

**CHALLENGES OF STRATEGY IMPLEMENTATION AT SONY SUGAR  
COMPANY IN KENYA**

**BY**

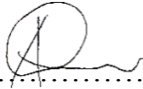
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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF  
REQUIREMENTS FOR THE AWARD OF DEGREE OF THE MASTER OF  
BUSINESS ADMINISTRATION, FACULTY OF BUSINESS AND  
MANAGEMENT SCIENCES, UNIVERSITY OF NAIROBI**

**2023**

## DECLARATION

I accept that this project is my work and it has not been accepted in any other university.

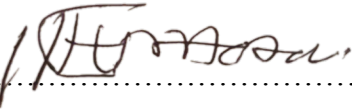
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This project has been approved for examination with my power as the student's supervisor.

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## **DEDICATION**

I dedicate this project to my parents Mr and Mrs. John Odhiambo who really believes in the value of education and to my lovely sons Jayson Tekkoh and Nelson Tang.

## **ACKNOWLEDGEMENTS**

I would like to appreciate the power of God in this work. My sincere appreciation goes to my supervisor Professor Evans Aosa. He was the best in this setting and his support was above measure.

I want to acknowledge the support and love that I received from my family and friends throughout this process. Many thanks to my parents for the endless support and encouragement and also to my sons for the humble time and understanding I received.

Finally, my deepest gratitude goes to Sony sugar team for the support and cooperation they offered me during my data collection.

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Table 4.3.1 Level of Experience of participants

## **ABBREVIATIONS AND ACRONYMS**

**TCD** Tons of Cane per Day

**IDB** Industrial Development Bank

**ICDC** Industrial and Commercial Development Corporation

**KPIs** Key Performance Indicators

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## ABSTRACT

The success of every organization relies on its capability to successfully turn plans into action. Strategy implementation is important to all firms since it involves analysis of the environment and ensuring that the plan meets the budget as well as time. With the aim of achieving set goals and meeting their plans, firms have to implement policies, plans and their strategies. This requires resources as well as coordinated effort from different players. There are different challenges that are experienced when implementing a strategy as demonstrated by the findings of this study. Well formulated strategies fail at implementation stage. It should be emphasized that while developing a strategy is a typical practice in strategic management, implementing a strategy is a far more difficult task in companies like Sony Sugar Company. The sugar industry in Kenya has been affected by volatile market conditions such as fluctuating sugar prices, changing consumer preferences and regulatory policies. It is true that Sony sugar is among the companies in the sugar industry that have faced various challenges in their strategy implementation process. Sony Sugar has to successfully implement its strategies for survival and continuous growth. A number of studies have been conducted on difficulties of strategy implementation; however, these studies have focused more on other sectors such as tourism and hospitality, education and energy sector. These studies have collectively established that lack of effective strategy implementation can lead to poor performance. The studies have demonstrated that different organizations experiences different challenges to strategy implementation. There is a knowledge gap that exists on the challenges of strategy implementation at Sony Sugar Company. The research was conducted as a case study and targeted middle and senior managers from Sony Sugar Company. Primary data was collected using an interview guide to enhance accuracy. Data was analyzed using content analysis method in developing various themes underlying the topic. This study found out that Sony sugar experienced seven key challenges in its strategy implementation that include inadequate resources, poor communication channels, political interferences, mismatch between organizational culture and its goals, mismatch between strategy & structure, poor leadership & inadequate stakeholder involvement, setting unrealistic goals and low rewarding culture. It was noted and recommended that for Sony sugar to overcome this challenges, it is important to adopt various plans including adoption of clear communication channels, need for effective leadership, establishing a robust monitoring and evaluation framework, providing training and development and fostering an organizational culture that embraces change and innovation. This study suggests that future studies can be done to examine the role of leadership in strategy execution, exploring the impact of organizational culture and employee involvement in the implementation success. Finally, this study also suggests an investigation on the use of technology and innovation in strategy implementation.

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

Strategy implementation is the crucial process of translating plans into action to achieve desired outcomes for an organization. The success of a company depends on its ability to efficiently, effectively, and consistently execute decisions and key processes (Hitt et al, 2017). A strategic approach is essential for a company's growth, involving long-term planning for the future. The execution of a strategy involves delivering on planned objectives promptly, within budget, and with high-quality outcomes, even in the face of unexpected events (Dulmaz & Dusun, 2016). Effective strategy implementation plays a pivotal role in determining why some firms outperform others. Hambrick (1989) noted that even a well-formulated strategy cannot guarantee success unless it is effectively put into action. The implementation process often presents significant challenges, and without successful implementation, a strategy remains a mere fantasy. It is important to write down the risks that you may come across for each strategy and what you would do to resolve any issues that might arise during the implementation Ansoff & McDonnell (1990). Without successful implementation, a strategy's potential remains unrealized, and challenges may arise during the process. Companies must prioritize effective strategy implementation to achieve their desired goals and outcomes (Garvin, 2020).

This study is grounded in three theoretical frameworks: Stakeholder theory, Resource-Based View (RBV) theory, and Open Systems theory. Stakeholder theory defines stakeholders as groups or individuals who can influence or be influenced by an organization's objectives (Edward Freeman, 1984). This perspective emphasizes the importance of considering the interests and impacts of various stakeholders in decision-making and strategy formulation. RBV theory focuses on an organization's internal resources and capabilities as the basis for achieving and sustaining a competitive advantage (Penrose, 1959). It highlights the significance of understanding and leveraging

the unique resources and capabilities of a firm to gain a competitive edge in the market (Barney, 1991). Open Systems theory views organizations as dynamic entities that are interconnected with their external environment (Bastedo, 2004). Organizations are dependent on inputs and outputs from the environment, which consists of other organizations that exert various forces and provide essential resources for the organization's survival and growth (Burnes, 2004). This theory recognizes that changes in one part of the system will affect other parts and overall organizational performance (Scott, 1987).

In Kenya, the sugar industry is developing at a stable and confusing pace. This has been due to challenges of strategy implementation. It should be emphasized that while developing a strategy is a typical practice in strategic management, implementing a strategy is far more difficult task in companies like Sony Sugar Company. This is true even if the execution of the plan is the culmination of the entire process, without which the goal could not be reached. Pearce et al. (2010) assert that converting strategic ideas into organizational action is a key factor in determining whether a company succeeds or fails. This purpose of this research is to identify some of Sony Sugar Company's strategy implementation issues.

### **1.1.1 Concept of Strategy Implementation**

One of the most crucial tasks in businesses is implementing the strategy (Weiser, Jarzabkowski, and Laamanen, 2020). The actions and decisions necessary for carrying out strategic plans, as defined by Nienaber (2022), are collectively referred to as strategy implementation. Through the creation of procedures, budgets, and programs, it is the process through which goals, plans, and policies are put into practice. Moreover, according to Weiser, Jarzabkowski, and Laamanen (2020), the transfer of a selected strategy into organizational action in order to accomplish strategic objectives and goals is

referred to as strategy implementation. actions are done to put approved plans into effect during this stage of the strategic management process, where the long-term plans come first, and they are subsequently divided into manageable yearly or short-term plans.

According to Mayende and Joseph (2020), the process of strategy implementation is facing various challenges in organizations. Some of the challenges associated with strategy implementation in organizations include mismatch of culture and structure, lack of motivation from the employees as well as lack of support from the top management. This is due to poor reward culture and political interference by government agencies of the day. There are also challenges associated with poor goal settings, lack of strategy alignment and lack of resources to manage the firm operations. Poor integration of systems, poor monitoring of progress and key indicators and failure of the management to adopt modern technologies are also common challenges facing challenges strategy implementation in many firms Aosa (1992). Some firms also focus more on long term success ignoring short values that can empower the employees (Kamariotou & Kitsios, 2020).

### **1.1.2 The Sugar Industry in Kenya**

Private investments at Miwani in 1922 were the first step in the establishment of Kenya's sugar industry. Ramisi Sugar Company followed as it was established in 1927. Six other organizations including Mumias (1973), Muhoroni (1966), Chemelil (1968), South Nyanza (1979), West Kenya (1981), Nzoia (1978), and Soin (2006), were founded after Kenya gained its independence. The formation of these parastatal was motivated by a national aim, which include to improve Kenyan citizen engagement in the economy,

foster indigenous entrepreneurship, resolve regional economic imbalances, promote international investments through joint ventures, and to expedite social-economic development.

Sugar self-sufficiency has proven elusive throughout the years despite these efforts since demand surpasses production. From 368,970 tonnes in 1981 to an all-time high of 516,803 tonnes in 2004, before falling to 475,670 tonnes in 2006, total sugar output increased by a small margin though the demand is still high. From 324,054 tonnes in 1981 to 718,396 tonnes in 2006, the domestic sugar consumption rose even more quickly. As a result, Kenya has continued to buy sugar, with imports increasing from 4,000 tonnes in 1984 to 249,336 tonnes in 2001 and 166,280 in 2006. To close the gap between demand and local production, the nation imports 180,000 tonnes of sugar annually on average. However, Kenya has the capacity to produce enough sugar to meet domestic needs, maintain that level of production, and export any excess.

According to estimates, the sugar business is a direct or indirect source of income for 6 million people in Kenya. The sector is based in rural areas, providing benefits to the poor in such areas and greatly aiding in reducing poverty. But because of a focus on efficiency and production, fewer people are now directly employed in sugar plants. Four new white sugar plants with a total potential capacity of 3,000 TCD have just been registered by the regulatory body; they include Trans Mara Sugar Companies, Keiyan, Butali, and Kibos Sugar & Allied Ltd. Two further mills are anticipated to be built in the coastal lowlands' Kwale and Tana River Districts. Four more jiggery millers are authorized and in service.

### **1.1.3 Sony Sugar Company**

This firm was founded in 1979. (Sony Sugar, 2022). In 10 districts that are part of the cane growing zones of Kisii South, Ndhiwa, Awendo, Homabay, Gucha, Transmara, Kuria, Migori, Uriri, and Rongo, the firm provides services to around 25,000 cane growers both in large scale and small scale. Since its inception in 1979, shareholders in the firm are different and include groups with different financial power such as Mehta company (Sony Sugar, 2022). Industrial Development Bank (IDB), Centum Investment Co. (ICDC), and the Government of Kenya are all current shareholders in the firm. As a result, Kenya has granted the firm state corporate status.

With a cane area of 15,500 hectares outside the company's borders, the estate's sugarcane hub occupies a total of 2,492 hectares (Sony Sugar, 2022). The company's mission is to promote regional development, expand job opportunities, lessen reliance on imported sugar, and boost domestic sugar production. The enterprise engages in the production of high-quality sugar and related goods as well as their marketing. In the cane farming regions of Nyamira, Narok, Kisii, Migori, and Homabay counties, the firm now provides services to over 25,000 cane farmers (Sony Sugar, 2022). Thus, with a capacity of 2500 TCD, the company's sugar production plays a vital role in the achievement of Kenya's Vision 2030. Sugar is the primary product of the business, and it is produced using platforms for social responsibility and quality control. According to the company, political stability and progress are favorably impacted by a society's economic and social well-being (Sony Sugar, 2022).

## **1.2 Research Problem**

Strategy implementation is a crucial process in organizations, but many managers struggle to effectively implement business strategies (Kaplan & Norton, 2001). Hrebiniak (2006) emphasizes the importance of successful strategy execution, as even the highest-quality strategy can fall short if not implemented correctly. Kaplan and Norton (2001) assert that the ability to execute a strategy is more critical than the strategy's actual quality. Ametepey (2015) further supports this view, arguing that even well-crafted initiatives will fail if they are not executed properly. Miller (2002) reveals that organizations fail to implement approximately 70 percent of their new strategies, indicating significant challenges in translating strategies into action. A recent study by Olson, Slater and Hult (2005) highlights that about 40 percent of the anticipated value in a strategic plan is never realized due to implementation issues rather than other factors. The studies and perspectives presented collectively emphasize the vital role of strategy implementation in organizational success. Even the best strategies can fail if not executed effectively, leading to significant unrealized value and missed opportunities (Olson, Slater, & Hult, 2005). Organizations must focus on enhancing their ability to implement strategies efficiently to achieve their desired outcomes and gain a competitive advantage in the market (Hrebiniak, 2006). For example if a goal feels too complex or overwhelming, it can negatively impact motivation to achieve a goal as argued by Pride, Hughes and Kapoor (2010).

In Kenya, organizations such as Sony Sugar are experiencing immense difficulties in their strategy implementation. This is because strategy implementation in these firms is associated with political interferences, lack of resources, inadequate planning and lack of effective communication models. Lack of effective strategy implementation has led to

many challenges in these organizations and this call for research to determine some of the best ways that top management can use to understand some of the challenges of strategy implementation in their operations. This can help to provide the solutions and achieve the success in the firm operations and programs in the long run. Numerous studies have been conducted to identify the difficulties that firms throughout the world experience while implementing their strategies.

Aladag et al. (2020) carried out a study in the United Kingdom on the strategy implementation research in tourism and hospitality, analyzing the present situation and prospects for the future. The researchers pointed out that for tourism and hospitality firms to succeed, consistent plan design and good implementation are essential. Nevertheless, although playing a crucial part in obtaining performance goals, the implementation part of strategy has garnered less scholarly attention than strategic planning. Therefore, it is appropriate to offer a thorough study of the literature on strategy implementation. It is certainly relevant for the hotel industry and tourism management fields where thorough literature assessments of the application of strategies have been deficient. The authors perform a comprehensive literature assessment of 139 publications that were published in 42 journals between 1988 and 2019 in order to fill the knowledge gap. The study noted that poor policy management has led to failed strategy implementation. However, this study only focused on hospitality industry in UK.

In Nigeria, Orugun et al. (2017) evaluated how Strategy Implementation affected the SME's competitive advantages and superior performance within the Nigerian Kogi State. The study utilized a survey research methodology as the most feasible due to the nature of the study and intended outcomes. The study established that organizational performance of SMEs is massively impacted by the successful strategic implementation



adopted within the organizations. Lack of resources was the main challenge facing SMEs strategy implementation. However, this study focused on SMEs in Nigeria and only focuses on the importance of strategy implementation among SMEs in the region. The study failed to consider how other factors affects strategy implementation rather than lack of resources.

Chiuri (2015) identified the difficulties with project implementation in Kenya's higher education institutions. Cross-sectional research design was used by the author in the study. According to the research, one of the biggest obstacles to plan execution in Kenya's educational sector is a lack of resources. The study concluded that educational officers should provide enough resources in their strategy implementation. However, this study was done in late 2015 and cannot apply today. The study also focused on education sector and ignored other sectors. In addition, Mudany, Letting and Gituro (2020) also conducted a study in investigating the macro environment's moderating impacts on implementation strategy used and performance in Kenya's energy sector institutions and noted that macro-environment and stakeholders influence the implementation of strategy in Kenya's Organizations. However, this study only focused on Energy sector firms.

From the above studies, it is evident that lack of effective strategy implementation has led to poor performance for most organizations; however, the studies have demonstrated that the challenges of strategy implementation varies in different organizations and their findings cannot be generalized in every other organization. Furthermore, majority of the previous scholarly work focused on specific sectors of the economy identifying some of the challenges while ignoring other sectors like the sugar industry. There is a knowledge

gap that exists on challenges of strategy implementation at Sony Sugar Company which this study sought to bridge. What are the challenges of strategy implementation at Sony Sugar Company?

### **1.3 Objective of the Study**

The objective of the study was to identify the challenges that Sony Sugar Company faces in implementing its strategy.

### **1.4 Value of the Study**

This study would benefit different stakeholders such as practitioners, policy makers and researchers. The study results would help Sony Sugar top management by enabling them comprehend some of the difficulties associated with implementing a strategy and key solutions to promote effective strategy implementation in their major programs. This would also help other practitioners in the sugar industry to review and understand some of the challenges associated with implementing a strategy.

The study findings would help to guide policy makers in the country in formulating policies that can address challenges of strategy implementation in the region. This will promote effective strategy implementation among organizations in the country.

Typically, other researchers would also benefit from the study results. This is because the study will provide useful insights associated with the challenges of strategy implementation. It would also provide theoretical frameworks related to the topic of the study. The future researchers would use it as a reference point in reviewing challenges of strategy implementation.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

The study's foundational literature was reviewed by the researcher in this chapter. Explicitly, relevant theories relating to challenges of strategy implementation are discussed. The study theories of stakeholder management, resource-based theory and open systems theory are also reviewed. In addition, this chapter also includes previous research findings on the subject of the study from other scholars.

### **2.2 Theoretical Foundation**

The theories that formed this research include stakeholder management theory, resource-based theory, and open systems theory.

#### **2.2.1 The Stakeholder Theory**

The definition of a stakeholder, according to Freeman (1984), is any group or person who may be impacted by the firm's objectives being met, thus, businesses should identify both their direct and indirect stakeholders. The stakeholder theory's main objectives are to assess and encourage corporate activities. The stakeholder theory of the company, according to Brenner and Cochran (1991), serves to both define how organizations function and aid in the prediction of organizational behavior in a given environment.

According to Brenner & Molander (1977) the firm's nature and managers' management philosophy have both been described using the stakeholder theory. Additionally, the concept has been used to describe how some firms are actually run and how board members see the interests of corporate stakeholders (Kreiner & Bhambri, 1991; Halal,

1990). All stakeholder connections are portrayed in the same form and size and are equally distant from the black box of the firm in the center of the stakeholder model with the firm lying in the hub and arrows between the firms. Its stakeholder's constituents are seen running in both directions. Senior management is the primary stakeholder, not the company, because they are the ones who direct business decisions. The stakeholder network model, on the other hand, was put out by Rowley (1997), who argued that a stakeholder in one business may also be a stakeholder in another firm or other several enterprises. According to Brenner and Cochran (1991), stakeholders of the company serve two goals, which includes to aid in the prediction of organizational behavior and to explain how organizations function.

The concept is applicable to the research either directly or indirectly because it acknowledges that the environment in which sugar firms and other organizations operate has an influence on other institutions. It is impossible to understate the importance of the boards, suppliers, management teams, and government. Thus, the stakeholders need must be met for success and performance of the firm to be achieved.

### **2.2.2 The Open Systems Theory**

This concept was devised by a Hungarian scientist named Ludwig Von Bertalanffy in 1928 and argues that all businesses function inside an environment (Amrule, 2013). The principle of systems theory is that all elements of an organization are linked. Therefore, if one changes one variable it may affect many others. Also, if one subsystem fails, the entire system is in peril, In this sense, companies are seen as open systems that are constantly interacting with their surroundings. The interconnected components can be thought of as having four different components, which include processes such as

motivating, controlling, planning, and organizing, in relation with inputs resources like people, money, technology, and raw materials. Other important components include outputs like increased system productivity and goods and services.

According to the principle, removing a component of a system will also impact the way it functions as a whole. Managers who use systems theory are better able to see the company as a whole and understand how its many components interact with one another. The organization's efforts to implement its plan are influenced by the environment. In response to older ideas of organizations like Henri Fayol's administrative theories and Elton Mayo's human relations viewpoint the Open systems theory was created to put in light how different components of organization are linked. As a result, open system models suggest that an organization's sustainability depends on its environment, and to be successful, the businesses must employ tools like PESTEL in their core activities.

The theory suggests that business is a man-made system that interacts dynamically with a variety of factors, thus, the concept is relevant to the research. For the environment to function well, all the systems such as customers, government, labor organization, and suppliers must cooperate. The way we perceive organizations and the expectations made on their managers and leaders have been profoundly altered by the open systems theory. Since they are a part of the environment in which they operate, the sugar cannot be said to be free from the forces that motivate organizational transformation. For a plan to be implemented successfully, professionalization, accountability movements, and ethical concerns are crucial.

### **2.2. 3 Resource Based View Theory**

In the 1980s, the resource-based approach was put out and the founding principle of the resource-based perspective is that businesses contend on the basis of their assets and skills. In terms of the collection of resources they manage, the concept assumes that enterprises within an industry might be diverse. Because the resources required accomplishing business strategies are not fully transferable among firms and difficult to collect and duplicate, the theory believes resource heterogeneity may persist over time (Peteraf & Bergen, 2003; Barney, 1991).

The types of execution challenges that most firms encounter may be divided into two groups, which include issues brought on by external factors and issues that are unique to the company (Downes, 2001). The degree of flexibility required to successfully launch strategic initiatives has an impact on these internal and external problems. The resources adopted in the firm should be unique and rare for success.

This theory is suitable for this study since it indicates that resources determine success of firms. Although Kenyan sugar has distinctive qualities like flexibility, it also faces numerous difficulties due to a lack of resources, factory capacity that is not being fully utilized and technical know-how. Also, other challenges facing them include difficulties with cane supply and competition from imports of cheap sugar. In the agriculture industry in Kenya, these risks are frequent, necessitating the development of appropriate management strategies.

### **2.3 Challenges of Strategy Implementation**

Adaptation to implementation challenges depends on the type of organization. The challenge of successful strategy implementation is to establish a series of close fits between the chosen strategy and resource allocation, strategy and reward system, strategy and structure, strategy and leadership, and strategy and culture Nkosi (2015). Every aspect of implementation, at any given time, should be in line with the key strategic goals; otherwise, implementation success will be compromised in the firm. Since strategy formulation and strategy implementation overlap in practice Nkosi (2015). On the other hand, (Okumus, 2003) asserts that decisions about implementation should be taken into consideration when making decisions regarding formulation. Additionally, as mentioned by Allio (2005), successful implementation begins with excellent strategic input.

A number of scholars have noted that there is no one set formula for successful strategy implementation that can be applied to all managerial styles and business contexts. A company's unique circumstances must always be taken into account when determining the implementation's precise format, which also reflects the management's assessment of the best course of action. For example, strengthening strategy execution at a firm when the execution is already going well differs from developing a new strategy for a struggling company in the midst of a financial crisis. According to Banat (2010), the main management tasks that guide a manager's agenda include putting in place internal administrative support systems, developing organizational capability for strategy execution, creating reward and incentive systems that are tied to the strategy, and creating a budget to support the strategy.

The role of management as a process in strategy implementation is emphasized by some authors. Thus, once the prerequisites are in place, the Chief Executive, supported by the top Management Team is expected to lead the major initiatives for implementing the business strategies. The activities include instituting strategic controls to monitor and evaluate processes and achieve organizational goals and objectives. A well-conceived strategy is one that takes into consideration the aspects of strategy implementation during the strategy formulation process. Formulation of specific objectives should take cognizance of the external and internal environment. According to Aosa, (1992), A plan is more likely to succeed when numerous aspects are in harmony with one another.

However, it is very hard to implement a strategy without resources in the organization. Resources are all those inputs that would allow a business to fulfill its mission or obligation to provide a service or produce a thing (Yabs, 2010) electricity and energy, accessibility of amenities, raw materials, as well as human resources may all be included in this. A company's resources can be split into internal and external inputs. External inputs come from the firm's surroundings, which includes labor, tiny accessories, raw materials, and electricity and energy. Inputs from within the company's walls include its human resources (HR), infrastructure, corporate culture, installed capacity, and buildings are example of internal inputs. According to Heng (2012), Poor management of reward system decreases performance leading to low productivity and internal conflicts.

Thompson et al. (2007) placed a strong emphasis on organizing enough personnel and resources to support the initiative for project implementation. In their spheres of authority, all managers are accountable for executing strategy, and everyone on staff takes part in this process. Managers must identify the resources that will be required early on in the process of developing and carrying out a new strategy.



The lack of proper institutional rules, procedures, planning, and communication that support effective strategy implementation is another major issue facing organization. Policies and processes inside a corporation may either help or hinder effective plan implementation. Managers are highly advised to conduct a detailed evaluation of current processes and policies whenever a firm decides to implement new strategy (Thompson et al., 2007). Procedures that specify the numerous tasks that must be carried out to finish an institution's projects must be prepared once the corporate budgets, divisional, and program have been authorized. Procedures, sometimes referred to as organizational routines, are the main way that companies complete many tasks. Thus, Wheelen et al. (2008) indicates that once procedures are established, any adjustments to strategy or technology or must be made to the procedures.

Chandler's claim that structures impact or follow strategies is usually supported by various established research. A corporation's strategy often changes in response to changes in the environment; this results in changes to the organization's structure. Organizational performance will likely suffer if the environment and strategy structures are not tightly linked. An organization without clear policies governing management plans brings about conflicts resulting in non achievement of desired results, Obara (2006).The company's power structure, decision-making processes, form, job responsibilities, and labor-force distribution are all impacted by how organizational structure is matched to strategy (Okumus, 2003).

According to Hrebiniak (2006), the creation and effective communication of values, mission and vision dedication to projects and business outcomes always promotes empowerment in implementing a strategy. According to the literature, on strategy formulation refers to the strategy's ends and implementation to its methods. Specific strategies are developed by managers with an eye on how they will translate into company goals. These strategies or action plans are transformed by managers into internal procedures that will carry out the developed approach (Campbell et al, 2006).

In the sugar industry, key challenges of strategy implementation include lack of resources, interference from political leaders and poor strategic alignment of objectives and plans. There is also poor rewarding and motivation models, lack of top management support, and lack of alignment to match systems with culture. Successful strategy implementation requires senior management sincerity, support and involvement Kessler and Kelley (2000). Poor feedback mechanism and lack of effective communications models to give direction about the strategy is also a major problem within the Sugar industry, especially in developing regions such as Kenya. Catanzaro (2010) also argues that applicants are attracted to organizations they perceive demonstrate a match between their own personal values, needs, culture and the espoused values of that particular organization. Notably, Leadership is a crucial area where difficulties are likely to occur during strategic implementation in the organization. Kar et al. (2020) found that organizational leadership consistently fails to distribute resources effectively during the implementation of a strategy. The most crucial responsibility for leaders of successful companies is to contribute to the creation of mechanisms that enable the efficient and dependable conversion of information into action and not necessarily to make strategic decisions (Kar et al., 2020). The contact and participation of the senior management team

often results in a higher level of dedication to the objectives and business plans. This is lacking in the sugar industry.

## **2.4 Empirical studies and Research Gaps**

Various studies have been conducted on the difficulties of strategy implementation in organizations. According to Wang, Zhang, and Cai (2009) research on strategic choices, difficulties, and issues of grain security in China, the accomplishment of food security has emerged as a national and international concern, due to China's huge population. According to the authors the Chinese people and government have worked together successfully over the past ten years to fulfill the country's need for grains. China's grain market has remained mostly steady despite the present global grain crisis: this has enabled the country contribute to global food security. The result, according to the authors is that China's grain security faces a number of long-term challenges despite its current stability. These challenges include loss of arable land due to urbanization and degradation, scarce water resources, a small-scale agricultural economy, and aging agricultural infrastructure. Moreover, other difficulties include increased demand due to population growth and rising standards of living, the effects of climate change, vulnerable ecosystems, and frequent natural disasters. To ensure grain security, the research outlined strategies that should be put in place; they include utilizing science and technology more, protecting cultivated land and water resources, and strengthening agricultural infrastructure. Other countermeasures include reducing population growth, supporting farmers' livelihoods, enhancing grassland agriculture, adapting to climatic change, and increasing financial input. The study concluded that effective strategy implementation is important in managing firm operations. However, this study was done in China and it might not be applicable to Kenya.

In India, Kothari et al (2020) did a study that sought to assess the Bioenergy policies adopted in India for a sustainable environment with a focus on their impact on the Indian Rural areas. The study focuses on the current strategic implementation being adopted in the country and the challenges they experience in the country. The study critically analyses the current bioenergy policies in India, besides exploring other possible options implemented for successful bioenergy adoption in the country. The methods applied for the study were surveys analyzed through logistic and linear regression to explain willingness to pay for bioenergy technologies and the patterns controlling awareness among Indians. The study found that Indian socioeconomic determinants are critical factors in determining the effectiveness of rural bioenergy strategies in India (Kothari et al., 2020). Initially, the research highlighted that the energy situation inside India had experienced non-permanent challenges influencing demand for dependable energy supply as well as environmental deterioration. The analysis reveals that India currently has an abundance of renewable and bioenergy sources, and that the present supply is interdependently supporting the energy demand. The study concluded that India should introduce better strategy implementation policy policies to accelerate the adoption of bioenergy use. Additionally, the policies should consider the socioeconomic variables which are bound to affect the success of bioenergy adoption and strategy implementation policies in India. However, this study focused more on the bioenergy sector and ignored other important sectors in the economy like Agriculture.

In Nigeria, Orugun et al. (2017) looked at how Strategy Implementation affected the SME's competitive advantages and superior performance within the Nigerian Kogi State. The study utilized a survey research methodology as the most feasible due to the nature

of the study and intended outcomes. They focused on selecting random SMEs from a population comprising a total of 1886 SMEs within the region. After identifying the population, this study adopted a convenient technique for sampling that eventually left it with 330 SMEs as the sample size to study after determination using the Taro Yamane methodology (Orugun et al., 2017). The study methodology also involved data analysis through regression models and descriptive statistics. From the study, it was found that SMEs' superior performance in the Kogi estate is significantly affected by the strategy implementation of different SMEs compared to other competitors within the State. From the study, it was concluded that the SMEs organizational performance are massively impacted by the successful plan implementation adopted within the organizations. Consequently, it is recommended that the stakeholders and owners of SMEs must ensure they are successfully utilizing resources to implement business strategies that seek to outperform their competitors to ensure healthier competition is achieved. However, this study focused on SMEs in Nigeria and only focuses on the importance of strategy implementation among SMEs in the region. The study also adopted regression models in its data analysis leaving a gap on other methodologies.

In South Africa, Nkosi (2015) studied the factors that affected the implementation of strategies from local case studies within the local municipality of Mpumalanga in South Africa. The study used structured questionnaires to collect information and gather study data from the participants; the questionnaires were meant to seek the participants' perception of what extent and how factors affect strategic implementation Findings indicate that organizations that lack enough financial resources experience the most significant challenges in implementing strategies. Similarly, it emerged that the lack of

adequate structures to support the implementation of strategies also poses a significant challenge to strategy implementation. It is concluded that adequate financial resources and organizational structure are critical success factors for effective strategy implementation, while resistance to change and inadequate professional development policies are the main obstacles to successful strategy implementation. The study established that many municipalities lack the financial resources to fund strategy implementation effectively. It can lead to several problems, such as the inability to hire adequate staff, the inability to purchase necessary supplies, and the inability to provide adequate training to employees. The study also noted that lack of adequate financial resources is major problem towards strategy implementation in organizations. However, the study only focused on municipal operations in South Africa.

Chiuri (2015) conducted research in Kenya to identify the difficulties in implementing a plan in Kenya's higher education institutions. The research adopted cross-sectional research design. According to the survey, one of the biggest obstacles to plan implementation in Kenya's educational sector is a lack of resources. The study concluded that educational officers should provide enough resources in their strategy implementation. However, this study was done in late 2015 and cannot apply today. The study also focused on education sector and ignored other sectors.

Another local study done in Kenya by Katamei et al. (2015) investigated the challenges affecting strategy implementation from the perspective of Constituency Development Fund Project Performances. It examines different challenges using research questions curated to accommodate most study aspects. The study methodology was through questionnaire surveys and interviews to collect data. Findings indicate that the challenges

to project performances in the region were leadership, communication, structural factors, and area cultural receptivity. The study concluded that measures such as workshop training, hiring educated personnel to committees, and engaging stakeholders in project implementation can make strategic implementation successful. However, this study only focused on lack of staff training as one of the main challenges facing Constituency Development Fund to be successfully implemented. The evidence provided in the study is also not conclusive.

Research conducted by Keter (2015) on the challenges faced by telecommunication industries in Kenya during strategic execution through a case study of Safaricom. The study utilized structured questionnaires for collecting data and later performed analysis using the SPSS tool to provide descriptive statistics for the study. Study findings indicated that internal organizational challenges in Kenya affect strategic implementation, including the administration system and organizational structure. Other factors are governmental, including licensing and price regulations. According to the research conclusion, these factors affect strategy implementation processes in the telecommunication sector, further including the growth rates of markets and market positioning. One of the gaps in the study is that it does not mention any specific methods or tools that are used in the process to overcome various challenges facing strategy implementation in the organization. This is a significant gap because it will be difficult to overcome the challenges without knowing what specific tools or methods can be used. The study also failed to mention how the government can help to create an enabling environment for strategy implementation. This is important because the government can



create policies and regulations that can help to facilitate strategy implementation in the country.

As a result, Mwanje (2017) also carried research to examine the difficulties encountered during the execution of strategy in a few Kenyan sugar companies. Using correlation and descriptive design, the author observed that the sugar business in Kenya, which accounts for around 15% of the nation's agricultural GDP, is a major force behind the country's economic growth. Nearly 27% of the nation's GDP is generally contributed by agriculture in Kenya. The performance of sugar enterprises in Kenya has been declining despite developing strong strategies in the country. Evidence-based research shows that implementation errors are more common than formulation errors when it comes to strategies. More than 70% of attempts fail and in extreme cases more than 90%. The management view of strategy implementation issues claims that little empirical research on the sugar industry has received little attention in emerging nations. 180 top management team members from particular sugar businesses were the target audiences; they include South Nyanza, Nzoia, and Mumias Company. According to the sample approach, questionnaires were sent out to top, middle, and lower management staff in order to gather the primary data. According to the study's conclusions, external environmental factors significantly and linearly influence how sugar firms implement their strategies. The researchers also discovered a significant and a linear association between strategy execution, organizational culture, staff competence, and management ability in a group of Kenyan sugar enterprises. A gap has to be addressed by taking into account the difficulties in implementing one company's plan, as this study employed a cross-sectional research methodology and concentrated on many organizations.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter presents the methodology used for data collection and analysis as well as the study design. It also presents the procedures that guided the study activities to achieve the intended objective which was to determine the difficulties that Sony Sugar faces in its strategy implementation.

### **3.2 Research Design**

Research design indicates the procedures and methods for gathering, measuring, and analyzing data, Cooper & Schindler (2006). Moreover, a research design, according to Kothari (2004), is the organization of parameters for data collection and analysis in a way that tries to combine relevance to the study objective with economy or the environment in which the study is carried out in.

This study employed a case study model, since it allowed the researcher to combine individual interviews and observation to generate in-depth data relating to the topic of the study.

In light of this, the case study technique also allowed the researcher to retain meaningful features of the real life experiences of the study topic and it was easier to determine the challenges affecting strategy implementation at Sony Sugar. The Case study allowed the researcher to collect data in a cheaper way since there were no costs involved.

### **3.3 Data Collection**

Primary data was collected through an interview guide. The respondents of the study were the middle and senior managers from Sony Sugar Company. This was done on the topic of study.

The researcher used face to face interview. This gave the participants an opportunity to air their views, attitudes and opinions on the topic of the study. In addition, the face to face interview allowed the researcher to encourage the participants to provide honest and reliable data. Face to face interview allows the researcher to seek for explanation of the responses.

### **3.4 Data Analysis**

In this study, the researcher used content analysis to examine the interview data. The results from the respondents were analyzed in terms of major themes and subject matter. Those with common themes or patterns were grouped together into coherent categories. This helped to evaluate and establish the connection to the topic of study.

Content analysis entails summarizing and organizing data collected in a way that will address the research question (Kothari, 2004). With the content analysis, it was easier in getting the themes that allowed for the investigations to indicate key challenges of strategy implementation at Sony Sugar.

## **CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION**

### **4.1 Introduction**

This chapter presents the findings from the data collected with a view of achieving the research objective. The chapter offers an in-depth analysis and discussion of the findings in line with the existing literature and findings from studies that had been conducted earlier. Since the study was based on interview, the chapter provides analysis of the themes associated with the topic and based on the opinions of the study participants. The analysis confirms some of the challenges experienced by Sony Sugar Company in implementing its strategy.

### **4.2 Participant Demographics**

The researcher established the participants' demographics that included sex, age, position and department as well as job experience. The researcher was not keen on other demographic characteristics that include ethnicity, race and religious beliefs since this could have caused conflicts during the study.

#### **4.2. 1 Age and Sex of the respondents**

The age of the respondents was captured in the interview because it provided the information on the composition of the management at Sony Sugar Company. The findings indicate that out of the 12 respondents, more than 65% were aged above 35 years and only 35% were aged between 30 to 27. 9 respondents were aged between 35 and 50 years while three respondents were aged between 30 and 27 years. From the findings it is evident that the largest percentage of those interviewed were aged 35 years and above.

Out of the 12 respondents, it was noted that 7 were male while 5 were female, thus the male represented 58.3% and the female represented 41.7 of the population. This indicated

that the majority of the top and middle managers at the company are male. This however meets the third gender rule as the constitution of Kenya stipulates.

#### **4.2.2 Position and Department**

The researcher sought the job positions of the respondents and it was established that out of the 12 respondents, 6 were planning and strategic managers and 4 were head of departments while 2 were divisional managers. This confirms the view that the company has different levels of management. The study was mainly focused on senior and middle level managers because they understand the strategic challenges and strategy implementation process more than the other employees.

### 4.2.3 Participant Work Experience

In terms of the level of job experience of the participants, the researcher sought to underscore the experience in terms of years in which the participant had worked in management positions in the company and it was established that 3 of the respondents had an experience of less than 5 years while 5 had worked between 5 and 10 years, the remaining 4 had experience of ten years and above. The findings indicated that the majority of workers in the firm had worked between 5-10 years at 41%.

Table 4.3.1 Level of experience of participants

<b>Level of Experience (Years)</b>	<b>Frequency</b>	<b>Percentage (%)</b>	<b>Cumulative Frequency</b>
0 – 5	3	25	25
5 – 10	5	41.67	66.67
11 and above	4	33.33	100
<b>Total</b>	<b>12</b>	<b>100</b>	<b>100</b>

### **4.3 Challenges of Strategy Implementation at Sony Sugar**

The challenges that Sony Sugar Company encounters while implementing its strategy were sought from the respondents when they were asked to explain how Sony Sugar implemented its strategy and the difficulties encountered during the process that makes the strategies fail. Most of the respondents mentioned that the major challenges affecting the implementation of strategy at the company were associated with poor reward culture, technological obsolescence, lack of resources including capital investments, resistance to change from employees and other stakeholders, mismatch between culture, structure and the firm values, political interferences and regulatory policies on market restrictions. Additionally, the respondents recognized the need for properly implementing a strategy as a way of achieving the overall objective and goal of the company for its sustainability.

From the respondents, it came out that while the process of strategy implementation was formal with the key steps embraced, Strategy implementation process was a desultory, lacked formality & plan and most of the set targets remain “fantasy” in the in the words of the respondents.

Seven Challenges came out clear from the analysis; they include lack of resources, Poor communication, Political Interferences & Poor policy design, Mismatch between organizational culture and strategic goals, Mismatch between strategy and structure, Poor leadership & Inadequate stakeholder involvement as well as Setting unrealistic goals & low rewarding culture.

#### **4.3.1 Inadequate Resources**

It was evident from the analysis that one of the common challenges in strategy implementation that Sony Sugar Company is facing is the lack of adequate resources,

including financial, human, and technological resources. This has hindered the execution of strategic initiatives and has limited the company's ability to achieve its goals. Resource mobilization was found to be significantly inadequate and a common theme among the respondents. The process of strategy implementation lack sufficient funding and it was evident that the firm does not have enough financial resources allocated to support the implementation of strategic initiatives; hence struggling to invest in necessary infrastructure, technology upgrades and employee training programs. This makes lack of sufficient resources a major barrier to the achievement of the Company's goals. One of the managers noted:



*“Our company is facing several challenges and the main one is lack of resources. There are no resources to run the operations, hire people and manage the firm technologies. We are struggling daily to optimize our operations as well as to improve efficiency and with the current market changes, we need government assistance to operate”.*

This is a clear confirmation that lack of resources is one of the major challenges facing the company. There is need for government support and involvement of different stakeholders to support the company financially. Without resources, the company cannot support its operations including implementation of its set plans.

#### **4.3.2 Poor communication**

It was evident from the participant’s response that effective communication is crucial for successful strategy implementation. However, poor communication is a big challenge in the firm and it has led to misunderstandings, confusion, and a lack of alignment among employees. This has also led to lack of clarity in strategic goals as some of the goals are not clearly communicated to employees. This means that the employees may not understand the direction of the company or their role in achieving those goals.

Some of the respondents also noted that there is inadequate information sharing that leads to lack of transparency and timely communication across the departments, hence poor collaboration and coordination. One of the participants argued;

*“I believe lack of communication is a big challenge here and we sometimes witness inconsistent messaging leading to missed opportunities. I have happened to witness insufficient feedback loops and there are cases where employees may not receive timely information on their performance or the progress of strategic initiatives and this impedes their ability to make necessary adjustments or improvements”.*

#### **4.3.3 Political Interferences and Poor Policy Design**

The analysis of the respondent’s views also noted that political interferences significantly impact strategy implementation at Sony Sugar. The challenge may arise due to external factors and internal power struggles within the organization. It was evident that changes in government policies, regulations and trade union agreements affect Sony Sugar's operations and market dynamics. There are cases where the government imposes restrictions on sugar imports and this impact Sony Sugar's competitive landscape and market share.

The respondents also noted that there are lobbying and political influence in the company where external stakeholders, such as competitors or interest groups exert political pressure or influence Sony Sugar's decision-making processes, this as well disrupt the implementation of strategic initiatives. One of the managers noted:

*“We face power struggles daily with internal politics, conflicting agendas, or power struggles among different departments or individuals within the organization. Political leaders also want to impact their influence in decision making in the firm and this hinders the smooth execution of strategies. There are many cases of delays, resistance to change, or inconsistent decision-making due to political interference challenges”.*

There is poor policy design that creates barriers or unintended consequences that hinder implementation progress. There are cases where policies supporting strategic initiatives are not aligned with the company's overall objectives. The analysis also noted that the company policies require multiple layers of approval or involve excessive paperwork that leads to delay in the execution of strategic initiatives and reduced efficiency.

By managing political influences and designing effective policies, Sony Sugar can enhance its strategy implementation process and increase the likelihood of successful outcomes.

#### **4.3.4 Mismatch between Organizational Culture and Organizational Goals.**

The respondents were asked to give the extent to which mismatch between organizational culture and organizational goals have affected strategy implementation. It was evident that this had a significant impact on strategy implementation at Sony Sugar Company. When the company's culture and values are not aligned with its strategic objectives, it creates several challenges including high levels of resistance to change. It was evident that the existing organizational culture is resistant to change and does not embrace the strategic goals and this has led to employees being reluctant to adopt new behaviors or ways of working. Furthermore, it was noted that the majority of the workers clings to familiar routines.

The analysis also noted that there is a high lack of employee engagement due to mismatch between culture and organizational goals. There is a disconnect between workers and the management. One of the respondents noted:

*“Many of our workers struggle to connect with or feel motivated by the proposed changes. They always do not see how their individual contributions align with the strategic direction, leading to a lack of engagement and decreased commitment to implementing the strategy effectively”.*

This confirms that communication challenges are common in the company and misalignment between culture and strategic goals has resulted in communication challenges. The firm strategic goals and rationale behind them are not effectively communicated or integrated into the company's cultural narrative and the employees do not fully understand or embrace the purpose and importance of the strategy. This has led to misinterpretation, misinformation and lack of clarity in communication channels, leading to inconsistent decision-making, conflicting priorities, disjointed actions and lack of coordination hindering the implementation of the strategy.

It should be noted that strategy implementation process requires continuous learning, experimentation and adjustment. Without a culture that supports these attributes, Sony Sugar may struggle to adapt quickly and effectively to evolving circumstances. It is important that the management evaluate the existing culture and identify areas where it may not align with the strategic goals as well as determine the cultural traits, behaviors, and values that need to be reinforced or changed to support the strategy implementation.

The management should clearly articulate the strategic vision, goals and values to all employees and also emphasize how the strategic goals are in line with the company's culture and highlight the shared benefits and values that the strategy aims to achieve. This should be done with ability to foster a culture of collaboration and empowerment that will help bridge the gap between culture and strategy, fostering ownership and engagement.

#### **4.3.5 Mismatch between Strategy and Structure**

From the analysis, the respondents confirmed that the firm is facing a mismatch between strategy and structure and this occurs since the organizational structure of the company does not align with its strategic goals and objectives leading to inefficiency and coordination issues. It was noted that departments operate in silos, hindering effective communication and collaboration in the firm and this has resulted in duplicated efforts, delays in decision-making and lack of alignment in executing strategic initiatives.

There is also lack of agility and flexibility and it was evident that a mismatch between strategy and structure limit the company's ability to adapt and respond quickly to

changing market conditions . The organizational structure is rigid and hierarchical, impeding agility and the implementation of new strategies or the exploration of emerging opportunities. One of the managers noted:

*“Our company is facing poor restricting and operations and it is a challenge since when strategy and structure are not aligned, there is a risk of misallocation of resources. Departments or functions may receive disproportionate resources or investments which may not align with the strategic priorities. We face suboptimal resource allocation and this hinders our effective execution of the strategy”.*

The analysis also confirmed that the mismatch between strategy and structure created ambiguity in roles and responsibilities, making it challenging to establish clear lines of accountability. When employees are unsure about their roles or have overlapping responsibilities, then there is a diffusion of accountability, reduced ownership and lack of focus on strategic goals. This is a big challenge in the company. The management should assess the current structure and identify areas where it does not align with the strategic goals. They should also implement organizational restructuring as well as find ways that can restructure the organization to align it with the strategic goals. This may involve redesigning reporting relationships, creating cross-functional teams and establishing new departments or functions. The restructuring should aim to enhance coordination, communication and agility in line with the strategic direction.

#### **4.3.6 Poor Leadership and Inadequate Stakeholder Involvement**

The analysis indicated that poor leadership is a problem in the firm and it has a detrimental impact on strategy implementation. This is because when leaders lack the necessary skills and qualities, then there can be lack of clear direction.

Ineffective leaders may fail to articulate a clear vision and provide guidance on how to achieve strategic goals and this can lead to confusion among employees and lack of focus on the desired outcomes. It was evident that leaders do not provide the necessary support to implement the strategy effectively, hence hindering the process of strategy implementation and the organization's ability to overcome obstacles or seize opportunities.

One of the managers responded by saying; *“We are experiencing inconsistent decision-making and it is my view that inconsistent or indecisive leadership can result in delays, conflicting priorities, and a lack of alignment in decision-making. We constantly experience a fragmented implementation process that hinders the organization's ability to execute the strategy cohesively”*.

This confirmed that some of the leaders at the firm struggle to communicate the strategy effectively engage employees or create a shared sense of purpose to increase employee morale and flexibility to adapt to change and a commitment towards achieving the company's mission. However, the management should focus on developing strong leadership capabilities, promoting a culture of accountability and transparency, and providing ongoing leadership development and support.

It was also evident that engaging stakeholders is crucial for successful strategy implementation at the company. Its Stakeholders include employees, customers, suppliers, shareholders and other external parties who have a vested interest in the organization's success.

It was noted that inadequate stakeholder involvement has led to lack of alignment between the strategy and the needs or expectations of key stakeholders. This misalignment results in conflicts, dissatisfaction and challenges in executing the strategy effectively. To address inadequate stakeholder involvement, the firm should prioritize stakeholder engagement throughout the strategy implementation process. This includes involving stakeholders in strategy development, actively seeking their input and feedback, communicating the strategy and its benefits to them as well as creating channels for ongoing dialogue, soliciting diverse perspectives and addressing concerns that enhance stakeholder buy-in.

#### **4.3.7 Setting Unrealistic Goals and Low Rewarding Culture**

The analysis noted that there are cases where the goals are too ambitious or unattainable in terms of targets and timeliness. This discourages employees in getting involved and committed towards achieving their set targets. The firm management should set challenging yet achievable goals to maintain motivation and ensure progress. There was also low rewarding Culture and it was evident that when the organizational culture lacks a reward and recognition system, employees may feel undervalued and demoralized in performing their tasks. Recognition and reward play a crucial role in encouraging employees to perform well and align their efforts with strategic objectives. Without a positive rewarding culture, strategy implementation may suffer.

It is important that the management set achievable and measurable goals that align with the organization's vision and capabilities as well as involve employees in the goal-setting process to ensure their commitment. The management should also develop a culture that recognizes and rewards employees' contributions and achievement.



#### **4.4 Discussion of Findings**

The objective of this study was to determine the challenges of strategy implementation at Sony Sugar Company. First the study sought to underscore some of the main challenges that impede strategy implementation at the Company. Most of the respondents mentioned that the implementation process is hindered by financial constraints, poor communication, Political interferences, Poor policy design, Poor leadership, inadequate stakeholder involvement and setting unrealistic goals. The findings largely concur with what is found in literature and other studies done by researchers in this filed. The study also confirms what other authors have observed that a plan is likely to succeed if well implemented. For instance, According to Hitt et al (2017), the success of a company depends on its ability to efficiently, effectively and consistently execute decisions and key processes.

The findings of this study agree with Nkosi (2015) who noted that organizations that lack enough financial resources experience the most significant challenges in implementing their strategies. It was noted that Sony Sugar Company faces challenges in securing the necessary funds to support the execution of its strategic initiatives. Limited access to capital and insufficient budget allocation hinder the company's ability to invest in infrastructure, technology, human resources and other critical areas required for strategy implementation. Likewise, on resources, this study's findings are in line with Chiuri (2015) findings which established that one of the biggest obstacles to plan implementation in Kenya's educational sector was lack of resources. Lack of resources in Sony Sugar hinders its ability to hire the right personnel to manage and monitor the implementation process.

The findings indicate that the company lacks clear communication channels especially due to lack of involvement and support from top management. Employees always resist new strategies due to fear of job loss, increased workload, as well as due to uncertainty about the benefits of the proposed changes. This finding agrees with that of Nienbar (2022) who noted that firms should adopt clear communication channels that ensures that the company's strategy is well defined, communicated clearly and understood by all employees.

The findings also indicated that the organizational culture poses a major challenge in the firm. It was noted that Sony Sugar Company faces issues relating to its existing organizational culture. The company's culture is resistant to change and is based on bureaucracy or lacks innovation and agility and this hinders strategy implementation efforts. Aligning the organizational culture with the desired strategic direction requires a focused effort to promote a culture that supports flexibility, collaboration and continuous improvement. This is critical in strategy implementation process as noted by Catanzaro et al (2010) and Cable (1997) who established that applicants are attracted to organizations they perceive demonstrate a match between their own personal values, needs, culture and espoused values of that particular organization.

There is also the lack of alignment and coordination and it is true that effective strategy implementation requires alignment across different departments and functions within the organization. It was noted that Sony Sugar Company sometimes struggle with coordinating activities and ensuring that all teams are working towards a common goal. However, independent decision-making, lack of cross-functional communication and conflicting priorities has led to misalignment, thus hindering the successful execution of

strategic plans in the company. This is in line with that of Okumus (2003) who noted that the company's power structure, decision making processes, job responsibilities and labor force distribution are all impacted by how organizational structure is matched to strategy.

In line with the study findings, Obara (2006) noted that poor policy design is a challenge to strategy implementation. He argues that an organization without clear policies governing management plans bring about conflict in roles and can hinder implementation of decisions resulting in non achievement of desired results. A well established code of conduct that includes organizational policies and implementation guidelines is crucial in the strategy implementation process.

Poor leadership coupled by inadequate stakeholder involvement in the company derail the implementation process. The findings indicated that no clear direction or information on how to achieve the goals is provided. Good leadership ensures that there is a proper channel that ensures smooth flow of information across the organization in regard to strategy implementation. This findings agrees to that of Noble (1999) who described this leadership as one that combines technical skills, interpersonal skills and sensitivity to the needs of other functions and also emphasizes on the need for a common language and understanding. On the other hand, this study also reinforces the findings that a successful strategy implementation requires stakeholder's views that create a feeling of ownership as the stakeholders become more involved and informed. This helps in good decision making in regard to the strategy being implemented. These findings are in line with Kessler and Kelley (2000) findings who noted that successful strategy implementation requires senior management sincerity, support and involvement. Without these critical ingredients, ambitious goals are unlikely to be achieved.

Finally, the findings indicate that setting unrealistic goals and low rewarding culture significantly impedes strategy implementation at Sony Sugar. This study finding is In line with that of Heng (2012) who noted that poor management of reward system decreases employee's performance leading to low productivity, internal organizational conflict, absenteeism and high employees turnover. The study findings also supports a study findings by Pride, Hughes and Kapoor (2010) who noted that with a specific goal setting, employees may be committed to achieve goals especially when there is reward tied together with those goals so as to enhance both performance and productivity of employees at their work place. This is also supported by Edwin A. Locke (2020) who noted that if a goal feels too complex or overwhelming, it can negatively impact motivation. Instead leaders should break down large goals into smaller, more manageable tasks.

# **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

## **5.1 Introduction**

This chapter presents the summary of the study as derived from the findings herein. The chapter also gives conclusions based on the research findings. In addition, this section presents the policy implications of these findings on practice and also in academia. The study limitations are captured here and subsequent recommendations for further studies. Finally, the chapter presents the researcher's recommendation for policy and practice.

## **5.2 Summary of Findings**

This study examined the challenges faced by Sony Sugar Company in implementing its strategic plans. 12 respondents were interviewed from the middle and top level management in regard to the research question. All of the respondents positively responded to the interview questions. The researcher identified and analyzed various obstacles that hinder the effective execution of strategies within the organization. The study emphasized the importance of overcoming these challenges to achieve desired outcomes and organizational success.

From the analysis of the findings it was noted that Sony Sugar Company experiences seven key challenges in its strategy implementation that include inadequate resources, poor communication, political interference & poor policy design, Mismatch between organizational culture and organizational goals, Mismatch between strategy & structure, Poor leadership & inadequate stakeholder involvement, setting unrealistic goals and low

rewarding system.

It is important that the management find ways of securing funds to promote their strategy implementation process. Clear communication and support from top management are crucial in addressing these challenges. In addition, efforts to promote a culture of flexibility, collaboration and continuous improvement are necessary. The management should operate with different stakeholders and adopt flexible monitoring plans in managing their major operations so that strategy implementation can become a success in the organization.

### **5.3 Conclusion**

From the findings of this study, it is concluded that effective strategy implementation at Sony Sugar is faced by various challenges. It requires careful planning, coordination and execution to translate strategic goals into tangible actions and outcomes. This challenges if not well managed can lead to poor performance and productivity of the company.

Additionally, the study indicated that regular evaluation is critical in identify bottlenecks or deviations from the plan, allowing for timely adjustments and corrective actions. Therefore, companies that have monitoring and control systems in pace are able to effectively monitor progress and provide feedback on the implementation process.

### **5.4 Recommendations**

The following recommendations were made on the basis of the findings and the Importance of the study. Sony Sugar Company should prioritize investments based on the strategic priorities, considering the potential return on investment and long-term sustainability. Improvement of this undertaking will enhance success in strategy implementation. It was also recommended that there is need for effective leadership that provides clear direction, communicates the strategy and supports change initiatives. The study also recommends enhancement of the alignment of corporate culture to strategy.

The study suggests that the management should find ways to offer training and development programs to align employees' skills, mindsets, and behaviors with the strategic goals. They should also provide resources and support that help employees adapt to new ways of working and to foster a culture that supports the strategy.

For successful strategy implementation, it is recommended that the policy makers should come up with appropriate policies to address these challenges.

In addition, Leaders should embody the desired values and behaviors, consistently communicate and reinforce the strategic goals and reward actions that support the strategy. This will help drive cultural change and enhance strategy implementation efforts.

The study also recommended that organizations should be agile and adaptable, ready to respond to external changes and make necessary course corrections so that practitioners can improve their chances of successful strategy implementation and achieve desired objectives. This would also enable the practitioners comprehend some of the difficulties associated with implementing a strategy and key solutions to promote effective strategy implementation in their major programs.

Typically, this study results provides useful insights associated with the challenges of strategy implementation that would help future researchers as reference points in reviewing challenges of strategy implementation.



### **5.5 Limitations of the Study**

The findings and conclusions of the study were specific to Sony Sugar Company and may not be directly applicable to other organizations or industries. The unique context, internal dynamics, and external factors of Sony Sugar Company may limit the generalizability of the study's results. In addition, the results could be influenced by the characteristics and perspectives of the selected respondents, potentially leading to biased conclusions. Since the study relied on self-reported data through interviews, there could be a possibility of response bias.

Some Participants may have provided socially desirable answers or inaccurately recall and report their experiences, leading to potential errors or misinterpretations. However, the researcher confirmed to the participants that the study was meant for academic work only. This encouraged them to provide honest information. The other challenge was accessing the senior managers during the time of the study.

## **5.6 Suggestions for Future Research**

The study suggests potential areas for future research in strategy implementation within the sugar industry in Kenya. There is need for further studies that can be done to help in examining the role of leadership in strategy execution, exploring the impact of organizational culture and employee involvement in the implementation process as well as investigating the use of technology and innovation in strategy implementation. Finally, exploring the influence of external factors such as government policies and regulations. This is important in managing future operations in terms of strategy implementation in the sugar sector in Kenya.

The future studies should also adopt non-case study design and promote the use of publicly available information to expand comprehensive examination of the challenges facing the sugar sector today.

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## APPENDICES

### Appendix I: Introduction Letter



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May 03, 2023

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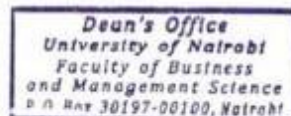
**RE: INTRODUCTION LETTER: BILLY ATIENO ODHIAMBO**

The above named is a registered Masters in Business Administration candidate at the University of Nairobi, Faculty of Business and Management Sciences. She is conducting research on ***"Challenges Of Strategy Implementation At Sony Sugar Company"***.

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the Project.

The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.



**PROF. JAMES NJIHIA**  
**DEAN, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES**

## **Appendix II: Interview Guide**

The objective of this study is to establish the challenges of strategy implementation at Sony Sugar Company

1. What is your current position at Sony Sugar?
2. Which department do you head at Sony Sugar?
3. How many years have you worked at Sony Sugar?
4. Could you please explain to me the strategy implementation process at Sony Sugar?
5. Could you please explain some of the main challenges of strategy implementation at Sony Sugar?
6. To what extent has Sony Sugar faced the following challenges in their strategy implementation?
  - i. Lack of resources
  - ii. Poor communication
  - iii. Political interferences
  - iv. Poor policy design
  - v. Mismatch between culture and organizational goals or values
  - vi. Mismatch between strategy and structure
  - vii. Poor leadership
  - viii. Inadequate stakeholder involvement
  - ix. Setting unrealistic goals
  - x. Low rewarding culture
  - xi. Poor organizational culture and norms
  - xii. Others.....Explain how.
7. Could you please indicate some of the solutions that can be adopted to promote strategy implementation in your organization? Explain how.

**THANK YOU FOR YOUR TIME**