STRATEGIC MANAGEMENT PRACTICES IN THE MINISTRY OF WATER AND IRRIGATION, IN KENYA

BY

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DECLARATION

I, the undersigned, declare that this is my original work and has not been presented to any Institution or university.

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D61/84169/2015

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

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DEDICATION

I dedicate this project to my supportive family for their moral support, prayers and patience throughout my study period. I also dedicate it to my supervisor who has been assisting me during the process of writing this project

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First, I am indebted to the all-powerful GOD for all the blessings He showered on me and Protection, and for the free gift of life to seek and share this knowledge with others. I am deeply obliged to my supervisor, Prof Ogutu and moderator Prof Aosa for their exemplary guidance and support without whose help; this project would not have been a success.

I take this opportunity to express my deep gratitude to the lasting memory of my loving family, and friends who are a constant source of motivation and for their never ending support and encouragement during this project. Lastly to the University of Nairobi for offering this courses and for the services they rendered.

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ABBREVIATIONS

MWI-Ministry of Water and Irrigation

RBV-Resource Based View

ICT-Information Communication Technology

SWOT-Strengths, Weaknesses, Opportunities and Threats

CS-Cabinet Secretary

MDG-Millennium Development Goals

ABSTRACT

The main purpose of the study was to establish the strategic management practices undertaken at Ministry of Water and Irrigation, Republic of Kenya. The study was carried out through a case study design where the unit of study was sought to find out the strategic management practices at the MWI. The study made use of both primary and secondary data. The respondents of the study were ten (7) heads of departments drawn from various Sections. They included the Human resource and development Director, Head of Accounts, Head of ICT, Director Land Reclamation, Chief Economists, including other representatives. Both the primary and secondary data was qualitative in nature, and content analysis was used to analyze the data. The findings of the study established that the strategic management practices in MWI by reviewing the evaluation of strategic management practices, and the organizational performance. The findings established that the strategic planning processes are reviewed constantly in order to improve on performance and performance measures. The role of all heads of Department is important in strategy management practices, for they act as the link between different organizational levels as they serve as performance role models. Strategic management has a process for formulation, implementation and control, which is continuous, which is affected when the organizational goals and objectives changes. Strategic planning plays a major role in improving the performance of the organization. A clear vision and mission is of importance, since it acts as a guideline to the organization. Strategy should have a clear set of long-term goals, it should define the scope the firm and it should have a clear statement of what competitive advantage it will achieve and sustain. These long-term goals should also be well communicated within the organization.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Strategic management is all about setting the most important objectives of organization, prioritizing the most appropriate goals towards set objectives and thereafter working within set time. Steiner (1979), described it as designing a long term goal and having ways in order to achieve that goal. Strategic management is all about setting different objectives for the organizations, analyzing the environment, within which the organization is and the strategies set. Strategic management attempts to prepare managers in accommodating any unforeseen changes in future within that environment. This therefore calls for strategic management to be a process which needs to be always complete for easy work according to Ansoff, Mc Donnel, (1990) strategic management is a set of interacting or interdependent components e.g. planning resource allocation etc.

Every organization exists to serve the interests of others, e.g. customers, which should therefore call for good communication to maintain the long-term relationship between the parties involved (Cole 2006). Porter(2008),Competitive strategy:Techniques for analyzing industries suggests that organizations should clearly define their goals, which entails how the business will compete and objectives to which should be achieved in the long run.

Resource Based View tends to see varying performance in different firms from the resources available, rather than the market factor. This theory attempt to explain how public sector/organizations output is related with the final output in the long-run (Cynthia, 1995). Most of the public institutions cannot run without the availability of the

resources within, these resources have to be identified and evenly distributed. This tends to see resources as they contribute towards superior firm performance. Its main goal of strategy formulation is to identify the resources that are of beneficiary to the organization and if they are limited, to increase them: how firms are different and the effect on the performance. States that, performance differs across firms can be attributed to the variance in the firm's resources. The resources which are unique and are rare to imitate can provide the basis for competitive advantages. This is because rare resources provide economic value for the whole organization.

Peter(2005) Suggests that Activity based theory takes the firm's entire activity set as its unit of analysis and concentrates on the flow of all the activities unlike Resource Based theory which is more specific to the resources. It emphasizes the impact of the firm's production function on creating value, while placing little attention on differences in stocks of resources. The main goal in this theory of strategy formulation is to identify and explore drivers that allow a firm to be more effective. According to Porter (1985) activity based is characterized by the unit of analysis i.e. different institution's performance different activities differently, Systems (Interdependence of activities), activity cost versus activity drivers. The firm therefore positions its choices of not only which activities they need to perform but also how those activities are related.
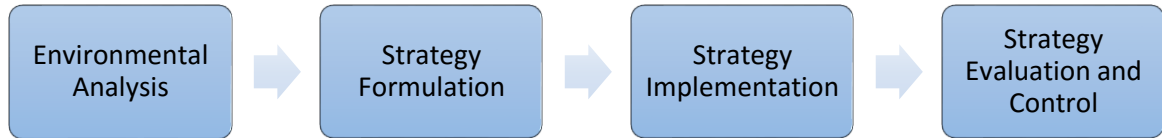
1.1.1 Strategic Management Practices

Pearce and Robinson (2009), Describe strategic management as a process, where long run objectives, Mission and Vision are integrated in consideration of the environmental factors within. This process has to be directed by a strategy in place by ensuring that a competitive advantage is achieved Johnson, Scholes, Whittington(2008) Therefore,

strategic management is made up of different stages/process which the managers have to undertake. Stage one entails formulation of a mission and vision statements of the organization, which acts as the guide to the entire organizations, which act as the guide to that organization. In stage two, objective (goals) of the organization which are directly connected with the performance of the firm. A strategy is the crafted to achieve the objectives enabling the firm to move towards achieving the set objectives on the third stage according to Sagini (2007). The fourth stage entails actualization of the set plan (strategy). This stage ensures that the system plan is executed effectively and efficiently. This is of benefit since it enable the fir to prioritize the activities for the benefits of entire person involved to execute the strategy Morgan,Levitt,Malek, (2007) lastly, the entire processes need to be evaluated and initiate any adjustment in the organization.

Charles,Gareth, Melissa (2014), Managers and Supervisors don't make strategies decisions in a competitive vacuum, only the efficient and effective companies will in such situations Competitive advantage can be maintained but only by appreciating how managers undertake strategic activities within that organization. Government organizations are expected to utilize the resources allocated effectively, with which it can be measured through their performance. Managers should therefore take responsibilities to formulate strategy which guide the other employees to meet their objectives. These could however be rigid for government ministries which have chained structures.Alkhafasi (2003), states that strategic management has four elements which should apply in business operating organizations as shown in the below figure.

Figure 1.1: Elements of Strategic Management(Strategic Mangement Process)

Environmental Analysis	→	Strategy Formulation	→	Strategy Implementation	→	Strategy Evaluation and Control

Source: Alkhafasi, 2003.

The above defines the entire process of strategic process which is basically between the corporation and the environment; internal and external, to handle its mission. An organization which doesn't apply these strategic management practices would have great difficulties in implementing and controlling the set strategies.

1.1.2 Public Sector in Kenya

Government is a single owner, with a common strategy and coordinated arrangements for making important decisions. Government has a strong interest of ensuring that they meet future demands, reliability and cost effectively. Strategic Management practices are important in a firm in that a firm with any change to implement would be a hard task to undertake in both private and public sectors (Wheelen, 2004). Public Sector engage in strategic management process in the daily activities towards achieving the set objectives. It's through this process that strategies for the organization are determined as suggested by Thompson & Peteraf (2012).

Most of the public policies have shifted from the traditional way of doing things, including the organizational design and management. They have improved on current

systematic process of improved working performance which aims at achieving the set objectives

Different public sectors have managed to respond to these though they have been facing a challenge from the users/employees. Therefore, the ability of the firm to respond to the critical strategic challenges could be to review the mission and mission of the organization to give a summary of what they do and what they can and in future. Government is a complex business requiring high quality decisions. It requires thousands of decisions to be taken and acted upon each day. The public sector reforms begun in 1986 reflected the realization that our arrangements for government decision making and management.

1.1.3 Ministry of Water and Irrigation

A ministry is a government institution which is headed by the Cabinet secretary (CS), assisted by the principal secretaries. Government ministries have bureaucratic structure, meant to manage a specific sector of public administration. The ministry has greatly evolved leading to two state departments under i.e. State department of irrigation and state department of irrigation. The ministry as a whole has different functions which have been distributed to the state departments. These departments are best done under coordination of different sections for example, Accounts, Human Resource Management, Procurement, Water services etc. The sections have different objectives which are stipulated within certain timeframe to aim at achieving the main organizational goal. Strategic management practices highly enhance the performance of the employees within each section.

Kenya as a country experience some challenges concerned with water services for example, sanitation due to deterioration of existing facilities which have hence failed to meet the demand of increasing population. All Kenya people are entitled to access safe water and basic sanitation which helps in attaining the Millennium Development Goals(MDGs). This therefore calls for reviews & adoption of the strategic management practices within the Ministry. This will greatly help in achieving the Mission of the organization both in Rural and Urban areas. Water is the most important natural resource, indispensable for life and backbone of growth to all mankind. This therefore calls for a sound management of all the practices which are undertaken to achieve the end products and services.

1.2 Research Problem

Strategic management is more of organizational performance, which contributes towards knowing why a certain organization performs better than others and the work towards ensuring that competitive advantage is maintained in that organization to achieve the corporate success. Mainly the competitive advantage position will include; the environment of that organization, the capability& resources and strategies set by that organization. Strategic management involves the development of different strategies and thereafter formulation of policies to achieve the set goals of that organization. This therefore forms a guideline or framework to which the organization should adapt for future competitive advantages (Walter, 2003).

Strategic Management is mostly concerned with relating organizational resources to challenges and the opportunities within which the organization is operating at and therefore determining the direction to which it should undertake. The government and

public view ministries as the tools for development and implementation of government policies hence the management and performance of the ministries are attached with the main role. They have however been seen not successful, which has been basically related to the rigid strategic management practices. The motivation behind undertaking this study is that the ministries have to align their undertakings with a strategy, Mission, Vision and objectives, which act as guidelines to the entire organization, which has been a great challenge.

The resources which are needed for this undertaking have to be available and evenly distributed for effective results.It's concluded that there is less adoption of the strategic management practices within the government ministries in Kenya according to the Kenya Sessional Paper (2014).Most of the studies conducted did not focus on the specific strategic management practices within the ministries, which called for this study to establish the strategic management practices within the government of Kenya ministries. Most of the strategies within the ministries have been identified, that the managers can carry to achieve a competitive advantage. Most of the decisions and acts have not been clearly defined, they have to be SMART. The managers must have thorough knowledge and analysis of the general and competitive organizational environment so as to take right decisions. Most of these organizations don't conduct SWOT analysis which familiarizes the organization with Strengths, Weaknesses, Opportunities and Threats of the organization from the internal and external environment. Strategic management entails managing an organization in such a way that it recognizes the environment and ensures that they compete effectively with their competitors. Pearce,Robinson (2009) suggests that SWOT analysis answers the question "where are we now". It plays a key rol in

strategic plannin, suggestsing that a SWOT analysis constiutes the basis for the other stages in the strategic planning process.

Kim(2004), Summarizes SWOT analysis as Business Activity planning which should be undertaken in the real world based on the past and the future happening. The organization need to be reviewed both internally and externally to help towards the planning of the set objectives. This is because in cases of any changes, the organization needs to be prepared. This analysis would lead to minimizing the common external & internal factors which negatively affect the organization. Given a discontinuous and surprise environmental turbulence, strategic management practices of an organization should be flexible, dynamic and entrepreneurial so as to allow timely implementation. It is this gap that the research will seek to bridge by conducting a study in the Ministry of Water and Irrigation so as to answer the following questions in relation to the Ministry: What strategic management practices are adopted by the Ministry of Water and Irrigation? What are the effects of adopting strategic management on performance in Ministry of Water and Irrigation?

1.3 Research Objectives

1) To establish strategic management practices adopted by the Ministry of Water and Irrigation.

2) To establish the effect of adopting strategic management on performance in Ministry of Water and Irrigation.

1.4 Value of the study

This study formed a basis of further research to researchers. The study helped in appreciating the strategic management practices within the ministries of the Government of Kenya, especially towards achieving the set employees and ensure that information for better management in Kenyan ministries is maintained by enhancing knowledge of strategic management strategic practices. It also helps bring into light the importance of adopting the strategic management practices towards achieving the set objectives.

This study also appreciate the changing environment and explain further on some ways of analyzing the environment in the strategic formulation, implementation and control. This study generally help all ministries to evaluate their practices and be able to align that which doesn't match the effective management practices. The study act as a guide to the ministry to enable upgrade adopts any practice which was not earlier in their management practices. It also form basis of reference in future especially in the strategic management sector both in private and public and add knowledge to previous studies on strategic management practices.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter concerns the review of the literature in the previous Chapter. The chapter covers both theoretical empirical literature. Theoretical literature concentrates more on the strategic management practices and their relation to the strategy set towards achieving the organizational objective but in consideration with external and internal environment. Empirical literature mostly focuses on the studies previously done on the performance.

2.2 Theoretical Foundation

Different authors have had different theories of strategic management. Resourced based theory is a basis for competitive advantage for all the organizations. Resource based theory tends to see performance differences across firms as the result of differences across firms, as the result of differences in efficiency rather than differences in market power as discussed by Cynthia (1995).

2.2.1 Resource based view (RBV)

Resource based view (RBV) is based on the idea that effective and efficient use of resources help place that organization in competitive advantage. Powell (2001), sees Resource based view as one of the widely used and acceted theories of management. This yjeory operates on two assumption; First, resources are assumed to be unlikely distributed withi the organization which may leaad to the differences in organization (Barney 2001b). Second, resources ware assumed to be mobile unevenly (Barney J. , 2001b) which tends to differentiate the firms. Barney (2001b), suggests that an

organization's resources should hsve at least such attributes as; valuable and non-substitutable to be a source of competitive advantage to the firm.

Porter (1980), sees the importance of any organization analyzing the competitive adavantage, defining a strategy then assembling any resources which are needed to implement that strategy.The resources of the firm will incude; assets, capabilities, organizational processes, knowledge, information, etc. These are the strengths that the organization use to imple-ment their strategies (Porter , competiive strategy, 1980)

Resource Based Theory sees performance to be different across all firms/organizations due to difference in efficiency but not consideration of other factors like market factors. In explaining then differences, resource-based theories tend to focus on resources and capabilities that are difficult to imitate, this is according to Conner (1991). sAs a theory it has its limitations which need to be addressed. Different people have based their arguments on theoretical literature Incases when a firm is faced with some difficulties or complexities, it may be difficult to identify which resource of the many within the firm, account for the firm's success.

2.2.2 Activity Based Theory

Leontiev(1978) is often recognized as the founder of Activity Theory as it is understood today i.e. activity is always on the top above goal-oriented actions and the operations below and activity therefore should be understood and related with the underlying environment (Kaptelinin, 2005). Activity theory is all about who's doing what, why and how. The relationship between the human(doer) and subject(deed) forms the core activity as at below according to (Helen and Alanah 2014)

Figure 2.2: **The relationship between the human and subject**
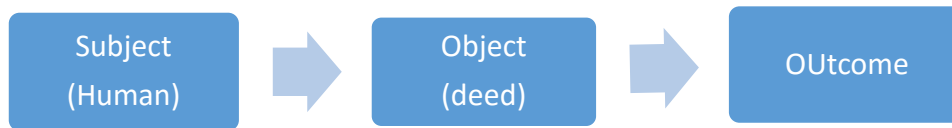
Source: Helen and Alanah, 2014.

It's a method which recognizes the casual relationship of cost drivers and cost activities by measuring the cos and performance of process-related activities and cost objects. Different costs are allocated to activities based on their use of resourcesRaffish and Turney(1991). This theory is more of resource consumption unlike spending the resources. It estimates the cost of resources used in organizational processes to produce outputs. Two conditions favour the adoption of Activity based systems; relatively high proportion of overhead in the firm's cost structure (Cooper, 1992) and high diversity or complexity in organisational processes or products. (Swenson, 1995) reports the use of Activity Based Model in different organizations in strategic decision making by modelling the consumption of resources&refining product cost calculation

Activity Based Theory is all about allocating different activities with different costings in an organization with resources to all products and services according to the actual consumption. This guides the organization in prioritizing the activities thereby enabling the entire organization lay down strategies which gives them framework on what to do. This approach recognizes the casual relationship of cost drivers to cost activities by measuring the cost and performance of process related activities and cost drivers to cost activities by measuring the cost and performance.

2.2.3 Competitive Advantage Theory

Competitive Advantage Theory is based on Michael Porters works in 1980s.Competitive advantage arises from a firms planned strategy which helps an organization maintain and sustain a favourable market position (Porter, Competitive Advantage: Creating and Sustaining Superior Performance, 1985) . The theory aurgues out that for an organization to have a competitive edge it has to have an edge over its competitiors.The competitive edge is achieved through cost differentiation,product diffrentiation and focus strategy.Competitive advantage introduces the concept of the value chain, a general framework for thinking strategically about the activities involved in any business and assessing their relative cost and role in differentiation. It provides the architecture for describing and assessing strategy linking it to company behavior, and understanding the sources of competitive advantage.

Competitive advantage is effectively linked with the performance of an organization in competitive market since it's all about how a firm puts the management strategies to practice (Porter, 2008) Competitive Advantage Theory by Michael Porter helps in analyzing competitiveness of an organization. He Considers the competiveness of an organization as a function of certain determinants: Factor condition, Demand Condition, Related and supporting industries and Strategy and structure of the Firm. Porter outlined ways which an organization can achieve a sustainable advantage ; Cost Leadership-It's all about providing the best quality at a lower price as compared to other competing firms. Differentiation- It's more about giving better benefits as compared to other competing firms within that market. E.g. By ensuring that the product/service is unique.

Focus- Means understanding the target Market and providing the best service of product for it.

2.3 Strategic Management Practices

Different authors have defined strategic management practices differently, but the overall meaning is that an organization needs to study the environment (internal & external) and align the most effective strategy towards achieving the set objectives. The organization need to focus on its strengths and opportunities to eliminate its weaknesses and any threats available. This therefore calls for continuous study of the environment for any organizational survival. This could either be through theoretical or empirical studies.

Implementing the strategic management practices is more challenging according to Thompson and Strickland (2003). Its more time consuming it will include designing the organization's structure, distributing resources, developing decision making process and managing human resource. Cynthia (1995), states that the field of strategy has taken shape around a framework.

The expertise of the employees depends on employee's knowledge for success. The firms will require structures to support the creative process of these individuals (Berley,Laudon, 2006) . Institutions have to look to their internal resources for the formulation, implementation and evaluation of strategic management practices, which hence calls for effective and efficient employees.

Strategic management practices consist of the analyses, decisions and different actions which a firm can adopt to ensure that their competitive advantage is maintained. These should therefore be enabled in the daily strategic management of the organization. Nag

(2011) States that strategic management enables an institution to be able to shape it, for future benefits, instead of waiting to react after something has happened, e.g. Change. Strategic management practices can lead towards either financial or non-financial benefits for the entire organization.

Paul (2015), States that with the growth of formal strategic planning by government it is possible to argue that policy making in ministries should take the governments strategic documents a framework for their policy developments work. Government employees are engaged in policy development could be advised that they should analyze government strategy documents and then ensure that they develop policy in line with the relevant strategies which will mean that policies are also helping to deliver government strategies.

Alkhafasi (2003), suggests that strategic management plays a major role in developing an awareness of processes which different orgaizations require to achieve the set objectives through effective inter-working of all departments within that organization. This therefore calls for frequent training of all the managers to develop their ability towards the interelationship of the departments, thereby facing challenges which could come up within that competitive environment. He further insists that a clear understanding of the strategic process as an important tool for the organization to be competitive within its working environment.

2.4 Strategic Management and Firm performance

Resources indicates that organizations which have adopted strategic management practices are more successful than those which have not have not yet adopted these practices according to Johnson and Scholes (2002). This applies because its assumed that

the focus is based on the most important things; prioritization is applied. Allocations of resources within the organization e.g. time is properly managed, becomes efficient and easier. Institutions which have applied the strategic management concepts have responded positively in terms of productivity and profitability as compared to those which ain't for the systematic activities. This is because the systematic doing institutions tend to foresee future outcomes based on the external and internal environment of that organization. Firms which underestimate the strengths of their competitors often end up to poor performance. Strategic management offers different benefits, including competitive advantage for example through environmental scanning, external threats can be reduced and opportunities utilized and thereby increasing the overall employee productivity.

Strategic management contributes in problem-solving within the organization any unforeseen challenges e.g. change management can be managed. Strategic management empowers employers/employees towards their responsibilities. This is by ensuring that everyone within that institution knows what is expected of them, through the vision, mission and objective statements set. The entire strategic management process forms a basis of identifying the strategic management practices within the institution.

There is a rapid change in the business environment within which any institution operates for example in the Technology field which has led to increase in competition. For a firm therefore to survive in such a competitive environment, it has to set some strategies, which act as guidelines towards achieving the set objectives of the organization.

2.5 Empirical Studies and research gaps.

This study is based on three theories that are: Resource-Based by Wernerfelt (1984), Competitive Advantage by Michael Porter 1980's and Activity based theory to try and explain the importance of change management to an organization. The resource based theory suggests that organizations can achieve competitive advantage based on effective and efficient use of resources. Activity based theory recognizes the relationship between cost driver and cost activities. Competitive advantage theory outlines ways which an organization can achieve a sustainable advantage through cost leadership, differentiation and focus. The literature review has identified the importance of strategic management practices towards performance of an organization. The literature review Identified some of the benefits of strategic management as; effective and fast decision making, long term benefits for the organization through forecasting and incorporates preparation for future opportunities, risks and market trends. Implementing strategic management in an organization has some challenges for example resistance of change and resource capacity, competition and political instability, from the previous literature review. It is the researchers hope that the process and its outcomes will help demystify strategic management for the modest business person operating at the lowest levels of the economy

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes how the study was carried out at the specific time set. It entails the Research design, considered for the study conducted, how the data was collected and thereby analyzed from the sample design of the population for generation of the findings for the report given e.g. through publication research, Interviews, surveys etc. It describes the research methodology that was employed within the study. Research methodology provides validity, objectivity and accuracy of any data collected.

3.2 Research Design

The research employs a case study method in establishing its objectives. A case is a form of qualitative analysis which attempts to define a specific subject. Through a case study to be done in the Ministry of Water and Irrigation a problem the research is aimed at solving the research problem.A case study is the most appropriate to use since it facilitates a thorough study and analysis for the final conclusion. According to Cooper & Schindler (2003) case studies are used in situations where the resercher wants to place more emphasis on a full contextual analysis of fewer events or conditions.Any stress on details provides valuable insights for problem solving and evaluating.

The case study method adopted was done in the Ministry of Water and Irrigation to get an insight on strategic management practices adopted by the ministry and their effects on performance. This method enabled the researcher to have an in-depth account since it is a very popular method of qualitative analysis which employs complete observation the institution.

3.3 Data Collection

The study seeks to use both secondary and primary data. For primary data in-depth interviews were conducted and the interviewees were be head of Departments in key departments such as Operations, IT, Human resource, Finance and Marketing. Different questions were used to get information from the interviewee. For example Open ended questions were used to serve as a guide during the interview. The various sections were aimed at obtaining information on firstly; demographic of the respondents, secondly questions on strategic management practices adopted by the Organization and lastly the effects of adopting strategic management towards the performance of the organization.

The interviewees were issued with these interview questions prior to the interview dates so that they can familiarize themselves of what is expected of them. An interview guide was important because provided a platform for in-depth exploration of the issues under investigation. The interviews were conducted on head of departments because they are directly involved in policy making decisions which touch on change management in the organization. The questions were open ended accompanied by probing questions where necessary to allow clarifications so as to obtain in-depth information. Secondary data was to be obtained from various sources such as the ministry's websites and reports. Secondary data was used to supplement the primary data collected since it's easily accessible and it can be used to create new insights.

3.4 Data Analysis

The data collected from the interviews was analyzed to determine its consistency, completeness and accuracy. The data collected used content analysis as a basis of analysis since it is qualitative in nature. According to Cooper & Schindler (2003)

analytical method involves observation thus it is highly accurate to use. Data analysis entailed a thorough check of all the information obtained from the respondents.The data obtained was then to be set down,a summary obtained,interpretations drawn, and a conclusion to be made to generate a view of how the objectives were achieved.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the findings of research, which was guided by the interview guide, in determining the strategic management practices and their effects towards performance in the ministry of Water and Irrigation. Findings are also explained in comparison with literature by other authors within this field. Content analysis was used in this study because the researcher used an interview guide. The total number of respondents who were interviewed was seven. All the respondents were Heads of Departments, including; Head Accounts Unit, Director Land reclamation, Chief Economist, Director Human Resource, Chief Finance Officer, Including others.

4.2 strategic management practices in Ministry of Water and Irrigation

The Strategic management practices adopted by the Ministry of water and Irrigation were outweighed as to whether they are in line with the accepted strategic management concepts and practices. Data was collected on the strategic management practices adopted by MWI, after which the practices were evaluated in consideration with the acceptable concepts of strategic management process, which included; Vision, Mission and objectives, environmental scanning(SWOT Analysis), resource allocation, Succession management and organizational structure. The practices were as discussed below;

4.2.1 Strategic implementation process

The study determined the role of respondents in the Ministry of Water and Irrigation, Republic of Kenya, in the strategic management process. At one of the phases of the

strategic management process; the execution stage, a manager plays a very important role. Managers act as link between all levels of management including upper, middle and lower levels of management. Previous studies have found a positive connection between the middle leveled managers towards strategic planning and effective performance. Middle managers find two challenge which need to be studied; the linkage and the influence of the managers considering both internal and external environmental factors.

The next phase after implementation compares the set results achieved with the target results as at the strategic plan. From the respondents, it was clear that MWI holds annual performance reviews, normally based on the set targets for each individual. Most managers don't evaluate their unit's performance against the annual work plan targets. The respondents came out that in preparing the annual work plans, priority is mostly given to previously unachieved targets. The Ministry's performance review is done in every quarter of the financial year. The employees within the organization derive their activities from the work plans set for Departments, which is a great challenge because these activities keep on changings.

Strategy implementation is all about practicing the set strategy within the organization to meet the set goals. This is all about bringing the strategic plan into reality. This can be through budgets or policies set which hence calls for coordination between the management and the personnel. The findings of the study correlate to Johnson and Scholes (2002), who describe strategy as a plan forming a pattern related to the organization's activities; derived from the objectives of the organization which help it achieve the set goals. The strategy of the firm is based under internal and external

environment within which the firm operates. According to Coulter(2005), objectives are created accordance with the performance which can be done.

4.2.2 Employee involvement in strategic planning

The study clearly indicated that employees are often excluded in most meetings concerning strategic planning process issues. This process is seen as a critical process which mostly require experts to contribute thereby excluding the most important and crucial team ; the managers and employees. This is because they believe that these are the people who implement the strategy and therefore should not be involved in creation because they would make strategies which favor them by considering opportunities without much regards for possibilities and limits.

4.2.3 Strategy Formulation, Evaluation and control

Respondents corresponded that MWI undertakes planning processes e.g. procurements and planning processes annually. They were also in agreement that the ministry has a strategic plan for example, the vision 2030 document for strategic plans in different areas. The respondents shared their views that's all heads of departments were involved in drafting strategic plan document, which was not however the final copy. The respondents agreed that the Ministry had a Vision, Mission and Objectives which should act as a guidance to their daily activities although most of them could not remember them. Most of the respondents were in agreement that the MWI has strengths, opportunities, weaknesses and threats which greatly affect the performance of the organization. The MWI has strategic issues that should be addressed in the long term .e.g. budget for the various activities, which had not yet be financed which therefore calls for the ministry to

get sources from elsewhere, including the donors. They agreed that they never receive enough resources to achieve most of the laid down projects. The strategic management draft purposes to add more policies and review the already existing to reflect current practices.

Plans which have been formulated are then implemented i.e. actualization. Resources should be adequately allocated for the implementation. Policies have also to be in place for the success of implantation phase. This is the most challenging phase in that effective communication and leadership is required with every employee knowing their responsibilities. The responsibilities of the respondents are in line with the mandate of the ministry. Poor communication within the ministry came out as one of the main challenges which therefore hinders the organizational performance. E.g. some of the technical sections had been separated which the respondents didn't know.

4.2.4 Effective communication

It's clear that from the strategic plan, communication is recognized, but doesn't specify on how the content   would be communicated may be to the stakeholders. Respondents didn't have the information that they were among the stakeholders. Many changes have been experienced by the Ministry of Water and Irrigation. It has to two state departments; State department of Water and state department of Irrigation. Majority of the employees say that they were not involved in these changes. They respondents agreed that they were not prepared for this for instance a formal communication. However, all the respondents agreed that this split was a positive move especially in job creation. Some employees thought that the organizational culture does not promote teamwork within the organization, not even adding value to good performance. One of the heads of department

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thought that poor performers are rewarded all the time therefore demotivating the others. The issue of organizational seemed not understood from the respondents as could have been guidance from the stated core values. It was also clear that some respondents didn't even know to which state department they belonged. It was noted that most of the departments didn't have the directors but only the acting directors or representatives.

4.3 Effects of strategic management practices on performance in the

Ministry of Water and Irrigation

The study findings established that organizational performance is closely associated with the strategic management practices. These strategic management practices can help to improve the performance of the organization by committing to the strategic planning procedures. Engaging employees ensures that there is support for implementing the formulated strategies which therefore motivates the employees to work and thereby effectively perform. Stakeholders in general should be involved in the implementation stage which is a sign of respect to their interests. Organizations should set out benefits clearly defined by, which should reflect the mandate of the organization. The Ministry of Water and Irrigation needs a strategic plan, which is well communicated and adhered to. Without this, the ministry's performance, allocation & management of the resources and the general planning will not be effective.

4.4 Discussion Findings

The findings of the study are in agreement with those of Poister and Streib(2005) who concluded that strategic management planning in public organizations was slowly moving. Backoff, Weschsler and Crew(1993) explains about slow adoption rate by the difficulty in designing and implementing the strategic management plans. Ministry of

Water and Irrigation has experienced changes to which it made responses. This agrees with those of Ogwora(2003) and Kathuku(2004), who had a conclusion that Kenyan organizations respond to changes arising with internal and external environment.

This study was basically based on different theories including Resource Based theory, which is based on the idea that effective and efficient use of resources help place that organization in competitive advantage, Competitive Theory aurgues out that for an organization to have a competitive edge it has to have an edge over its competitiors and Activity based theory is all about who's doing what, why and how .The draft strategic plan includes budget for the various activities and projects undertaken by the ministry of Water and Irrigation, However the funds allocated yearly seem not to cater the expectations of the Ministry. The Respondents indicated that MWI is sometimes underfunded by the Government which even calls for Donors to intervene, which clearly shows that the strategic plan is not yet adopted.

The study identified that the MWI has embarked on strategic management planning but yet to fully comply with the government to institute the strategic planning, which clearly explains the differences in the views of the respondents of strategic management practices. Most of the Heads were new in their departments which could have led to the reason behind being uninformed about the strategic plans. This even has affected their interests towards implementing the plans since they were not involved in the preparations. If strategic plans are properly managed e.g. through involvement of all parties then this would lead to an organizational culture. Strategic plans are expected to be guidelines and therefore as reference for all the activities and decisions of the organization. Lack of a strategic plan within the organization clearly explains why most

of the Heads of Departments cited underfunding as a challenge towards the organizational performance. A plan enables an organization to even prioritize activities and even allocate resources based on the mandate. This mandate (Vision, Mission and Objectives) need to be clearly communicated and understood by everyone.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMENDATIONS

5.1 Introduction

This Chapter gives a summary, conclusion and recommendations from the study findings carried out. This chapter also gives suggestions for further studies. The study was on strategic management practices undertaken in the Ministry of Water and Irrigation

5.2 Summary of Findings

The research was on strategic management practices undertaken in the Ministry of Water and Irrigation .The findings brought out that Strategic management process is mainly the responsibility of the managers within that organization especially in the execution stage. Managers and employees are often excluded from the strategic planning process because some experts believe it is not a good idea for the strategy process be influenced by those supposed to implement them. This is because these employees may view the world in a different ways for example, in limitations where a strategy is supposed to consider opportunity. Strategic management process are reviewed more often in order to improve on performance. Performance measures also assists in to determine when a strategy within an organization requires adjustment. Strategy is a continuous process rather which includes several phases; planning, Implementation and evaluation. Evaluation some organizations involves how the strategy has been implemented and its outcomes. Implementation process can vary from different organizations, with strategic plans .The strategic process in planning and implementation include; evaluate the strategic plan; creating a vision for implementing the strategic plan; selecting an implementation team; scheduling meetings

especially for progress reports. Pressure towards achieving the set targets is very high and to ensure that people's performance is directly associated with the organizational goals.

Performance can be managed through the performance management process. The key performance indicators are mostly based on the very critical aspects/areas of our organization's performance. Key performance indicators are metrics used to help a business measure it's progress towards achieving its success factors, and can be expressed in either financial or non-financial terms. Strategic management is a process which an organization develops and implements laid down plans that are related to the organizational goals and objectives. This process is not rigid in that whenever the organizational goals objectives changes, this also changes the entire process.

The study determined a framework related to organizational performance e.g. planning. The study established that planning is not closely linked to the performance of the employees. Strategic planning can help to improve the performance of the organization by committing the planning procedures. The researcher found out that planning is mainly done throughout the system by a certain framework and committees responsible. The findings also established that there is a period evaluation of strategic plans, which is normally done quarterly, which is necessary to have towards making a comprehensive plan for the organization.

5.3 Conclusion

The findings of the study shows that MWI has approached the process of strategic planning though different challenges are experienced in completing the process. These challenges need to be handled to ensure objectives of the entire organization are met.

This therefore calls for the Ministry to find different ways of completing the strategic planning process. This is because the strategic plan plays a very important role within the organization, especially towards the long-term plans of the Ministry. The Ministry should also engage in strategic management practices to achieve its strategic objectives.

The organizational management should also ensure that the top management is involved in the strategic management process. The ministry should also ensure that policies organizational structure are in place to support the implementation of the plans set. Effective communication should also be maintained within the organization to every party involved for example, employees, customers, which ensures that not only that strategic plan is understood but also knowing that they play a role in implementing it.

5.4 Recommendation of the study

The study suggests that all managers in the Ministry be trained on the Strategic Management process. The training will probably help the ministry to address challenges both from internal and external environment and even be able to get a strategic plan which can be communicated within the organization and thereafter implement it. The study also recommends that any changes in the ministry of water and irrigation should be effectively managed and communicated to the concerned party for improvement in performance. The changes can be managed by ensuring that strategies are in place to deal with the changes. They should also train the employees on how to adapt changes in case they come up.

Changes within the ministry should be closely monitored and negative changes occurring should be well managed before the impact is felt by the entire organization. Proper

allocation of resources both financial and human, should be adequate for the strategic plan to work. Resource based planning should guide the ministry in making decisions, this is to ensure that all departments remain effective in their areas of specialization which thereafter leads to better performance from the entire organization. Resource based view will guide the management in distributing resources allocated, thereby not excluding some important projects which could be left out in cases of activity based view.

5.5 Limitations of the study

The respondents were so green in their managerial positions due to the formation of the two state departments; State department of Water and State department of Irrigation effect which could have compromised the reliability of the date collected. Some were even acting, which could have limited the knowledge in terms of experience. Many changes were taking place during the period of study which also could have affected the data collected for example politics within the country as a factor.

The study also relied heavily on secondary data, which could be inaccurate. This data could have been wrongly interpreted thereby affecting the accuracy of the data. There are different Ministries in Kenya, which could have different ways of doing things. The findings of the study also applied to the MWI, which could be different in other Kenyan ministries. Therefore the information collected cannot be generalized before conducting a survey in all the other ministries.

5.6 Suggestions for further research

The organization should consider the external and internal environment when coming up with the strategy of the organization, for example the changing technology and market opportunities. The strategy should be in a position to place the organization in competitive advantage position, within the environment which it's working in. The strategy should also be clear from where the organization is currently and where it's moving towards. The objectives of the organization should be placed in a position to which performance will be measured, in consideration of the SWOT analysis.

The study recommends a further study on challenges impeding the implementation of a strategic plan in the MWI. A study on these challenges would improve on the development of strategic plan for the Ministry of Water and Irrigation which would improve the performance of the employees and thereafter services delivered effectively and efficiently.

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APPENDIX : INTERVIEW GUIDE

SECTION ONE: GENERAL INFORMATION

Name of the respondent: (optional)…………………………….

Department……………………………………………………...

Position………………………………………………………….

Number of years worked in the ministry of water and Irrigation……….

Number of years worked in current position..............................

SECTION B: STRATEGIC MANAGEMENT PRACTICES WITHIN THE ORGANISATION

Has the Ministry articulated a vision and Mission and defined a set of value statements?

When the Vision and Mission statement was lastly updated?

Do you feel that your current Mission statement is compatible with activities being carried on by the Ministry?

Is Strategic management communicated to the entire organization? If yes who does this and how is it done?

How does the Ministry deal with any changes which may raise within the environment?

How does the Ministry ensure that strategic management practices are maintained in the following areas;

- Organizational structure

- Succession management

- Resources Allocation of the organization

- The output of the organization E.g. in terms of services

- The strategy of the organization

SECTION C: EFFECT OF ADOPTING STRATEGIC MANAGEMENT PRACTICES ON PERFOMANCE.

Has the Ministry developed a set of key performance indicators?

Has the Ministry developed some forms of accountability to track the issues of strategic activities?

Rate the Ministry's ongoing evaluation practices as it relates to strategic initiatives

What are the main challenges experienced in adopting strategic management practices within the Ministry?

Rate your Ministry's effectiveness at evaluating the impact of changes subsequent to initial strategy.

Rate the level of participation in strategy evaluation for different levels of management.

Does your Ministry support staff involvement during Strategy implementation? If so how has this done and how effective is it?

Are strategic planning Implementation steps and processes working correctly?

What do you understand by the term SWOT analysis, and has the Ministry conducted any SWOT analysis?

Is SWOT analysis employed when dealing with significant issues outside of strategic planning?

Does The Institution have a framework on fixing benchmark of performance?