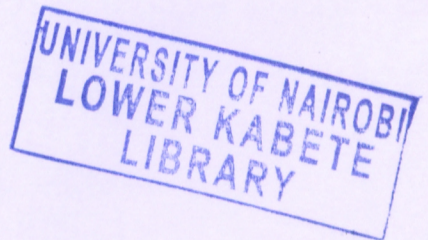


STRATEGY IMPLEMENTATION AT KENYA MARITIME
AUTHORITY

BY

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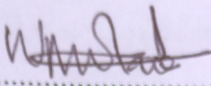
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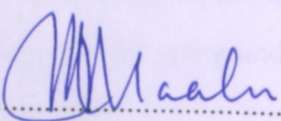
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ABSTRACT

The project analyses the strategy implementation process in Kenya Maritime Authority (KMA), challenges faced and how they are being overcome. KMA is a public corporation in Kenya that is the government agency mandated to regulate, coordinate and oversee maritime affairs both at sea and inland waters. It analyses strategy implementation in the public sector and looks at the delicate balance between local legislation vis-à-vis international standards. Strategy implementation is looked in the broader picture as a subset of strategic management. Strategic management entails strategy formulation, implementation and evaluation.

Strategy implementation may seem quite straightforward: a strategy is formulated and then implemented. Transforming strategies into actions is a far more complex, difficult and challenging undertaking and therefore is not as straightforward as one would assume. The strategic management process includes implementation which may take either the planned strategy approach, emergent strategy approach or a combination of both. The study looks at which of these strategies were used by KMA and to what extent they were successful.

Primary and secondary data relevant to the objectives of the study was collected for analysis. The data focused on how KMA was carrying out its strategy implementation. Secondary data was obtained from KMA records such as corporate strategic plans, financial statements, company magazine, annual reports and company website. An in depth interview was conducted to collect relevant primary data for the study. The interview guide was administered to, the Director General, the Head of Maritime Safety, Company Secretary and Head of Legal Department, the Head of Commercial Shipping and Head of Corporate Support Services. The data was analysed using content analysis.

The study found out that in the process of strategy implementation, KMA put in place mechanisms to ensure the individual and organizational sub-units execute their part of the strategic plan successfully. The main drivers of strategy implementation are: institutionalization and operationalization of the strategic plan. Challenges to strategy implementation identified were: the participatory approach was adopted which resulted in difficulty in involving everyone and the structure of performance management was a major challenge.

ABBREVIATIONS AND ACRONYMS

BOD	Board of Directors
COMESA	Common Market for Eastern and Southern Africa
CS	Company Secretary
CSM	Commercial Shipping Manager
CS & RW	Chief Surveyor & Receiver Wreck
DG	Director General
EAC	East African Community
ERP	Enterprise Resource Planning
EPIRB	Emergency Position Indicating Radio Beacon
F & AM	Finance & Administration Manager
GMDSS	Global Maritime Distress Support Service
HF	High Frequency
HMS	Head of Maritime Safety
ICT	Information Communications Technology
ILO	International Labour Organization
IMO	International Maritime Organization
ISPS	International Ships and Port Facilities Security Code
ISCOS	Intergovernmental Standing Committee on Shipping
KMA	Kenya Maritime Authority
KCAA	Kenya Civil Aviation Authority
KPA	Kenya Ports Authority
KMA	Kenya Maritime Authority
LF	Low frequency
LUTCC	Local User Terminal Control Centre
M & E	Monitoring and Evaluation
MARPOL	The International Convention for Prevention of Oil pollution from ships, 1973 as modified by the protocol of 1978
MF	Medium Frequency
MSA	Merchant Shipping Act
MSS	Merchant Shipping Superintendent
NEMA	National Environmental Management Authority
NMOSRCP	National Marine Oil Spill Response Contingency Plan

RMRCC	Regional Maritime Rescue Coordination Centre	
RRI	Rapid Response Initiative	
SAR	Search and Rescue	
SART	Search And Rescue Team	
SOLAS	The International Convention for Safety of Life at Sea, 1974, as amended	
STCW	The International Convention on Standards of Training, Certification and Watch keeping, 1978, as amended	
UN	United Nations	
NGOs	Non-Governmental Organizations	
ISM	International Safety Management Code	
IMDG	International Maritime Dangerous Goods Code	
IOMOU	Indian Ocean Memorandum of Understanding	
ISO	International Standardization Organization	
INCOTERMS	International Commercial Terms	
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CHAPTER ONE

INTRODUCTION

1.1 Overview of Strategic Management

Strategic management is a field that deals with the major intended and emergent initiatives taken by managers on behalf of owners, involving utilisation of resources to enhance the performance of firms in their external environments. It entails specifying the organisation's mission, vision and objectives. Moreover developing policies and plans, often in terms of projects and programs, which are designed to achieve these objectives, and then allocating resources to implement the policies and plans, projects and programs. The strategic management process means defining the organisation's strategy. It is also defined as the process by which managers make a choice of a set of strategies for the organization that will enable it achieve better performance.

Strategic management is a continuous process that appraises the business and industry in which the organization is involved, appraises its competitors, fixes goals to meet the present and future competitors and then reassess each strategy. The strategic planning process involves five tasks i.e. developing the business concept and forming the vision, transforming mission to objectives, crafting a strategy, implementing strategy, evaluating performance and corrective adjustment. The strategic management process can also be said to involve three stages: formulation, implementation and evaluation. In these processes implementation is the most critical as damage done in this stage has far reaching consequences.

1.1.1 Strategy Implementation

Strategy implementation and organizational change cannot be delinked (Miller 1997). He further argued that organizations are resistant to change and uphold the status-quo even if it is detrimental to them. It is one thing to develop clear and meaningful strategies, it is another matter and of greater practical importance to effectively implement strategies (Koontz and Weirrich, 2001). Kotler (2000), states that strategic management involves stating organizations objectives. Secondly, policies and plans to achieve these objectives are developed. Finally, resources which are used for implementing the plans are allocated. He also defines it as art and a

science of formulating, implementing and evaluating decisions that cut across different functions that enable an organization achieve its objectives.

Developing a model of appropriate structures, controls, objectives, integration mechanisms and incentives for implementing strategy helps organization adapt to change Hrebiniak (2005). Quinn (1980) and Mintzberg (1987) argued the world was simply not that straight forward. This uncertainty and complexity meant it was impossible to analyse everything at face value and predict the future. Thus the search for optimal solutions was a futile exercise. Drucker (1958), stated that to be effective, an executive (whom he defines as any knowledge worker responsible for making decisions) must master five specific skills. These skills are time management, mobilizing strength, prioritizing correctly, choosing what to contribute and making right decisions.

One of the conventions that has led both scholars and practitioners of strategic management is the idea that there is a distinction between strategy formulation and strategy implementation. The convention holds that the formulation of strategy is based on identification of organizations goals and the rational analysis of its external environment and internal resources and capabilities (Grant, 2000). Once a company has chosen a strategy to achieve its goals, that strategy must be put into action by selecting appropriate structure and managing the execution through tailoring the management systems of the organization to the requirements of the strategy (Hill and Jones, 2001). Putting strategy into place and getting individual and organizational subunits to execute their part of the strategic plan successfully is essentially an administrative task (Thompson and Strickland, 1992).

Strategy implementation is one of the components of strategic management and refers to a set of decisions and actions that result in formulation and implementation of long term plans designed to achieve organizational objectives (Pearce and Robinson, 2003). It is viewed by Thompson and Strickland (1989), as acting on what has to be done internally to put the formulated strategy in place and achieve the targeted results. Hunger and Wheelan (1995), see it as a process by which management translates strategies and policies into action through the development of programs, budgets and procedures. This process might involve changes within the overall structure, culture

and the management system of the organization. Its purpose is to complete the transition from strategic planning to strategic management by incorporating adopted strategies throughout the relevant systems (Bryson, 1995).

Strategy implementation includes consideration of who will be responsible, the most suitable organizational structure that should support the implementation (Pettigrew, 1988; Lynch, 2000); the need to adapt systems used to manage organizations (Johnson and Scholes, 2002); the key tasks to be carried out and desired changes in the resource mix of the organization as well as the mandate of each department in the organization and the information systems to be put in place to monitor progress and resource planning (Pearce and Robinson, 1997). Implementation may also take into account the need for retaining the workforce and management of change (Johnson and Scholes, 1999).

1.1.2 Overview of Kenya Maritime Authority

Kenya Maritime Authority (KMA) is a state corporation in the maritime industry. It was established by the Government of Kenya in 2004 in pursuit of its agenda in maritime transport and to further strengthen its maritime administration. The Government transferred areas of responsibility over shipping concerns from Merchant Shipping Department of Kenya Ports Authority to an independent Government Authority (parastatal). The Authority aims to broaden and modernize the institutional and legal framework for the implementation of maritime safety, security and preservation of marine environment. A relevant development to KMA's mandate and activities is the Kenya Government's decision on private sectors involvement in the operations of Mombasa port. In this context there is a need to continuously update and revise national commercial maritime legislation to enhance development of an internationally vibrant shipping industry. Also, it is through such regulations that the government can enforce international maritime conventions, especially those emanating from the International Maritime Organization (IMO).

National maritime legislation remains one of the primary tools for attaining international standards in safety and security and the preservation of the marine environment. Only through such regulations can the Government enforce international maritime conventions, especially those emanating from the International Maritime Organization (IMO). Such rules and regulations are also relevant for the implementation of national maritime safety, security and marine environment conventions/programmes. The statutes that guide the operations of Kenya Maritime Authority are the KMA Act 2006 and the Merchant Shipping Act, 2009 which came into effect on 1st September 2009. Establishment of KMA therefore marked a major milestone in Kenya's maritime industry.

1.2 Research Problem

The notion of strategy implementation may seem quite straightforward: a strategy is formulated and then implemented. On the contrary, transforming strategies into actions is a far more complex, difficult and challenging undertaking and therefore is not as straightforward as one would assume (Aaltonen and Ikavalko, 2001). The strategic management process includes implementation which may take either the planned strategy approach, emergent strategy approach or a combination of both. Planned strategies are developed as roadmaps after meticulous planning and are long term in nature. They work best in a stable environment. Usually, these strategies are to develop a competitive advantage. Emergent strategies are implemented due to environmental dynamics and turbulence which was not envisaged when strategy was initially being developed. Their main aim is to counter a competitive disadvantage and the implementation process is drastic and hasty in nature with little future predictability. This study aims at identifying which of these approaches has been used and how successful it has been.

The maritime industry in which KMA is operating has been encountering so many uncertainties and turbulence. These have been occasioned by factors like piracy and armed robbery at sea, political instabilities in some countries and volatility of financial markets. In addition, inconsistencies in international law, strained diplomatic relations and other socioeconomic factors have had adverse effect on the maritime industry. KMA is affected by both local and international factors in its operation. It provides an ideal scenario of of an organization that must

subscribe to local legislation through Merchant Shipping Act 2009, as well as international legislation set by United Nations through International Maritime Organization. KMA also shows the rare case of an offshoot of parent institution that grew to be a regulator of mother organization. This is the case with Kenya Ports Authority from which KMA has taken over some mandates and is currently regulating.

Studies on strategy implementation have been done by among others Awino (2002) and Koskei (2003). Koskei (2003), did a case study of Telkom Kenya Limited at a time when the mobile telephony industry was not well developed hence did not capture the turbulence captured by cutthroat competition. Awino (2002), on the other hand did a study on the challenges of financing higher education in Kenya by Higher Education Loans Board. This is a financing organization whereas the mandate of KMA is a regulatory one and it is mainly affected by local conditions as it is not international in its operations. Due to different environmental conditions affecting organizations studied, it would not be enough to say that by understanding the strategies in these organizations, it will explain conclusively the strategic challenges facing Kenya Maritime Authority. Since no study has been conducted in Kenya Maritime Authority since its inception, the study would reveal the challenges facing strategy implementation for proposed strategic plans. The study therefore will focus on the strategy implementation and challenges faced by KMA. The aim of the study is to seek response to the following questions. How is KMA carrying out the strategy implementation process, what are the challenges KMA is facing and what are the steps being taken currently to handle these challenges?

1.3 The Research Objectives

The study has two objectives:

- i Determining the strategy implementation process at KMA
- ii Identification of the factors affecting strategy implementation at KMA

1.4 Value of the study

The findings of the study will be important to the following; KMA top management team, employees of KMA, management in other organizations, researchers and scholars. Top

management of KMA will be able to continue making significant progress in areas of process involvement, automation and revenue enhancement. This will therefore facilitate a supportive strategy through review of major functional areas of the organization, and hence effective allocation and efficient utilization of resources. The findings of the study will increase KMA employees knowledge and understanding of strategy implementation. They will thus assist in the alignment of personal goals and objectives to the organizations' objectives. It will make it explicit where employees fit into the organization strategy maps and how to contribute in the process of strategy implementation.

The results of this study will be a valuable source of information for strategy implementation, support and drive of management in other organizations. Management from other organizations will benefit from understanding their roles, critical success factors, benefits to be derived and challenges faced in strategy implementation. The findings and discussions will help strategy developers and implementers to appreciate the importance of strategic control and feedback that detect challenges while recommendations will serve as important feedback on the way forward.

The findings of this study will provide improvement to the knowledge base of researchers and scholars of strategy implementation process and its challenges in Kenyan companies. It will aid in identification of other research areas thus facilitate further studies on additional approaches of strategy implementation. The study will be of importance to government agencies whose interest lies in improved service delivery for economic development and creating investor confidence. It will assist the government in pointing out areas of difficulty in allocation of resources and prioritizing during process of strategy implementation. The study will also help the government in formulating a policy on the regulatory process in the economy in areas that necessitate strategy implementation, in order to achieve forecasted economic growth and development.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

All high performing organizations whether public or private are, and must be interested in developing and deploying effective strategy implementation systems. This chapter focuses on the review of literature related to this research. This is done with the aim of collecting views, perspectives and opinions on strategy implementation and its challenges. The review depends on theoretical literature which includes books, research papers, magazines and information from the internet.

The strategy implementation and strategy formulation processes are closely interrelated. The desired results of an organization are established during the strategy formulation process. Implementation consists of issues involved in putting the formulated strategy to work. It is necessary to spell out more precisely how the strategic choice will come to be. No strategy, no matter how brilliantly formulated will succeed if it cannot be implemented.

2.2 The Concept of Strategy

A strategy is a set of decision making rules which is mainly for guidance of an organization (Ansoff and McDonell, 1990). Aosa (1992) argues that organizations have to constantly adapt their internal configurations and activities to reflect new external situations in a changing environment. Failure to consider this may jeopardize the future success of the organization. The environment is very complex and dynamic, with change occurring rapidly, radically and dynamically (Burnes, 1996). Strategy is a much used and abused word, and means different things to different people and organizations. Like many other concepts in the field of management, there is no agreed all embracing definition of strategy. Indeed, strategy is an elusive and somewhat abstract concept. This may be expected when dealing with an area that is constantly developing (Grant, 2000).

Strategy is a multi-dimensional concept and various authors have defined strategy in various ways. Chandler (1962), in *Strategy and Structure*, calls strategy "...the determination of the basic long term goals and objectives of an enterprise, and the adoption of courses of action and allocation of resources necessary for carrying out these goals." Strategy is the match between organizations resources and skills, and the environmental opportunities and risks it faces and the purpose it wishes to accomplish (Hofer, 1978). It is meant to provide guidance and direction for activities of the organization, since strategic decisions influence the way organizations respond to the environment, the purpose of the strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment (Schendel and Hofer, 1979).

Andrews (1971), defines strategy in terms of corporate strategy as the pattern of major objectives, purposes, or goals and essential policies or plans for achieving these goals, stated in such a way as to define what business the company is in or is to be. According to Jauch and Glueck (1984), strategy is "a unified and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and this is designed to ensure the basic objectives of the enterprise are achieved through proper execution by the organization."

2.3 Strategy Formulation

The strategic planning process is a disciplined and well defined organizational effort aimed at the complete specification of a firm's strategy and the assignment of responsibility for its execution (Hax and Majluf, 1996). There are five tasks that are envisaged in the strategic planning process. These are developing a concept of the business and forming a vision of where the organization needs to be headed; translating the mission into specific long range and short range performance objectives, crafting a strategy that fits the organizations situation and that should produce the targeted performance, implementing and executing the chosen strategy efficiently and effectively; and evaluating performance, reviewing the situation and initiating corrective adjustments (Thompson and Strickland, 1992).

Strategy formulation involves matching a firm's weaknesses to strengths particularly its distinctive competencies to opportunities in the environment (Porter 1980). Ansoff and McDonnell (1990), one source of difficulty is that pre-strategy decision making processes are heavily political in nature. Strategy introduces elements of rationality which are disruptive to the historical culture of the firm and threatening to the political process.

skills, attitudes, capabilities, experiences and other characteristics require a specific task or position.

2.4 Strategy Implementation

According to Gilbraith and Karzajin (1986), there are several major subsystems to the organization that must be co-ordinated to successfully implement a new organizational strategy. These subsystems include: technology, reward systems, decision processes and structures. As with any system, the subsystems are interrelated and changing one may affect the others. Peters and Waterman (1982) focused attention on the role of culture in strategic management. Organizational culture is more than emotional rhetoric. The culture of an organization develops over a period of time and is influenced by values, actions and beliefs of individuals at all levels of the organization.

responsibilities or the potential (Kaplan, 2005).

Thompson, Strickland and Gamble (2007) state management tasks that are important to good strategy execution and operating excellence are: building a capable organization, marshalling the needed resources and steering them to strategy critical operating units, establishing policies and procedures that facilitate good strategy execution, adopting best practices and pushing for continuous improvement on how value chain activities are performed. In addition, creating internal operating systems that enable better execution and employing motivation practices and compensation incentives that gain wholehearted employee commitment to the execution process, creating a strategy supportive corporate culture and exerting the internal leadership needed to drive the implementation of strategic activities forward and achieve higher plateaus of operating excellence.

more flexible and devolve power by empowering the employees. This in turn stimulates the

Strategy implementation results when organizational resources and actions are tied to strategic priorities and the key success factors are identified, and performance measures and reporting aligned (Koskei, 2003). Aosa (1992), once strategies have been developed, they need to be

implementation. They include performance measurement and reward system management control

implemented: they are of no value unless they are effectively translated to action. Peng and Litteljohn (2001) identified two dimensions of strategy implementation as structural arrangements, and selection and development of key roles. Govindarjan (1989) argued that effective strategy implementation is affected by the quality of people involved in the process. Peng and Litteljohn (2001) claimed the quality of people to be skills, attitudes, capabilities, experiences and other characteristics require a specific task or position.

McKinsey's (1982) model describes the seven factors critical for effective strategy execution. This model identifies the factors as strategy, structure, systems, staff, skills, style/culture and shared values. Strategy can be described as a plan of action of an organization. It also entails how activities and reporting relationships are grouped and the mechanization prepared to help it achieve its objectives or deal with changes in its external environment. Strategy deals with three issues. First, where the organization is at this moment in time. Secondly, where the organization wants to be in a particular period and finally, how to get there. Strategy by design is intended to transfer the firm from its current position using objectives, subject to constraints of the capabilities or the potential (Kaplan, 2005).

Structure refers to how tasks and people are specialized and divided, and authority is delegated. It entails how activities and reporting relationships are grouped and the mechanisms by which activities in the organization are coordinated (Kaplan, 2005). Organizations can be structured in a variety of ways depending on their culture and objectives. Operation and performance of a company is often dictated by the structure (Waterman et al, 1980). Traditionally, businesses have had a hierarchical structure with several departments and divisions, each responsible for a specific task. Management was organized in layers with each being answerable to the layer above it. Recent trends are nowadays towards a flat structure where work is done by teams of specialists rather than in fixed departments. The main logic behind this is to make organizations more flexible and devolve power by empowering the employees. This in turn eliminates the middle management layers (Boyle, 2007).

Kaplan (2005) describes systems as the formal and informal procedures used to manage the organization. They include performance measurement and reward system, management control

system, budgeting and resource allocation system, planning and management information systems. Every organization has some systems or internal processes to support and implement the strategy. Traditional organisations used a bureaucratic style model where decision making is centralized at the higher management levels. This has the problem of requiring sometimes unnecessary requirements for a specific decision. Nowadays the trend is for organizations to simplify and enhance the speed of decision making by innovation and use of new technology. Special emphasis is on the customer with the intention to make processes that involve customers and be as user friendly as possible (Lynch, 2005).

According to Kaplan (2005), staff refers to people, their backgrounds and competencies. This entails how the organization recruits, selects, trains, socializes, manages careers and promotes employees (Kaplan, 2005). Organizations are made up of people who make the difference to the success of the organization in the increasingly knowledge based society. Human resource is increasingly getting the central position in strategy of most organizations away from the traditional model which emphasizes capital and land. Therefore, it has become paramount to instill confidence in employees about their future in the organization and future career growth as an incentive to work hard (Purcell and Boxal, 2003). Skills on the other hand refers to the distinctive competencies of the organization; what it does best along dimensions such as people, management practices, processes, systems, technology and customer relationships (Kaplan, 2005).

Style or culture in leadership refers to how managers spend their time, what questions they ask their employees, what they focus attention on and also how they make their decisions. In addition, organizational culture may refer to dominant values and beliefs, the norms, the conscious and unconscious symbolic acts taken by leaders in the course of duty (Kaplan, 2005). Organizational culture and management styles vary across organizations. It includes dominant values, beliefs and norms which develop over time and become enduring features of the organization. It involves management interaction with employees and how managers spend their time. Culture still remains a key consideration in strategy implementation in an organization. Previously businesses have been influenced by military style management and culture which emphasized on orders from upper management to lower rank employees. However, there is a

shift presently to more open, innovative and friendly environment with fewer hierarchies and a smaller chain of command. Culture still remains an important consideration in strategy implementation in organizations (Martins and Terblanche, 2005).

Lastly, shared values refer to the core or fundamental set of values that are widely shared in the organization and serve as guiding principles of what is important. They include vision, mission and value statements that provide a broad sense of purpose for all employees (Kaplan, 2005). All members of an organization share some common fundamental ideas or guiding concepts around which the business is built. These values and common goals keep the employees working towards a common goal and foster team spirit. Any organization with weak values and common goals will find their employees following their own personal goals that may be different or even in conflict with those of the organization or their fellow colleagues (Martins and Terblanche, 2003).

The 7-s model posits that organizations become successful when they achieve integrated harmony between the hard components which are strategy, structure and systems and the soft components which are skills, staff, style and shared values (Kaplan, 2005). Hard components are normally well documented and seen in the form of tangible objects or reports like corporate plans, strategy statements and organizational charts. The soft components are more difficult to comprehend and are only possible to understand by studying the organization very closely, normally through observation or conducting interviews. A linkage can be made between the hard and soft components. For example, a rigid hierarchical organizational structure leads to bureaucratic organizational culture where power is centralized at the highest management level (Waterman et al, 1980).

2.5 Framework for Strategy Implementation

Mullins (2005) defines structure as tasks and responsibilities, work roles and relationships, and channels of communication. All organizations have goals, boundaries and levels of authority, communication systems, coordination mechanisms and distinctive procedures (Baumol, 2002). An organizational structure is part and parcel of its internal capability (Ansoff, 1990). Hall et al

(2003) identifies three organizational structure variables (formality, complexity and centralization). Mintzberg (1979) comes up with five structures which have varying degrees of formality, complexity and centralization. They include: simple structure, machine bureaucracy, professional bureaucracy, divisionalised form and autocracy. Swartz (1985) argues successful strategies require properly marched organization structure. Changes in structure should not be expected to make a bad strategy good, or make bad managers good, or to make good managers bad, or to make bad products sell (Chandler 1962).

The vital thing the leader does is to create team spirit around him, whose effectiveness has to be seen and is best seen in action (Mullins 2005). Successful strategy implementation is directly linked to the unique characteristics, orientation and actions of the chief executive officer (Johnson and Scholes, 2002). Organizational culture can be defined as the collection of common values, policies, beliefs, traditions and attitudes that constitute a pervasive context for everything we do and think in an organization (McLean, 2005). Culture is known to influence creativity and innovation (McLean, 2005). Culture becomes a system of management authority when accepted by employees and can be a motivator to achievement of organizational objectives (Mullins, 2005).

Aosa (1992) in his survey of private manufacturing firms in the Kenyan context concluded that companies maintaining links between strategies and budgets were significantly more successful in implementing strategy than those not maintaining those links. On the other hand, managers involvement, training and use of various investment evaluation criteria had mixed effects on success in implementing strategy. Gupta et al (1984) argues that managers and employees must be rewarded for adhering to the new strategy and implementing actions that are consistent with strategy implementation.

The most important resource of an organization is its people (Johnson and Scholes, 2003). In cases where the needs of the individual and the demands of an organization are incompatible, frustrations and conflict are bound to occur and strategy implementation cannot be achieved (Mullins, 2005). All organizations have at least four types of resources. These are financial resources, physical resources, technological resources and human resources (Thompson, 1990).

Yasemin and Husen (2005) found that systems, processes and routines for organizing, allocating and developing new programmes during implementation directly depend on human resource. Identifying the appropriate resources and competencies to support strategy implementation will not result in successful implementation unless the organization is also able to allocate resources and control performance in line with strategy (Daft, 2000).

Policies establish indirect control over independent actions by clearly stating how things are to be done. Since it is the operating managers who supervise implementation of policies, it is vital that middle managers are engaged in and committed to such strategies so that they can perform this translation process (Kazmi, 2002). Policies institutionalize basic aspects of organizational behaviour. They counteract resistance to or rejection of chosen strategies by organization members. Communicating specific policies helps overcome resistance to strategic change and foster commitment to strategic implementation. This should be stated in writing whenever possible (Hussey, 1988).

Experience has shown that some strategic actions fail more often than they succeed (Thomas and Strickland, 1989). Successful strategy execution depends on good internal organization and competent staff. Building a capable organization is thus a top strategy implementation priority (Thomson and Strickland, 1989). Anything as fundamental as implementing and executing the chosen strategic plan involves moving the whole organizational culture into alignment with strategy (Thomson and Strickland, 1989). Aosa (1992) observes that the lack of capability between strategy and culture can lead to high resistance to change and de-motivation, which can in turn frustrate the implementation. The lesson from well managed company is that what the manager says and does has a significant bearing on down-the-line strategy implementation and execution (Peters and Waterman, 1992).

People working in organizations sometimes resist change proposals and make strategy implementation difficult (Lynch, 2000). This may take the form of procrastination and delays in triggering the process of change, unforeseen implementation delays and inefficiencies which slow down the change. This makes it cost more than was originally anticipated, lack commitment, slow downs, absenteeism, disrespect of deadlines, poor performance and strikes. Lack of synergy between structure and culture may obstruct the smooth implementation of

strategy by creating resistance to change (Pearce and Robinson, 2003). Managing synergy while focusing to re-enforce culture, managing around culture and reformulating new organizational culture are some recommendations of Pearce and Robinson (2001) for managing strategy-culture relationships in various institutions. Whilst the strategy should be chosen in ways that fit the organization structure, the process of matching the structure to strategy is complex (Byars et al 1996).

Changes in social values, behaviours and attitudes towards childbearing, marriage, lifestyle, work, ethics, sex roles, racial equality, social responsibilities etc. will have effects on firms development (Pearce and Robinson, 2003). Development in the ability to access and process information can build or destroy an organizations core competency which is crucial for competitive advantage (Johnson and Scholes, 2002). Anticipated new or substitute products render the organizations product uncompetitive (Pearce and Robinson, 2003).

The most important problem experienced in strategy implementation in many cases is the lack of sufficient communication. Aaltonen and Ikavalko (2001) state that the amount of strategic communication in most of the organizations is large, both written and oral communication is used in form of top down communication. However, a great amount of information does not guarantee understanding and there is still much to be done in the field of communicating strategies. According to Wang (2000), communication should be two way so that it can provide information to improve understanding and responsibility and motivate staff. Before any strategy can be implemented, it must be clearly understood. According to Byers et al (1996), clear understanding of a strategy gives purpose to the activities of each employee and allows them to link whatever task is at hand to the overall organization direction. Aaltonen and Ikavalko (2001), asserts that a lack of understanding of a strategy is one of the obstacles of strategy implementation. They point out that many organizational members recognize strategy issues as important and also understand their context in generic terms. However, the problem in understanding arrives when it comes to applying strategic issues in the day-to-day decision making.

Al-Ghamdi (1998) identified barriers to strategy implementation which include: competitive activities that distract attention from implementing the decision, changes in responsibilities of

key employees not clearly defined, key formulators of strategy implementation not playing a key role in implementation and problem requiring top management involvement not communicated early enough. Also, key implementation tasks and activities not sufficiently defined, information systems used to monitor implementation are inadequate and overall goals not sufficiently understood by employees. In addition, uncontrollable factors in external environment, surfacing of major problems which had not been identified earlier, advocates and supporters of the strategic decision leaving the organization during implementation process and implementation taking more time than originally allocated.

2.6 Outcomes of strategy implementation

A strategy may be good but if its implementation is poor, its goals may not be achieved. There are several possible strategy implementation outcomes. Poor strategy implementation coupled with poor strategy formulation results in failure whereas poor strategy implementation coupled with good strategy implementation results in trouble. On the other hand, good strategy implementation matched with poor strategy formulation results into a situation of gamble/roulette. Only a good strategy which is well implemented contributes to the success of the firm. The outcomes of strategy implementation can be summarized by the model of strategy implementation outcomes presented in figure 1.

Figure 1: Outcomes of strategy implementation

		Strategy formulation	
		Good	Poor
Strategy implementation	Good	Success	Roulette
	Poor	Trouble	Failure

Source: Mintzberg H. (1987). The outcomes of strategy implementation.

An analysis of both formulation and implementation is required in diagnosing why a strategy failed in the roulette, trouble, and failure cells in order to find a remedy. The strategy implementation may fail because of failure to develop an organization capable of implementing strategy successfully, inability to disburse abundant resources to strategy essential activities and use of policies that do not encourage strategies (S. Certo and J. Peter, 1990). In addition, they argued having a reward structure disconnected from accomplishment of results, best policies and programs not being used for constant improvement and inability to utilize strategic leadership lead to failure in strategy implementation.

3.2 Data collection

Primary and secondary data relevant to the objectives of the study was collected for analysis. The data focused on how KMA was carrying out its strategy implementation. Secondary data was obtained from KMA records such as corporate strategic plans, financial statements, company magazine, annual reports and company website. An in depth interview was conducted to determine challenges company has encountered and its response to these challenges.

An interview guide was used to collect relevant primary data for the study. The interview guide was divided into sections, with each section having a set of questions relevant to the indicated aspect. The research data and information was gathered from senior executives of various departments of the organization. Collections and suggestions were collated based on collected information from documents, experience and interviews.

The survey interviewed five people. The Director General, the Head of Maritime Safety, Company Secretary and Head of Legal Department, The Head of Commercial Shipping and Head of Corporate Support Services. A letter of introduction was given to respondents before the

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research design

The study was done through a case study design. The method is suited to identifying details in KMA. As indicated by Kothari (1990), a case study involves a careful and complete analysis of a social unit, institution, family, cultural group or an entire community and embraces depth rather than breadth of study.

The data was analysed using content analysis. Cooper and Schindler (2001) point out that it enables a researcher to collect in depth data and allows him to be more focused. According to Kothari it is a powerful form of quantitative analysis which involves careful and complete observation of a social unit.

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The survey interviewed five people. The Director General, the Head of Maritime Safety, Company Secretary and Head of Legal Department, The Head of Commercial Shipping and Head of Corporate Support Services. A letter of introduction was given to respondents before the

interview. They were chosen because with exception to the Director General they head the four major departments and make major decisions for the organization. The Director General and Company Secretary and Head of Legal Services also sit in the board of directors thus vet and approve organization strategies. Aosa (1992) argued that a study with a narrower focus would achieve greater depth thereby providing other insights of strategic management practices in Kenya. The data after collection is to be processed, summarized and verified in accordance to the objectives of the study.

3.3 Data analysis

The data was analysed using content analysis. Cooper and Schindler (2003), point out that content analysis measures the semantic content or the “what” aspect of the message. Its breadth makes it a flexible and wide ranging tool that may be used as a methodology or as a problem specific technique. He further points out that content analysis guards against selective perception of content and provides vigorous application of reliability and validity criteria. Content analysis is also preferred because it uses a scientific method which includes attention to objectivity, intersubjectivity, a prior design, reliability, validity, generalizability, replicability and hypothesis testing. Moreover, it is not restricted to the type of variables that may be measured or the context in which data is obtained or presented.

The content of the answers were analysed to address the various research objectives, that is, to find out how KMA has carried out its strategy implementation process and determine the challenges met. Content analysis uses categorization for making valid and replicable inferences from data to their context (Robin and Piele, 2006). Content analysis was used to look critically into the kind of data being analysed, how it was defined, the population from which it was drawn, context relative to which data was analysed and target of the inferences.

Neuendorf and Kimberly (2002), state that there are three distinct approaches to content analysis: conventional, directed and summative. Conventional content analysis was used since ideas and concepts were derived directly from existing documents like corporate strategic plans, financial statements, company magazine and annual reports. In directed approach, analysis starts with

theory of relevant research findings as guidance for initial ideas and concepts. This was done by analysing similar and related researches in the area of strategy implementing and using them as a basis for comparison. Summative content analysis involves counting and comparison of events or content, followed by interpretation of underlying context. This was used mainly in analysis of financial statements, budgets and the customer satisfaction index so as to establish trends and patterns.

4.2 Profile of KMA

The Kenya Maritime Authority was created in June 2004 by an act of parliament in pursuit of its mandate in maritime transport and to further strengthen its maritime administration. The Government transferred areas of responsibility over shipping concerns from Merchant Shipping Department of Kenya Ports Authority to an independent Government Authority (parastatal). KMA as an agency of the government is mandated to facilitate the economic transformation of Kenya's maritime sector through its regulatory role; this function is supported under the Kenya Constitution. This role is captured under Schedule 4 of the constitution. The Board of Directors was appointed in January 2005 and signed a Performance Compact with the Government for the year 2005/06.

The Authority's mandate as spelled out in the Kenya Maritime Authority Act is to regulate, coordinate and exercise maritime affairs both at sea and inland waters. Thus, KMA is expected to enforce an effective regulatory regime on all waters under its jurisdiction for security and safety, protection against marine pollution, preservation of the marine environment and promotion of local participation in international shipping business. Anticipated activities to achieve these objectives are set out in the Strategic Plan and the Board has placed at the disposal of management, adequate resources and leadership aimed at successfully attaining them.

CHAPTER FOUR

FINDINGS AND DISCUSSION

4.1 Introduction

This chapter intends to explain research findings on how KMA has carried out the process of strategy implementation. In addition the factors that were identified as affecting strategy implementation at KMA are highlighted.

4.2 Profile of KMA

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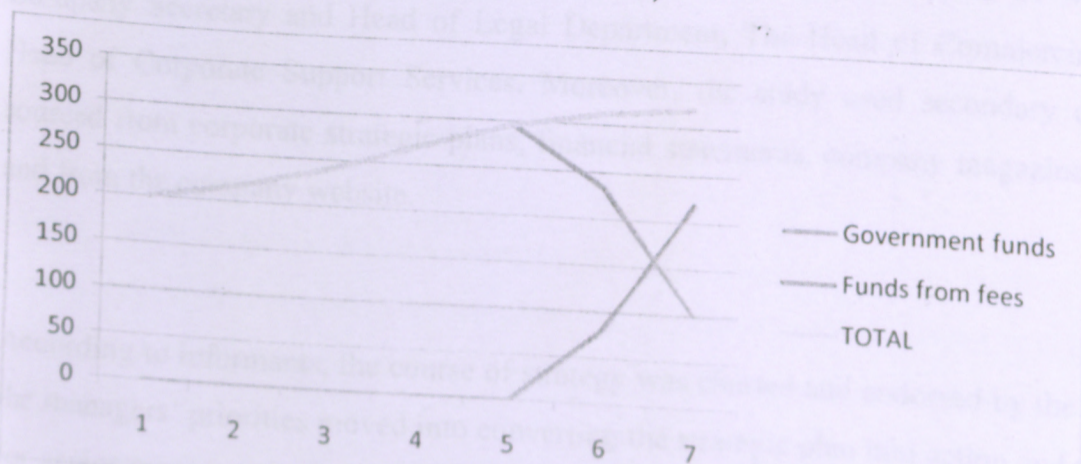
KMA currently has four branches, the headquarters which is in Mombasa at White House on Moi Avenue, a Regional Maritime Rescue Coordination Centre (RMRCC) at Kilindini in the port facility and two branches in Kisumu and Lamu respectively. Most of the administrative functions are coordinated from the headquarters but search and rescue operations are coordinated from RMRCC. KMA's avenues for generating its own revenue were previously limited and the Authority depended largely on Government grants to fund most of its activities. However, after passing and gazette of fees regulations by parliament in December 2011, the Authority can minimize this dependence by providing quality service to its clients for whom appropriate fees are charged without making such services unaffordable. In the efforts towards financial self-sufficiency, the Board has enforced the principles of sound accounting and cost cutting. The fees are envisaged to generate about 6 billion shillings when fully implemented, most of which will be given to the treasury through the consolidated fund. Expenditure for the fiscal year 2010-2011 was about 300 million shillings; hence the organization is forecasted to operate at a surplus.

Table 1: Source of KMA funds (Ksh 'Millions')

Year	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Government	200	217	240	270	296	233	101
Fees Funds	0	0	0	0	0	79	219
TOTAL	200	217	240	270	296	312	320

Source: KMA Financial Statements Analysis Document

Figure 2: Source of KMA funds (Ksh 'Millions')



Source: KMA Financial Statements Analysis Document

According to the Kenya Maritime Authority Strategic Plan 2006-2011, initially KMA had staff who were seconded from other government institutions mainly KPA. The initial number of staff as at 2005 when operations began was twelve. They had to do jobs for multiple positions due to inadequate capacity. The process of recruiting of qualified staff to replace personnel seconded from Kenya Ports Authority (KPA), was among the first key tasks. Currently there are no staff seconded from KPA but the process of recruiting and training personnel with the relevant skills is ongoing. The organization currently has sixty three staff with some positions still vacant due to lack of technical expertise.

4.3 The Process of Strategy Implementation at KMA

Strategy implementation is the process of translation of chosen strategy into organizational action so as to achieve strategic goals and objectives in KMA. In addition, the manner in which commercial shipping systems and culture follow strategies that lead to competitive advantage and a better performance. The study aims to interrogate the process of strategy implementation at KMA. It looks at the holistic strategy management process of formulation, implementation and evaluation with an emphasis on actualization of strategy. The researcher sought to establish how KMA went ahead to achieve these objectives, whether KMA had implemented a strategic plan and if so, how this had been done and to what extent the implementation had been successful. An interview guide was used to collect relevant primary data for the study. The interview guide was divided into sections, with each section having a set of questions relevant to the indicated aspect. The survey interviewed five people: The Director General, the Head of Maritime Safety, Company Secretary and Head of Legal Department, The Head of Commercial Shipping and Head of Corporate Support Services. Moreover, the study used secondary data which was sourced from corporate strategic plans, financial statements, company magazine, annual reports and from the company website.

According to informants, the course of strategy was charted and endorsed by the board, and then the managers' priorities moved into converting the strategic plan into action and results. The task for senior management was to get individual and organizational sub-units to execute their part of

the strategic plan successfully. They also indicated that in implementing the strategy, certain measures were necessary and therefore taken by the organization. Successful implementation depended largely on organizational structure, institutionalizing the strategic plan, incorporating the strategic plan into a system of norms and values which help shape employee behavior thus making it easier to achieve strategic goals. The strategy was also operationalised i.e. translated into specific policies, procedures and rules that would guide planning and decision making by managers and employees. Thus the organization had to build up an organizational capability of carrying out the strategic plan, develop strategy supportive budgets and programs; instill a strong organizational commitment to both organizational objectives, and the chosen strategy: link the motivation and reward structure directly to achieving the targeted results; create an organizational culture and a work environment that will be in tune with strategy, install policies and procedures that facilitate strategy implementation, develop an information and reporting system to track progress and monitor performance.

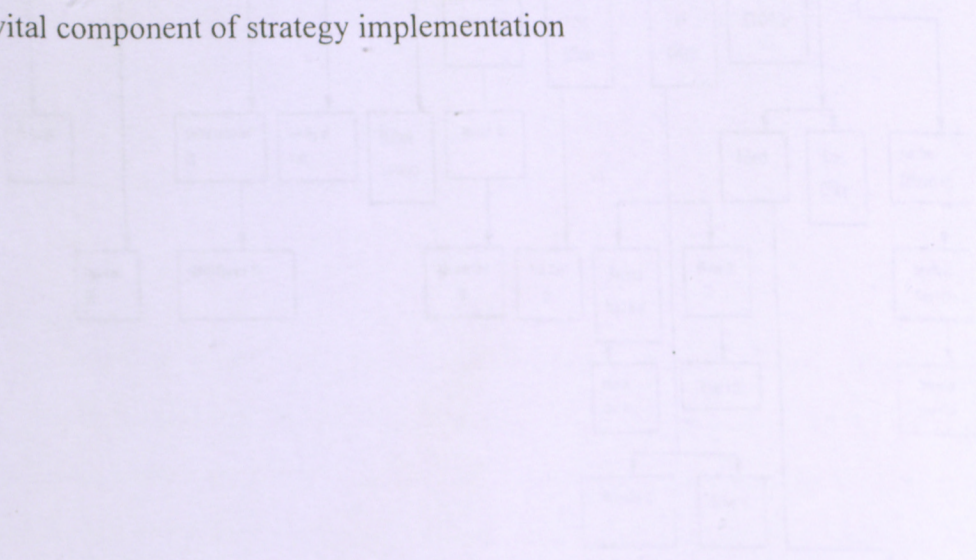
4.3.1 Strategy Implementation at the Institutional Level in KMA

The informants said members of their departments were aware of the strategic plan being implemented in KMA. The strategic plan was developed by a team of experts in consultation with top management. Several workshops and seminars have been conducted to sensitise top and middle level managers on the strategic plan. The first strategic plan was developed to cover five years from 2007 to 2011. It was prepared in a highly participatory manner through workshops for directors, management and staff. In these workshops they analysed internal and external environment, developed priority areas, performance indicators, annual operational plans followed by conduction of annual reviews.

Strategy implementation at KMA needed some major components. The first was an organization structure that was consistent with the strategies. Structure revolves around how people and tasks are organized. The study found out that KMA had put up a structure that enables it implement the strategies formulated. The current organizational structure as shown in figure 3 is set from KMA 1 to KMA 10 with KMA 1 being the Director General who is the Chief Executive Officer

of institution. The Director General receives instructions from the board of directors in which she is a member. Under her are four departmental heads who lead the four major departments of KMA. They are: Corporation Secretary and Head of Legal Services, Head of Maritime Safety Department who was previously called Chief Surveyor and Receiver of Wrecks, the Head of Corporate Support Services who was previously called Finance and Administration Manager and the Head of Commercial Shipping previously called Commercial Shipping Manager.

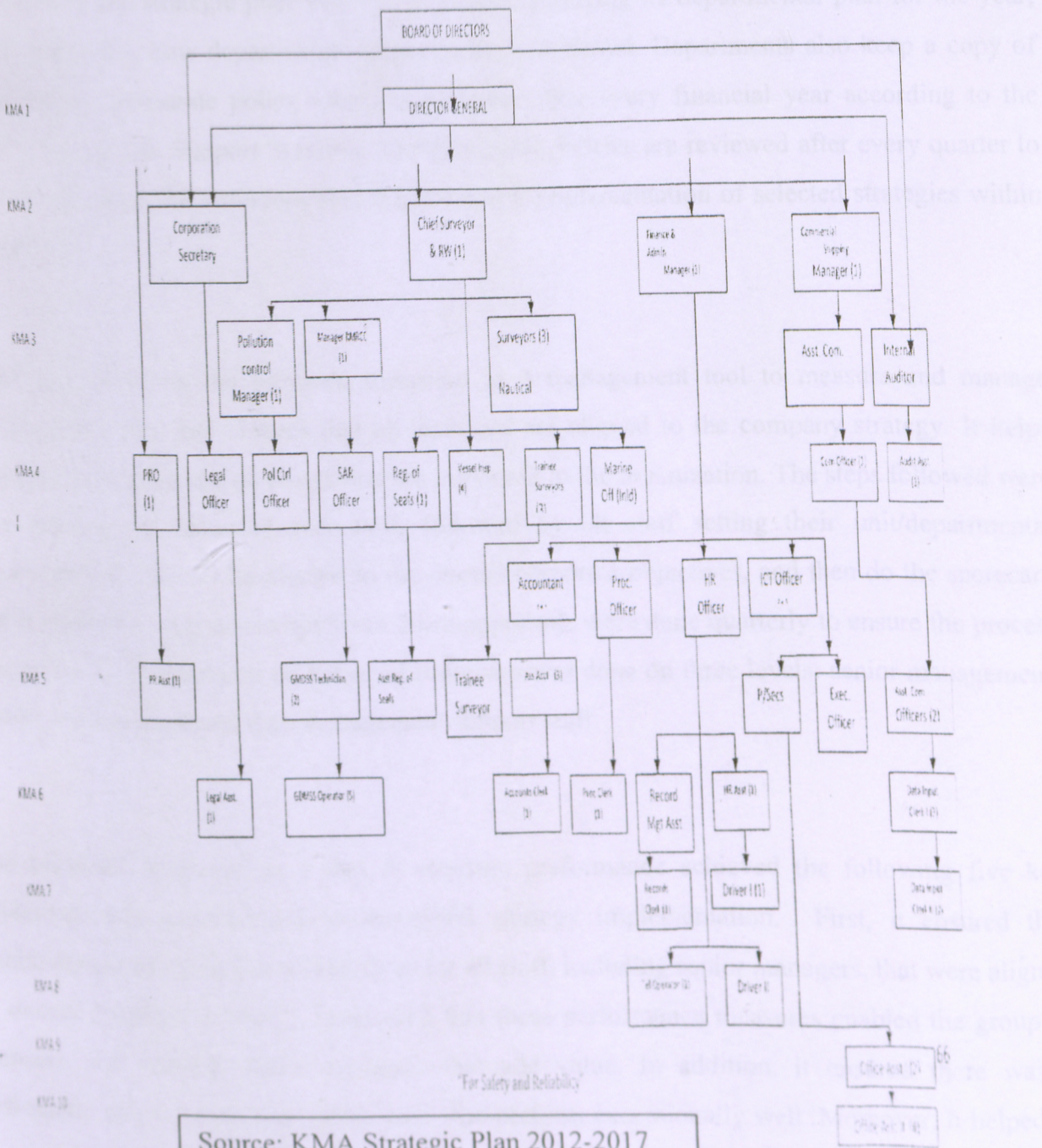
The office of the Director General through appointment of officers is responsible for strategy and change. It is mandated to facilitate the strategy implementation process to increase employee participation. It also ensures timely, on cost implementation of strategy initiatives. It continuously appraises ongoing activities with reference to both internal and external environment and causes the necessary proactive responses. The office also facilitates creation of appropriate office climate for action to ensure implementation of the strategic plan through well prioritized and sequenced projects, and devices change initiatives to bring about a performance culture and improved management information systems. KMA structure facilitates coordination and control of all activities and people. It does this by establishing: the degree to which activities are broken up or differentiated. It also further determines the degree to which rules and procedures are applied and where the decision making authority lies. These three areas of structure are a vital component of strategy implementation



Source: KMA Strategic Plan 2012-2017



Figure 3: KMA Organisation Structure.



Source: KMA Strategic Plan 2012-2017

The second item that was important in KMA strategy implementation is systems. Systems refer to processes and information flow that link an organization together. It also refers to the formal and informal procedures used to manage the organization. These include management control systems, performance measurement and reward systems, planning, budgeting and resource allocation systems, and management information systems. Information flow in KMA is mainly top down with coordination coming from line as well as functional managers. The study found out that organization contains a policy manual on how to implement strategy. This is usually contained in the strategic plan with each department having its departmental plan for the year, which highlights how departmental targets will be achieved. Departments also keep a copy of organizations corporate policy which is reviewed after every financial year according to the Head of Corporate Support Services. The functional policies are reviewed after every quarter to take into account the variations that might impede implementation of selected strategies within the year.

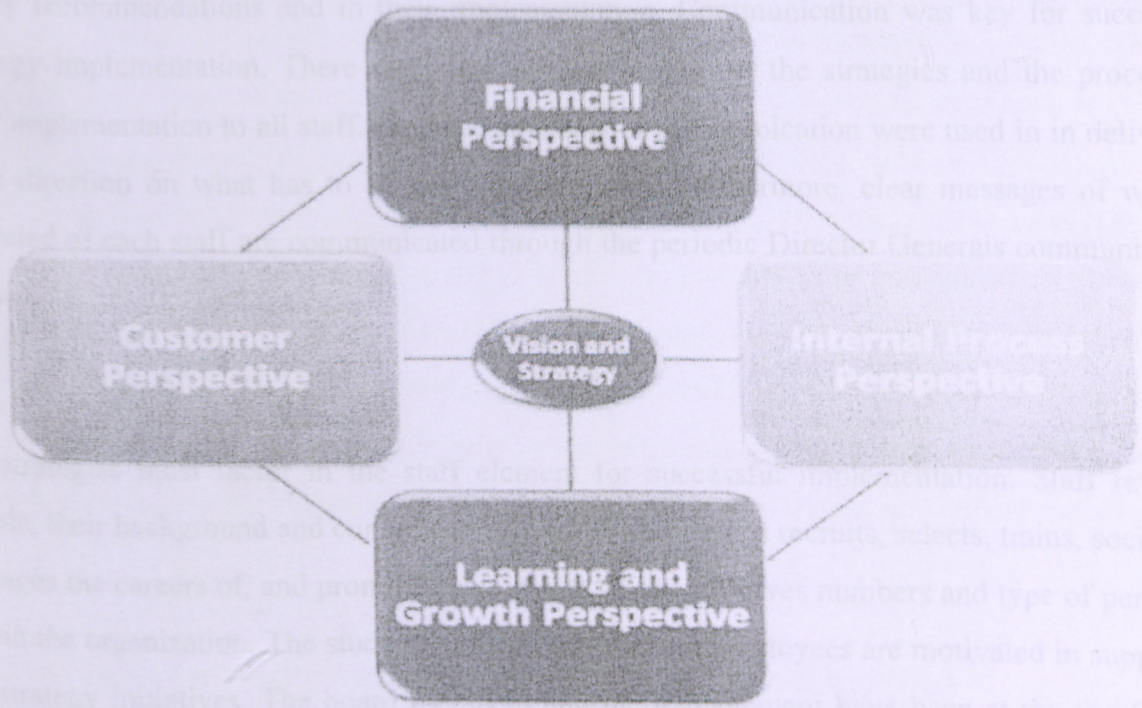
KMA has taken up the balanced scorecard as a management tool to measure and manage performance. The tool ensures that all activities are aligned to the company strategy. It helps people prioritise on and do things that are important to the organization. The steps followed were staff training on balanced scorecard, followed by all staff setting their unit/departmental objectives that were to be aligned to the overall corporate objectives, and then do the scorecard that is aligned to corporate objectives. Mini-appraisals were done quarterly to ensure the process was on track. The training on balanced scorecard was done on three levels: senior management, middle management and then management support staff.

Source: KMA Strategic Plan 2012-2017

The balanced scorecard as a tool to measure performance achieved the following five key objectives that were central to successful strategy implementation. First, it ensured that establishment of performance measures for all staff, including senior managers, that were aligned to overall strategy. Secondly, it ensured that these performance measures enabled the group to measure and rewards those outcomes that add value. In addition, it ensured there was a systematic way of rewarding those staff who perform exceptionally well. Moreover, it helped in

identifying, setting, measuring and managing the right performance measures that would ensure that staff are motivated and give the desired outcomes. Also, it facilitated having an appraisal system that brings out training needs.

Figure 4: Balanced scorecard relationships



Source: KMA Strategic Plan 2012-2017

In addition having a strategy supportive style is paramount for optimum strategy implementation. Style relates to behavior of management in achieving organizational goals. The management is tasked with the responsibility of managing the various projects extracted from the corporate strategy. The current management of KMA are supportive of the process although some managers tend to be very conservative and sometimes even highly bureaucratic thus slowing the process of strategy implementation. On the flip side however, these managers act as a check to

the process as they are very cautious and avoid rushed decisions that would be detrimental to the institution.

Managers use a balanced scorecard to monitor their performance. They are expected to understand projects they are in charge of and provide explanations for deviations from targets. The management have been very supportive of employees in all departments in coming up with policy recommendations and in their implementation. Communication was key for successful strategy implementation. There was clear communication of the strategies and the process of their implementation to all staff. Multiple channels of communication were used in delivering clear direction on what has to be done and by who. Furthermore, clear messages of what is expected of each staff are communicated through the periodic Director Generals communication to staff.

All strategies must factor in the staff element for successful implementation. Staff refers to people, their background and competencies, how organizations recruits, selects, trains, socializes, manages the careers of, and promotes employees. It also involves numbers and type of personnel within the organization. The study also found out that the employees are motivated in supporting the strategy initiatives. The board members and the management have been at the forefront of sourcing for finances to facilitate strategy implementation. They have done this by facilitating adoption of new fees regulations by supporting their enactment in giving approvals and following up the process. Improvement in the human resource policy has been done. Teamwork is very high and there are good channels of communication for the team.

The skills in an organization are important in determining the success of strategy implementation. Skills refer to the distinctive capabilities of the personnel in organization as a whole. The highly heterogeneous mix of skills set among the staff and board of directors is an asset to KMA. The board of directors also represent different interest groups hence have a non-biased outlook to issues. However, having different skills set poses a challenge as far as

managing the different character of members is concerned. Every year KMA employs new staff and sends others for training so as to build capacity in a variety of disciplines. The study found out that the staff, management and the board of directors expect change in both the internal and external environment.

Shared values have a great influence on strategy implementation. Shared values relates to what organization stands for and what it believes in. The institution shared values aims at using best practices in its operations to ensure efficient service delivery. KMA has a correspondence desk which is a system for confidential and anonymous intake, review, possible investigation and resolution of incidents originating from a variety of sources. The use of correspondence desk helps to manage breach of procedure, workplace abuses and other ethical issues within the organization. The risks of unethical behavior include loss of revenue, impact to organization reputation, loss of management focus and failure in the mandate. The correspondence help desk ensures that stakeholders have a means of knowing conduct that is expected of themselves and others before acting. It provides a mechanism for the workforce and other stakeholders to raise internal controls on ethics related concerns and to anonymously report suspected misconduct. In addition, its establishment is meant to establish a culture of compliance and ethical conduct.

4.3.2 Strategy Implementation at the Operation Level in KMA

The process of strategy implementation in KMA has mainly used planned strategies. These strategies have been broken down into departmental work plans and finally operational tactics. Departmental work plans are developed by the departments themselves with the departmental heads tasked with responsibility of ensuring they are a means of effecting the strategy. Operational tactics however may either be departmental or are tasked upon an individual depending on the task at hand.

There is continuous assessment of the whether the strategies are producing the required results. This is through a feedback mechanism where customers rate the quality of the service they have received. In addition, they are encouraged to give feedback as regards to the levels of satisfaction

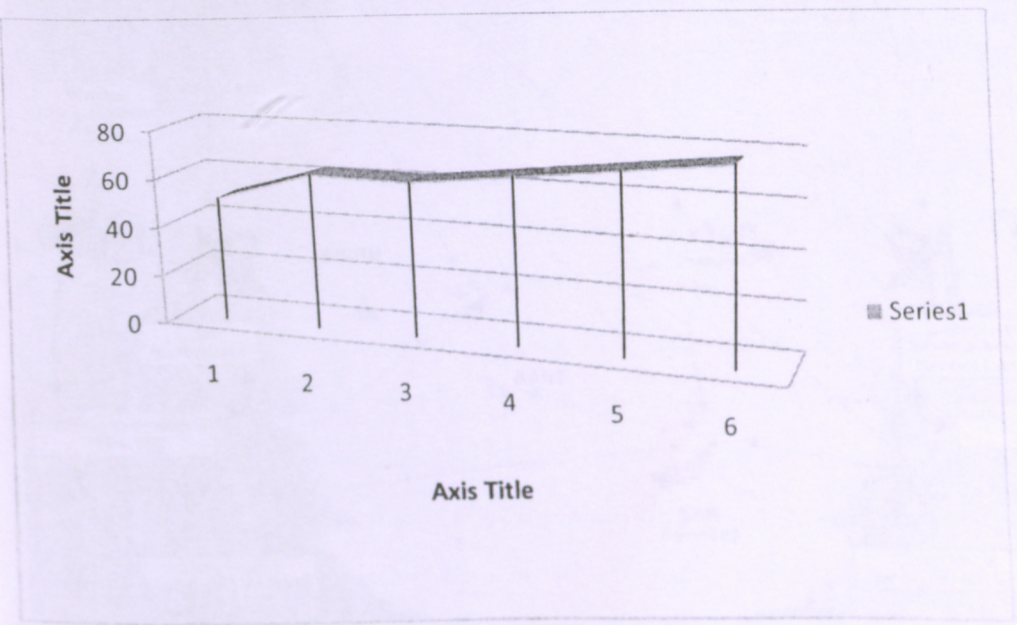
from the services being offered. These responses are evaluated by the Strategy and Tactics Committee which recommends changes in mode of strategy implementation and tactic development. Also responses are obtained from the performance ratings and feedback of the Public Service Commission of Kenya. Their responses are very important as they serve as public watchdog in evaluating whether KMA is fulfilling its mandate

Table 2: Percentage index of customer satisfaction in KMA from 2006 to 2011

Year	2006	2007	2008	2009	2010	2011
% Satisfaction	51	63	62	67	72	77

Source: KMA Customer Survey Analysis Report

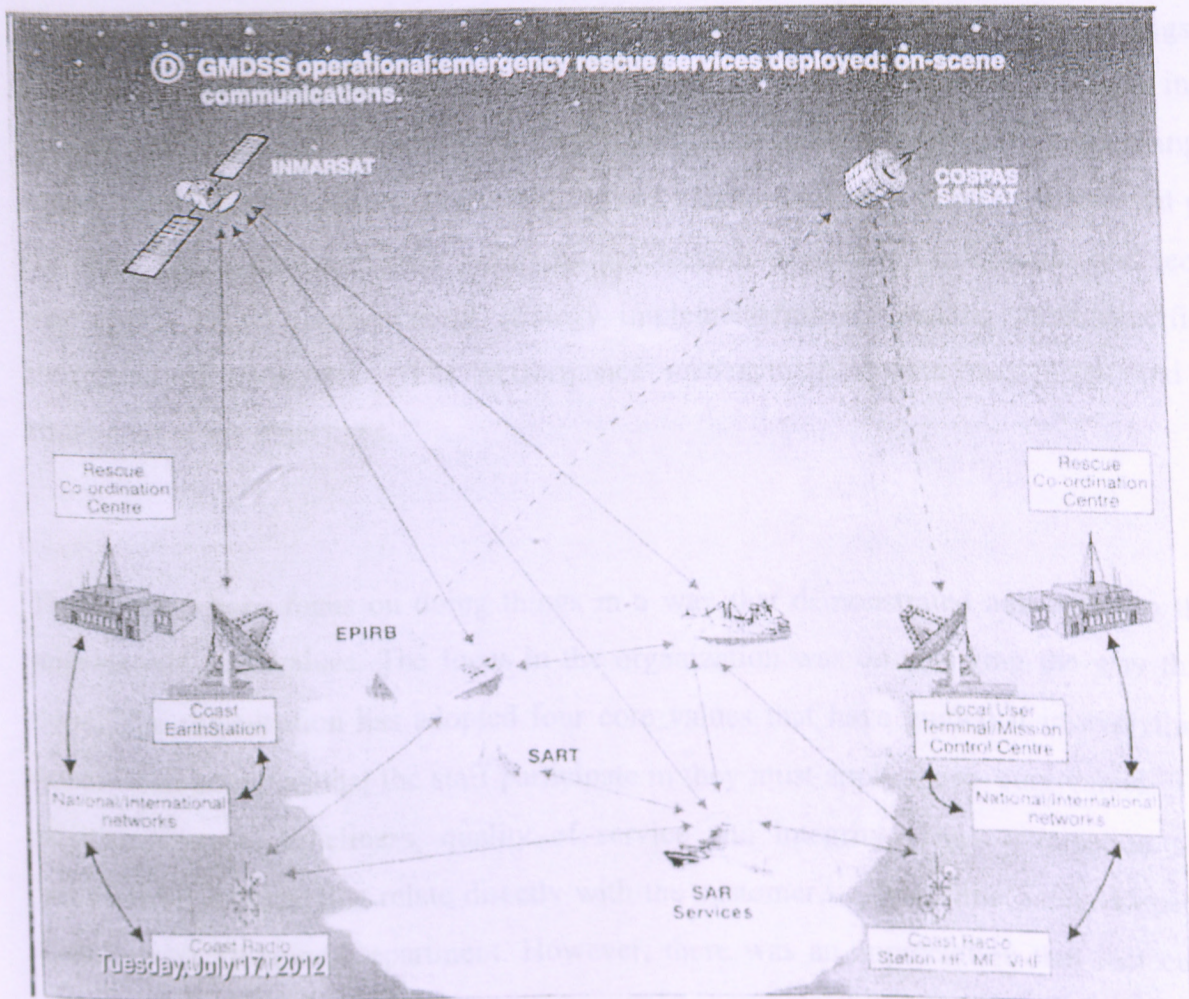
Figure 5: Graphical representation of Percentage index of customer satisfaction in KMA from 2006 to 2011



Source: KMA Customer Survey Analysis Report

Respondents further said that KMA is aligning itself towards the integration of world maritime industry as a village. This has been so mainly by introduction of Regional Maritime Rescue coordination Centre (RMRCC) in Mombasa. RMRCC coordinates cross border search and rescue operations along the East African coast from Somalia to Mozambique. This is done in liason with other agencies like Kenya Navy, Kenya Wildlife Services, Kenya Civil Aviation Authority, Marine Police unit, The American Navy and the respective security organs of the countries concerned. The staffs in the centre are sourced from the region and are well versed with the Global Distress Maritime support Service (GMDSS) which is currently operational in the centre.

Figure 6: Schematic of operation of GMDSS system



Source: Djibouti Code of Maritime Distress Manual

When a distress call is received at the Local User Terminal Control Centre a receipt message is triggered with notification dissemination message to other partners. Distress signal may be detected from a ship's Emergency Positioning Indicating Radio Beacon (EPIRB) and relayed to Rescue Coordination Centre via satellite transmission. National and International networks are set into motion with vessels within the vicinity of signal notified, as well as any aircrafts in a position to offer assistance. A Search and Rescue Team (SART) is promptly assembled to assist in the operation.

A key component of strategy implementation at KMA was training. The training was motivated by the desire to build capacity especially in understaffed technical areas and was geared towards better performance management. Also, according to the Director General these trainings had the intention of equipping the staff with skills to translate what they needed to do to individual specific action plans. It would be clear from measurable results whether staff is achieving what it is they are required to achieve. The trainings were also meant to develop expertise that provided real time, hands on experiences with new processes and procedures. Rewards and recognition was also a major component of strategy implementation by making them specific to the attainment of goals set. The performance management system recognizes and rewards attainment of the objectives.

There was a keen focus on doing things in a way that demonstrated adherence to the vision, mission and core values. The focus in the organization was on changing the way things were done. The organization has adopted four core values that have guided it in everything that is done. In all activities that the staff participate in they must apply these core values. These are a positive attitude, timeliness, quality of service and integrity. The organization started this initiative with teams that relate directly with the customer i.e. Maritime Safety Department and Commercial Shipping Department. However, there was an appreciation that that customs and norms would not take effect if everyone in the organization was not aligned to them. The physical environment was also changed to create a new mindset to the staff. More shared spaces

were created to reflect need for sharing knowledge and information. Virtual offices were created as an effort to allow easier reach to customers.

An example of emergent strategy that the organization has taken up is rapid results initiative (RRI). Rapid results initiative is a methodology designed to accelerate implementation of planned activities and deliver outcome and impact results based on results based management. It entails a shift from concentration on processes to focusing on results without compromising standards, quality, rules and regulations. In RRI departments are grouped into teams and given 100 days to effect a goal. Each team crafts or sets a result based goal which must be drawn from the performance contract. Each team then develops a rapid response initiative work plan in addition to a team operating plan. Pertinent issues include the amount of data they have on the size of the issue or opportunity. Also, the significant step-up results for this issue or opportunity. In addition, whether it felt like a stretch goal i.e. if it required creative actions over and above what was already being done. In tackling these issues a team has to look for innovative ways to deal with challenges given the limited time span.

RRI has four phases: shape phase, launch phase, management of progress phase and scale up phase. Firstly, the shape phase involves orientation on results based management and rapid results approach. In addition, it facilitates the group to develop thematic/strategic challenge areas. Furthermore, an agreement is made on temporary governance structure, a launch date and preparations for the launch. Secondly, the launch phase three major activities happen; crafting of RRI goals, developing RRI work plans and agreeing on team operating plans. Thirdly, the managing progress phase involves implementation of the work plan, mid-term review and end-term review. Finally, the scale up phase entails maintaining the same goal but increasing the target, widening the scope, maintaining the same thematic area but broadening the area of focus and deepening the impact.



Also, in driving the achievement further a team can select a totally new challenge area. Principles of Results Based Management are citizen - centered service delivery, results focus, accountability and transparency, horizontal integration, performance measurement, stakeholder participation and performance monitoring and reports. RRI Work Plans can only be prepared after setting a result based goal. They can be as many as there are goals/teams and describe what it takes to meet that goal. Need to flow in a step by step manner to reach the goal. These steps are referred to as milestones and to accomplish them various tasks/activities must be undertaken. A person responsible for each task is specified, along with the beginning date and end date for each activity.

The strategies and tactics committee is tasked with implementing strategies that are set by the management. It is involved in extraction of projects embedded in the corporate strategy, as well as their coordination. After extraction of the projects from corporate strategy, the various departments of KMA take them up under their respective department heads. Every department then nominates an officer . Every department then nominates officers who develop tactical plans to implement the projects. These nominated officers report to the departmental heads that vet and approve their proposals.

Also, a budget is required for each activity as shown in table 3. They act as a control mechanism for the level of expenditure anticipated for a given timeline. Budgets in KMA are usually done for a five year period in which a strategic plan is functional. They are then further broken down to budgets for a financial year, quarterly budgets and project budgets. It is worth noting that sometimes project budgets many overlap in more than one quarter so long as implementation of project has not been completed. The budgeting process has usually been an all inclusive affair with staff giving recommendations which are vetted by senior management before going to the board of directors for approval.

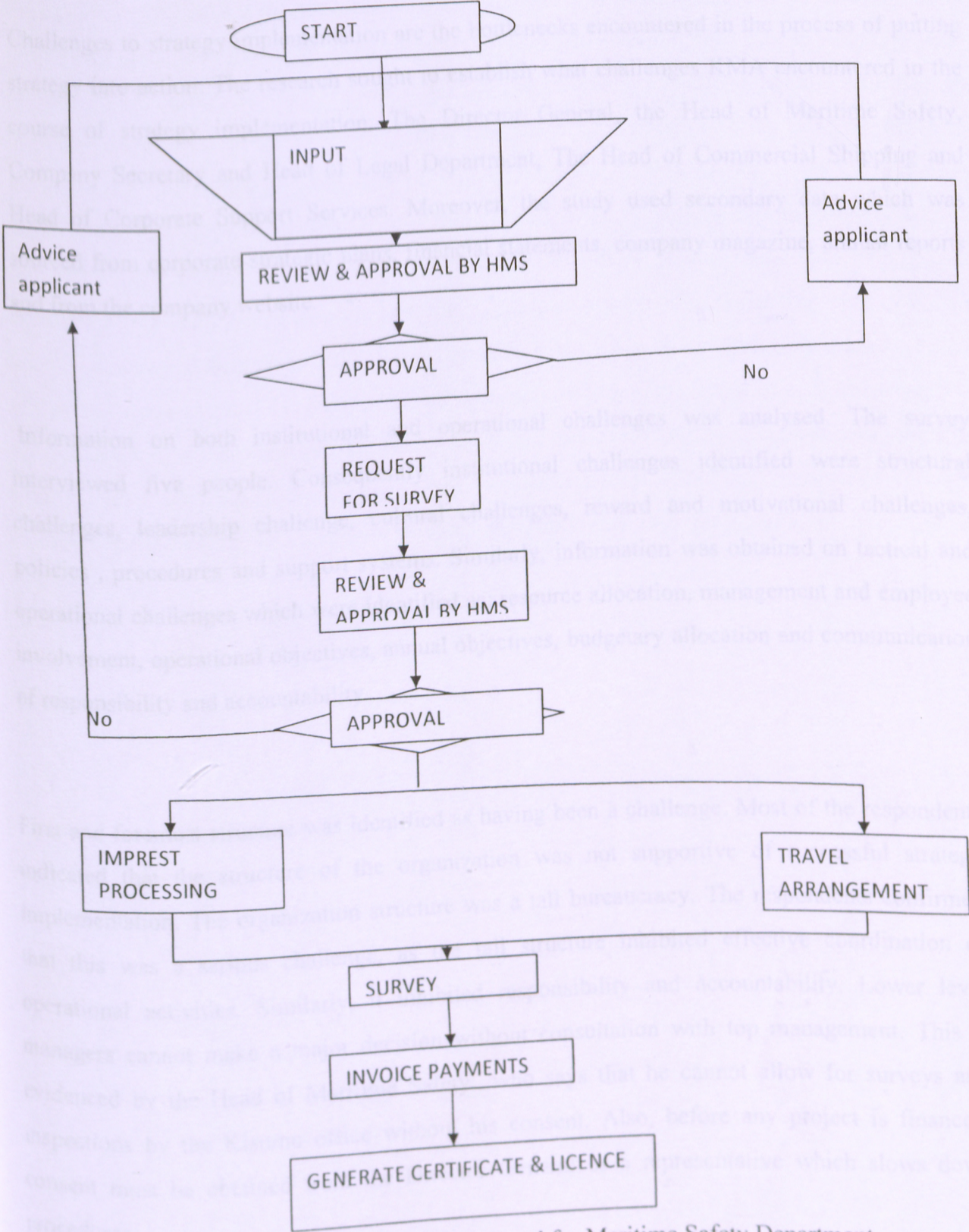
Table 3: Strategic Plan Budget Summary (Kshs 'Millions')

Strategic Objectives		TIME FRAME				
		12/13	13/14	14/15	15/16	17/18
1	To develop appropriate legal & regulatory framework	12	13	13.4	13.8	14.2
2	To strengthen institution capacity in the provision of maritime services	56	60	64	70	74
3	To enhance Maritime safety and security	102	106	114	120	128
4	To protect maritime environment	22	26	30	34	38
5	To provide globally competitive and quality maritime education and training	80	84	86	92	98
6	To enhance maritime research & development	18	20	22	24	26
7	To create a conducive environment for competitive sustainable and quality commercial maritime services	20	22	23	24	26
8	To develop global partnership for maritime development	10	10.4	10.6	11.2	11.4
TOTAL		320	341.4	362	389	415.6

Source: KMA Strategic Plan 2012-2018

Also, a new technology platform called Enterprise Resource Planning (ERP) was launched so as to manage both internal clients and external customers. This had effect of increasing accountability and reducing downtime. Moreover, it has provided seamless integration to the existent systems with minimal impact to business operations by being introduced in modules. The first stage ERP I was introduced in corporate support services where it was run concurrently with quick books system before being adopted fully. This was later followed by ERP II which was implemented in the Maritime Safety Department. Module III which involves the Commercial Shipping Department is currently in the test phase awaiting commissioning.

Figure 7: Vessel registration flow chart



Source: KMA Enterprise Resource Planning Manual for Maritime Safety Department

4.4 Challenges of Strategy Implementation

Challenges to strategy implementation are the bottlenecks encountered in the process of putting strategy into action. The research sought to establish what challenges KMA encountered in the course of strategy implementation. The Director General, the Head of Maritime Safety, Company Secretary and Head of Legal Department, The Head of Commercial Shipping and Head of Corporate Support Services. Moreover, the study used secondary data which was sourced from corporate strategic plans, financial statements, company magazine, annual reports and from the company website.

Information on both institutional and operational challenges was analysed. The survey interviewed five people. Consequently institutional challenges identified were structural challenges, leadership challenge, cultural challenges, reward and motivational challenges, policies, procedures and support systems. Similarly, information was obtained on tactical and operational challenges which were identified as: resource allocation, management and employee involvement, operational objectives, annual objectives, budgetary allocation and communication of responsibility and accountability.

First and foremost structure was identified as having been a challenge. Most of the respondents indicated that the structure of the organization was not supportive of successful strategy implementation. The organization structure was a tall bureaucracy. The respondents confirmed that this was a serious challenge, as the tall structure inhibited effective coordination of operational activities. Similarly, it inhibited responsibility and accountability. Lower level managers cannot make a major decision without consultation with top management. This is evidenced by the Head of Maritime Safety who says that he cannot allow for surveys and inspections by the Kisumu office without his consent. Also, before any project is financed, consent must be obtained from the Director General or a representative which slows down procedures.

Secondly, respondents confirmed there was a serious human resource challenge especially in the initial phases of strategy implementation. The challenge was that the initial set of managers and employees who were seconded from different government organizations had to return to their employers on lapsing of their contracts. This disrupted strategy implementation continuity as new managers had to come on board to take their place. Current labour force lacks the capacity to implement the strategic plan due to lack of some very specialized skills for example engineering and nautical surveyors, pollution control officers, marine superintendants just to mention a few. These specialized skills require competitive remuneration which KMA is currently not offering hence inability to attract expatriate workers. The human resource available can be empowered through training. Some positions in the KMA work chart have not been filled at the moment because of inadequate technical capacity which has resulted in poor or inadequate service delivery to stakeholders. However, KMA is implementing a program where it sends to train in other counties. Also it has entered into partnerships with other institutions through International Maritime Organisation to carry out joint exercises for sharing of expertise in deficient areas.

Table 4: KMA Staff Establishment List

	Designation/Cadre	Authorized/Optimal	In-post	Variance
1	Director General	1	1	0
2	Corporation Secretary	1	1	0
3	Chief Surveyor & Receiver of Wrecks	1	1	0
4	Finance & Administration Manager	1	1	0
5	Commercial Shipping Manager	1	1	0
6	Pollution Control Manager	1	0	1
7	Manager RMRCC	1	1	0
8	Nautical Surveyor-Manager	1	0	1
9	Engineer Surveyor-Manager	1	1	0
10	Hydrographer-Manager	1	0	1
11	Nautical Surveyor	5	0	5
12	Engineer Surveyor	5	0	5
13	Training Surveyor	1	0	1

	Designation/Cadre	Authorized/Optimal	In-post	Variance
14	Assistant Commercial Shipping Manager	1	0	1
15	Internal Auditor	1	1	0
16	R&D Officer	1	1	0
17	Public Relations Officer	1	1	0
18	Legal Officer	1	1	0
19	Pollution Control Officer	1	1	0
20	Search & Rescuer Officer	1	1	0
21	Registrar of Seafarers	1	0	1
22	Accountant	1	0	1
23	Procurement Officer	1	1	0
24	Human Resources Officer	1	1	0
25	ICT Officer	1	1	0
27	Maritime Officer (Inland Waters)	1	1	0
28	Commercial Officer	1	1	0
29	Assistant Internal Auditor	1	1	0
30	Assistant R&D Officer	1	0	1
31	Executive Officer	2	2	0
32	GMDSS Technician	3	1	2
33	Assistant Registrar of Seafarers	1	1	0
34	Trainee Surveyors	6	6	0
35	Hydrographers	2	0	2
36	Vessels Inspectors	4	4	0
37	Personal Secretaries	4	4	0
38	Assistant Commercial Officers	2	2	0
39	Assistant Accountants	3	3	0
40	Library Assistant	1	1	0
41	Public Relations Assistant	1	0	1
42	Legal Assistant	1	1	0
43	GMDSS Operator	6	5	1
44	Seafarers Registrar Assistant	1	1	0
45	Accounts Clerk	1	0	1
46	Procurement Clerk	1	1	0
47	Records Management Assistant	1	1	0
48	Human Resources Assistant	1	0	1
49	Data Input Clerk I	3	2	1

	Designation/Cadre	Authorized/Optimal	In-post	Variance
50	Records Clerk	1	0	1
51	Data Input clerk II	2	2	0
52	Driver I	1	1	0
51	Telephone Operator	1	1	0
52	Driver II	3	3	0
53	Office Assistant I	2	1	1
54	Office Assistant II	4	3	1
	Total	90	63	27

Source: KMA Human resource Survey Report 2012

Thirdly, there was the culture challenge. The respondents indicated at the need to align culture to the strategy took centre stage in the implementation of the strategic plan. This is mainly as a result of the origin of KMA as an offshoot of Merchant Shipping Department of Kenya Ports Authority. Many of the current staff were transferred from parent organization and brought a pure public service attitude with a particular work ethics. The challenge posed by this is the external environment has greatly changed with external clients and stakeholders demanding a high service level which is commensurate to the monetary value offered. The existence to culture and traditions as a challenge to strategy implementation resulted in resistance to change, old approach to work and lack of modern skills. It also resulted in delay in the systems and procedures of work hence strategic plans are not implemented in a timely manner. Employees are trained at exorbitant costs and end up shifting to other institutions on completion of training thus draining human capital. Culture has deterred innovation and caused delays in provision of services especially due to clashing work plans. In order to overcome these challenges KMA has tried to enforce a code of conduct and develop shared values to harmonise culture and traditions. This includes facilitation of staff by outside consultants who have emphasized affirmative action, particularly in the recruitment of staff.

The fourth challenge identified was systems and procedures. Building a performance measurement system that tied rewards and remuneration to was a major challenge. This was mainly in view it was seen as a new concept. There was no internal capacity to do this thus

heavy reliance on external consultants who developed systems which were not sometimes suited for the organization. The systems also posed a challenge due to bureaucracy, lack of control and poor progress monitoring. However, worth noting is the fact that respondents say the systems and procedures are slowly being revised, although the current evaluation is not out yet. Due to partly ineffective systems and procedures, strategic plan implementation cannot be fully achieved to the desired levels hence performance targets are not met. The introduction of the Enterprise Resource Planning (ERP) system which monitors progress real-time and gives email alerts for pending work is envisaged to rejuvenate the activities of KMA. This system also generates reports which are accessible to stakeholders thus is a tool of control. Due to the fact that it is in its initial phase, a thorough assessment has not been done to find out to what extent internal systems will change as a result of its introduction.

The fifth challenge identified was on policies. The single most challenging exercise was that of grinding policy and procedure documents into a way of doing business. Most of the respondents confirmed that policies, procedures and support systems were inconsistent before this process and the challenge was harmonizing them to reflect strategy implementation process. There are recommendations to develop new policies and rules, but this has not yet been actualized. To some extent the policies and rules are not clearly defined and explained to the staff. This has made coordination across the organization for example from headquarters to other offices a challenge. KMA has been called a toothless bulldog in cases where malpractices have failed to be punished. This is mainly due to the deficiencies in the KMA Act 2006 and Merchant Shipping Act 2009. KMA has tried to overcome these challenges by reviewing the inadequate policies and rules and tried to harmonise them to strategic plan. This has been through seminars, workshops and meetings. Circulars and memos are regularly issued by the heads of department to remind employees about adherence to policies and rules. KMA has ing of field data. continuously lobbied with legislature to enact laws which will regulate maritime industry.

Moreover, some of the respondents said technology was a challenge to strategy implementation though it was being looked into. Most processing systems are either manual or semi-automated.

thus making it difficult to meet required efficiency levels. Fieldworkers are currently not equipped with ipads and notepads which may facilitate real-time processing of data. Vessel inspection details are still relayed manually to head office for collation before official communication to owners. The boat register also has typographical errors and outdated data. Technology has posed a challenge in online checking of vessel status, turnaround time in processing and poor record keeping as a result of loss of documents due to manual filing. Existing systems are not configured to the required levels and the desired direct outcomes cannot be achieved. To overcome these challenges KMA has developed an ICT policy that is currently being implemented in phases. Staff training about the new software platform is currently ongoing with hardware being replaced by more efficient devices. The upgrading of existing systems is currently envisaged in the strategic plan being implemented.

In addition, there was a challenge of complying with operational plans. Most of the respondents confirmed that compliance with operational plans was a challenge especially in the first few months after they were put in place. They also confirmed that the difficulty in using the operational plans was because they involved planning of activities by operational managers who had no prior experience of doing them.

Moreover, the Government of Kenya frequently reorganizes its structure by splitting, merging and changing names of ministries. Often mandates of ministries keep on changing. These abrupt changes have disrupted operations as ministries strive to reorganize themselves. Consequently, time, financial and human resources are wasted leading to underperformance and non-achievement of the set targets. It creates uncertainty to staff and other stakeholders. Some mandates of KMA fall in different ministries: Commercial Shipping Department has interests relating to ministry of transport, Maritime Safety deals with Ministry of environment under pollution control, Ministry of Internal Security in security concerns and Ministry of transport in regulating vessels. This has led to delays in service provision as there are no clear accountability and work flow channels. Also, overlaps of mandates and functions among government ministries and agencies have created conflicts in policy implementation and value addition. These have been detrimental to the development of the maritime sector due lack of proper coordination

which in turn leads to duplication of efforts. e.g. role of NEMA and KMA in marine pollution control.

Another challenge facing KMA is in actualizing its flagship project under the Kenya vision 2030 which involves training of seafarers and other maritime officers to export 16 million jobs by 2030. Training of seafarers must comply with IMO standards (STCW 78 as amended in 1995), which KMA does not have the institutional and legal capacity to enforce. Countries which comply with these standards are placed on a White List, which enables them to train seafarers to serve on foreign going ships. Kenya will be in a position to offer maritime training locally once it enters into the white list. In the past maritime education and training was not part of national education system and was operating as a niche market. KMA has developed a curriculum for maritime education and training in conjunction with Kenya Institute of Education which is currently awaiting ratification and adoption by Ministry of Education. Some of the strategies to be implemented are compliance with IMO standards, harmonization of maritime education, facilitation of accreditation of maritime training institutions by the Directorate of Technical Training and Kenya Institute of Education, placement of officers on board foreign going ships for sea time training and enforcement of quality assurance system in maritime education. At the moment due to the global economic crisis there has been a slowdown in world maritime markets and unpredictable cash flows for sea lines that has discouraged investment in maritime resources in Kenya.

Finally, there was the challenge of involving employees in process. It was quite clear from the respondents that although strategy implementation in KMA was a participatory process, there were serious challenges in achieving this objective. Having all employees to be involved was not easy as this was extremely expensive. A very careful balancing act was required to ensure that departments adequately staffed at all times. The cost of having workshops to train on strategy new developed strategies and the process of their implementation was high. Also, getting full participation from lower job group employees was difficult as they felt intimidated and could not give the required feedback adequately.

4.4 Discussion of Findings

From the literature review items like style, shared values and skills are expected to have a substantive impact on organization. However, from the results the extent of their influence on strategy implementation could not be substantially established. Worth noting however is that most respondents agreed that these items have an effect on strategy implementation. The problem was carrying out an evaluation on the items with the greatest effect and rating them accordingly. This is because the soft skills could not be thoroughly explained by some informants.

The research also shows that planned and emergent strategies are used concurrently. For the planned strategies evaluation of performance was practical since benchmarks of previous performance exist. In the case of the emergent strategy where RRI is used, there exists no mode of comparison as most of them have never been done before. For the various department there were mixed results for comparisons between performance of planned and emergent strategies. In the Maritime Safety Department the RRI has had more impact than the planned strategy. This is because action plans were not rigid and innovative ways of doing things were devised. For the commercial Shipping Department the same could not be said, as the planned strategies fared better than the emergent ones. This is because they deal with a different demography of clients who are not flexible in their operations. From the study it was established that the different strategy approaches should be considered after thorough environmental analysis is done. This observation concurs with Aosa (1992) who argued that organisations have to constantly adapt their internal configurations, programs and activities to reflect new external situations in a changing environment.

In the literature review leadership is seen as a key instrument for strategy implementation. From the research, the results have shown a leader is as good as the organizational structure. Once an organization has a functional structure and operational systems, the leader becomes a figurehead who is a symbol of the organization but not involved in the day to day running of institution. Johnson and Scholes (2002) argued that successful strategy implementation is directly linked to

the unique characteristics, orientation and actions of the chief executive officer which contrasts heavily with the findings of the study. Having a structure where roles are clearly defined eliminates the need to have enigmatic leaders for successful strategy implementation. Optimum strategy implementation in the public service in Kenya cannot be achieved because company structures are dictated by Public Service Commission. This institution is not involved in the day to day interaction with internal customers and external clients hence may not be in a position to advise the best structure for a public institution. Swartz (1985) argues successful strategies require a properly matched organisational structure which is in agreement with research findings. KMA is a classical case where organization strategy follows structure.

From the study it has been shown that the management tasks that have been able to lead to improved performance are marshalling needed resources and steering them to strategy critical operating units is necessary for successful implementation of the strategic plan. The process of prioritizing on activities and allocating key resources; both human capital and financial resources has helped increase performance as evidenced by the results of customer satisfaction survey which have shown a trend of increased value for services over the years. This further emphasizes the need for planning and commensurate allocation of resources to key activities for success to be achieved. The results are in agreement with Aosa (1992) in his survey of private manufacturing firms in the Kenyan context which concluded that companies maintaining links between strategies and budgets were significantly more successful in implementing strategy than those not maintaining those links.

Whereas the strategy development and implementation in KMA has been thorough, achievement of forecasted results has been a very challenging task given the existent legal framework in Kenya does not support strategy. Aaltonen and Ikavalko (2007) also posited that moving strategies to desired actions is complex and not straightforward as one would expect. Moreover, the registration of shipping lines, clearing agents and other maritime business is done in the absence of an integrated policy framework. Kenya's maritime legal framework is scattered in various uncoordinated and conflicting pieces of legislation and regulations. In this regard, there is need to integrate the sector into the overall national development efforts, where effective

maritime legal framework would be expected. Further, there is lack of capacity within the judiciary to handle maritime related litigation, for example failure to prosecute foreigners for piracy and armed robbery at sea.. In the light of such challenges implementing strategy for public corporations the legal framework must first be addressed before trying to develop and implement strategies aimed at achieving their mandate as it has an effect of nullifying genuine and honest effort in strategy implementation.

5.1.1 Strategy Implementation at Kenya Maritime Authority

The study found out that in the process of strategy implementation, KMA put in place mechanisms to ensure the individual and organizational sub-units execute their part of the strategic plan successfully. The main drivers of strategy implementation are four. Firstly, there has been institutionalization of the strategic plan and incorporation into a system of norms and values that have been instrumental in shaping employees behavior. Secondly, the strategy has been operationalised by translating it into specific policies, procedures and rules that guide planning and decision making by both management and other employees. Thirdly, KMA has built an organization capable of carrying out the strategic plan by developing strategy supportive budgets and programmes. Furthermore, the organization has instilled a strong organizational commitment, both to organizational objectives and the chosen strategy by enhancing stakeholder incorporation in the strategy implementation process.

5.1.2 Challenges of strategy implementation at Kenya Maritime Authority

Three major challenges were identified. Firstly, the participatory approach was adopted which resulted in difficulty in involving everyone. However, getting all staff to contribute freely without fear of victimization took a lot of effort. This was especially so for the lower level staff. Secondly, for successful strategy implementation it was necessary for employees adopted the core values in all aspects of their work. This process involved significant culture change. Senior management put in substantial effort through communication and leading by example in order to

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

The objective of the study was to establish the process KMA undertook in implementing its strategy. Also, it established challenges faced in the strategy implementation process.

5.1.1 Strategy Implementation at Kenya Maritime Authority

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5.1.2 Challenges of strategy implementation at Kenya Maritime Authority

Three major challenges were identified. Firstly, the participatory approach was adopted which resulted in difficulty in involving everyone. Moreover, getting all staff to contribute freely without fear of victimization took a lot of effort. This was especially so for the lower level staff. Secondly, for successful strategy implementation, it was necessary that everyone adopted the core values in all aspects of their work. This process involved significant culture change. Senior management put in substantial effort through communication and leading by example in order to

embed the core values. Finally, the structure of performance management was a major challenge. The process of ensuring the motivation and reward structure was linked directly to achieving the targeted results, and communicating this structure in a way that all in the organization understood was a difficult exercise. This has remained the single biggest challenge in strategy implementation.

5.2 Recommendations

To sustain the relatively effective strategy implementation, KMA must constantly keep on reviewing and ensuring that all activities are aligned to the overall strategic objectives. Efforts that are in place to ensure the vision, mission, core values and strategic objectives remain embedded in all staff must continue and also involve new staff. KMA should further develop a measure that clearly aids in interpreting core values into day to day activities. For example, a vessel inspector must be able to interpret what the core value of quality of service means to in their day to day activities. A commercial shipping officer must be able to interpret what integrity means to his work. Furthermore, there should be a measure developed to indicate when one is not practicing the core values.

The performance measurement and reward system should be communicated very clearly to all staff, especially the lower cadre staff who do not understand it fully. This would help boost their morale and lead to improved performance at the end. Lastly, those involved in strategy formulation should be involved at all levels in strategy implementation.

5.3 Limitations of the Study

The scarcity of resources, mainly time has restricted the number of respondents taken by researcher. A larger number of respondents would have given a more representative position of

the organization. In addition, this being a case study, there are certain limitations which are typical of case studies. There was also the issue of inaccessibility to some secondary data like cash flows due to company that does not permit disclosure to unauthorized parties. This has resulted in the analysis being incomplete as some valuable information is missing. In addition, some informants were initially unwilling to give information for fear it may be used to institute further enquiries or judicial proceedings against company. This may have restricted their responses to positive aspects of process while purposively neglecting to mention the mistakes made in process of strategy implementation hence resulting to bias in final results.

5.4 Suggestions For Further Studies

The study was broad and dealt with many aspects of strategy implementation at KMA. Further studies should be done to interrogate in details the implementation process, and another study for establish challenges and their mitigation measures.

In addition further studies should be conducted on how other public utilities have resorted to strategy to cope with dynamic environments. In addition, the results of this strategy implementation process should be looked into to establish the gaps between government policy and practice in state corporations

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APPENDICES

Annex I: Letter of Introduction

University of Nairobi
School of Business Studies

Dear respondent,

I am a postgraduate student in School of Business Studies, University of Nairobi. I am conducting a management research on strategy implementation at the Kenya Maritime Authority. In order to conduct the research, you have been selected to form part of the study. This letter is therefore to request your assistance in filling in the attached questionnaire. The information will be treated with strict confidence and is purely for academic purpose. Your assistance and cooperation is highly appreciated.

Yours faithfully

William Mutana Sanga
MBA Student

Dr. Jackson Maalu
Supervisor

Annex 2: Interview Guide

The interview seeks to establish the strategy implementation process at KMA, to identify the challenges KMA is facing in strategy implementation and determine the steps currently being taken to handle the challenges. The interview/questionnaire is divided into 2 sections. Part A has personal/organizational details and part B is for challenges faced in strategy implementation. In part A the emphasis will be in establishing employee input in strategy implementation process. Questions asked will include respondents current position in organization, current department and period they have been working for KMA. In addition, knowledge on what the strategy plan entails, skills required to implement it and any training that has been afforded towards understanding and developing the strategic plan is identified. In part B of the questionnaire the researcher seeks to establish the effect of structure, organizational systems, policies and rules, technology, leadership, human resources, reward and support services and financing on strategy implementation.

Part A

1. What is the current position in KMA?
2. What is your department's main role within KMA?
3. Are you aware of any strategic plan in KMA and who is responsible for developing it?
4. Do your departmental staff know of the existence of a strategic plan?
5. Does your department have the skills and resources required to implement the strategic plan?
6. How is the organizational strategy implemented in your department?
7. Are there any measures that are used to identify if the implementation process is successful or not?
8. How do you respond to the case where strategies are not giving the anticipated results?

Part B

1. What are the strategies KMA is implementing and why were they chosen?
2. In your opinion are these strategies successful?
3. Considering the following factors: structure, organizational systems and procedures, culture and traditions, policies and rules, technology, leadership, human resources, reward and support services and financing.

Annex i Have they affected strategy implementation?

ii Have they posed any challenge to strategy implementation?

iii What challenges have they posed, and how could these challenges have best been avoided?

KENYA MARITIME AUTHORITY

MARITIME SAFETY DEPARTMENT

ANNUAL WORK PLAN FOR THE FINANCIAL YEAR 2011/2012

ON INSPECTION AND SURVEY IN COASTAL AND INLAND WATERS

NO.	INSPECTION AREA (COUNTY)	APPROX. NO. OF VESSELS	APPROX. NO. OF VESSELS TO BE INSPECTED	Quarter	Quarter	Quarter	Quarter
	Mombasa	559	100		Dec 2011		
	Kwale	834	150	July 2011			
	Kilifi	155	100		Nov 2011		
	Malindi	559	100	Aug 2011	Oct 2011		
	Tana River	219	100				June 2012
	Lamu		150	July 2011			
	Taita Taveta	41	41			Jan 2012	
	Busia	1,421	400	Sep 2011			
	Bondo	2,560	400				June 2012
	Kisumu	1,130	400	Aug 2011			
11	Nyando	228	228			Feb 2012	
12	Rachuonyo	1,200	400			Mar 2012	
	Hema Bay	162	162		Oct 2011		
	Saha	4,676	400			Jan 2012	
13	Nyatike	1,572	400		Nov 2011		

Annex 3: Vessel inspection Annual work plan



KENYA MARITIME AUTHORITY

MARITIME SAFETY DEPARTMENT

ANNUAL WORK PLAN FOR THE FINANCIAL YEAR 2011/2012

ON INSPECTION AND SURVEY IN COASTAL AND INLAND WATERS

No	PLYING AREA COUNTY	APPROX NO OF VESSELS	APPROX NO OF VESSELS TO BE INSPECTED	1 Quarter	1 Quarter	1 Quarter	1 Quarter
1	Mombasa	539	100		Dec 2011		
2	Kwale	834	150	July 2011			
3	Kilifi	355	100		Oct 2011		
4	Malindi	559	100	Aug 2011	Oct 2011		
5	Tana River	219	100				June 2012
6	Lamu	639	150	July 2011			
7	Taita Taveta	41	41			Jan 2012	
8	Busia	1,421	400	Sep 2011			
9	Bondo	4,560	400				June 2012
10	Kisumu	1,130	400	Aug 2011			
11	Nyando	224	224			Feb 2012	
12	Rachuonyo	1,200	400			Mar 2012	
13	Homa Bay	102	102		Oct 2011		
14	Suba	4,676	400			Jan 2012	
15	Nyatike	1,579	400		Nov 2011		

Annex 4> RRI Team Work Plan

THE RRI TEAM WORK PLAN

Strategic Challenge Area: Water transport safety						
RRI Goal: Reduce water accidents in Lamu by 75% in 100 days						
Launch Date: 23.03.2012						
RRI Day 50: 11.05.2012						
RRI Day 100: 30.06.2012						
Political Leader: Col. (Rtd) Joseph Nguru					Sponsor: Nancy Karigithu	
Results Leader: Cosmas Cherop						
Strategic Leader: Wilfred Kagimbi					Team Leader: Dave Muli	
Monitoring and Evaluation: Amos Kituri					Secretary: Josephine Nthia	
Team Members: Munga, Jeremiah, Gichohi, Mulongo, Asewe, Baya, Mugo, Sanga, Tsuma, Nthia, Samba						
MILESTONE	ACTION STEPS	PERSON RESPONSIBLE	ACTIVITY TARGETS		BUDGET (KSH)	STATUS/REMARKS
			START DATE	END DATE		
Boat operators trained on maritime safety and collision prevention	Prepare Training Needs Assessment(TNA) tool	Munga	27.3.2012	02.04.2012	NIL	Done
	Adopt the TNA tool	Tsuma	02.04.2012	02.04.2012	NIL	Done
	Administer the TNA tool to the target group (Travel, subsistence and	Munga	04.04.2012	09.04.2012	306,000	Done

	boat hire)					
	Data collation, analysis and compilation	Munga	12.04.2012	13.04.2012	NIL	Done
	Report presentation and adoption & propose venue	Mwango	16.04.2012	16.04.2012	NIL	
	Develop teaching materials	Tsuma	17.04.2012	19.04.2012	NIL	
	Procure venue	Josephine	12.4.2012	5.5.2012	1,000,000	
	Conduct training (Travel, subsistence and boat hire, Nav. lights gifts(75000))	Tsuma	14.5.2012	19.5.2012	366,400	
Mid Term Review Conducted	Conduct a Monitoring and Evaluation Meeting	Kituri	30.05.2012	30.05.2012	NIL	Done
Seaworthiness of water craft improved	Notify the administration of the intended detail safety inspection	Josephine	14.05.2012	25.05.2012	NIL	
	Set up Nav lights acquisition enabling mechanism through collaboration with NGO's and corporate community	Mugo	17.04.2012	17.04.2012	NIL	

Maritime Safety measure enforced	Design KMA seaworthiness certified plaque	Tsuma	03.04.2012	10.04.2012	NIL	
	Procure for the plaques	Baya	11.04.2012	04.05.2012	200,000	
	Conduct free detailed inspection and offer free consultancy on areas to improve seaworthiness	Gichohi	21.5.2012	26.5.2012	250,000	
	Stick the KMA seaworthiness plaques to compliant vessels for ease of identification by the public	Gichohi	14.5.2012	19.5.2012	NIL	
Boat user community sensitized on various maritime safety measures	Target boat users during the Easter festive season	Tsuma	5.04.2012	10.04.2012		Done
	Procure publicity material	Baya	12.4.2012	5.5.2012	1,000,000	
	Publicising the event	Munga	5.5.2012	3.6.2012	1,000,000	
	Send invitation to insurance firm	Josephine	12.4.2012	5.5.2012	NIL	
	Conduct sensitization (travel, subsistence and boat hire+miscellaneous)	Gichohi	4.6.2012	8.6.2012	295,000	

Maritime Safety measure enforced	Invite enforcement agencies and other relevant gov't agency to an enforcement exercise	Josephine	28.05.2012	1.06.2012	NIL	
	Hold a meeting with Police, KWS, Provincial administration and obtain commitment on their role in the enforcement	Gichohi	6.06.2012	12.06.2012		
	Conduct joint operation to enforce safety measures (travel, subsistence, boat hire + operation cost)	Munga	18.06.2012	20.06.2012	162,000	
	Attach a team member to monitor enforcement of the measures	Baya	20.06.2012	30.06.2012		
End Term Review Conducted	Conduct a Survey on Compliance and Accidents Levels	Mwango	02.07.2012	06.07.2012	306,000	
	Prepare a report on the impact of the results and end term review celebration	Sanga	06.07.2012	08.06.2012		

Annex 5: Logical Framework

	Objectively Verifiable Indicators	Means of Verification	Key Assumptions/Risks
<p>Goal:</p> <p>To increase economic productivity and reduce poverty</p>	<ul style="list-style-type: none"> • Contribution to GDP • Poverty level • Employment generated 	<ul style="list-style-type: none"> • Economic Survey • Statistical Abstracts • Annual Progress Reports • Sample surveys reports 	<ul style="list-style-type: none"> • Political goodwill and stability • Stable macroeconomic framework
<p>Outcomes:</p> <ul style="list-style-type: none"> • Clean, safe and secure maritime environment • Globally competitive maritime industry • Effective and efficient service delivery in the maritime sector 	<ul style="list-style-type: none"> • Volume of trade at the sea & inland ports • Number of lives and ships lost due to security/safety-related accidents and incidents • Criminal incidences • Growth in maritime commercial activities • Cost of doing business in the maritime sector • Customer satisfaction index 	<ul style="list-style-type: none"> • Annual Ministerial M&E (Progress) Reports • Sample surveys reports 	<ul style="list-style-type: none"> • Adequate cooperation from other Government Departments & Agencies and other stakeholders • Adequate cooperation from other countries • Political goodwill and stability • Timely receipt of distress call • Sustained sea bound trade
<p>Outputs:</p> <ul style="list-style-type: none"> • National maritime policy developed • Maritime laws reviewed • Maritime rules and regulations formulated • Staff hired and retained • Staff trained • Human resources development policy formulated and implemented • Training needs assessment conducted • KMA physical infrastructure developed • Working tools procured • Maritime information resource center developed and equipped • Maritime safety & security improved • Marine environment 	<ul style="list-style-type: none"> • Maritime laws enacted • Maritime laws amended • Number of staff hired • Number of staff trained • HRD policy approved/operational • Training needs identified • KMA physical infrastructure operational • Number of working tools procured • Maritime information resource center operational • Number of lives lost (seafarers and passengers) due to security/safety-related accidents and incidents • Number of ships subject 	<ul style="list-style-type: none"> • Annual Progress Reports • Training reports • Laws of Kenya 	<ul style="list-style-type: none"> • Adequate financial resources available • Requisite Ministerial staff hired in time • Relevant laws amended or enacted in time • Availability of training institutions

	Objectively Verifiable Indicators	Means of Verification	Key Assumptions/Risks
<ul style="list-style-type: none"> protected Revenue generated Financial management manuals developed IMO Conventions ratified Maritime education and training policy developed Seafarers trained Stakeholders sensitized/educated on maritime affairs Maritime research policy developed Maritime research conducted Commercial activities facilitated Search and rescue operations carried out Local, regional and international partnerships established KMA corporate image improved Guidelines on Terms and Conditions of employment for Kenyan seafarers established Register of Kenyan seafarers maintained Number departments automated Register of Kenyan ships maintained 	<ul style="list-style-type: none"> to IMO conventions lost for any safety-related reason Number of criminal incidents on ships Sea & inland water pollution levels Amount of revenue collected Number of conventions or treaties ratified/adopted Maritime education and training policy approved Number of seafarers trained Number of stakeholders sensitized/educated on maritime affairs Maritime research policy approved Cost of doing business in the maritime sector Number of maritime research studies conducted Number of local people participating in maritime commercial activities Number of search and rescue operations carried out Number partnerships established Customer satisfaction index Guidelines on Terms and Conditions of employment for Kenyan seafarers approved ICT systems procured Register of Kenyan seafarers in place 		
<p>Activities:</p> <ul style="list-style-type: none"> Prepare national maritime policy Review maritime/shipping laws, rules and regulations 	<ul style="list-style-type: none"> Contained in the detailed Authority Budget 	<ul style="list-style-type: none"> Medium Term Expenditure Framework Reports 	<ul style="list-style-type: none"> Adequate financial resources available Requisite Authority staff hired in time Availability of relevant

	Objectively Verifiable Indicators	Means of Verification	Key Assumptions/Risks
<ul style="list-style-type: none"> • Formulate maritime rules and regulations • Hire, retain and train staff • Formulate and implement human resources development policy • Conduct training needs assessment • Procure land for putting up KMA Headquarters. • Develop KMA physical infrastructure • Establish other KMA branch office • Procure working tools • Develop and equip maritime information resource center • Review maritime/shipping fees, levies and charges • Collect revenue through fees, levies and charges • Reconcile Merchant Shipping Superintendent account • Develop and review financial management manuals • Conduct Port State Control inspections • Carry out FlagState surveys • Ratify IMO conventions • Develop maritime education and training policy • Prepare guidelines for maritime training • Train seafarers • Sensitize/educate stakeholders on maritime affairs • Develop maritime research policy • Conduct maritime research • Facilitate commercial activities • Carry out search and rescue operations • Established working 			<p>skills in the labour market</p>

	Objectively Verifiable Indicators	Means of Verification	Key Assumptions/Risks
<p>partnerships</p> <ul style="list-style-type: none"> • Formulate guidelines on terms and conditions of employment for Kenyan seafarers • Prepare an updated register of Kenyan seafarers • Prepare an updated register of Kenyan ships • Conduct ISPS Audit • Develop and review guidelines to regulate ports not subject to ISPS code • Establish a data center for receiving Long Range Identification and Tracking Ship reports • Carry out security audit of ships and port facilities in inland waters • Develop and implement marine & inland waters pollution control policy • Develop and review operational plans of SAR in EEZ • Undertake census of the vessels both at the coast and inland waters • Develop and implement search and rescue policy • Develop a code of conduct for port service provider • Prepare an updated register of maritime service providers • Develop customer care strategies • Conduct customer satisfaction surveys • Review existing partnership MOUs • Negotiate and prepare partnership MOUs • Conduct ICT needs Assessment • Procurement of ICT 			

	Objectively Verifiable Indicators	Means of Verification	Key Assumptions/Risks
systems			