FACTORS INFLUENCING STRATEGY IMPLEMENTATION AT THE NATIONAL TREASURY-KENYA

ABRAHAM KIPKORIR KOECH, DR. SUSAN WERE

The Strategic JOURNAL of Business & Change MANAGEMENT
ISSN: 2312-9492 www.strategicjournals.com
Vol. 3, Iss. 4 (15), pp 269-288, Oct 7, 2016, www.strategicjournals.com, ©strategic Journals

FACTORS INFLUENCING STRATEGY IMPLEMENTATION AT THE NATIONAL TREASURY-KENYA

[1]**Abraham Kipkorir Koech**, [2]**Dr. Susan Were**

[1]Master Student, Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

[2]Lecturer, Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

Accepted October 6, 2016

ABSTRACT

The purpose of the study was to investigate the factors influencing strategy implementation at the National Treasury-Kenya. Its specific objectives were to establish the influence of organizational culture and the organizational structure on strategy implementation at the National Treasury. The study was carried out at the National Treasury head office, Nairobi targeting a population of 639 staff comprising of policy makers, senior management and technical cadre. Stratified proportionate random sampling technique was used to select the sample while simple random sampling was used to select 63 respondents. A descriptive survey using semi-structured questionnaires was used to collect primary data. Data was analyzed using descriptive statistics and also inferential analysis. The study established that organizational culture, as reflected through shared beliefs and values, is aligned with strategies. The study also found out that organization structure facilitates decision making at all levels of management through free flow of information, coordination and cooperation between different levels of management and functional areas. The study concluded that organizational culture and organizational structure have a direct influence on strategy implementation.

Key Words: *Organizational Culture, Organizational Structure, Strategy Implementation, National Treasury*

INTRODUCTION

All organizations are environment dependent and the link between any organization and its environment is the strategy it adopts. For organizations to remain competitive in the dynamic, complex and unpredictable environment, successful implementation of its strategy is critical. Organizations change continually because they are open systems in constant interaction with the environment and therefore, must establish measures for retaining competitiveness. Organizations use strategy to determine goals and objectives and identify necessary courses of action and allocation of resources necessary to achieve the set goals (Chebat, 2009).

Organization strategy is a long- range game plan that provides a road map on goals to achieve the corporate mission (Norman and Gaither, 2004).These strategies are embodied in the companies' business plan, which includes a plan for each functional area of the business, including production, operations, marketing and finance. Strategic goals describe the significant results to be achieved by the organization over the next few years. Erez and Kanfer (2008) states that organization's strategies explain why the process exists/should exist in the organization, and why it should be driven in a certain way. Strategic goals focus on the highest level needs of the business.

Implementing a strategy, according to Pearce and Robinson (2007) is the process through which a set of agreed work philosophies is translated into functional and operational targets. Kottler and Best (2006) supports this position when they state that implementation addresses the who, where, when and how, and it is thus the tactic that drives the strategy of the company. Implementation has been defined as the process by which strategies and policies are put into action through the development of programs, budgets and procedures. This involves the design or adjustment of the organization through which the administration of the enterprise occurs. This includes changes to existing roles of people, their reporting relationships, their evaluation and control mechanisms and the actual flow of data and information through the communication channels which support the enterprise (Hrebiniak & Joyce, 2005).

Implementation involves activities that effectively put the plan to work. Implementation of the tactic drives the strategy of the company. Guth and MacMillan (2006) agree that strategy implementation is likely to be successful when congruence is achieved between several elements crucial to this process. These elements may be grouped into structure and process. Structure defines the configuration of a company showing the relationships that exists between the various parts of the company. The process element includes leadership, culture, resources and other administrative procedures. The structure of the company should be compatible with the chosen strategy. If there is incongruence, adjustment will be necessary either for the structure or for the strategy itself (Cha & Edmondson, 2006).

Obumba (2012) stresses that the implementation of organizations strategies highly depend on the strategic management practices that the organization adapts. Strategic management practices are the activities that are geared towards ensuring that the organization achieves its long and short term goals and objectives. According to Debowski (2006) strategic management is a management process which reflects careful planning to meet long term and short term priorities of the organization. Forsyth (2010) acknowledges that no single plan or strategy is right but advices that all that can be done is to make sure that the decision is made on well considered basis and that as many pertinent facts possible are known when this is done.

Regionally, different strategic management approaches are developed, affecting the way various sectors are being managed. Hasalaka (2008) acknowledges that strategic management addresses the question of why some organizations succeed and others fail. While the field of strategic management has developed rapidly, there should be an attempt to investigate the strategic management practices of a particular sector. It is important for each organization to properly understand the strategic management practices that suits it and the way it affects its operations in a given industry.

The goal of every competitive strategy is to achieve sustainable competitive advantage. This objective is achieved through competitive strategy implementation, which is defined primarily by the strategic advantage of either low cost leadership or differentiation. The transient nature of some competitive advantages over the changing environmental conditions in South Africa requires that strategists deeply understand the competition process and the factors that underlie each advantage in order to attune themselves to changes in such underlying conditions (Christensen, 2007).

The public sector is charged with the responsibility of offering effective and efficient service to the Kenyan public. In recent times, many public sector organizations have been engaging in activities that will improve their service delivery to their clients. One such activity is the development of strategic plans. Kenya's current development agenda is guided by Vision 2030, which is the official government long-term development strategy. The vision is anchored on three key pillars namely; Economic, Social and Political and aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all citizens in a clean and secure environment (Kimuyu, 2011). Public sector organizations are guided by the Vision 2030 in developing their strategic plans. However inspite of the public sector organizations having elaborate and well developed and designed strategic plans, their performance has not improved drastically as expected. This scenario has mainly been attributed to strategic plan implementation challenges (Kimuyu, 2011).

The National Treasury derives its mandate from Article 225 of the Constitution, Public Finance Management Act 2012 and the Executive Order No.2/2013. The core functions of the National Treasury as derived from the above legal provisions include; Formulate, implement and monitor macro-economic policies involving expenditure and revenue; Manage the level and composition of national public debt, national guarantees and other financial obligations of national government; Formulate, evaluate and promote economic and financial policies that facilitate social and economic development in conjunction with other national government entities; Mobilize domestic and external resources for financing national and county government budgetary requirements; Design and prescribe an efficient financial management system for the national and county governments to ensure transparent financial management and standard financial reporting.

Statement of the Problem

Implementation of the organization's strategic plan is more important than formulation; otherwise it is nothing except well documented pieces of paper in an organization (Jooste and Fourie, 2009). As much as these strategies are crucial for the organization performance, previous research has reported that many implementations fail (Nutt, 2006). The average success rate of strategy implementation ranges as noted by Raps (2005) is between 10% and

30%. The reasons for failure of any organization to attain its documented strategies include unsupportive organization structure and culture, resistance to change, inadequate training of staff, in adequate resources, uncontrollable factors in the environment, major obstacles surfacing during implementation that were not anticipated, supporters of strategic decisions leaving the organization during implementation, top management lack of good will and middle managers not being involved in strategy formulation and above all lack of communication (Guth & MacMillan, 2006).

Successful implementation and achievement of the National Treasury goals and objectives needs continuous collaboration between the National Treasury and the stakeholders which sometimes is not so leading to implementation challenges. According to the Ministry's Strategic Plan for 2013-2017, some challenges were encountered in the implementation of 2009 – 2012 strategic plans. These challenges were; low absorption of Official Development Assistance (ODA), inability to attract and retain qualified and skilled manpower due to poor remuneration in the public service and poor administration of Schemes of Service, inadequate adoption of ICT in the Ministry and low connectivity with line ministries/departments, mismatch between revenue inflows and expenditure, unrealistic cash plans by spending units, and tax evasion and inability to meet targeted revenue collection among others.

Several studies have been carried out on strategy formulation and implementation and its challenges among organizations. Machuki (2005) looked at the challenges to strategy implementation at CMC Motors Group and found out that the poor implementation of the organization strategies were responsible for the organization's poor performances in the industry. Shimechero (2010) reviewed challenges of formulation and implementation at Centre for African Family Studies. Agolla (2012) investigated the challenges of strategy implementation in Pensions Department, Ministry of Finance- Kenya. His findings were limited in scope as the focus was on only one department in the Ministry. It is therefore important to note that, in all these studies, there was no evidence of a study to show why strategies are not fully implemented. The study on the on factors influencing strategy implementation at the National Treasury therefore aimed at filling this gap.

Study Objectives

The general objective of the study was to analyze the factors influencing strategy implementation at the National Treasury. The specific objectives were:

- To establish the effects of organizational culture on the implementation of strategy at the National Treasury.
- To assess how organizational structure affects strategy implementation at the National Treasury.

LITERATURE REVIEW

Resource-Based Theory

The firm is a bundle of resources and capabilities. These resources and capabilities are made up of physical, financial, human and intangible assets. Winners in the global marketplace have been firms demonstrating timely responsiveness, rapid and flexible product innovation, along with the management capability to effectively coordinate and redeploy internal and external competences. The theory is conditioned on the fact that resources are not homogenous and are limited in mobility. The firm can translate these resources and capabilities into a strategic advantage if they are valuable, rare and inimitable (Hrebiniak, 2006).

The proponents of resource-based view, puts emphasis on the importance of resources and its implications for firm performance. According to Wheellen and Hunger (2002), the theory refers to the shifting character of the environment; second, it emphasizes the key role of strategic management in appropriately adapting, integrating, and re-configuring internal and external organizational skills, resources, and functional competences towards changing environment. The way these resources are managed will determine the performance of the organization (Rumelt, 2011). The competitive advantage of an organization is largely influenced by the distinctiveness of its capabilities (internal factors). Therefore, this theory supports all the independent variables namely organization culture and organization structure.

McKinsey 7S Framework

McKinsey 7s framework is a tool that analyzes a firm's organizational design by looking at 7 key internal elements: strategy, structure, systems, shared values, style, staff and skills. The framework suggests that, for an organization to perform well, these seven elements need to be aligned and mutually reinforcing. The framework can therefore be used to help identify what needs to be realigned to improve organization's performance (Kalali et al., 2011).

McKinsey 7s framework was developed in 1980s by McKinsey consultants Tom Peters, Robert Waterman and Julien Philips with assistance from Richard Pascale and Anthony G. Athos. Since its introduction, the framework has been used widely by academics and practitioners and remains as a popular strategic planning tool. The framework sought to present an emphasis on human resources rather than the traditional mass production tangibles of capital, infrastructure and equipment, as a key to higher organizational performance (Miller, 2001). The goal of the framework was to show how the 7 elements of the company: strategy, structure, systems, skills, staff, style, and shared values, can be aligned together to achieve effectiveness in a company. The key point of the framework is that, all the seven areas are interconnected and a change in one area requires a change in the rest of the firm. The framework therefore, supports the contribution of all the independent variables namely organization culture and organization structure in the implementation of organization's strategies.

TOWS Matrix

The analysis of a firm's strengths and weaknesses, opportunities and threats too often is an open-ended and non-rigorous process in which unchallenged strengths are matched with non-existent opportunities. The TOWS matrix is an example of the new trend in "nested" analyses. It uses analytical techniques such as competitor analysis, PESTLE, the Delphi method (gathering information from smart or well-trained, or hopefully both groups of people) to create a forecast of sorts of the opportunities and threats facing the firm. The value net, value chain, VRIO (Value, rarity, imitability and organization) or similar tools are then used to develop a list of the firm's strengths and weaknesses. Four lists are then matched (TS, TW, OS, OW) to determine if the company needs to shore up key weakness or has the right strengths to take advantage of market opportunities (Prescott & Herko, 2010).

Many organizations utilize SWOT analysis to identify their strengths and weaknesses. However, there are challenges in utilization of the information obtained. TOWS matrix therefore, becomes a useful tool in making strategic management decisions (Prescott & Herko, 2010). TOWS Matrix looks at strengths, weaknesses, opportunities and threats, but takes it one step further to create four unique quadrants of analysis: strengths and opportunities, strengths and threats, weaknesses and opportunities and weaknesses and threats. The value behind the TOWS matrix is that it takes a traditional SWOT and makes it actionable. TOWS implementation approach therefore, enables an organization to turn challenges into opportunities through utilization of its internal capabilities. Strategy development and implementation should be thought through together hence TOWS Matrix supports all the independent variables namely organization culture and organization structure.

Conceptual Framework

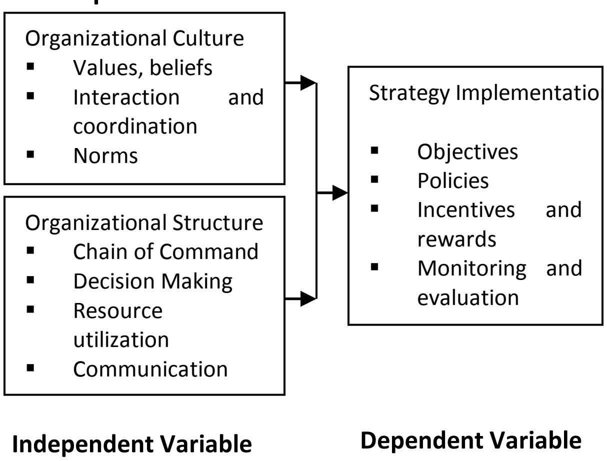

Fig 1 Conceptual framework

Organization Culture

Culture is the specific collection of values, norms, beliefs, and attitudes that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization (Hill & Jones, 2013). Organization culture is a company's way of doing something: it describes the characteristic ways- "this is the way we do it around here"- in which members of an organization get the job done (Ibid).

Organization Structure

Structure assigns employees to specific value creation tasks and roles and specifies how these tasks and roles are to work together in a way that increases efficiency, quality, innovation, and responsiveness to customers. The purpose of organization structure is to coordinate and integrate efforts of employees at all levels- corporate, business, and functional and across a company's functions and business units so that all levels work together in a way that will allow the company to achieve the specific set of strategies in its business model (Hill & Jones, 2013).

Strategy Implementation

Strategy implementation involves taking actions at the functional, business, and corporate levels to execute a strategic plan. Implementation can include, for example, putting quality improvement programs into place, changing the way a product is designed, positioning the product differently in the marketplace, segmenting the marketing and offering different versions of the product to different consumer groups, implementing price increases or decreases, expanding through mergers and acquisitions, or downsizing the company by closing down or selling off parts of the company (Hill & Jones, 2013).

Strategy implementation also entails designing the best organizational structure and the best culture and control systems to put a chosen strategy into action. In addition, senior managers need to put a governance system in place to make sure that all within the organization act in a manner that is not only consistent with maximizing profitability and profit growth but also legal and ethical (Hill & Jones, 2013).

Empirical Literature Review

Organizational Culture

According to Barney (2007), organizational culture is defined as the organizational norms and expectations regarding how people behave and how things are done in an organization and includes implicit norms, values, shared behavioural expectations, and assumptions that guide the behaviours of members of a work unit. Organizational culture is important because shared beliefs and norms affect employee perceptions, behaviours, and emotional responses to the workplace and affect the implementation of the organization strategies. For example, Musyoka (2011) while carrying out an investigation of strategies that are applied by Resolution Health to improve profitability found that culture has been found to influence organizational climate and provides attitudes including work attitudes as well as employee behaviours that contribute to the success or failure of an organization despite the strategies that the organization puts in place.

Organizational culture is the collective behaviour of people that are part of an organization, it is also formed by the organization values, visions, norms, working language, systems, and symbols, it includes beliefs and habits. It is also the pattern of such collective behaviours and assumptions that are taught to new organizational members as a way of perceiving, and even thinking and feeling (Hill & Jones, 2010). Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. Hartnell (2011) commenting on leadership as the starting point of strategy referred to organizational culture as a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behaviour for various situations. At the same time although a company may have own unique culture, in larger organizations, there is a diverse and sometimes conflicting cultures that co-exist due to different characteristics of the management team. The study warned that the organizational culture may also have negative and positive aspects on the organization strategic goals and objectives.

A fundamental part of managing strategy implementation is the organizational culture. Hill et al (2009) defines organizational culture as the "specific collection of values, norms, beliefs and attitudes that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization". Although not as tangible as strategic control systems and organizational structure, culture is one of the strongest elements of control in an organization. A strong organizational culture enhances integration and coordination within the organization. Culture gives members of the organization the ability to develop a collective identity, and guides them in their daily business relationships, execution of tasks, communication and decision making. If propagated correctly, organizational values will become part of the individual's values in the organization.

Organizational Structure

A good organizational structure enables an organization to implement its strategy. To facilitate the achievement of the strategic and organizational objectives, organizational structure coordinates and integrates the tasks executed by all employees in the organization, i.e. employees at all levels, and across all divisions and functions (Hill et al., 2009). Organizational structure determines the departments and functions in an organization; it defines the hierarchy, span of control and reporting relationships, and includes the systems for communication, coordination and integration across these divisions and functions, both vertically and horizontally.

A clear hierarchy needs to be defined from the Board of Directors through middle management all the way down to the operational employees. Ngayuyi (2003) while evaluating the effects of effective corporate governance on the success of government parastatals advised that the hierarchy should clarify the span of control that each of the employees has, i.e. the people and tasks they are responsible for and have authority over. As the organization has been divided into separate functions and divisions, which all together should strive to achieve the same organizational objectives, communication and coordination across these functions and divisions is needed. Through integrating mechanisms, such as direct contact, liaison roles and cross-functional or divisional teams, information about activities, ideas and problems are efficiently spread across the organization (Hill et al., 2009).

Organization structures are essential part of strategy implementation in many organizations be it private or public. A study done by Kibuchi (2011) on the effective management of transportation companies showed that relation between unrelated diversification and harmonization of organizational structure was positive while it was negative for vertical integration strategies and equivocal for related diversification. Another study done by Debowski (2006) on effective management of public organizations also showed that congruence between structure, processes and systems is more important for performance (sufficient condition) than organizational fit with environment (necessary condition). This has been reinforced by the fact that in cases where organization's success prospective strategies are found, then they have organic organizational forms.

Strategy Implementation

According to Wheelen and Hunger (2002), a firm's strategy passes four stages: environmental scanning, strategy formulation, strategy implementation and strategy evaluation. Investigating why even the best designed strategies are questionable opens doubt about inconsistencies between formulation and implementation at first and later inconsistencies between strategy implementation and performance measurement. Formulation phase includes mission, goals and business policy determination while implementation includes activities, budgeting and procedures.

The strategy of an organization consists of the moves and approaches made by management to produce successful performance. The management of an organization should understand their role in strategy development and implementation. Roney (2004) stresses that management develops strategies in order to guide the organization in conducting its business and achievement of set objectives. The standards for judging whether an organization is well managed are based on good strategy-making combined with good strategy execution. Strategy-making and strategy-implementation does not guarantee superior organizational performance continuously. Even a well-managed organization can sometimes fall short in performance over short periods because of adverse conditions beyond management's ability to foresee and react to the environmental changes. Wheelen et al (2006) on strategic management and business policy agrees that it is management's responsibility to adjust to negative conditions by undertaking strategic defenses and managerial approaches that can overcome adversity. However, the essence of good strategy-making is to build a strong and flexible position to provide successful performance despite the impact of unforeseeable and unexpected external factors.

RESEARCH METHODOLOGY

This chapter outlines the methodology that was used to carry out the study. For this study, the research was conducted using descriptive survey. The descriptive research design was suitable for establishing the factors influencing strategy implementation at the National Treasury. The study focused on the following cadres of staff; policy makers, senior management, and technical staff based at the National Treasury's head office. The target population included 19 Policy makers in Job Group S and above, 97 staff in senior management cadre in Job Group P to R and 523 technical staff in Job Group K to N. Stratified sampling and simple random sampling techniques were applied in selection of respondents for the study. For this study, primary data was collected using a questionnaire containing both open-ended and closed questions, as well as 5-point likert rating scale. The questionnaire was divided into seven sections; a section seeking general information about the respondents, a section seeking general information on implementation of strategy at the National Treasury from the respondents and five sections exploring the influence of the five variables under investigation on strategy implementation process at the National Treasury. This study collected primary data using self-administered semi-structured questionnaire. The questionnaires were distributed to 63 randomly identified respondents in policy, management and technical cadres at the head office of the National Treasury for filling and thereafter collected. Before the research tool was administered to the respondents, pre-testing was carried out to ensure that the questions were relevant and clearly understood. The pre-testing aimed at determining the reliability of the research tool including the wording, structure and sequence of the questions. For the sake of validity, experts were requested to comment on the representativeness and suitability of questions and give suggestions of corrections to be made to the structure of the research tool. This helped to improve the content validity of the data that was collected. Content validity was obtained by asking for the opinion of the supervisor, lecturers and other professional on whether the questionnaire was adequate. The data collected was analyzed using descriptive statistics such as mean, percentages, standard deviation and frequencies. This is because descriptive statistics facilitates meaningful descriptions of scores or measurements using a few indices or statistics (Mugenda & Mugenda, 2003). Tables and charts were used to summarize responses for further analysis and facilitate comparison.

RESEARCH FINDINGS AND DISCUSSION

This chapter discusses the interpretation and presentation of the findings obtained through data collection in the field. Out of 63 administered questionnaires to the employees of the National Treasury's head office, 54 questionnaires were dully filled and returned. This indicates a response rate of 85.7%. All the measures; Organizational Culture and Organizational Structure had acceptable Cronbach's alpha values as all the values were in excess of the 0.7 threshold. The general information considered in this study included the gender, age, level of education and length of continuous service of the respondents in the organization. The aim was to establish the characteristics of the senior management staff and technical staff at the National Treasury- Kenya. Based on gender, the results of gender distribution indicated that majority of the respondents (77.8%) were male while 22.2% were female hence both gender participated in the study. The study also sought to establish the age distribution of the respondents. The results indicated that majority of the respondents were aged between 40-50 years (50%), 24.1% were aged between 29-39 years, 18.5% were aged between 51-60 years and only 7.4% of the respondents were aged 18-28 years. The study sought to establish the duration of continuous service by the respondents at the National Treasury. 29.6% of the respondents had worked in the National Treasury for less than 3 years, 27.8% had been in the organization for 12 years and above and 24.1% of the respondents had worked in the institution for between 4 years to 7 years. The results also indicate that over 46% of the respondents had worked at the National Treasury for over 8 years and therefore have necessary institutional memory to provide answers to research questions. The study also sought to establish the highest academic qualifications attained by the respondents. 64.8% of the respondents were masters' degree holders, 20.4% were degree holders and 9.3% had attained higher diploma. In addition, 3.7% had attained A-level qualifications while 1.9% of the respondents were diploma holders. From the results, the majority of the respondents at the National Treasury were degree holders and above. This therefore, implies that they had the capacity to understand the aspects of strategy implementation.

Implementation of Strategies at the National Treasury

The study sought to establish the general information on the implementation of strategies at the National Treasury**.** On the question of whether strategies are put into action once documented, majority of the respondents (87%) answered affirmatively.

Level of Implementation

The study sought to establish the level of implementation of the strategies at the National Treasury. From the findings, 57.4% of the respondents indicated that the level of implementation of strategies at the National Treasury was moderate whereas 16% vouched for high level of implementation. However, only 13% of the respondents were of the view that the level of implementation of strategies at the National Treasury was low. Overall, the results shows that the level of strategy implementation in the National Treasury was moderate an indication that there are gaps in implementation of strategies.

Role in the Implementation of the Strategies

The study sought to establish whether the respondents had a role in the implementation of strategies at the National Treasury. The results indicated that 83.3% of the respondents have a role in the implementation of strategies at the National Treasury whereas only 16.7% played no part in the implementation process. From the results, majority of the respondents are involved in the implementation of strategies at the National Treasury.

Factors Influencing Strategy Implementation

In this section, the study sought to establish the factors influencing strategy implementation at the National Treasury. The factors considered in the study were organizational culture and organizational structure.

Organizational Culture

The study sought to establish the effects of organizational culture on the implementation of strategy at the National Treasury. The results indicates that 50% of the respondents were in agreement that organizational culture at the

National Treasury was reflected through the shared beliefs and values which were aligned with strategies, 22% of the respondents were neutral while 19% of the respondents strongly agreed. On whether organizational culture is continuously shaped through top management practices such as recruitment and selection among others, 48% of the respondents were in agreement while 19% of the respondents disagreed. Besides, 13% of the respondents were neutral whereas 13% of the respondents strongly agreed with the statement.

The respondents were requested to indicate whether shared values and norms facilitate interaction and coordination among staff at the National Treasury and 44% of the respondents affirmed whereas 26% of the respondents were neutral. 22% of the respondents disagreed whereas 6% of the respondents strongly agreed with the idea. The results depicts that the prevailing culture at the National Treasury facilitates coordination of duties thus enhancing strategy implementation. On the assessment of organizational culture when a new strategy is formulated or fundamental changes were being introduced, 46% of the respondents were in agreement whereas 22% of the respondents were neutral on the statement. 19% of the respondents strongly agreed with the statement. The results indicated that organizational culture plays a key role in strategy implementation at the National Treasury.

On whether organizational culture was exhibited through employee recognition and rewards systems at the National Treasury, the results indicated that organizational culture is enhanced through recognition and rewards and this motivates employees towards implementation of strategies and organizational objectives. The findings show that organizational culture at the National Treasury facilitates shared beliefs, interaction and coordination among staff. The findings were found to be consistent with Hill et al., (2009) findings that a strong organizational culture enhances integration and coordination within the organization. Culture gives members of the organization the ability to develop a collective identity, and guides them in their daily business relationships, execution of tasks, communication and decision making.

Organizational Structure

The study sought to assess how the organizational structure affects strategy implementation at the National Treasury. The research sought to find out whether the ministry had changed its organizational structure since inception. The results indicated that the National Treasury had over time changed its structure in order to facilitate implementation of its organization goals. The findings were consistent with Drazin and Howard (2009) findings that an organization should be structured in such a way that it can respond to pressure from the environment in order to change and pursue any appropriate opportunities which are spotted. It can be concluded that the National Treasury had changed its structure overtime in order to enhance effectiveness in strategy implementation.

On the question of how the organizational structure affected the implementation of strategies at the ministry, the results indicated that at the National Treasury, levels of authority and responsibility were defined at all levels of management. The structure of an organization was meant to help in achievement of the desired organizational objectives and this was the case at the National Treasury whereby 63% of the respondents agreed that the structure had facilitated decision making whereas 20% of the respondents were neutral. The results indicated that decision making in the organization had been aided by the structure that had been put in place.

Successful strategy implementation depended to a large extent on the organization’s structure because it was the structure that identified key activities within the organization and the manner in which they were coordinated to achieve the strategy formulated. The organizational structure in place at the National Treasury was indicated by 82% of the respondents as having facilitated response by the management to macro-environmental changes thus enhancing responsiveness to challenges affecting implementation of strategies. On the extent to which organizational structure facilitated free flow of information, coordination and cooperation between different levels of management and functional areas; 52% of the respondents vouched that the structure at the time in place facilitated coordination, however, 30% of the respondents were neutral whereas 13% of the respondents disagreed. The study further established that 67% of the respondents were in agreement that the existing structure facilitates efficient and effective utilization of the ministry's resources thus an indication that structure aids in management of resources.

The study also established that 65% of the respondents were in agreement that the organization structure was reviewed after a new strategy was developed. The review of structure therefore facilitated implementation of strategy. Overall, the results of the study indicated that at the National Treasury, the level of authority and responsibility in the structure was defined, structure facilitated decision making, structure facilitated response by top management to macro-environmental changes, and that the structure facilitated efficient and effective utilization of the National Treasury resources. The organization structure was also reviewed in response to a new strategy. The results of the study were found to be consistent with McFadyen and Farrington (2012) findings that the structure of an organization influences how objectives and policies will be established, how resources will be allocated and the synergy across the departments. According to Hill (2009), organization structure facilitates the achievement of the strategic and organizational objectives, coordinates and integrates the tasks executed by all employees in the organization such as the National Treasury. The study concludes that the organizational structure at the National Treasury had been instrumental in helping management and employees work in harmony towards the realization of the organization goals and objectives.

Strategy Implementation

The study sought to understand the strategy implementation process at the National Treasury. The results showed that employees were not sufficiently empowered on decision making thus limiting implementation of goals and objectives. On the issue of strategies being periodically monitored and evaluated for progress, the results indicated that 63% of the respondents answered affirmatively. The existence of periodic monitoring and evaluation of strategies enables National Treasury to correct any deficiencies that hampers effective implementation of strategies in time. On whether effective results are encouraged by linking rewards and incentives to achievement of results, 68% of the respondents agreed that there is a link between rewards and incentives.

From the results, National Treasury translated long term objectives to short term objectives so as to facilitate implementation by staff. Besides, strategies were periodically monitored and evaluated for progress. The findings of the study were found to be consistent with Pearce and Robinson (2007) findings that strategy implementation would yield the following benefits to an organization: proper utilization of resources both financial and human and thus enhance organizational growth, development of efficient systems that would enhance coordination and in turn guarantee achievement of organization's goals and set targets.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter sets out to discuss the summary of the findings, draw conclusions, and make recommendations.

Summary of Findings

Effects of Organizational Culture on Strategy Implementation

Organizational culture is an organization way of doing things. Therefore the match between the National Treasury strategy and culture is crucial for successful implementation of strategy. The study also revealed that organizational culture is continuously shaped through top management practices such as recruitment and selection among others. The study further found out that the culture at the National Treasury was reflected through shared beliefs and values which were aligned with strategies. The compatibility of culture at the National Treasury and the strategy being implemented would reduce resistance from the employees thus increasing their motivation towards successful implementation of the strategy. The study established that organizational culture was shown to the employees through recognition and rewards and this motivates employees towards implementation of strategies and organizational objectives through internal leadership needed to drive implementation forward and keep improving on how strategy is being implemented.

Effects of Organizational Structure on Strategy Implementation

The study indicated that the levels of authority and responsibility are defined at all levels of management hence minimizing conflicts among staff. The study also established that organization structure facilitates decision making at all levels of management and this therefore enhances responsiveness to challenges affecting strategy implementation. The results further, revealed that the organization structure facilitates the free flow of information, coordination and cooperation between different levels of management and functional areas and this improves the working efficiency within the organizational units.

Conclusion

From the research findings and answers to the research questions, some conclusions were made about the study. From the findings, the study concluded that organizational culture influenced the strategy implementation at the National Treasury through shared beliefs and values. On the other hand, the shared values and norms facilitated interaction and coordination among staff hence contributing to strategy implementation.

In regard to organization structure, it was evident that the structure at the National Treasury affected implementation of strategies by facilitating response by the top management to macro-environmental changes and this helps the organization to handle challenges affecting strategy implementation. The study also established that the organizational structure was a key factor in strategy implementation through facilitation of decision making, free flow of information, coordination and cooperation between different levels of management and functional areas.

Recommendation

The study recommends that there is need to enhance the organizational culture as it affects strategy implementation through nurturing and dissemination of core values and beliefs. The study also recommends that there is need for appropriate organization structure as it facilitates decision making, free flow of information, coordination and cooperation between different levels of management and functional areas thus enhancing strategy implementation. There should be adequate and regular communication to the employees by the management on new developments affecting strategy implementation so that they understand the progress of implementation while at the same time employees should be rewarded for successful implementation of the strategy. The study recommends that strategy implementation should not be viewed as a one off process; the management should inculcate a practice of regular review and reference making of strategic plan throughout its lifespan. At the start of the strategic plan process, it would be prudent to include a human resource audit to assess the capacity of the staff to implement new strategy and give recommendations.

Suggestion for Further Research

The focus of the current study was on the factors influencing strategy implementation at the National Treasury and therefore, future studies should investigate the influence of the factors identified in this study on strategy implementation in other ministries of the Government of Kenya.

REFERENCES

Agolla, D. (2012). *Investigation on the Challenges of Strategy Implementation in Pensions Department*, Ministry of Finance- Kenya.

Arumonyang, P. L. J. (2009). *A survey of strategy implementation challenges facing development authorities in Kenya.* Unpublished MBA project, School of Business, University of Nairobi.

Arumnyang, B. (2009) *The Failure Of Strategic Management in the Achievement Of Goals And Objectives*, New York: Lexington Books.

Al-Ghamdi, M. (2008). *Strategy Formulation and Implementation: The ro*le *of Managers,* New-York; NY: McGraw Hill Irwin.

Alexander, J (2005).*Strategy and Policy Development, Karachi Publishers*, Karela, India.

Brinkerhoff, K. (2009). Evaluating Policy Implementation: The European Union's Small and Medium Sized Enterprise Policies in Galicia and Sardinia, *Regional Studies*, 36(8): 861-876.

Beer et al., (2007).The Determinants of Success in Implementing an Expert System in State Government, *Public Administration Review*, 58(4): 293-305.

Bentley, P. (2009). *The Importance of Training on the Organization Performance*, Houghton Mifflin Company, London, UK.

Barney, D. (2007). Strategic Factors Affecting the Implementation of Projects, *Strategic Management Journal*, 34(5): 45-145.

Chira, A.(2011). *The Effects Of Training on The Performance of Government Training Institutions, Unpublished Edition*, Nairobi, Kenya

Chebat, J. (2009). Introduction to Special Issue on Strategy Implementation and Assessment Research: Research on Implementation Deserves as Much Attention as Strategy Formation, *Journal of Business Research*, 45: 107-109.

Cha, S. E., & Edmondson, A. C. (2006). When values backfire: Leadership, attribution, and disenchantment in a values-driven organization*. Leadership Quarterly*, 17, 57−78

Christensen, R. (2007). *Strategic management: from theory to implementation* (4th ed.). Oxford: Butterworth Heinemann.

Debowski, S. (2006). *Implanting Strategic Management.* Prentice Hall ,England,UK.

Dyson D , Bryant H, Morecrft D and O'Brien P. (2007) Strategy implementation: An experience in learning. *Organizational Dynamics,* 25 (7), 6-18.

Deming, P. (2009). Management and Perceptions of Strategy Process, New York; NY: McGraw Hill Irwin.

Erez, M., & Kanfer, F.H. (2008). The Role of Goal Acceptance in Goal Setting and Task Performance, *Academy of Management Review*, 8(3): 454-463.

Eriksson, C.B. (2007).The Effects of Change Programs on Employees' Emotions, *Personnel Review*, 33(4): 110-126.

Fajourn, P.C. (2010). *Managing Strategy Implementation*, Oxford: Blackwell Publishers.

Forsyth, P. (2010) Strategic Implementation: Approaches to effective implementation, *Strategic Management Journal*, 25: 352-124.

Galbraith, J.R., & Kazanjian, R.K. (2006) *Strategy Implementation: Structure, Systems, and Process*, Second Edition, St. Paul: West Publishing.England,UK.

Giacchino, S., & Kakabadse, A. (2003) Successful Policy Implementation: The Route to Building Self-Confident Government, *International Review of Administrative Sciences*, 69: 139-160.

Guth, W.D., & MacMillan, I.C. (2006) Strategy Implementation versus Middle Management Self-Interest, *Strategic Management Journal*, 7: 313-327.

Gill, P., & Johnson, T. (2006). *Exploring Corporate Strategy*, 8th edition, England: Pearson education limited.

Ghuman, P. (2010). An evaluation the best leadership for organization performance, Lexington Books.

Hill, C.W.L., & Jones, G.R. (2013). *Theory of strategic management* (10^{th} ed.). U.S.A: South –Western, Cengage Learning.

Hill et al., (2009). Management *Results-based Leadership*. Boston, MA: Harvard Business School Press, New York,USA

Hasalaka P. (2008).The eclectic roots of strategy implementation research', *Journal of Business Research*, 45: 119–134.

Huber, T. (2006). 'Turning great strategy into effective performance', *Strategy* (Strategic Planning Society, UK), September.

Hartnell, G. (2011).'Leadership as the starting point of strategy', *McKinsey Quarterly*, 1: 67–76.

Hitt, P., Ireland, G., & Hoskisson, F.(2007).*Managing Strategy Implementation: An Organizational Behaviour Perspective.* Oxford: Blackwell.

Harvey D. (2005). *The New Imperialism.* New York: Oxford University Press USA, Accumulation by Dispossession, 137-182.

Hrebiniak,L.G. (2006). *Making strategy work*: Leading Effective Execution and Change.Wharton School Publishing.

Hrebiniak, L. G., & Joyce, R. (2005) Challenges of Strategy implementation in a competitive business Environment, *African Journal of Business Management, 567-745*.

Hill, D. & Jones, P. (2010).The Effect of Organizational and Cultural factors on the implementation of Strategies, St. Paul: West Publishing.

Hill et al., (2009). *Strategic Management Theory:* An Integrated Approach, 7th edn. Houghton Mifflin Company,England,UK.

Joyce, R. (2000). *The Essence of Leadership: The Four Keys to Leading Successfully,* Lexington Books, New York,USA

Jooste, T., & Fourie, G.(2009)*Why strategies implementation Fail*, 2nd Edition, Richard D. Irwin Inc.

Jex, R. (2008). Effective leadership and the performance of the organization, *Organizational Dynamics,* 107 (23),12-34.

Kalali, et al., (2011). Why does strategic plans implementation fail? A study in the health service sector of Iran, African Journal of Business Management, 9831-9837, ISSN 1993-8233.

Kaplan, R. (2001) *The Strategy Focused Organisation: How Balanced Scorecard Companies Thrive in the New Business Environment.* Boston, MA: Harvard Business School Press.

Kamwaro, G. (2012). The factors affecting management planning in organization, Unpublished Edition, Nairobi, Keny.a

Kibuchi, J. (2011). The effective management in transportation companies.Unpublished Edition, Nairobi, Kenya.

Kimuyu, K.K. (2011). *The challenges facing implementation of strategic plans in the public sector: A case study of Kenya National Bureau of Statistics*. Unpublished MBA Thesis, Kenyatta University.

Kottler, P., & Best J. (2006) ‘The nature of the new post-heroic leadership’, *Fortune*, 21(July): 87–31.

Kothari, C.R. (2008). *Research Methodology*. Methods and Techniques (Second Revised),Nairobi, Kenya: ACME.

Larry, D. (2005) A Study of Organizational 'Framework' and 'Process' Modalities for the Implementation of Business-Level Strategic Decisions. *Journal of Management Studies,* Vol. 28 Issue 1, 45-68.

Musyoka, J. (2011).Strategies that are applied by Resolution Health to improve profitability, Unpublished Edition, Nairobi, Kenya

Machuki, Z. (2005) *Challenges to Strategy Implementation at CMC Motors Group*, Unpublished Edition, Nairobi, Kenya

Miller, S. (2001). Implementing Strategic Decisions: Four key Success Factors. Organ. Stud., 577-602, ISSN 0170-8406.

Mugenda, O. & Mugenda, A. (2003). *Research Methods: Qualitative and Quantitative Approaches.* Nairobi: Africa Centre for Technology Studies.

Norman, D. & Gaither, P. (2004) *Operations Strategic Management*, Prentice Hall ,England,UK.

Ngechu, K. (2004) *Impact of strategic planning on the organization performance*, Unpublished Edition, Nairobi, Kenya

Ngayuyi, P. (2003). *Evaluation of The Effects Of Effective Corporate Governance On The Success Of Government Parastatals.* Unpublished Edition, Nairobi, Kenya.

Obumba, D.(2012). *Factors That Affects The Implementation Of Organization Strategies In Private Organizations*, Unpublished , Nairobi, Kenya

Ojwok, G. (2007). *The important Components in Strategy Implementation*, Unpublished Edition, Nairobi, Kenya.

Prescott, D., & Herko, T. (2010). *Building the microeconomic foundation of prosperity: Findings from the business competitive index*. *World Economic Forum 2008 – 2010*

Pearce, J.A., & Robinson, R.B. (2007). *Strategic management*: Strategy *formulation, implementation and control* (3rd ed.). U.S.A: Richard D. Irwin Inc.

Pearce, J.A., & Robinson, R.B. (2011). *Strategic management*: *Strategy formulation, implementation and control* (12th ed.). Singapore: McGraw–Hill.

Roney, F. (2004). The past and future of competitive advantage. *MIT Sloan Management Review,* 42 (2),105-109.

Rumelt, H. (2011) *The evolution of strategic management literature:1980 – 2000.* Working paper. University of Nijmegen, Netherlands.

Roley, P.(2006) Strategic management for competitive advantage. *Harvard Business Review,* 108 (9), 163-123.

Raps, D. (2005) A contingency approach to strategy implementation at the business-unit level: Integrating administrative mechanisms with strategy. *Academy of Management Journal,* 31 (4), 828-853.

Strikwerda, P. (2009). Environment – Strategy Relationship and its Performance Implications: An Empirical Study of the Chinese Electronic Industry. *Strategic Management Journal,* 15, 1–20..

Shimechero, C.M. (2010). *Challenges of Strategy Implementation at Centre for African Family Studies*.

Thompson, A., Peteraf, R., Gamble, D., & Strickland, J. (2012). Blind spots in competitive analysis. *Academy of Management Executive,* 7 (2), 7-28.

The Economist (2007). *The Economist Publications*,London, UK

National Treasury Strategic Plan (2013) *Ministry of Finance Report*, Government Printers, Nairobi, Kenya.

Thompson, A. A., & Strickland, A. J. (2005). *Crafting and executing strategy: The quest for competitive advantage.* (14th ed.) New York; NY: McGraw-Hill.

Wicks, G. (2012). A Study of Organizational 'Framework' and 'Process' Modalities for the Implementation of Business-Level Strategic Decisions. *Journal of Management Studies,* Vol. 28 Issue 1, 45-68.

Wheelen, J., & Hunger K. (2007). *The Implementation Challenge*. John Wiley & Sons Ltd., West Sussex, England.

Wheellen J., & Hunger K. (2002). Strategic management and business policy, Harvard Business School, Prentice Hall.

World Bank (2000). World Bank Poverty Eradication Plan For Africa Report, New York, USA.