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FACTORS INFLUENCING IMPLEMENTATION OF STRATEGIC PLANS IN STATE CORPORATIONS IN KENYA: A CASE STUDY OF KENYA COCONUT DEVELOPMENT AUTHORITY, MOMBASA

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ABSTRACT

This study sought to investigate the factors influencing implementation of strategic plans in state corporations in Kenya. The study adopted a survey research design. All 30 employees at KCDA participated in the study. Structured questionnaires were used to collect primary data. The researcher used both open ended and structured questionnaires. Quantitative data was analyzed with the aid of Statistical Package for Social Science version 23.0 (SPSS). From the study findings, it was concluded that organizational culture, structure, strategic leadership, and financial resources affected implementation of strategic plans in state corporations. 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 employees' mobilization to executing strategic plans. It was recommended that the incoming state corporation structures take note of cultural dynamics so that an absolutely new slate of practices is enacted. The internal culture that did not support ultimate realization of objectives should be avoided by first ensuring that all employees were well inducted into their roles and space in service delivery. Further, it was the recommendation of this study that experts were involved in regular reviews of adopted organizational structures. This was so the case to avoid monotony in job design and bureaucracies which barricaded goal realization. In addition to experts, the organizations should have had internal research and development units to constantly and consistently align their strategic outlooks to structural flexibility. On leadership, it was recommended that top managers undergo executive capacity building sessions to realize that their corporate objectives are easily attained through team work and not through strict supervision and instructions. Organization leadership should be converted from a barrier to an enabler by encouraging teamwork and winning support from all the staffers concerned.

Key terms: organizational culture, corporate leadership, financial resources, strategic plans

INTRODUCTION

Strategic planning is crucial to undertaking any organizational activity (Lekasi, 2014). The aim of strategy implementation is to turn plans into actions in order to accomplish strategic objectives and goals of the organization. Lynch (2012) 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 Pettigrew and Whipp (2012), implementation is a continuous and iterative process, not one that simply occurs after the formulation of the strategy. Hrebiniak and Joyce (2012) 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 organization) 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). Kenya Coconut Development Authority (KCDA) is a State Corporation under the Ministry of Agriculture whose primary mandate is to develop the coconut industry through regulatory, research and promotion of the coconut sub-sector in Kenya, in line with the national development goals articulated in the Vision 2030.

A state corporation has perpetual succession; in its corporate name is capable of suing and being sued and is capable of holding and alienating movable and immovable property. The President assigns ministerial responsibility for any state corporation and matters relating thereto to the Vice-President and the several Ministers as the President may by directions in writing determine. Subject to the Act, every state corporation has all the powers necessary or expedient for the performance of its functions, though the power of a state corporation to borrow money in Kenya or elsewhere is exercised only with the consent of the Minister and subject to such limitations and conditions as may be imposed by the Treasury with respect to state corporations generally or specifically with respect to a particular state corporation. A state corporation may engage and employ such number of staff, including the chief executive, on such terms and conditions of service as the minister may, in consultation with the Committee approve. Further, a state corporation may, with the approval of the Minister in consultation with the Treasury and the Committee establishes a pension, gratuity, superannuation, provident or other funds for the state corporation’s employees and their dependents (Pettigrew and Whipp 2012),

State corporations are managed by boards a chairman appointed by the President who are not executive unless the President otherwise directs, the chief executive, the Permanent Secretary of the parent Ministry; the Permanent secretary to the Treasury; not more than seven other members not being employees of the state Corporation, of whom not more than three are be public officers, appointed by the Minister.

Historically, corporatism refers to a political or economic system in which power is given to civic assemblies that represent economic, industrial, agrarian, social, cultural, and professional groups. These civic assemblies are known as corporations (not necessarily the business model known as a 'corporation', though such businesses are not excluded from the definition either). Corporations are unelected bodies with an internal hierarchy; their purpose is to exert control over the social and economic life of their respective areas. Thus, for example, a steel corporation would be a cartel composed of all the business leaders in the steel industry, coming together to discuss a common policy on prices and wages. When the political and economic power of a country rests in the hands of such groups, then a corporatist system is in place. Corporatism is the theory and practice of organizing society into “corporations” subordinate to the state. According to corporatist theory, workers and employers would be organized into industrial and professional corporations serving as organs of political representation and controlling to a large extent the persons and activities within their jurisdiction. However, as the “corporate state” was put into effect in fascist Italy between The Role of State Corporations in a Developmental State: The Kenya Experience 9 World Wars I and II, it reflected the will of the country’s dictator, Benito Mussolini, rather than the adjusted interests of economic groups Political scientists may also use the term corporatism to describe a practice whereby a state, through the process of licensing and regulating officially-incorporated social, religious, economic, or popular organizations, effectively co-opts their leadership or circumscribes their ability to challenge state authority by establishing the state as the source of their legitimacy, as well as sometimes running them, either directly or indirectly through corporations. This usage is particularly common and is sometimes also referred to as state corporatism. Some analysts have applied the term neocorporatism to certain practices in Western European countries, where a popular level in recent years "corporatism" has been used to mean the promotion of the interests of private corporations in government over the interests of the public. Corporatization refer to the construction of state corporatism, where government-owned corporations are created and delegated public social tasks resembling Corporate nationalism, away from autonomous privatization. Corporatization can also refer to noncorporate entities like universities or hospitals taking up management structures or other features and behaviors employed by corporations.

Kimani (2012) conducted a study on the factors influencing implementation of strategic plans: the case of Caritas, Nyeri Archdiocese, Mutuvi (2013) did a study on the factors affecting the implementation of strategic plans by non-governmental organizations in Nairobi County, Kirui (2013) studied the factors influencing implementation of strategic plans in local authorities in Migori County, Nyakeriga (2015) examined factors that influenced implementation of strategic plans in newly established public universities in Kenya while Wanjiku and Ombui (2013) conducted a study on the factors influencing implementation of strategic plans in public secondary schools in Lari District, Kiambu County.

However, none of the studies carried locally looked the factors influencing implementation of strategic plans in state corporations in Kenya. This study therefore, seeks to fill that gap.

Objectives of the Study

- To establish the extent to which organizational culture embraced by KCDA influences the implementation of its strategic plans
- To examine how corporate leadership adopted by KCDA influences the implementation of its strategic plans
- To analyze the influence of corporate leadership on strategic plan implementation at KCDA
- To assess the extent to which financial resources at KCDA influence implementation of strategic plans.

RELATED LITERATURE

Theoretical Framework

Sequential Thinking Theory

Hrebiniak and Joyce (2006), suggests that implementation is not only an important and difficult process but also a complex field of research. Most often than not, it is regarded as miscellaneous, interdisciplinary and particularly concerned with the integration of management disciplines. As a practice, it greatly focuses on the performance of organizations. Based on an extensive analysis of firms exhibiting and sustaining an unusual high-performance and firms able to achieve such a state in the short run, they identified four key factors influencing high performance. These are, Direction: developing a clear strategic direction; Efficiency: establishing a fast and effective organization; Adaptability: developing an adaptive culture; and Focus: Shifting from focus on customer and cost reduction to the broad picture. According to Hrebiniak and Joyce (2006), the people in charge of implementation need both a sequential and a simultaneous thinking. This particularly applies to key decisions. The sequential thinking defines a logical sequence or chain of causality or the relationship between consecutives and interconnected events. To design this chain, a manager should decide on the event or the first action (A) to be implemented. This raises the questions of what are the effects on event (B) and alternatively what are the necessary changes in (B) to support the implementation of (A). This implies that the relationship between event A and B must be established. After it will be necessary to discern the link between the following events until the last relationship is established (Z). Although the utility of such step–by–step analysis is relevant to the rational development of the implementation process, the underlying simplicity and narrowness of scope is not enough. Consequently, the manager will need an integrative vision of the events to infer the total or final effect in the function and structure of the organization if each event is implemented and takes place. Analysis in the implementation process should therefore be conceptually broad and not entirely focused on specific events. Of course, embedding sequential and simultaneous thinking into the decision-making process of organizations is not an easy task and in some cases, it might be impossible. In general, the complexity of problems is reduced by fragmenting them into smaller and manageable parts, often at the cost of losing the broader perspective. However, as occurs in the formulation stage, the role of managers and their individual capabilities can provide the necessary combination of specific and integrative analysis. However, an organization must be able to institutionalize key capabilities embedded in individuals in order to sustain functions over time (Joyce, 2009).

Electric Implementation Theory

This theory suggests integrating different managerial perspectives and theoretical viewpoints. It further suggests that a successful strategy implementation is a function of variables that in theory have been developed and studied separately but that in practice must be fully integrated. The integration of such variables defines the implementation process. The degree of usefulness of the process on the other hand is driven by at least six criteria. An implementation process (or model) increases its value if at least it is logic, operational, economic, balanced, manageable and efficient (Jofre, 2011). Logic is necessary to build an implementation process within a rational framework that is meaningful to the organization. Logic also allows deductive construction from which we can derive further implementation activities or sequences. Logic is not entirely based on experience or instinct but also in facts and therefore allows us to develop an implementation framework that combines both theory and practice. A useful model for implementation should, in addition to logic, be expressed in terms of operational and concrete actions that are tangible and verifiable or that at least are meaningful and objective. By doing so, the model will allow us to induce greater change by identifying or solving more issues (Jofre, 2011). In this context, implementation should be economic or frugal, or in other words, capable to address a complex process with the minimum number of variables. If the model is also capable to balance theory and practice – as well as facts and assumptions – then it will allow a more accurate implementation. In this contexts model should not be a recipe of what to do but also of about the implications of doing. This regards the balance between the contingency (eventualities) and the prescription (directions) perspective, or in other words the reconciliation between theories and laws (Jofre, 2011). One of the most difficult tasks when implementing strategies is that decision-making occurs in a context of complexity and uncertainty. Hence, a useful implementation model should be able to make sense of complexity and uncertainty and therefore, to be manageable according to the limitations of our cognitive capabilities. Efficiency implies that decision and actions not only should deal with complexity but also with constraints or limits to available resources and capabilities.

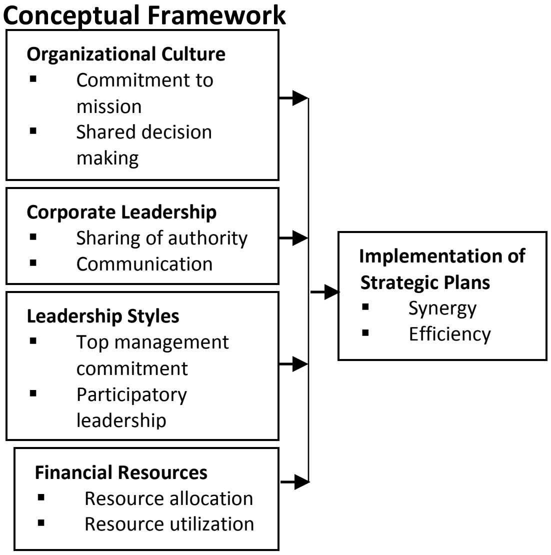
Adaptation Theory

If a firm is capable to develop an implementation model or process taking into consideration criteria for higher usefulness, one could anticipate a higher degree of congruence between achievements and expectations. A robust implementation, or an implementation with a strong fit, should be highly congruent. In the strategy process, the principle of congruence applies not only to the desirable alignment between expectations and results, but also to the alignment of theory and practice, and of function and structure. One should not forget that after all, the strategy process originates in part from the need to align systematically the function and structure of the firm with changes in the environment. In the overall context of congruence and fit, but particularly in the perspective of implementation, two activities are of great relevance: adaptation and search (Hrebiniak and Joyce, 2006). The adaptation of organizations to changes in its environments has been the focus of extensive literature during the last decades. From the perspective of strategic management such research broadly focuses on the creation of strategies for efficient adaptation and the reasons why some firms evolve to perform better than others do. Porter (2003) for example explains these issues from the point of view of advantageous positioning in markets (competition), while other views emphasize the role of developing specific capabilities (differentiation) as a more effective adaptation mechanism. In the implementation stage, search refers to activities aimed at producing information useful to reach an efficient fit among strategies, the organizational capabilities, resources, and the ongoing and intended practices and procedures. In general terms, the search in organization is believed to be influenced or driven by few factors (Jofre, 2011). Literature suggests that commonly, a search will be focused on the areas of the firm with a relatively high competitive advantage or on those more competitive resources and capabilities. Conversely, resources that are keys for performance will drive the search towards the ways to enhance their effect over competitive advantage (Hrebiniak and Joyce, 2006).

Holistic Strategy Implementation Theory

In quest of finding a model for strategy implementation that could overcome existing deficiencies, Bourgeois and Brodwin (2004) have created a five-model system for strategy implementation categorizing strategy implementation practices. It shows different positions or viewpoints one might assume while implementing strategy. The commander model draws its influences from the military life, in the sense that the CEO wields absolute power. In this model, the CEO is the rational agent behind the strategy decisions and plays no role in implementation. The CEO-model's works best with a powerful executive with few personal biases and vast and accurate sources of information (Bourgeois and Brodwin, 2004). The change model is based on planned interventions in the organization's structure and systems, which will set off the desired behavioral outcomes. This model creates the ability to carry out more complicated strategic plans than the commander model, but also creates an additional inflexibility for unanticipated events and changes of plan. The collaborative model extends the power of strategic decision-making from the CEO to the organization's management team. This model helps to motivate the managers and also provides the strategic decision-making–process with more information and cognitive capital.

Conceptual Framework



Independent Variables **Dependent Variable**

Figure 1: Conceptual Framework

Organizational Culture

Culture represents the ideologies, practices and policies that and organization hold dear. The perceptions, attitudes, interests and mentalities of employees in the organization are a representation of the established culture. This most definitely impacts any work process and this could be positively or negatively. Employees with positive attitudes and perceptions would have an easier time implementing strategic planning because whatever challenges faced in the midst of implementation would be taken on a positive light unlike employees with a negative attitude to work as they would take any challenge faced as term the work process undoable (Michael, 2013).

Franklin (2011) has observed that corporate culture requires internal integration such that collective identity and togetherness determines day to day communications, acceptable behaviors and power allocations in the organization structures. Similarly, external adaptation for dealing with outside environment will be very much in need when trying to implement a strategic plan. Ongenge (2013) has also added that the environment of an organization will affect how the culture relates to implementation. He argues that for external focus, such culture could be adaptability or mission culture whereas an internal focus could lean the organization's culture towards clan-based or bureaucratic culture. Awino (2007) found out that corporate culture requires collective identity and togetherness in order to determine day-to-day communications, acceptable/nonacceptable behavior as well as power/status allocation. These are important aspects in implementation of organizational plans and this study scanned the cultures in various NGOs in Kenya, and sought to determine whether organizational culture affects implementation of strategic plans.

There are many factors listed in the literature that influence strategic planning process. Environmental uncertainties hampers the development of long range plans; scarce resource-strategic planning should be aligned to use scarce resources effectively; legal forces legislative changes introduce new dynamics in an industry thus affecting strategic planning; size and complexity of an organization as size and complexity of an organization increases, so does the degree of formulating planning activities; the extent of involvement in operating issues compromises the attention paid to management functions; the implementation gap this is the inability of the top management and the planners to effectively communicate with the planners; the lifecycle of the organization as organizations move through different phases, the competitive environment changes and influences the way they plan and execute strategy (Mutindi, 2013). Organizations need to plan for a number of reasons. These are; to reorient the organization or institution to the needs of the community; another serious consideration is that when people plan for expansion, a certain level of minimum standard must be observed. This will guarantee a certain level of minimum quality performance. Effective strategic planning initiatives make organizations more responsive and viable instrument for socio-economic (Franklin, 2011). Strategic planning is a continuous process that requires constant feedback about how the current strategies are working.

Corporate Leadership

Hannan & Freeman (2003) noted that organization structure is another factor that affects strategic planning in organization. In addition, culture of an organization demands that top management recognize underlying factors of their culture of organization influence on employee-related issues such as, cohesion, strategy implementation, commitment, satisfaction, performance, among others influence in the organization (Daulatrum & Lund, 2003). Strategic planning and implementation affects organization performance and survival, but often fails due to barriers or problems faced at the implementation stage if the culture adopted by the organization is not positive in the strategic planning (Chemers, 2000). Finally, there has been mixed empirical evidence relationship between organizational performances and strategic planning making the debate about its important tool of strategic planning of organization. The fourth component in Rhodes and Keogan's (2005) strategic planning model is HRM and structure. Several authors advocated the strategic view of HRM and that it has to base incorporated into non-profit's overall strategic planning efforts so that it can further be utilized as a strategic rather than traditional support function to promote for greater competitive advantage (Cakar, Bititci, & MacBryde, 2003; Macpherson, 2001). The researcher agrees with authors' contention about the strategic role of HRM and how it can be an integral part of organization's strategic planning efforts. Accordingly, the payoffs of managing human capital strategically have to be measured in terms of employees' continuous learning and potential growth which is one of the key performance measurement indicators presented by the BSC. This is what the proposed research attempts to examine.

The fifth component in Rhodes and Keogan's (2005) strategic planning model is implementation. Effective strategic planning is not a guarantee to successful strategic management efforts in either for profit or non-profit organizations. The implementation stage carries the greater weight in making strategic management efforts successful. Implementation is interrelated with the other components of the strategic planning model developed by (Berson & Avolia, 2004). These components include HRM, organization's structure, operational plans, and monitoring. Thus, implementation is a critical component of organization's strategic planning model as a tool to promulgate for better strategic management practices in non-profits.

Leadership Styles

One of the most important factors when implementing a strategy is the top-level management's commitment to the strategic direction itself. Therefore, top managers must demonstrate their willingness to give energy and loyalty to the implementation process. This demonstrable commitment becomes, at the same time, a positive signal for all the affected organizational members, (Rapa & Kauffman, 2005).

Meanwhile, Bartlett & Goshal (1996), talk about middle managers as threatened silent resistors whose role needs to plan more towards that of a "coach", building capabilities, providing support and guidance through the encouragement of entrepreneurial attributes. So, if they are not committed to performing their roles the lower ranks employees will not be provided support and guidance through encouragement of entrepreneurial attributes. Chakravarthy & White (2001), suggest that education and training policies depend on a firm's management culture and forms of management-led organizational plan. While such policies are affected by a firm's market, production technologies and strategic goals, managers have the discretion to pursue varied strategies regarding three issues: entry level education and training, employee development, and company-school relations.

Another factor in strategy implementation appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment, (Aaltonen & Ikåvalko, 2002). Corboy & O'Corrbui, (1999), meanwhile, identify the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. According to Boyd (1992), ecology and culture are the two elements whose interrelatedness and interaction creates the context in which school improvements efforts are undertaken. Attitude and beliefs, he argues, influence how teachers behave. In addition, Rap (2004), argues that each organization possesses its own culture i.e. a system of belief and values. The corporate culture creates and in turn, is created by the quality of the internal environment. Consequently, culture determines the extent of cooperation, degree of dedication, and depth of strategic thinking within an organization. According to Rap, (2004), the organization and its cultural values have to be unfrozen to understand why dramatic plan is even necessary. According to Rap (2004), two aspects of an organization must be considered-its structure and its decision flow processes. Structure deploys accountabilities so the organization can achieve its goals and objectives and ultimately, its mission. The enterprise's mission and goals are the general and specific accountabilities of top management. The goals then are subdivided into objectives that are delegated to the next level of executive management. In effect, a strategy defines both the firm's direction and top management's job. According to Schein (1985), structure is the basic assumptions and beliefs shared by the member of an organization regarding the nature of reality, truth, time, space, human nature, human activity and human relationships. Among the norms it includes are; task support norms, task innovation norms, social relationship norms, and personal freedom norms. Among the ritual are issues such as passage, degradation, enhancement, renewal, conflict resolution, and integration

Financial Resources

Resources create a leading edge for an organization and they are normally difficult to replicate across any given sector. Franklin (2011) indicate that management linkage may source for similar resources and other best practices but it is always difficult to have some resources with replication for example, employee skills, practiced cultural values, time management skills and financial savings ability. This leads to great discrepancies in the implementation of seemingly similar strategies among organizations. Abok (2013) observed that knowledge resources, material wealth and coordination ability are key to successful implementation of strategy. The prevalence of resource managers in many organizations points to the importance of resource management with optimization to create value and satisfaction to stakeholders and customers giving a competitive advantage and an impetus to effectively implementing strategic plans (Osano, 2013). If the organization's resources are not utilized to the organization's advantage, the resources become a waste and burden that hinders effective strategy implementation. Ogonge (2013) attributes the lack of proper management of resources to the frequent failure to implement well planned and documented strategic plans across Africa. Adequate number of employees alone is not enough to drive forward an implementation plan. There is need to have good leadership and well trained managers that will coordinate the usage of organization resources which are normally scarce and very costly to get. Regardless of what means were used to acquire the organization resources, stakeholders will always want to compare the amount of resources used with the 7 success of a given strategy implementation (Franklin, 2011). Most organizations and stakeholders have now started placing more emphasis on accountability and transparency not just on financial resources, but also on the way human resources are motivated to avoid large turnovers that are a detriment to strategy implementation. Involvement of employees from the beginning of strategy planning to the implementation stage is a key success factor in effective implementation and hence it is necessary to coordinate through good communication all the resources that help retain employees in an organization over the strategic period (Letting, 2010). The study explored whether stakeholders influence effective implementation of strategic plans in NGOs in Kenya. According to Yabs (2010), the strategy implementation stage is often considered to be most difficult stage of strategic management. It requires personal discipline, commitment and sacrifice. When implementing strategies there is need to cultivate development of a strategy supportive culture, creation of an effective organization structure, redirecting of market efforts and motivating individual into action. Strategy evaluation and control is the process in which corporate activities and performance can be compared with desired performance (Fitzroy and Hulbert 2010). Managers need to know when particular strategies being put in place are not effective and thus managers at all levels use the clear, prompt, unbiased information for the people below the corporation's hierarchy to take corrective action and resolve problems.

METHODOLOGY

In this study, the researcher adopted a survey research design. It is a process of collecting information from a sample of selected people who to represent a defined target population. In survey research design, a researcher collects information that describes, explores, and quantifies social phenomena, particularly issues, conditions and problems that are prevalent in the society at a particular point in time (Mugenda & Mugenda, 2012; Cooper & Schindler, 2011). Given the small number of employees at the Kenya coconut development authority, census was used; hence, the total 30 employees participated in the study.

The regression model adopted is indicated in the equation [1] below:

$y = \boldsymbol{\alpha} + \boldsymbol{\beta_1}X_1 + \boldsymbol{\beta_2}X_2 + \boldsymbol{\beta_3}X_3 + \boldsymbol{\beta_4}X_4 + \acute{\boldsymbol{\varepsilon}}$

[1] Where: y = Implementation of Strategic Plans

$\boldsymbol{\alpha}$ = Constant term

$\boldsymbol{\beta_1}, \boldsymbol{\beta_2}, \boldsymbol{\beta_3}, \boldsymbol{\beta_4}$ = Beta Coefficients

X_1 = Organizational Culture

X_2 = Organizational Structure

X_3 = Leadership Styles

X_4 = Financial Resources

$\acute{\varepsilon}$ = Error Term

RESEARCH FINDINGS

Organizational Culture and Implementation of Strategic Plans

Subscribing to Organizational Mission

On an ascending ordinal scale of 1-3, respondents were asked the extent to which employees working under them understood and subscribed to the local authority's mission content. The responses were analyzed by use descriptive statistics as shown in Table 1.

Table 1: Extent of Subscription to Authority Mission

	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Std. Error
Extent of Subscription to Authority Mission	2.07	.704	-.094	.277

The distribution's means score was found to be 2.07, meaning that employees' understanding and support towards attainment of corporate mission was marginally above average. Moreover, the derived standard deviation of v < 1 (0.704) implied that the extent of response agreement was high, but inclined more to the left hand-side as reflected by the -.094 value of skewness. The interpretation for this was that though all employees worked for the authorities, some of them did not understand core corporate objectives underlying their individual responsibilities.

Corporate Rules and Regulations

Wilson (2009) asserts that allowing employees to participate in key decision-making process results in successful value creation in many organizations. In this study, two main parties responsible for decision making of work-related rules and regulations were established as presented in Table 2.

Table 1: Parties Responsible for Decision Making

	Percent	**Valid Percent**	**Cumulative Percent**
Parent Ministry	58.7	58.7	58.7
Management Only	41.3	41.3	100.0
Total	**100.0**	**100.0**	

The study found that 59% of the rules and regulations applied to employees at the authorities were a creation of the parent Ministry. However, some rules and regulations, equaling 41%, originated from the top echelon of management. This meant that ordinary employees were rarely involved in making or contributing to essential rules and regulations that governed their relationships. Such findings contracted with the idealism advocated by Wilson (2009) and a threat to efficiency in implementing strategic plans.

Operational Manuals and guides

Operational manuals are designed to ensure that specific technical operations are carried out to the satisfaction of management or stakeholders. Based on this, presence of this essential strategy implementation guide was investigated and results presented as shown in table. 3.

Table 3: Existence of Operational Manuals

	Percentage
Have operational manuals	41
Do not have operational manuals	59

The table showed that 59% of the respondents did not have operational manuals for most of the technical undertaking delegated to them. Only 41% saw the need to incorporating manual documentations in guiding staff towards achieving common goals. Lacking the manuals and schedules of strategy implementing denied the organization's employees efficiency of synchronizing their focus towards realization of strategic goals.

Capacity Development Policy

Challenges associated with the changing nature of work and the workplace environment was as real for the local authorities as elsewhere. The rapid change requires a skilled, knowledgeable workforce with employees who were adaptive, flexible, and focused on the future (Pettgrew, 2005). Thus, management was bound to develop a responsive employee training and development policy to achieve the required fit between strategy and goal realization. In this study, respondents were asked on the key features in their employment development policies which helped employees to serve diligently and for long. Table 4 presents the findings.

Table 4: Employee Development Policy

	Percent	**Valid Percent**	**Cumulative Percent**
Talent Recognition	10.7	10.7	10.7
Minimum Training Time	9.3	9.3	20.0
Job Design	26.7	26.7	46.7
Compensation	30.7	30.7	77.3

Delegation of Duties	8.0	8.0	85.3
None	14.7	14.7	100
Total	**100**	**100**	

The study data showed that compensation by way of salary was the highest ranked feature at 31%, followed by job design at 27%. It was noted, however, that about 15% of the respondents did not see significantly held feature in their policies. This was explained by the fact that that some employees did not know what was contained in the authority's capacity building policies. Recognition of talent and minimum training time were dismally rated at 11% and 9% respectively. The implication from this is that local authorities had no emphasis on developing the capacity of their employees towards high level achievement of strategic targets.

Strategy Innovation

Efficiency in implementing strategic plans requires that an organization identifies and nurtures internal talent of innovation. This ultimately enabled the organization to cut an edge for itself in the market. The extent to which Mombasa County local authorities encouraged adoption of differentiated approach in implementing their strategic plans was evaluated and found as in Table 5.

Table 5: Encouraging Innovations during Implementation of Strategic Plans

	Percent	**Valid Percent**	**Cumulative Percent**
Monetary Rewards	14.7	14.7	14.7
Promotions	16.0	16.0	30.7
Non-Monetary Recognitions	34.7	34.7	65.3
No Recognition	34.7	34.7	100.0
Total	**100.0**	**100.0**	

Monetary rewards for individuals who demonstrated new implementation ideologies and models were least preferred at 14.7%, which closely ranked with preference for promotions at 16.0%. At the higher extreme, non-monetary recognitions (such as certificates) were preferred by 34.7%, while an equivalent portion had no special recognition for their best staff in implementing strategic plans.

Communication to Employees

Table 6: Staff Involvement

	Percent	**Valid Percent**	**Cumulative Percent**
Pooling of Opinion	6.7	6.7	6.7

Staff Meeting	21.3	21.3	28.0
Written Communication	44.0	44.0	72.0
Direct Consulting	28.0	28.0	100.0
Total	**100.0**	**100.0**	

The findings showed that downward communication at the local authorities was effected by use of written messages with a score of 44%. Management consulted individuals at 28%, while staff meetings were used at 21%. Pooling of staff opinions was the least use tool of communication at only 6.7%. This was because staff members need to communicate with one another to discuss if any problems occurred and negotiate any employee issues. Staff meetings could also identify what were the goals of a business and how employees could achieve it. Therefore, the fact that local authorities preferred written communications more to staff meetings face-to-face modes could easily compromise the authorities‟ agenda towards implementing strategic plans.

Organizational Structure and Implementation of Strategic Plans

An organization and its structure vary from company to company. Depending upon the objectives, an organization can be structured in different ways. The structure of an organization determines the way in which it operates and performs.

Grouping of Strategy Implementation Tasks

Table 7: Allocation of Implementation Responsibilities

	Percent	Valid Percent	Cumulative Percent
All Staff	16.0	16.0	16.0
Implementation Unit	9.3	9.3	25.3
External Experts	34.7	34.7	60.0
Management Team	40.0	40.0	100.0
Total	**100.0**	**100.0**	

Research data showed that management teams had an upper hand in handling the implementation process. This was according to 40% of the respondents. Those who used external experts such as consultants constituted 34.7%, and distantly followed by those authorities who preferred their staff to full participation. Yet, 9% of the institutions constituted special implementation units for the implementation assignment. The slim involvement of staff was a worry and lacked justification as to why authorities employed people who were remotely engaged in implementing their strategic plans.

Span of Control

Span of control means the number of subordinates that can be managed efficiently and effectively by a superior in an organization. It suggests how the relations are designed between a superior and a subordinate in an organization.

Table 8: Extent to which the Difficulty Compromised Performance

	Percent	Valid Percent	Cumulative Percent
High Extent	33.3	33.3	33.3
Moderate Extent	29.3	29.3	62.7
Low Extent	37.3	37.3	100.0
Total	**100.0**	**100.0**	

The table showed that most of the authorities were affected to a higher extent, according to 33% of the respondents. At moderate extent, 29% were under the influence of hierarchical elongations, while the remaining portion of 37% was sparingly affected. There was a high probability, therefore, that the adopted hierarchies were a demerit to implementation of strategic plans.

Employee Coordination and Integration

Table 9: Employee Commitment to Common Goals

	Percent	Valid Percent	Cumulative Percent
Very High	14.7	14.7	14.7
High	9.3	9.3	24.0
Moderate	22.7	22.7	46.7
Low	37.3	37.3	84.0
Very Low	16.0	16.0	100.0
Total	**100.0**	**100.0**	

The highest proportion of employees comprising 37% was lowly committed to the service of the local authorities, while 23% were moderately committed. Those who were very lowly motivated in their commitment were 16%. At the other extreme, 15% were very highly committed, followed by 9% who were highly committed. It was evident that majority of employees were not in full psychological contract with their employers. This was a threatening marker to implementation of strategy, since commitment in an essential input.

Structural Flexibility

Table10: Review of Organizational Structure

	Percent	Valid Percent	Cumulative Percent
Semi-Annually	16.0	16.0	16.0
Annually	12.0	12.0	28.0

Bi-Annually	38.7	38.7	66.7
No Reviews	33.3	33.3	100.0
Total	**100.0**	**100.0**	

Majority of the respondents (39%) reviewed their operational structures bi-annually, followed by 33% who did not conduct any reviews. Those who did reviews semi-annually constituted 16% while the annually-based authorities were 12% in proportion. None of the respondents indicated that they conducted reviews regularly depending on need and resource availability.

Corporate Leadership and Implementation of Strategic Plans

Management Involvement

Table 11: Commitment by Top Management

	Percent	Valid Percent	Cumulative Percent
Extremely High	13.3	13.3	13.3
High	10.7	10.7	24.0
Low	33.3	33.3	92.0
Extremely Low	8.0	8.0	100.0
Total	**100.0**	**100.0**	

The study found that top managers were not satisfactorily involved in practical implementation of strategic plans. Majority of respondents, 34.7%, felt that their top managers' involvement was to a moderate extent. Close to this group was another of 33.3% who regarded the involvement as low. To a higher extent, however, there were 13.3%, and 10.7% for the high extent. The extreme low involvement was an opinion by 8% of the respondents. It was thus deduced that top managers at the local authorities were to a large extent not part of the implementation success; rather they were a barrier.

Employee Support

Table 12: Support of Employees to Management

	Whether employees support management
Yes	51%
No	49%

An aggregate of 51%, representing the majority responses, were of the opinion that most managers had not won support from their shop-floor employees. This was not, however, the case for the rest 49%. The fact that majority of employees did not subscribe to top managerial instructions posed a challenge to the local entities in achieving the anticipated success in strategy implementation. The findings contradict the idealism presented by Hitt et al. (2007) that strategic leaders have a role to play in each of strategic actions. In turn, each of these strategic leadership actions should positively contribute to teamwork and effective strategy implementation.

Communication Modes to Employees

Hunter (2007) observes that, regardless of the precise nature of a policy or strategy, and the support that exists for it, if the means to implement it are either non-existent or inadequate in terms of communication efficiency, then it will count for little (Hunter 2007). This was considered in the study by analysis of communication modes adopted by the local authorities.

Table 13: Preferred Mode of Communication

	Percent	Valid Percent	Cumulative Percent
Circulars	36.0	36.0	36.0
Notices and Memos	24.0	24.0	60.0
Staff Meetings	24.0	24.0	84.0
Management Meetings	16.0	16.0	100.0
Total	**100.0**	**100.0**	

The research found that 36% of the communications adopted circular which were supposed to be adhered to. Among the rest, 24% used notices and memoranda while staff meeting delivered 24% of the communications. The least used was management meetings at only 16%. According to Hunter (2007), communications that foster personal touch are effective in implementing strategic plans. Hence, in the case of local authorities studied, there was no communication efficiency since to a higher extent circulars and notices were preferred yet they negated the requisite personal touch. Jones (2008) asserts that communication actions should be geared get people motivated and remove the blocks that have prevented the strategy from working in the past; blocks that may be embedded within the culture of the organization. They should get people behind the strategy, adding to it and making it work in their part of the business.

Employee Representation in Decision Making

Successful organizations understand the importance of creating plans to achieve goals. Before implementing strategic plans, making decisions regarding how the plan or project will develop is essential. Decision-making strategies set out management techniques, leadership styles, implementation requirements and key factors to be considered for a smooth transition from the decision to pursue a plan to the implementation of it. Ideally, all involved parties need to participate in the decision making process (Aosa, 2002). In this study, the ways through which employees were represented in decision making was evaluated as shown in Table 14.

Table 14: Employee Representation in Decision Making

	Percent	Valid Percent	Cumulative Percent

Adequate Sensitization	13.3	13.3	13.3
Prior Notices	6.7	6.7	20.0
Prior Consultations	14.7	14.7	34.7
Representatives	44.0	44.0	78.7
Departmental Heads	21.3	21.3	100.0
Total	**100.0**	**100.0**	

The study found that 44% of the authorities‟ decision making processes accepted representatives from employee groups. Alternatively, departmental heads were utilized to represent their department at 21%. Those who consulted staff before decision making were 14.7% while 13.3% sensitized their employees adequately on decisions to be made. The least of 6.7% used prior notices communicating implementation decisions. A more participatory approach would be recommended for the entities to fully utilize their staffers' talents while enhancing appreciation.

Financial Resources and Implementation of Strategic Plans

Financial resources can be a constraint on implementation of strategic plans. Management often finds it necessary to prioritize its strategies to make a judgment about which ones are most critical to implement given the finite or even scarce financial resources available (Jofre, 2011). The financial resource objective in the study was accomplished by analyzing the indicators such as budgetary allocation, financial controls, revenue efficiency, and external donor support.

Financial Controls

Strong financial controls help internal auditing and the operations teams have confidence in the numbers being reported to management and help protect the organization's strategic ambitions. The techniques of ensuring stability of financials in the local authorities were assessed and reported as shown in Table 15.

Table 15: Financial Controls Techniques

	Percent	Valid Percent	Cumulative Percent
Normal Internal Audits	17.3	17.3	17.3
External Audits	32.0	32.0	49.3
Budgeting	38.7	38.7	88.0
Regular Returns	12.0	12.0	100.0
Total	**100.0**	**100.0**	

Research data show that budgeting was adopted at 39% as a financial control tool alongside external audits which were preferred at 32%. Normal internal and regular audits were additionally used at 17%, while regular returns from projects teams was the least preferred at 12%. The fact that authorities adopted a variety of tools to ensure that financial resources were well utilized implied commitment to target realization through sustainable funding.

CONCLUSION

From the study findings, it was concluded that organizational culture, structure, strategic leadership, and financial resources affected implementation of strategic plans in state corporations. 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 employees' mobilization to executing strategic plans.

Organizational structures of state corporations 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. Management did not give employees required independence in performing their implementation duties. Also, authority was more centralized than decentralized, making employees wait for instructions from the top. In addition, spans of control were relatively big and difficult for efficient control. The long hierarchy derailed most of the essential decisions as information flow delayed to a large extent. This also contributed to weakening of employee synergy. Structurally, the authorities were more rigid than flexible as they hardly conducted reviewed regularly.

Among others, employee leadership influenced implementation of strategic plans through managerial involvement, employee support, downward communication, conflict resolution, and employee representation in key decision making. The extent to which management committed itself to strategy execution was not satisfactory. This yield employee resistance, meaning that management did not have super support from the shop-floor employees.

Finally, financial resources affected strategic implementation through budgetary allocations and financial controls. The amount allocated for purposes of implementing strategic plans was hardly enough. This was partly caused by lack of funds. Notably, however, financial controls were fairly well executed in quest of avoiding wastages and misallocations.

RECOMMENDATIONS

Based on the research findings, it was recommended that the incoming state corporation structures take note of cultural dynamics so that an absolutely new slate of practices is enacted. The internal culture that does not support ultimate realization of objectives should be avoided by first ensuring that all employees are well inducted into their roles and space in service delivery.

Further, it was the recommendation of this study that experts are involved in regular reviews of adopted organizational structures. This is so the case to avoid monotony in job design and bureaucracies which barricade goal realization. In addition to experts, the organizations should have internal research and development units to constantly and consistently align their strategic outlooks to structural flexibility.

On leadership, it was recommended that top managers undergo executive capacity building sessions to come to realization that their corporate objectives are easily attained through team work and not through strict supervision and instructions. Organization leadership should be converted from a barrier to an enabler by encouraging teamwork and winning support from all the staffers concerned.

SUGGESTIONS FOR FURTHER STUDIES

The study recommended further studies on effects of retained bureaucracies on strategic success.

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