression effect of an instrument.

Testing of the reliability of the scale is particularly important as it shows the extent to which a scale produces consistent results if measurements are made repeatedly. This was done by determining the association in between scores obtained from different administrations of the scale. If the association is high, the scale yields consistent results, thus it is reliable. Cronbach's alpha was used to determine the internal reliability of the questionnaire that will be used in this study. Values range between 0 and 1.0; while 1.0 indicates perfect reliability, the value 0.70 is deemed to be the lower level of acceptability Bryman and Bell, (2015) provide the following rules of thumb: >0.9 – Excellent, >0.8 – Good, >0.7 – Acceptable, >0.6 – Questionable, >0.5 – Poor and <0.5 – Unacceptable. The acceptable value of 0.7 will be used as a cut-off of reliability for this study. (Zikmund, et al., 2018) describes consistency as the degree to which a gadget gives consistent results. It is therefore the level or degree of consistency, stability, and dependability of the measuring instrument over time. The consistency of the study instruments in this study was carried out by test-retest. In test-retest, consistency is calculated by administering a test at two dissimilar points in time to the same persons and finding out the correlation or strong point of connotation of the two sets of scores (Kothari & Gang, 2014). Some subjects were selected, and two sets of inquiry forms given where the outcomes were compared.

### **3.6.2 Validity of the Instruments**

Validity is the degree to which results obtained for the analysis of the data actually represent the phenomena under study. It indicates how accurate the data obtained in the study represent the variables of the study (Cooper & Schinder, 2017). Factor analysis is a statistical technique used to verify the factor structure of a set of observed variables and their relationship (Bryman & Bell, 2018). It is used to analyze the reliability and convergent validity of the research instrument by identifying and eliminating any items that do not strengthen the factors they represent. Factor analysis assesses convergent validity through factor loadings values. Factor loadings are numerical values which range from zero- (Very Poor) to one-(excellent). Factors which load from 0.5 or less are considered unsatisfactory and discarded from the analysis (Creswell, 2019). The researcher determined validity by posing a series of standardized questions. The results of the pilot test established that the



questionnaire was easy to answer, and the questions were easily understood the respondents. The researcher used the most common internal consistency measure known as KMO-Bartlett's test. It may be mentioned that its value varies from 0 to 1 but, satisfactorily value is required to be more than 0.6 for the scale to be reliable Bryman and Bell, (2018). The recommended value of 0.7 is the cut off of reliability. Validity and reliability intensify transparency, and reduce chances to supplement investigator bias in a qualitative study (Kothari, & Garg, 2018). They additionally intricate that validity is built on the supposition that the subject under study can undergo measurement or capturing, can seek to approve the certainty and accuracy of any results or assumptions drawn from the data, shows that the deductions drawn are dependable and shows that the approaches guarantee the deductions. Validity of the instruments of study is attained when they gage what they are projected for and do so evidently without inadvertently including other aspects (Kothari & Gang, 2014). The validity of that instrument is to be gaged by the judgment of specialists particularly the research administrators, who are conversant with this field of study. It will also be verified during the Pilot Study. Any uncertainty or vagueness in the opinion poll items will be cleaned before the questionnaire is submitted for the process of data collection (Sekaran, 2016)

### **3.7 Data Analysis and Reporting**

A research study produces a mass of raw data, therefore collected data has to be accurately scored and systematically organized to facilitate data analysis (Bryman & Bell, 2018). In this study, data was collected from managers of State-Corporations through a self-administered questionnaire. The Data analysis entails bringing order, structure and meaning to the mass of time consuming, creative and fascinating process. The analysis was in two stages; first, descriptive statistics of each construct was used to inspect the characteristics of the study population. Descriptive statistics is a mathematical technique for organizing, summarizing and displaying a set of numerical data (Zikmund, et al., 2018). Central tendency and variability measures were used to describe the values in distributions. In this case: frequencies, percent, mean, and standard deviation measures were applied. Secondly inferential statistics was used to test the null hypothesis. A Statistical Package for Social

Science program- SPSS version 24 was used for the entire analysis. Correlation and regression analysis were the main inferential statistics techniques employed in this study to test the hypotheses.

The data that was collected from the questionnaires were edited for completeness and it was analyzed using descriptive and inferential statistics in form of means, frequencies and percentages. The descriptive statistical tools helped in describing the data and determining the respondents' degree of agreement with the various statements under each factor. Data analysis was done with the help of SPSS version 24.0. Correlation coefficient was used to analyze the strength of the relations between variables. Correlation coefficients was calculated to observe the strength of the association. A series of multiple regression analysis (standard and step wise) was used because they provide estimates of net effects and explanatory power. Analysis of variance (ANOVA) was used to test the significance of the model.  $R^2$  was used in this research to measure the extent of goodness of fit of the regression model.

A multiple linear regression model was used to measure the relationship between the independent variables and the dependent variable which are explained in the model. The regression model helps to explain the magnitude and direction of relationship between the variables of the study through the use of coefficients like the correlation, coefficient of determination and the level of significance.

The multiple linear regression model is as shown below;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Implementation of Strategic Plans

$X_1$  = Resources

$X_2$  = Top Management Commitment

$X_3$  = Business Dynamics

X4 = Communication

### **3.8 Ethical Issues**

Research ethics were considered in this study for permission to collect data, debriefing, voluntary participation, and confidentiality. The research adhered to all ethical standards in the course of the study by protecting the sources of the information which will be critical and sensitive. The researcher requested for express permission from the University to conduct the research and at the same time adhere to the laid down standards of confidentiality. Respondents were informed of their responsibility and rights hence their participation will be conducted on voluntary basis without coercion or manipulation.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### 4.1 Introduction

The purpose of this chapter is to present and analyze the empirical results of the study. The chapter contains several sections including this introduction. Demographic profile of the respondents is included so as to shed light on the respondents' education level and the duration they have been in their respective organizations. Reliability and validity of data is presented using Cronbach's alpha coefficient and factor analysis so as to determine the suitability of the study variables. Descriptive statistics is presented to enhance understanding of the study variable and also in preparation for use in inferential statistics. Correlation analysis result is presented to explore relationship among study variables. Regression analysis result presented purposely to fit the regression model.

#### 4.2 Response Rate, Data Reliability Assessment Test, Respondents Characteristics

The study set out to determine the response rate, data reliability and validity and respondents' characteristics as follows:

##### 4.2.1 Response Rate

The study targeted 339 employees of regulatory parastatals in Kenya. From the study, 260 out of the 339 sample respondents filled-in and returned the questionnaire making a response rate of 76.7% as in Table 4.1. This rate is considered high and was made possible by the researcher making consisted follow up. The reliability and construct validity of the data collection questionnaire is discussed in the next sections under reliability and factor analysis.

**Table 4.1**

***Questionnaire Response Rate***

	<b>Frequency</b>	<b>Percentage</b>
Respondents	260	76.7
Non-Respondents	79	23.3
<b>TOTAL</b>	<b>339</b>	<b>100</b>

According to Kothari and Gang, (2014) a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent; therefore, this response rate was adequate for analysis and reporting.

**4.2.2 Data Reliability Assessment Test**

A pilot study was first carried out to determine the reliability of the questionnaire. Thirty-four managers from State Corporations were selected for the pilot study and thereafter excluded from participating in the main survey. Cronbach's test of reliability was performed on the pilot questionnaire purposely to determine reliability of the test instrument. The items with an overall Cronbach's alpha score greater than 0.7 were retained in the questionnaire for distribution. On running the reliability procedure some items in the main study had to be removed as they had quite unusually low inter-item correlation. Consequently, the number of remaining items in each variable and their corresponding reliability score are as shown in Table 4.2. The results on reliability of the research instruments are presented in Table 4.2. For each variable, the number of items retained for further analysis is shown in the third column. Further factor analysis was performed to determine the factors which had significant contribution in variance of the particular study variable.

**Table 4.2*****Reliability Analysis***

<b>Scale</b>	<b>Cronbach's Alpha</b>	<b>Number of Items</b>	<b>Remarks</b>
Resources	0.789	3	Accepted
Top Management Commitment	0.775	3	Accepted
Business Dynamics	0.755	3	Accepted
Communication	0.889	3	Accepted
Implementation of Strategic Plan	0.829	3	Accepted

The overall Cronbach's alpha for the four categories which is 0.858. The findings of the pilot study showed that all the four scales were reliable as their reliability values exceeded the prescribed threshold of 0.7 (Bryman & Bell, 2015).

Factor analysis attempts to identify underlying variables, or factors, that explain the pattern of correlations within a set of observed variables. Factor analysis was used in data reduction to identify a small number of factors that explain most of the variance observed in a much larger number of manifest variables.

Factor analysis was used to check validity of the constructs. Kaiser-Meyer-Olkin measures of sampling adequacy (KMO) & Bartlett's Test of Sphericity is a measure of sampling adequacy that is recommended to check the case to variable ratio for the analysis being conducted. In most academic and business studies, KMO & Bartlett's test play an important role for accepting the sample adequacy. While the KMO ranges from 0 to 1, the world-over accepted index is over 0.5. Also, the Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of Sphericity must be less than 0.05.

The study applied the KMO measures of sampling adequacy and Bartlett’s test of sphericity to test whether the relationship among the variables has been significant or not as shown in below in table 4.2. Factor 1 was based on three items that represented resources; Factor 2 was based on three items that represented top management commitment, Factor 3 was based on three items that represented business dynamics, Factor 4 was based on three items that represented communication, Factor 5 was based on three items that represented implementation of strategic plan. The Kaiser-Meyer-Oklin measures of sampling adequacy shows the value of test statistic as 0.872, which is greater than 0.5 hence an acceptable index. While Bartlett’s test of sphericity shows the value of test statistic as 0.872 which is less than 0.05 acceptable indexes. This result indicates a highly significant relationship among variables.

**Table 4.3**

***KMO Bartlett Test***

<b>KMO and Bartlett's Test</b>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.872
Bartlett's Test of Sphericity	Approx. Chi-Square	231.234
	df	10
	Sig.	.000

**4.2.3 Respondents Characteristics**

The respondent’s characteristics was based on gender and working experience.

**Gender**

The study sought to establish the gender of respondents. The study findings established that male respondents were 70.8% and female were 29.2% with a mean score of 1.29 and a standard deviation of 0.456. This shows that the majority of respondents were male as shown in Table 4.4.

**Table 4.4*****Gender***

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	184	70.8
Female	76	29.2
<b>TOTAL</b>	<b>260</b>	<b>100</b>

**Working Experience**

The study sought to establish the working experience of respondents. The study findings established that respondents with working experience of between 1-5 years were 21.1%, between 5-10 years were 33.1% and those with experience of above 10 years were 45.8% with a mean score of 2.25 and a standard deviation of 0.782. This shows that the majority of respondents that participated in the study were those with a working experience of above 10 years. This implies that respondents are well versed in matter of implementation of strategic plans in state corporations.

**Table 4.5*****Working Experience***

<b>Years</b>	<b>Frequency</b>	<b>Percent</b>
Between 1-5 Years	55	21.1
Between 5-10 Years	86	33.1
Above 10 Years	119	45.8
<b>TOTAL</b>	<b>260</b>	<b>100</b>

**4.3 Extent of Factors and Implementation of Strategic Plans**

Descriptive analyses of the study were done and expressed through frequency tables, percentages, charts, means, and standard deviations. Inferential statistics was used to test variable relationships while regression analysis and correlation analysis was used to show the degree of relationship between the variables. For these tests, ANOVA, t-test, and F-test



were used. The Pearson correlation analysis was done and interpreted to determine the influence that the independent variables had on the dependent variable; factors influencing implementation of strategic plans among independent regulatory parastatals in Kenya. The research objectives were tested to determine whether the independent variables affect Implementation of Strategic Plans. Analyses were done involving each independent variable separately to test their individual influence on the dependent variable. The ANOVA F-statistic was used to test the research questions for the regression coefficients for each variable to be equal to zero. An analysis to determine the combined influence of all the independent variables was done. All the independent variables were combined and involved in the analysis.

The study sought to examine the extent to which factors affect implementation of strategic plans. In the research analysis the researcher used a tool rating scale of 5 to 1; where 5 were the highest and 1 the lowest. Opinions given by the respondents were rated as follows, 5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree and 1= Strongly Disagree. The analyses for mean, standard deviation was based on this rating scale. Both descriptive and inferential statistics were used to make inferences and interpret the data. This was done on all the four objectives under the study as follows:

### 4.3.1 Resource

**Table 4.6**

*Resources*

<b>Descriptive Statistics</b>			
	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Parastatals allocate sufficient financial resources for implementation of strategic plan	260	4.80	.506
Parastatals allocate enough manpower to implementation of strategic plan	260	3.31	1.433
Parastatals allocate sufficient time for implementation of strategic plan	260	4.27	1.339
Valid N (listwise)	260		

The first objective was to examine the effect of resources on implementation of strategic plans among independent regulatory parastatals in Kenya. On a five-point Likert scale of 1-5 where; 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. The respondents were requested to state the extent to which resources affects implementation of strategic plan in government parastatals. The statement in agreement that parastatals allocate sufficient financial resources for implementation of strategic plan had a mean score of 4.80 and a standard deviation of 0.506. This result agrees with Korir and Moronge, (2017) that resource allocation management was the second important factors that affect implementation of corporate strategic plans in the government parastatals. Resources allocation management had a positive influence on implementation of corporate strategic plans in the government parastatals. The statement that parastatals allocate enough manpower to implementation of strategic plan had a mean score of 3.31 and a standard deviation of 1.433. The statement in agreement that parastatals allocate sufficient time for implementation of strategic plan had a mean score of 4.27 and a standard deviation of 1.339. This study results agree with Nabwire and Njenga (2018) recommendationa that resources

be equitably distributed for the effective implementation of strategy. It was also recommended that a reward system to be put in place to retain advocates and supporters of strategy.

### 4.3.2 Top Management Commitment

**Table 4.7**

*Top Management Commitment*

<b>Descriptive Statistics</b>			
	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Parastatals top management have the ability and acumen to implement strategic plans.	260	4.18	1.119
Parastatals top management drive implementation of strategic plans	260	4.08	1.301
Parastatals top management outsources consultants to help implement strategic plans	260	3.88	1.387
Valid N (listwise)	260		

The second objective was to examine the effect of top management commitment on implementation of strategic plans among independent regulatory parastatals in Kenya. On a five-point Likert scale of 1-5 where; 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. The respondents were requested to state the extent to which top management commitment affects implementation of strategic plan in government parastatals. The statement in agreement that parastatals top management have the ability and acumen to implement strategic plans had a mean score of 4.18 and a standard deviation of 1.119. The statement in agreement that parastatals top management drive implementation of strategic plans had a mean score of 4.08 and a standard deviation of 1.301. The statement that parastatals top management outsources consultants to help implement strategic plans had a mean score of 3.88 and a standard deviation of 1.387. This result agrees with Masava

and Newa (2018) recommends that the ministry administration should enhance relationships between top management and middle management in the context of strategic plans implementation so as to improve top management commitment on successful strategy implementation. The study also recommends that decision making for the Ministry of lands and physical planning in Kenya be based on a perception of itself and the environment so as to detect problems, gather information, and evaluating possible outcomes. The study recommends review of the strategic plans implementation by Ministry of lands and physical planning in Kenya through making a positive contribution commitment, creating awareness or understanding of the strategy, aligning organizational systems and resources and better coordination and sharing of responsibilities. Bourgeois and Brodwin (1998) identified a variety of leadership styles which are practiced by leaders during strategy implementation. This study found out that leadership approaches to strategy implementation varies from being an autocratic leader to a more participative style that involves active engagement of various stake holders in the implementation process. According to Bourgeois and Brodwin (2018), the five main categories of leadership styles practiced during strategy implementation include commander, collaborative, coercive, cultural and organizational change. The commander and organizational change styles are the traditional approach to strategy implementation where the leader first formulate strategy and think about implementation latter on. Collaborative and cultural styles are more current and capture clearly the aspect of stakeholder's active participation during the implementation process while a coercive leader has the monopoly of driving the implementation agenda alone without involving other stakeholders.

### 4.3.3 Business Dynamics

**Table 4.8**

*Business Dynamics*

<b>Descriptive Statistics</b>			
	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Parastatal prefer to implement strategic plans during economic boom.	260	4.02	1.009
Frequent changes in top management in parastatals affect implementation of strategic plans.	260	4.68	.956
Changes in technology affects implementation of strategic plan in parastatals	260	4.02	1.235
Valid N (listwise)	260		

The third objective was to examine the effect of business dynamics on implementation of strategic plans among independent regulatory parastatals in Kenya. On a five-point Likert scale of 1-5 where; 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. The respondents were requested to state the extent to which business dynamics affects implementation of strategic plan in government parastatals. The statement in agreement that Parastatal prefer to implement strategic plans during economic boom had a mean score of 4.02 and a standard deviation of 1.009. The statement that Frequent changes in top management in parastatals affect implementation of strategic plans had a mean score of 4.68 and a standard deviation of 0.956. The statement in agreement that Changes in technology affects implementation of strategic plan in parastatals had a mean score of 4.02 and a standard deviation of 1.235. When a country is experiencing economic boom, it is easy to implement strategic plans and the converse is true. The study established that the respondents were in favor of involvement of business dynamics in strategic implementation process. This indicates that IT was applied in large extent in strategy evaluation and control, that IT was used at all levels of strategy implementation and management process (Mugoi

& Munyoki, 2018). Chin-fu ho, (2016) suggests that business dynamics often provides a competitive advantage. Business dynamics can assist firms in developing their strategic roles. He later discusses a continuum of four strategic roles of the contribution of information technology in manufacturing firms. Any enhancement of a firm’s competitive position tends to take place through systematic movement from one stage to an adjacent one, with the ultimate objective of becoming a world-class manufacturer.

#### 4.3.4 Communication

**Table 4.9**

*Communication*

<b>Descriptive Statistics</b>			
	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Parastatals have an open-door policy in the implementation of strategic plan.	260	4.73	.655
Parastatals allow feedback from staff during implementation of strategic plan.	260	3.97	1.624
Parastatals have suggestion boxes for anonymous correspondence	260	3.89	1.325
Valid N (listwise)	260		

The fourth objective was to examine the effect of communication on implementation of strategic plans among independent regulatory parastatals in Kenya. On a five-point Likert scale of 1-5 where; 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. The respondents were requested to state the extent to which communication affects implementation of strategic plan in government parastatals. The respondents were requested to state the extent to which communication affects implementation of strategic plans in government parastatals in Kenya. The statement in agreement that parastatals have an open-door policy in the implementation of strategic plan had a mean score of 4.73 and a standard

deviation of 0.655. This concurs with Bagire and Namada (2015) views' that top down communication is essential in enabling senior management to share the strategized planning with employees to coordinate the common views, values and principles to accomplish the specific goals in the performance of the company. The statement that parastatals allow feedback from staff during implementation of strategic plan had a mean score of 3.97 and a standard deviation of 1.624. The statement that Parastatals have suggestion boxes for anonymous correspondence had a mean score of 3.89 and a standard deviation of 1.325. In agreement with this, Peng and Littlejohn (2017) adds that effective communication elucidates the new tasks and responsibilities towards achieving set goals and objectives. On whether there is strong coordination among various departments in the organization had a (mean= 4.38, SD=.709). Their views were agreement with Wanjiku and Ombui (2017) that overall coordination in inter-departmental linkages and flow of communication supports strategy plan implementation. The statement that frequent communication is a major method to reach shared perceptions values and beliefs among workforce had a (mean=4.55, SD=.623). Finally, on whether strategized planning fail due to deficient communication system in the organization had a (mean=4.72, SD=.453). In support of this Onyango (2012) noted that bureaucracy and the hierarchy of command within the organization poses communication challenges that can influence the process of strategic implementation in a firm.

### 4.3.5 Implementation of Strategic Plan

**Table 4.10**

#### *Implementation of Strategic Plan*

Descriptive Statistics			
	N	Mean	Std. Deviation
Parastatals Heads are committed to successful implementation of strategic plans	260	4.45	1.077
There is better monitoring and evaluation in place to measure achievement of each milestone	260	4.10	1.014
There is in place a strategic plan to implement strategic plan	260	4.32	1.049
Valid N (listwise)	260		

On a five-point Likert scale of 1-5 where; 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. The statement that Parastatals Heads are committed to successful implementation of strategic plans had a mean score of 4.45 and a standard deviation of 1.077. The statement that there is better monitoring and evaluation in place to measure achievement of each milestone had a mean score of 4.10 and a standard deviation of 1.014. The statement that there is in place a strategic plan to implement strategic plan had a mean score of 4.32 and a standard deviation of 1.049. In Waititu, (2016) view, successful implementation of strategic plan is critical in a turbulent, complex, dynamic and unpredictable business environment. In agreement with this, Verweire, (2017) noted that “the survival of a firm is largely determined by how successful that organization has implemented its strategies”.

### 4.4 Correlation Analysis

To establish the relationship between the independent variables and the dependent variable the study conducted correlation analysis which involved coefficient of correlation and coefficient of determination.



#### **4.4.1 Coefficient of Correlation**

Correlation is a measure of association between two or more variables. Correlation analysis is a statistical technique used to indicate the nature and degree of relationship existing between one variable and the other(s). It is also used along with regression analysis to measure how well the regression line explains the variations of the dependent variable with the independent variable.

Pearson Bivariate correlation coefficient was used to compute the correlation between the dependent variable (Implementation of Strategic Plan) and the independent variables (Resources, Top Management Commitment, Business Dynamics, and Communication). According to Bryman and Bell, (2018) this relationship is assumed to be linear and the correlation coefficient ranges from -1.0 (perfect negative correlation) to +1.0 (perfect positive relationship). The correlation coefficient was calculated to determine the strength of the relationship between dependent and independent variables (Kothari & Gang, 2014).

**Table 4.11*****Pearson Correlation***

	<b>Correlations</b>				
	<b>Implementatio n of Strategic Plan</b>	<b>Resources</b>	<b>Top Management Commitment</b>	<b>Business Dynamics</b>	<b>Communication</b>
Implementation Of Strategic Plan	1				
Resources	.453**	1			
Top Management Commitment	.067	.475**	1		
Business Dynamics	.142*	.042	.375**	1	
Communication	.113	.280**	.384**	.139*	1
	.000	.000	.000	.000	.000
	260	260	260	260	260
	.001	.000	.000	.025	.000
	260	260	260	260	260

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

In trying to show the relationship between the study variables and their findings, the study used the Karl Pearson's coefficient of correlation (r). This is as shown in Table 4.11 above. According to the findings, it was clear that there was a positive correlation between the independent variables, resources, top management commitment, business dynamics and communication and the dependent variable implementation of strategic plan. The analysis indicates the coefficient of correlation, r equal to 0.453, 0.067, .0142 and 0.113 for resources, top management commitment, business dynamic and communication respectively. This indicates positive relationship between the independent variable namely resources, top

management commitment, business dynamics and communication and the dependent variable implementation of strategic plan. This result concurs with (Madegwa, 2017)

#### 4.4.2 Coefficient of Determination (R<sup>2</sup>)

To assess the research model, a confirmatory factors analysis was conducted. The four factors were then subjected to linear regression analysis in order to measure the success of the model and predict causal relationship between independent variables (Resources, Top Management Commitment, Business Dynamics and Communication), and the dependent variable (Implementation of Strategic Plan).

**Table 4.12**

#### *Coefficient of Determination (R<sup>2</sup>)*

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	.822 <sup>a</sup>	.675	.672	.60567

a. Predictors: (Constant), Communication, Business Dynamics, Top Management Commitment and Resources

The model explains 67.5% of the variance (Adjusted R Square = 0.672) on implementation of strategic plan. Clearly, there are factors other than the four proposed in this model which can be used to predict financial sustainability. However, this is still a good model as Bryman and Bell, (2018) pointed out that as much as lower value R square 0.10-0.20 is acceptable in social science research. This means that 67.5% of the relationship is explained by the identified four factors namely resources, top management commitment, business dynamics and communication. The rest 32.5% is explained by other factors in implementation of strategic plans not studied in this research. In summary the four factors studied namely, resources, top management commitment, business dynamics and communication or determines 67.5% of the relationship while the rest 32.5% is explained or determined by other factors.

## 4.5 Regression Results

### 4.5.1 Analysis of Variance (ANOVA)

The study used ANOVA to establish the significance of the regression model. In testing the significance level, the statistical significance was considered significant if the p-value was less or equal to 0.05. The significance of the regression model was as per Table 4.13 below with P-value of 0.00 which is less than 0.05. This indicates that the regression model is statistically significant in predicting factors of implementation of strategic plan. Basing the confidence level at 95% the analysis indicates high reliability of the results obtained. The overall Anova results indicates that the model was significant at  $F = 20.551$ ,  $p = 0.000$

**Table 4.13**

#### *Analysis of Variance*

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	168.115	4	42.029	20.551	.000 <sup>b</sup>
	Residual	80.944	255	2.045		
	Total	249.059	259			

a. Dependent Variable: Implementation of Strategic Plan

b. Predictors: (Constant), Communication, Business Dynamics, Resources, Top Management Commitment

### 4.5.2 Coefficients

The researcher conducted a multiple regression analysis as shown in Table 4.14 so as to determine the relationship between implementation of strategic plans and the four variables investigated in this study.

**Table 4.14*****Coefficients***

		<b>Coefficients<sup>a</sup></b>				
		<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>		
<b>Model</b>		<b>B</b>	<b>Std. Error</b>	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
1	(Constant)	10.291	1.088		9.459	.000
	Resources	.440	.054	.518	8.145	.000
	Top Management Commitment	.184	.043	.016	4.178	.000
	Business Dynamics	.121	.055	.200	2.211	.030
	Communication	.199	.046	.383	4.358	.000

a. Dependent Variable: Implementation of Strategic Plan

The regression equation was:

$$Y = 10.291 + 0.440X_1 + 0.184X_2 + 0.121X_3 + 0.199X_4$$

Where;

Y = the dependent variable (Implementation of Strategic Plan)

X<sub>1</sub> = Resources

X<sub>2</sub> = Top Management Commitment

X<sub>3</sub> = Business Dynamics

X<sub>4</sub> = Communication

The regression equation above established that taking all factors into account (Implementation of Strategic Plan in independent regulatory parastatals) constant at zero implementation of strategic plans will be 10.291. The findings presented also showed that taking all other independent variables at zero, a unit increase in resources would lead to a 0.440 increase in the scores of Implementation of Strategic Plan in independent regulatory parastatals; a unit increase in top management commitment would lead to a 0.184 increase

in Implementation of Strategic Plan in independent regulatory parastatals; a unit increase in business dynamics would lead to a 0.121 increase in the scores of Implementation of Strategic Plan in independent regulatory parastatals and a unit increase in communication would lead to 0.199 increase in score of Implementation of Strategic Plan in independent regulatory parastatals.

This therefore implies that all the four variables have a positive relationship with implementation of strategic plan with resources contributing most to the dependent variable and top management contributing lowest to the dependent variable. From the table we can see that the predictor variables of resources, top management commitment, business dynamics and communication got variable coefficients statistically significant since their p-values are less than the common alpha level of 0.05.

From the table we can see that the predictor variables of resources, top management commitment, business dynamics and communication got variable coefficients statistically significant since their p-values are less than the common alpha level of 0.05.

The coefficient of Top Management is 0.440. This implies that one-unit change in Top Management Competence increases the chances of Strategy Implementation by 0.440 units holding other factors constant. This explains Mbaka and Mugambi (2018) findings that there is a strong correlation between management leadership and strategy implementation.

The coefficient of resources utilization is 0.184, thus a one unit increase in Resources Utilization would lead to 0.184 increases in Strategy Implementation, holding other factors constant. Resource allocation and utilization, managerial skills greatly affected strategy implementation (Madegwa, 2017). Proper management of these factors has a great influence on strategy implementation in an organization

And the coefficient for business dynamics was 0.121. This implies that a unit increase in business dynamics would lead to an increase in Strategic Implementation by 0.121 units. Adoption of business dynamics with good inter-departmental linkages for proper

coordination that supports strategy implementation coupled with training of middle managers and on the new strategy being introduced has great influence on the success of strategy implementation (Cherop, 2017).

The coefficient of Communication is 0.199. The result implies that one unit increase in Communication leads to increase in Strategy Implementation by 0.199 units. Communication is a managerial process that aims to generate information to support decision-making and to stimulate cost reduction, value improvement and continuous improvement in the organization (Lorange, 2017). According to Koech and Namusonge, (2019) the biggest obstacle to strategy execution and implementation is poor communication techniques and lack of commitment, motivation and support are some of the issues that employees face from management during strategic implementation.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

The chapter provides the summary of the findings from chapter four, and it also gives the conclusions and recommendations of the study based on the objectives of the study. The chapter finally presents suggestions for further studies and research.

#### **5.2 Summary of the Findings**

The study was on factors influencing implementation of strategic plans in independent regulatory parastatals in Kenya. The study sample size was 339 employees of independent regulators in Kenya. The study respondents were 260. The majority of respondents that participated in the study were male with a working experience of above 10 years. The study goodness of fit was 67.5%

##### **5.2.1 Resources**

On resources, the study findings established that independent regulatory parastatals in Kenya allocate sufficient financial resources, manpower and time to enable successful implementation of strategic plans in Kenya. The study looked at the management of resources, motivation of employees in implementation of strategic plan and whether human resources personnel in the organization qualify to enhance strategic implementation. The study Pearson correlation demonstrates that there is a positive correlation between the independent variable resources and the dependent variable implementation of strategic plan in independent regulatory parastatals in Kenya. In answering the research question as to whether resources have an effect of implementation of strategic plans in independent regulatory parastatals in Kenya, the study findings established that resource affects implementation of strategic plans in independent regulatory parastatals in Kenya.

##### **5.2.2 Top Management Commitment**

On top management commitment, the study results showed that they are committed in implementation of strategic plans of independent regulatory parastatals in Kenya. The study



looked at support of top management competence in implementation of strategic plan, top management responsibility to support the middle managers and whether success of strategy implementation is crucial for any organization to survive in any competition. The study correlation results revealed that there was a strong positive correlation between the independent variable top management commitment and the dependent variable implementation of strategic plan in independent regulatory parastatals in Kenya. In answering the research question as to whether top management commitment have an effect of implementation of strategic plans in independent regulatory parastatals in Kenya, the study findings established that top management commitment affects implementation of strategic plans in independent regulatory parastatals in Kenya.

### **5.2.3 Business Dynamics**

On business dynamics, the study results revealed that parastatal prefer to implement strategic plans during economic boom. Frequent changes in top management in parastatals affect implementation of strategic plans. Changes in technology affects implementation of strategic plan in parastatals. On correlation the study findings established that there was a strong positive correlation between the independent variable business dynamics and the dependent variable implementation of strategic plan in independent regulatory parastatals in Kenya. In answering the research question as to whether business dynamics have an effect of implementation of strategic plans in independent regulatory parastatals in Kenya, the study findings established that business dynamics affects implementation of strategic plans in independent regulatory parastatals in Kenya.

### **5.2.4 Communication**

On communication, the study results revealed that employees are full involved in the implementation of strategic plan of independent regulatory parastatals in Kenya. Further the study findings established that there was a positive correlation between the independent variable communication and the dependent variable implementation of strategic plans in independent regulatory parastatals in Kenya. The study looked coordination among various departments in organization, frequent communication as a major method to reach shared

perceptions values and beliefs among the workforce, strategized planning fails due to deficient communication system in organization. In answering the research question as to whether communication has an effect of implementation of strategic plans in independent regulatory parastatals in Kenya, the study findings established that communication affects implementation of strategic plans in independent regulatory parastatals in Kenya.

### **5.3 Conclusion**

From the study findings, the following are the conclusions:

#### **5.3.1 Resources**

The study established that resources is essential in strategy implementation. The positive link between resource and strategy implementation suggests that resources utilization plays a significant role in strategy implementation in government parastatals. The study also concluded that availability of resources will contribute to success of strategy implantation in an organization. This concurs with Nkosi (2015) observations that “lack of adequate financial resources, inadequate structure, weak continuous professional development policies and resistance to change as key factors affecting strategic implementation”. In support of this Magambo (2012) confers that insufficient funding and premature expenditure of resources is an obstacle to successful execution of strategies in public establishments.

#### **5.3.2 Top Management Commitment**

The study established that there is a positive link between top management competence and strategy implementation. The study concluded that management plays a vital role in organization through of strategic implementation as argued by Smith and Courtright (2015). This concurs with Kotter (2014) that management not only develops the necessary strategies but also guides their organizations towards implementation of the strategy by ensuring that the required human and financial resources are available, but also to develop a strategic implementation schedule to guide the process used as a control mechanism during strategy implementation. Additionally, the level of managerial competence at the management of any organization has a direct influence as to whether a strategy will be successfully or unsuccessfully implemented (Huber, 2011).

### **5.3.3 Business Dynamics**

From the regression results it was concluded that business dynamics affects implementations of strategic plans in government parastatals in Kenya.

### **5.3.4 Communication**

The study found that communization strategy plays a significant role in implementation of strategic plan in an organization. The study concludes that type of management leadership and the communication effectiveness affects strategy implementation, and low or lack of communication between the middle class and the executive management negatively impacts on the overall results. This concurs with Lingard, et al. (2012) observations that effective communication among the executives on planning is essential during implementation of strategic plan.

### **5.4 Recommendations**

From the study findings the following are the recommendations:

1. That independent regulatory parastatals should increase resources allocated to the implementation of strategic plans.
2. The corporation should be adequately funded for successful implementation of strategic plan. Insufficient funding and premature expenditure of resources was found to an obstacle to successful execution of strategies in public establishments
3. That top management should be maintained within the independent regulatory parastatals to complete implementation of strategic plans.
4. That Implementation of strategic plan should be institutionalized rather than depend on an individual.
5. That there should be suggestion of implementation of strategic plans from employees of any cadre to enrich the implementation process.
6. That there should be communication before, during and after implementation of strategic plans.

7. The corporation should address the issue of bureaucracy and the hierarchy of command that poses communication challenges within the corporation. Management commitment, clear identification of activities and to be streamlined.

### **5.5 Suggestion for Further Studies**

With the goodness of fit of 67.5%, researchers should examine the other 32.5% not examined in the study. This study therefore suggests other studies to focus on other aspects such as staff motivation, adoption of new technology and innovations and how they can affect strategy implementation in Kenya postal corporation.

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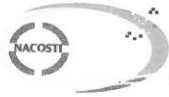
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## APPENDICES

### APPENDIX I: AUTHORIZATION LETTERS



**NATIONAL COMMISSION FOR SCIENCE,  
TECHNOLOGY AND INNOVATION**

Telephone: +254-20-2213471,  
2241349, 3310571, 2219420  
Fax: +254-20-318245, 318249  
Email: dg@nacosti.go.ke  
Website: www.nacosti.go.ke  
When replying please quote

NACOSTI, Upper Kabete  
Off Waiyaki Way  
P.O. Box 30623-00100  
NAIROBI-KENYA

Ref. No. **NACOSTI/P/19/39608/28985**

Date: **11<sup>th</sup> April 2019**

Patrick Kipchumba Kiptoo  
Kenya Methodist University  
P.O. Box 267- 60200  
**MERU.**

**RE: RESEARCH AUTHORIZATION**

Following your application for authority to carry out research on "*Factors influencing implementation of strategic plans among Independent Regulatory Parastatals in Kenya.*" I am pleased to inform you that you have been authorized to undertake research in **Mombasa County** for the period ending **10<sup>th</sup> April, 2020.**

You are advised to report to **the County Commissioner and the County Director of Education, Mombasa County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a **copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

  
**BONIFACE WANYAMA**  
**FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioner  
Mombasa County.

The County Director of Education  
Mombasa County.



**KENYA METHODIST UNIVERSITY  
MOMBASA CAMPUS**

P O Box 89983-80100 MOMBASA, Kenya  
Tel: +254-715120282

Fax: 041-2495946  
Email: [services.mombasa@kemu.ac.ke](mailto:services.mombasa@kemu.ac.ke)

Date: 15/03/2019

**TO WHOM IT MAY CONCERN**

Reg. No: BUS-3-7409-3/2016

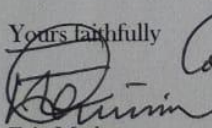
**Name: PATRICK KIPTOO**

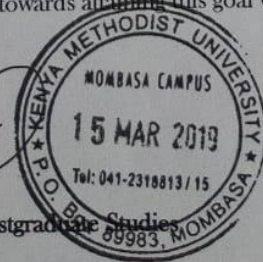
This is to confirm that the above named person is a bona fide student of this University pursuing a **Master of Business Administration** as part of the degree requirements the student is required to undertake research and write a thesis in the area of specialization.

The student is undertaking research on **"Factors Influencing Implementation of Strategic Plans among Independent Regulatory Parastatals in Kenya"** and is currently proceeding to collect field data.

Any assistance given towards attaining this goal will be highly appreciated.

Yours faithfully

  
Eric Mathuva  
For Coordinator, Postgraduate Studies





## **APPENDIX II: INTRODUCTION LETTER**

Patrick Kipchumba Kiptoo

KEMU Mombasa Campus

P. O. Box 17006-80100

Mombasa.

November 10<sup>th</sup>, 2018

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

### **RE: PERMISSION TO COLLECT DATA**

I am a student at Kenya Methodist University Mombasa campus studying for a Master of Business Administration specializing in Strategic Management. Research proposal is part of the requirement for the award of this degree. I selected to undertake my study titled **“FACTORS INFLUENCING IMPLEMENTATION OF STRATEGIC PLANS AMONG INDEPENDENT REGULATORY PARASTATALS IN KENYA”**

I am kindly requesting for your permission to undertake the study by having your organization as one of my samples for data collection to test the claims of my research. I assure you that the information given will purely be used for academic purposes.

Your assistance will be highly appreciated.

Yours faithfully,

Patrick Kipchumba Kiptoo

### APPENDIX III: QUESTIONNAIRE

Please fill this questionnaire openly and honestly. Confidentiality will strictly be adhered to and there will be no mention of your personal name. Please provide the following information as required.

#### SECTION A: DEMOGRAPHICS

**A1:** Please indicate your position

.....

**A2:** Please indicate your gender

		(Please Tick the Appropriate box)
1	Male	
2	Female	

**A3:** How long have you worked in these parastatals?

Between 1-5 Years	
Between 5-10 Years	
Above 10 Years	

**PART B: RESOURCES**

Effect of resources on implementation of strategic plan;	Strongly Disagree (1)	Disagree (2)	Neither Agree (3)	Agree (4)	Strongly Agree (5)
B1. Parastatals allocate sufficient financial resources for implementation of strategic plan					
B2. Parastatals allocate enough man power to implementation of strategic plan					
B3. Parastatals allocate sufficient time for implementation of strategic plan					

**PART C: TOP MANAGEMENT COMMITMENT**

Effect of top management commitment in implementation of strategic plan;	Strongly Disagree (1)	Disagree (2)	Neither Agree (3)	Agree (4)	Strongly Agree (5)
C1. Parastatals top management have the ability and acumen to implement strategic plans.					
C2. Parastatals top management drive implementation of strategic plans					

C3. Parastatals top management outsources consultants to help implement strategic plans					
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**PART D: BUSINESS DYNAMICS**

Effect of business dynamics in implementation of strategic plans;	Strongly Disagree (1)	Disagree (2)	Neither Agree (3)	Agree (4)	Strongly Agree (5)
D1. Parastatal prefer to implement strategic plans during economic boom.					
D2. Frequent changes in top management in parastatals affect implementation of strategic plans.					
D3. Changes in technology affects implementation of strategic plan in parastatals					

**PART E: COMMUNICATION**

Effect of communication in implementation of strategic plans;	Strongly Disagree (1)	Disagree (2)	Neither Agree (3)	Agree (4)	Strongly Agree (5)
E1. Parastatals have an open-door policy in the implementation of strategic plan.					

E2. Parastatals allow feedback from staff during implementation of strategic plan.					
E3. Parastatals have suggestion boxes for anonymous correspondence					

**PART F: IMPLEMENTATION OF STRATEGIC PLAN**

	Strongly Disagree (1)	Disagree (2)	Neither Agree (3)	Agree (4)	Strongly Agree (5)
F1. Parastatals achieve set objectives					
F2. Parastatals achieve profitability and stop reliance on central government					
F3. Reduces expenses					

#### **APPENDIX IV: LIST OF SELECTED PARASTATALS**

1. Communications Commission of Kenya
2. Kenya Maritimes Authority
3. Insurance Regulatory Authority
4. Kenya Bureau of Standards
5. Central Bank of Kenya
6. Kenya Tourism Board
7. Export Processing zones Authority
8. Kenya Investment Authority
9. Capital Market Authority
10. Kenya Films Commission
11. Kenya civil aviation Authority
12. Kenya Airports authority
13. National Transport and safety Authority
14. Kenya National Highways Authority
15. Kenya Rural Roads Authority
16. Commission for University Education
17. National Environmental Management Authority
18. National Constructions authority
19. Energy Regulatory Commission
20. Rural Electrification Authority
21. Tourism Regulatory Authority<sup>2</sup>
22. Sacco societies Regulatory Authority
23. Micro and Small Enterprise Authority
24. Anti-Counterfeiting Authority
25. Public Service commission
26. Betting Control and Licensing Board
27. Coffee Board of Kenya
28. Teachers Service Commission

29. Kenya Roads Board
30. Kenya Sugar Board
31. Media Council of Kenya
32. Medical Practitioners and Dentists Board
33. National Cereals and Produce Board (NCPB)
34. National Council for Law Reporting in Kenya
35. Non-Governmental Organization Coordination Board
36. Retirement Benefits Authority
37. Salaries and Remuneration Commission
38. Kenya Manufacturers Authority
39. Engineers Board of Kenya

Source: State Advisory Committee, (2016)