

**THE EFFECT OF MANAGEMENT SKILLS IN THE
IMPLEMENTATION OF STRATEGY BY SMES IN THE
PHARMACEUTICAL INDUSTRY IN NAIROBI CITY COUNTY,
KENYA**

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

NOVEMBER, 2015

DECLARATION

I, the undersigned declare that this project is my original work and has not been presented for a degree at any other university.

Signature..... Date

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This research project has been submitted for examination with our approval as University Supervisor.

Signature Date

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DEDICATION

I dedicate this to my Mother who has been supportive all the time and especially through my MBA journey. I also dedicate to my lovely daughter Mary Sandra Ochola and my sister Dolphine Mudibo.

ACKNOWLEDGEMENT

I render my utmost gratitude to the Almighty God for His abundant grace, strength, guidance and provision that enabled me start and complete the project.

Secondly, I thank my supervisor Mr. Jeremiah Kagwe for his commitment and invaluable guidance that he provided step by step through the project. Your regular follow ups ensured that I complete the project with much success, Thank you very much.

I thank my family for their support and encouragement. My mother Mary J. Makhala and my sibling, thank you for your prayers, encouragement and support. God bless you all abundantly.

I would like to appreciate my classmates for their support, guidance and encouragement as we studied as a team God Bless you all.

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ABSTRACT

The concept and practice of management skills in the implementation of strategy has been embraced worldwide and across various sectors because of its perceived contribution to organizational effectiveness. The pharmacy practice has continuously changed in the current era of patient oriented activities. The challenge to provide pharmaceutical care has brought the attention of pharmacists to modify their practices in community settings. The study sought to establish the effect of management skills in the implementation of strategy by SMES in pharmaceutical industry in Nairobi City County. This research was conducted through a survey method. The target population included all the 600 SMES in Kenya in Pharmaceutical sector in Nairobi City County. The study sampled 60 respondents who were interviewed by the researcher. A structured questionnaire was used to collect the primary data which was administered using drop-pick-later method. Descriptive and correlation analysis was employed to analyze data. From the findings, it was established that organizational structure affects the implementation of strategic plans in the service to a great extent. It found that the organization structure affects strategy implementation in the organization through meetings and discussion, freedom of expression, delegation of duties and functions, organization charts, organization Size allow implementation of strategic plans. The study revealed that the level of managerial skills affected the strategic implementation in the service. The study revealed that there is lack of manager's commitment to performing their roles which leads to the lower ranks of employees missing support and guidance, the top management's skill to the strategic direction itself is the most important factor. The study established that employee training is an attempt to improve employee performance by increasing the employees skills and ability to perform, creating and sharing an organizational goal, acting as a role model, training and development programs are designed to educate employees beyond the requirements of their current position so that they are prepared for a broader and more challenging role in the organization. It revealed that the training allowed employee participation in making job-related decisions, encouraging creativeness, providing support for employees, training is the process of imparting knowledge and skills and presents employees or beneficiaries with the skills they need to perform their jobs better. The study recommends that when a strategy is being formulated the company should first develop a mission statement that attempts to clarify an organization's values, purposes, and directions. Pharmaceutical Firm should use environmental scanning to collect information about opportunities and threats facing the firm obtain data about economic, financial, political, legal, and competitive changes in various markets the firm serves or might want to serve.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Staff the organization with the needed skills and expertise, consciously building and strengthening strategy-supportive competencies and competitive capabilities, and organizing the work effort. Create a company culture and work climate conducive to successful strategy implementation and execution. Develop budgets that steer ample resources into those activities critical to strategic success. Ensure that policies and operating procedures facilitate rather than impede effective execution. The successful management of strategy implementation requires thoughtful planning on the part of change leaders and the involvement of those to be affected by it. A common challenge to strategy implementation is resistance from those who feel that the implementation is being forced on them (Chapman, 2005).

The resource based view model and the industrial organization model are used by organizations to generate the strategic inputs needed to successfully formulate and implement strategies and to maintain strategic flexibility (Hitt, Ireland and Hoskisson, 2005). Institutional theory assert the institutional environment can strongly influence the development of formal structures in an organization, often more profoundly than market pressures. Innovative structures that improve technical efficiency in early-adopting organizations are legitimized in the environment.

The pharmaceutical industry in Kenya is attractive to many professionals because it's innovative, offers varied products, and impacts positively and sometimes negatively on society, making it both challenging and rewarding. Brand managers in the pharmaceutical industry look after a brand's product lifecycle from introduction all the way through to decline. A brand manager wanted to make the brand they are managing as successful as possible in order to extend its lifecycle and ultimately increase the profitability of the product. It is the responsibility of a brand manager to develop and manage the product strategy which first involves collecting and collating all of the facts and figures on the product and the competitors in the market.

1.1.1 Strategy Implementation

Strategy implementation involves organization of the firm's resources and motivation of the staff to achieve its set objectives. Implementation is defined as the phase in which systems and procedures are put in place to collect and process the data that enable the measurements to be made regularly (Drazin and Howard, 2002). This process includes the various management activities that are necessary to put strategy in motion, institute strategic controls that monitor progress, and ultimately achieve organizational goals. According to Raps and Kauffman (2005), the implementation process covers the entire managerial activities including such matters as motivation, compensation, management appraisal and control processes which entail cascading strategy to all functional areas in such a way as to achieve both vertical and horizontal logic and enhance implementation of policies.

Aosa (2012) defined strategy implementation as a dynamic, interactive and complex process, which is comprised of a series of decisions and activities by managers and employees, affected by a number of interrelated internal and external factors, to turn strategy into reality in order to achieve strategic objectives. One of the most pertinent determinants of corporate success is how effective an organization's chosen strategy, gets implemented. Such implementation requires that the strategy is not only operationalized but also appropriately institutionalized.

Johnson and Scholes (2002), view strategy as the direction and scope of an organization over the long-term, which achieves advantage for the organization through its configuration of resources within a changing environment, and fulfill stakeholders expectations. Strategic management is, hence, both a skill and an art. Good strategic management requires both clear thought and sound judgment. Strategic management is the formal and structured process by which an organization establishes a position of strategic leadership. Strategy development is a multidimensional process that must involve rational analysis and intuition, experience, and emotion.

1.1.2 Management Skills

Management skills have been investigated extensively (Kaynak, 2003). Although a plethora of practices have been described, similarities among practices can be discerned. This process resulted with the ten following distinct generic practices: top management commitment and support, organization for quality, employee training, employee participation, supplier quality management, customer focus, continuous support, improvement of quality system, information and analysis, and statistical quality techniques use.

Kaynak, 2003) suggested a positive association between management skills and organizational performance. The three types of skills include technical skills, leadership skills and conceptual skills. Authors diverge in the way they perceive the links between management practices and performance. Some authors think that there is a hierarchy in the management practices and that infrastructure practices may only have a positive effect on performance if core practices have also been established (Anderson et al., 1995). In opposition, other authors (Samson and Terziovski, 1999) have suggested that each practice can improve performance even without the core practices.

After selecting ten generic practices, they are grouped into three main categories following the classification of Flynn et al. (1995), Pannirselvam and Ferguson (2001) and Sousa and Voss (2002), namely: management practice: issued from the top management; infrastructure practices: intended to support core practices; and core practices: based on tools and techniques specifically related to quality.

1.1.3 SMEs in the Pharmaceutical Industry in Kenya

According to the report of the Government of Kenya (GoK), small and medium enterprises in Kenya are defined as enterprises with fulltime employees not exceeding 100 or annual sales turnover not exceeding Ksh150 million (GoK, 2007). According to Kenya Economic Survey 2008 (GoK,2008), out of the total new jobs created, micro, small and medium enterprises (MSME)s created 426.9 (89.9%) thousand new jobs out of a total of 474.5 thousand (79.9%) new jobs out of 543.3 thousand new jobs created in Kenya (Economic Survey, 2009). In the same year, the sector contributed KSh. 806,170

million of GDP which is 59 percent of total GDP (GoK, 2009). The Kenya economic survey 2010 (GoK, 2010) notes that this same sector generated 390.4 thousand new jobs which translated into 87.6 percent of the total jobs generated in 2009.

According to the Economic Survey (GoK, 2012), the SME sector contributed 79.8% of new jobs created in that year in Kenya. Consequently, the Kenya's development plans for the 1989-1993, 1994-1996 and 1997-2001 periods put special emphasis on the contribution of small and medium size enterprises in the creation of employment in the country (GoK, 2009). Job creation in this sector went up by 5.1 percent in 2011. The increase was 445,900 indicating a higher growth in absolute terms compared to the increase of 437,300 registered in 2010.

The efforts to provide health care, including pharmaceutical care, are facing new challenges. These include the rising cost of health care, limited financial resources, a shortage of human resources in the health care sector, inefficient health systems, the huge burden of disease, and the changing social, technological, economic and political environment which most countries face. (Mil et al, 2006). These challenges have hindered the full implementation of the practice of pharmaceutical care in Kenya.

Pharmacy practice has evolved significantly since prescriptions were first written, thought to be around 2700BC although medicines were probably used before this with their agencies. Healthcare systems throughout the world continue to develop as society attempts to respond to the ever increasing need for quality cost effective healthcare. The growing burden of disease, especially chronic disease, which is fueled by the effects of increasing globalization, urbanization, unhealthy lifestyle practices and aging populations, demands a response from society to the challenge of having to care for burgeoning numbers of chronically ill people. The practice of pharmacy has evolved from being essentially product oriented to becoming more patient focused. This evolutionary process, spurred on by the advent of clinical pharmacy, gave rise in the early 1990s to the professional practice of pharmaceutical care, which has expanded the role of the pharmacist and redefined the role of pharmacy practice. (Peter Hill, 2012)

1.1.4 SMEs in the Pharmaceutical Industry in Nairobi City County

The pharmaceutical industry comprises of three main segments, namely Industrial pharmaceuticals which manufacture drugs and sell them to distributors, Hospital pharmacies which are usually part of a hospital set up and Community pharmacy which include wholesalers and retailers of pharmaceutical products at the community level. Information from the pharmacy and poisons board, the body that regulates the pharmaceutical industry in Kenya indicates that the industry is dominated by community pharmacies, most of which are privately owned by pharmacists and actually falls in the SME bracket.

According to the Kenya Medical Directory (2011), the pharmaceutical industry employs directly an estimated 60,000 people, who provide medical information, medicines and diagnostics to enable healthcare providers better manage and treat disease. This number includes more than 600 medical representatives (registrar, pharmacy and poisons board) to personally market their products. There are currently over 7000 registered pharmaceutical products presented in various formulations in the Kenyan market (Owuoth, 2010).

This environment therefore is highly competitive and the players are forced to adopt strategies that would give them an advantage over other firms while having to comply with regulatory requirements. Such stiff competition, however, may lead to players making a trade-off between financial gain and compliance with the regulatory requirements and only those that are competitive enough and are managed efficiently succeed.

1.2 Research Problem

The concept and practice of management skills in the implementation of strategy has been embraced worldwide and across various sectors because of its perceived contribution to organizational effectiveness (Thompson & Strickland, 2007). Today, organizations both public and private have taken seriously to the practice of implementing strategic plans to guide the performance of those organizations. Steiner (1979) noted that the framework for formulating and implementing strategies requires a

strong backbone in the formulation process. However, he observed that due to the misunderstanding of the factors that influenced the implementation process, adoption of strategic management often led to incomplete implementations. Strategic plans are a means to the end of achievement of organization objective. Non-implementation therefore renders strategic plans valueless, and may lead to failure of the SMEs.

The pharmacy practice has continuously changed in the current era of patient oriented activities. Pharmaceutical care emerged in 1990 and has been accepted as the philosophy of pharmacy practice since then management skills in the implementation of strategy by SMES in pharmaceutical industry is of great concern. The challenge to provide pharmaceutical care has brought the attention of pharmacists to modify their practices in community settings

Thompson, Strickland and Gamble (2007) and Evans (2007) propose further studies on management in installing high levels of commitment, Aosa (1992) focused on managerial involvement related to strategy implementation in manufacturing firms. Opondo (2011) conducted a study to investigate the effect of medical samples and gifts offered by pharmaceutical companies on the adoption of new drugs by healthcare providers in Kisumu city and Nzioka (2010) did a study on adoption of new pharmaceutical products by wholesalers in Kenya. Further, Ongwae (2010) did an inquiry into creating and sustaining competitive strategies by total Kenya Limited in a changing environment while Chang'orok (2009) did a survey of competitive strategies adopted by credit card providers in Kenya. Roselyn (2012) looked into the implementation issue in NGO s whose set up is very different from privately owned SMEs in the pharmaceutical sector. This study therefore investigates the effect of management skills in the implementation of strategy by SMES in Kenya thereby answering the question: what is the effect of management skills in the implementation of strategy by SMES in pharmaceutical industry in Nairobi City County?

1.3 Research Objective

The objective of the study is to establish the effect of management skills in the implementation of strategy by SMES in pharmaceutical industry in Nairobi City County

1.4 Value of the Study

The study was a source of reference material for future researchers on other related topics. It also helped other academicians who undertake the same topic in their studies. The study would also highlight other important relationships that require further research. This may be in the areas of relationships between strategic formulation, implementation and operational strategies. The government and other implementing agents also benefited from the study by getting an insight on the key factors that limit implementation process and how to identify intervention points to fasten the implementation of various strategies.

The study is important not only to SMEs managers in the pharmaceutical industry but also other managers in other SMEs in that it assisted them understand the effects of the effect of management in the implementation of strategy by SMES. It provided information on the strategies applied in management and how they influence the performance and long-term success of the organization. To academicians and researchers, this was used as a basis for further research into areas such as strategic formulation, implementation and operational strategies which may be applied by other private water firms in Kenya.

1.5 Chapter Summary

This chapter has shown that strategy implementation includes the various management activities that are necessary to put strategy in motion, institute strategic controls that monitor progress, and ultimately achieve organizational goals. It is important to effectively implement strategies in order to remain competitive in the market. Management skills are important when implementing strategic plans to guide the performance of those organizations. Little has been done about management skills and strategy implementation in the pharmaceutical industry.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

This chapter reviews literature by various scholars in the area of the role of management in the successful implementation of strategic plan of SMEs. It aims to present the gaps in the literature requiring investigation, the development of a research model and research question.

2.2 Theoretical Foundation

The study is guided by the following theories; Theory of Planned Behavior, Institutional Theory and Resource-Based View.

2.2.1 Theory of Planned Behavior

The Theory of Planned Behavior (TPB) started as the Theory of Reasoned Action in 1980 to predict an individual's intention to engage in a behavior at a specific time and place. The theory was intended to explain all behaviors over which people have the ability to exert self-control (Ajzen, 1991). The key component to this model is behavioral intent; behavioral intentions are influenced by the attitude about the likelihood that the behavior will have the expected outcome and the subjective evaluation of the risks and benefits of that outcome.

The TPB has been used successfully to predict and explain a wide range of health behaviors and intentions including smoking, drinking, health services utilization, breastfeeding, and substance use, among others. The TPB states that behavioral achievement depends on both motivation (intention) and ability (behavioral control). It distinguishes between three types of beliefs - behavioral, normative, and control. The TPB is comprised of six constructs that collectively represent a person's actual control over the behavior. This theory of planned behavior is a theory about the link between beliefs and behavior. The concept was proposed by Ajzen (1991) to improve on the predictive power of the theory of reasoned action by including perceived behavioral control (Ajzen, 1991). It is one of the most predictive persuasion theories.

It has been applied to studies of the relations among beliefs, attitudes, behavioral intentions and behaviors in various fields such as advertising, public relations, advertising campaigns and healthcare. The theory states that attitude toward behavior, subjective norms, and perceived behavioral control, together shape an individual's behavioral intentions and behaviors. This model proposes that organizational commitment is experienced by the employee as three simultaneous mindsets encompassing affective, normative, and continuance organizational commitment. Affective Commitment reflects commitment based on emotional ties the employee develops with the organization primarily via positive work experiences. Normative Commitment reflects commitment based on perceived obligation towards the organization, for example rooted in the norms of reciprocity

2.2.2 Institutional Theory

Institutional theorists assert that the institutional environment can strongly influence the development of formal structures in an organization, often more profoundly than market pressures. Innovative structures that improve technical efficiency in early-adopting organizations are legitimized in the environment. Ultimately these innovations reach a level of legitimization where failure to adopt them is seen as "irrational and negligent" (or they become legal mandates). At this point new and existing organizations will adopt the structural form even if the form doesn't improve efficiency.

Meyer and Rowan argue that often these "institutional myths" are merely accepted ceremoniously in order for the organization to gain or maintain legitimacy in the institutional environment. Organizations adopt the "vocabularies of structure" prevalent in their environment such as specific job titles, procedures, and organizational roles. The adoption and prominent display of these institutionally-acceptable "trappings of legitimacy" help preserve an aura of organizational action based on "good faith". Legitimacy in the institutional environment helps ensure organizational survival.

Institutional theory mainly begins with making the distinction between the 'old' and 'new' institutionalist approach. The pioneer work of Selznick (1949, 1957) established

the 'old' institutionalist approach, where the unit of analysis was a single organization. Some of the main issues investigated were values, organization-environment interaction, coalitions, influence, power and informal structures (Greenwood & Hinings, 1996). The second group or so called 'new' institutionalists focus more on, for instance, organizational fields and their embeddedness, as well as issues of legitimacy, routines, scripts, and schema (Greenwood & Hinings, 1996). Scott and Meyer (1992: 140) used the term institutional sectors as meaning those "characterized by the elaboration of rules and requirements to which individual organizations must conform if they are to receive support and legitimacy from the environment". With reference to industrial sectors, Erakovic and Powell (2006) emphasize similarities between them and the concepts of 'institutional sectors' (Scott & Meyer, 1992) and the 'organizational field' (DiMaggio & Powell, 1983). Also, according to these authors, industrial sectors present an, institutionally specific environment that provides resources, legitimacy and organizational networks.

DiMaggio and Powell (1983) suggested that legitimacy has a central role in institutional theory. It is defined as a force that constrains change and pressures organizations to act alike, or to imitate others. This is captured by the concept of isomorphism. Consequently, the institutional environment presents normative forces that pressure organizations to conform in certain ways in order to maintain their legitimacy. The emphasis, therefore, is on imitating the behavior of other similar, successful organizations. Institutional theory are mainly preoccupied with pointing out its lack of attention to the political processes, and to other non-institutional factors shaping the responses of organizations to pressures from the environment. It is also criticized for a tendency to underestimate the significance of interest and agency (Beckert, 1999), as well as of powerful groups that use their power to enforce institutional compliance (see Covalleski & Dirsmith, 1988). In fact, what seems to have been lacking so far is explicit attention to an organization's strategic behaviors while responding to the institutional processes (DiMaggio, 1988; Perrow, 1985).

2.2.3 The Resource-Based View

Proponents of the resource - based view argue that it is not the environment but the resources of the organization, which form the foundation of the firm's strategy (Feurer

and Chaharbaghi, 1995). The origins of the resource-based view can be traced back to several authors but Wernerfelt (1984) defined its fundamental principle by stating that, “The basis of a competitive advantage of an organization lies in the application of the bundle of valuable resources at the organization’s disposal”. The resources also have to fulfil the VRIN criteria of being valuable, rare, in-imitable and non-substitutable in order to achieve a sustainable advantage (Barney 1991). Its central proposition is that if a firm is to achieve a state of SCA it must acquire and control valuable, rare, inimitable, and non-substitutable (VRIN) resources and capabilities, plus have the organization in place that can absorb and apply them (Barney, 1991a, 1994, 2002).

The resource-based view (RBV) has aspires to explain the internal sources of a firm's sustained competitive advantage (SCA). Hitt et al (2005) describe resources in terms of three categories: “physical, human and organizational capital which includes capital equipment, the skills of individual employees, patents, finances and talented managers”. According to Hitt et al (2005) an organization’s unique resources and capabilities provide the basis for a strategy. Hitt et al (2005) describe resources in terms of three categories: “physical, human and organizational capital which include capital equipment, the skills of individual employees, patents, finances and talented managers”. According to Hitt et al (2005) an organization’s unique resources and capabilities provide the basis for a strategy.

The RBV was developed as a complement to the industrial organization (IO) view with Bain (1968) and Porter (1979, 1980, and 1985) as some of its main proponents. The RBV explicitly looks for the internal sources of SCA and aims to explain why firms in the same industry might differ in performance. As such, the RBV does not replace the IO view; rather it complements it (Barney, 2002; Mahoney & Pandian, 1992; Peteraf & Barney, 2003).

2.3 Effect of Management Skills on Strategy Implementation

Management styles are characteristic ways of making decisions and relating to subordinates. Management styles can be categorized into two main contrasting styles, autocratic and permissive. Management styles are also divided in the main categories of

autocratic, paternalistic, and democratic. This idea was further developed by Tannenbaum and Schmidt (1958, 1973), who argued that the style of leadership is dependent upon the prevailing circumstance; therefore leaders should exercise a range of management styles and should deploy them as appropriate.

According to letting (2009), people are motivated and creative only under a particular type of management style. Accordingly, the most effective management has been democratic while the least effective style according many scholars Mulube, (2009); Amukobole, (2010); & Mintzberg, (2004) has been autocratic. Different management styles are favored by organizations for their effective implementation of strategic plans each organization is most likely to adopt from experience or be directed by the current CEO or board of directors on what style of management to put into force (Awino, 2007).

Beer and Nohria (2000) consider the liabilities of planned change include a high probability of relapse, uneven diffusion among units, large short-term losses that are difficult to recover, less suitability for opportunity-driven than for threat-driven alterations, unanticipated consequences due to limited foresight, temptations toward hypocrisy (when people talk the talk of revolution, but walk the walk of resistance), adoption of best practices that work best elsewhere because of a different context, ignorance among top management regarding key contingencies and capabilities of the front line, and lags in implementation that make the change outdated before it is even finished. At the opposite, they state that emergent change is better and its advantages include its capability to include readiness for and receptiveness to planned change and to institutionalize whatever sticks from the planned change; sensitivity to local contingencies; suitability for on-line real-time for experimentation, learning, and sense making; comprehensibility and manageability; likelihood of satisfying need for autonomy, control, and expansion; proneness to swift implementation; resistance to unraveling; ability to exploit existing tacit knowledge; and tightened and shortened feedback loops form result to action

2.3.1 Technical Skills

According to Alexander (1985), the ten most frequently occurring strategy implementation problems include underestimating the time needed for implementation and major problems surfacing that had not been anticipated, in addition uncontrollable factors in the external environment had an adverse impact. More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat's (2000, p. 37) who assert that six silent killers of strategy implementation comprise: a top-down/laissez-faire senior management style; unclear strategic intentions and conflicting priorities; an ineffective senior management team; poor vertical communication; weak co-ordination across functions, businesses or borders; and inadequate down-the-line leadership skills development (Beer and Eisenstat, 2000).

Corboy and O'Corrbui (1999), meanwhile, identify the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; unclear individual responsibilities in the change process; difficulties and obstacles not acknowledged, recognised or acted upon; and ignoring the day-to-day business imperatives. Overall though, it is increasingly acknowledged that the traditionally recognised problems of inappropriate organisational structure and lack of top management backing are not the main inhibiting factors to effective strategy implementation (Aaltonen and Ikåvalko, 2002).

Al Ghamdi (1998) replicated the work of Alexander (1985) in the UK and found for 92 percent of firms implementation took more time than originally expected, that major problems surfaced in 88 percent of companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in 75 percent and distractions from competing activities in 83 percent cases. In addition key tasks were not defined in enough detail and information systems were inadequate in 71 percent of respondents. What is interesting is that there is congruence between these findings, which implies that lessons have still not been learned; as Al Ghamdi states, the drama still continues (Al Ghamdi, 1998).

2.3.2 Leadership Skills

Daft (2004) defines leadership as the use of influence to motivate people to achieve a firm's goals. Rue & Byars (2004) define leadership as the ability to influence people willingly follow one's guidance or adhere to one's decisions. Management's level of education, skills & capability. Most empirical evidence suggests that firms with better educated managers are more efficient and tend to grow more quickly. Capability is greatly influenced by one's intelligence, physical ability and level of education.

Understanding the effects of leadership on strategy implementation is also important because leadership is viewed by some researchers (Zhu et al., 2005) as one of the key driving forces for improving a firm's performance. Effective leadership is seen as a potent source of management development and sustained competitive advantage for strategic change management improvement (Avolio, 1999). For example, transactional leadership helps organizations achieve their current objectives more efficiently by linking job strategy implementation to valued rewards and by ensuring employees have the resources needed to get the job done (Zhu et al., 2005). Visionary leaders create a strategic vision of some future state, communicate that vision through framing and use of metaphor, model the vision by acting consistently, and build commitment towards the vision (Avolio, 1999; McShane and Von Glinow, 2000). Some scholars (e.g. Zhu et al., 2005) suggest that visionary leadership will result in high levels of cohesion, commitment, trust, motivation, and hence strategy implementation in the new organizational environments.

2.3.3 Conceptual Skills

Eisenstat (1993) pointed out that most companies trying to develop new organizational capacities failed to get over these organizational hurdles: competence, co-ordination, and commitment. Sandelands (1994) indicated that there were difficulties to conjecture the commitment, time, emotion, and energy needed to translate plans into action. McGrath et al. (1994) explained that the political turbulence might be the most important issue facing any implementation process. Otley (2001) stated that market, people, finance, operation,

adaptability, and environmental factors play a vital role to long-term successful strategy implementation.

Fiegener (2005) mentioned that intended strategies would be implemented as they have been envisioned if three conditions were met. First, those in the organization must understand each important detail in management's intended strategy. Second, if the organization is to take collective action, the strategy needs to make as much sense to each of the members in the organization as they view the world from their own context, as it does to top management. Finally, the collective intentions must be realized with little unanticipated influence from outside political, technological, or market forces.

2.4 Chapter Summary

The theory of Planned Behavior (TPB) started that attitude toward behavior, subjective norms, and perceived behavioral control, together shape an individual's behavioral intentions and behaviors. Organizational commitment is experienced by the employee as three simultaneous mindsets encompassing affective, normative, and continuance organizational commitment. Management styles are characteristic ways of making decisions and relating to subordinates. Institutional theorists assert that the institutional environment can influence the development of formal structures in an organization. Innovative structures that improve technical efficiency for strategy implementation is important. Resource based view argue that it is not the environment but the resources of the organization, which form the foundation of the firm's strategy. The resources provide technical skills and leadership skills which are important in strategy implementation. Organizations with management's level of education, skills & capability are more efficient and tend to grow more quickly

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used by the researcher to find answers to the research question. In this chapter the research methodology was presented in the following order, research design, data collection methods, instruments of data collection and finally the data analysis.

3.2 Research Design

Dooley (2007) defines a research design as the scheme, outline or plan that is used to generate answers to research problems. This research was conducted through a survey method since it is a research all organization. The primary purpose of a Survey is to determine factors and relationships among the factors that have resulted in the behavior under study. Since this study seeks to investigate the effect of management in the implementation of strategy by SMES in Kenya in Pharmaceutical sector in Nairobi City County, a Survey design is deemed the best design to fulfill the objectives of the study.

A survey design is chosen because it enables the researcher to have an in-depth understanding of the effect of management skills in the implementation of strategy by SMES in Kenya in Pharmaceutical sector in Nairobi City County. The importance of a Survey is emphasized by Kothari (2000) who acknowledged that a Survey was a powerful form of qualitative analysis that involved a careful and complete observation of a social unit, irrespective of what type of unit was under study.

3.3 Population of the study

A population is a group of individuals, objects or items from which samples are taken for measurement, it is an entire group of persons or elements that have at least one thing in common. Mugenda and Mugenda, (2003), say that target population refers to the population to which a researcher wants to study. The target population of this study therefore included all the 600 SMES in Kenya in Pharmaceutical sector in Nairobi City County as at December by Pharmacy and Poisons Board, 2014.

3.4 Sampling

Sampling is the procedure a researcher uses to gather people, places, or things to study. According to Orodho and Kombo (2004), it is a process of selecting a number of individuals or objects from a population such that the selected group contains elements representative of the characteristic found in the entire group. According to Singleton, sampling is that part of the research that indicates how cases are selected for observation. Mugenda indicates that in a descriptive study, a 10% of accessible population can be a good size for analysis and can give reliable information. A bigger size thus progressively becomes much more reliable. To get the desired sample size, the researcher sampled 10% of the total population which was equivalent to 60 respondents interviewed from all the 600 SMES in Kenya in Pharmaceutical sector in Nairobi City County.

3.5 Data Collection

The data to be used in the study was all primary data. A structured questionnaire was used to collect the primary data which was administered using drop-pick-later method. Questionnaire was used for it is perceived that it saved on the researcher time and it was flexible with the respondents' time who being managers have fixed schedules.

Survey research instruments of data collection through the use questionnaires was employed. These instruments were be useful in gathering information and describing the nature of existing conditions, identifying the standard against which the existing conditions was be compared and determining the existing relationship between specific subjects.

3.6 Data Analysis

The process of data analysis involved several stages; the completed questionnaires were edited for completeness and consistency, checked for errors and omissions and then coded. Descriptive and correlation analysis was employed. Tables, Pie charts and other graphs were used as appropriate to present the data collected for ease of understanding and analysis for the closed ended questions.

The qualitative data was done using content analysis. Qualitative data analysis seeks to make general statements on how categories or themes of data are related. Mugenda and Mugenda (2003) define content analysis as a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study.

3.7 Chapter Summary

Survey research design determines factors and relationships among the factors that have resulted in the behavior under study. The design enables the researcher to have an in-depth understanding of the effect of management skills in the implementation of strategy by SMES in Kenya in Pharmaceutical sector in Nairobi City County. The target population of this study included all the 600 SMES in Kenya in Pharmaceutical sector in Nairobi City County and the sample size of 60 SMEs. Survey research instruments of data collection through the use questionnaires was employed and analyzed through Descriptive and correlation analysis.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the information processed from the data collected during the research on the pharmaceutical industry. The interview guide were administered through personal interviews in order to get their opinions on the effect of management skills in the implementation of strategy by SMEs in Nairobi City County as discussed below.

4.2 Response Rate

This refers to the percentage of the study who responded to the questionnaire. According to Mugenda and Mugenda (1999) a response rate of 50 percent is adequate for analysis and reporting. In this study, 60 respondents of the sampled population participated in the study. This was a representative sample. Only questionnaires that were administered were returned.

4.3 Demographic Information

Demography information is the study of the size, structure, and distribution of a certain populations, and spatial and temporal changes in them in response to time, birth, migration, ageing, and death. This study considered the following as the demographic information required for the study: The Company's name, employee working position, gender, the age bracket, the level of education and finally working experience.

4.3.1 Company Identity

The company identity is the overall image of a corporation, firm or business in the minds of diverse publics registered under the Companies Act. Respondents were required to give the name of the organization they are working at, the following is the result from the finding; Alpha Medical Manufacturers, Aventis Pasteur SA East Africa, Bayer East Africa Limited, Beta Healthcare (Shelys Pharmaceuticals), Dawa Pharmaceuticals Limited, Didy Pharmaceutical and Elys Chemical Industries Ltd.

4.3.2 Working Position

Working position is described by the group of duties and responsibilities which require the services of an employee on a part-time or full-time basis in a certain organization. In this section, interviewees were required to give their job titles as shown in Figure 4.1

Figure 4.1: Working Position



Source : Primary Data

From the findings, majority of the respondent were research nurses, followed by directors in the second position, in the third position was the program managers and finally in the fourth position was the accountant managers with a representation of 41%, 25%, 19% and 15% respectively.

4.3.3 Gender

Gender is defines as the state of being a male or a female. This study found out the gender of SMEs in pharmaceutical industries in Nairobi City County as presented in Table 4.1.

Table 4.1: Table to Display the Distribution of Gender

Gender	Frequency	Percentage
Male	35	58.33%
Female	25	41.67%
Total	60	100%

Source : Primary Data

From the finding majority of the respondents were male (35%) while female represents (25%) of the total population.

4.3.4 Age Bracket

Age is defined as a distinct period of history. This study found out the ages of the respective respondents who managed to respond to the questionnaire and the results are represented in the Table 4.2.

Table 4.2: Table to Represent the Age Distribution of Respondents

Age Bracket	Frequency	Percentage
Below 25 yrs.	7	11.67%
25-30 yrs.	14	23.33%
30-35 yrs.	13	21.67%
36-40 yrs.	8	13.33%
41-45 yrs.	10	16.67%
Over 45 yrs.	8	13.33%
Total	60	100%

Source : Primary Data

From the finding respondents aged between 25 and 30 years were the highest with a percentage of 23.33%, those aged between 31 and 35 years followed closely with a percentage of 21.67%, third was the population of those aged between 41-45 years with a

percentage of 16.67%. In the fourth position was tie between those aged between 36 and 40 years and those aged above 45 years with a percentage of 13.33%. Lastly in the fifth position was a population of those aged below 25 years with a percentage of 11.67%.

4.3.5 Level of Education

This is the maximum a limit to which one has attained in education as presented in Table 4.3.

Table 4.3: Table to Represent the Level of Education

Education Level	Frequency	Percentage
Undergraduate level	28	46.67%
Masters level	15	25.00%
PhD level	10	16.67%
Others (Specify)	7	11.67%
Total	60	100%

Source : Primary Data

Finding shows that, most of the respondents were undergraduate with a percentage of 46.67%. In the second position was a group of interviewee who managed to attain the master's level. This population is represented by a percentage of 25%. In the third position was a group of those who manage to attain the PhD level of education and are represented by 16.67% of the total population. Lastly in the fourth position was a group of interviewee who only attained up to Secondary School, diploma, and higher diploma level. This little population represents 11.67% of the total population of interviewee.

4.3.6 Working Experience

This is any experience that a person gains while working in a specific field or occupation, but the expression is widely used to mean a type of volunteer work that is commonly intended for young people often student to get a feel for professional working environments as presented in Table 4.4.

Table 4.4: Table to Represent the Working Experience

Working Experience	Frequency	Percentage
0-2 years	11	18.33%
3-5 years	14	23.33%
6-8 years	15	25.00%
More than 10 years	20	33.33%
Total	60	100%

Source : Primary Data

Findings shows that majority of them have got a working experience of more than 10 years, second on the experience list is a population of those who have worked between 6 to 8 years. This was closely followed by those who have worked for a duration between 3 to 5 years and lastly in the fourth position was a population of those who managed to work for a duration between 0 to 2 years with a representation of 33.33%, 25%, 23% and 18.33% respectively.

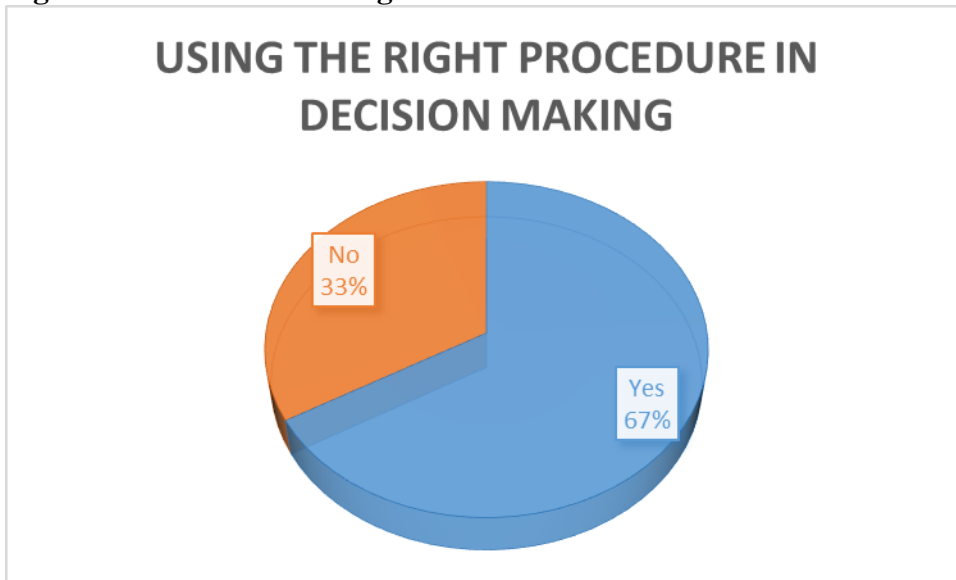
4.4 Management Skills by SMEs in Pharmaceutical Industry

This section sought information about management skills by SMEs in Pharmaceutical industry. The findings are presented below.

4.4.1 Good Decision Making Process

In this section, respondents were asked to indicate if they feel like decision making is achieved through the right procedure as shown in the Figure 4.2.

Figure 4.2: Decision Making Process



Source : Primary Data

This study found out that majority of the respondents agreed that, during decision making the right channels are used. This group is represented by 67%. Those who tend to disagree that the right procedures are employed were the least with a representation of 33% of the total population.

4.4.2 Statements on Management Skills

In this section the study took some statement which have not been proven and required the interviewee to judge according to their opinions as presented by the Table 4.5.

Table 4.5: Table to Represent Statements on Management Skills

Factors Under Consideration	Mean Score	Standard deviation
Pharmaceutical managers have the knowledge and ability to use different techniques to achieve what they want to achieve in the implementation of strategy	4.5	0.0215
In pharmaceutical industry management skills are a combination of many skills including the ability to plan, organize, budget, and manage the resources at hand	4.4	0.0246
The conceptual skills will help managers to look outside the goals of a single business department and make decisions that will satisfy overall business goals.	4.3	0.0848
The ability to encourage brainstorming and collaborative decision making	4.4	0.0211
The ability to organize and delegate tasks effectively based on your team members skills and talent in the organization results in success.	4.5	0.4812
Good communication skills, teamwork, integrity, delegation and motivation are the key factors in strategic implementation of pharmaceutical firms.	4.1	0.3121
Effective management skills must be realized with little unanticipated influence from outside political, technological, or market forces	4.0	0.3142
A lack of change management skills are the biggest barrier to successful strategy implementation.	4.2	0.2154

Source : Primary Data

Respondents were required to suggest on whether, Pharmaceutical managers have the knowledge and ability to use different techniques to achieve what they want to achieve in the implementation of strategy. The study found out that, the respondents agreed by mean score 4.5. This suggestion was a tie with the one that states that the ability to organize and delegate tasks effectively based on your team members skills and talents.

The second rated suggestion was also a tie between the statements that says; in pharmaceutical industry management skills are a combination of many skills including the ability to plan, organize, budget, and manage the resources at hand and the one that says the conceptual skills will help managers to look outside the goals of a single business department and make decisions that will satisfy overall business goals both with a mean score of 4.4. The third statement that the respondents agreed on was that the conceptual skills will help managers to look outside the goals of a single business department and make decisions that will satisfy overall business goals with a mean of 4.3. The fourth suggestion that respondents agreed on was that a lack of change management skills are the biggest barrier with a mean of 4.2. The fifth statement as rated by interviewee states that, Good communication skills, teamwork, integrity, delegation and motivation are the key factors in strategic implementation of pharmaceutical firms with a mean of 4.1. The sixth and the last statement as rated by interviewee was that, effective management skills must be realized with little unanticipated influence from outside political, technological, or market forces 4.0.

4.4.3 Future Management Skills

Respondents were required to give their opinions on what they would like to be improved on in order to see the company successful one. 61% of the respondents indicated that for the firm to be more prosperous, one needs to translate the strategic direction into a comprehensive plan of action, which includes key performance milestones along the way and specific accountabilities for performance. Using only sheer force of will almost never works. Leaders need to create and then manage for the execution of a detailed roadmap for installing the strategy, which includes: The key business and financial results to be accomplished by what dates; the work plan for accomplishing each of these key outputs; the identification and allocation of resources required to accomplish each action; and the specifications and installation plan for the measurement systems by which implementation will be tracked and fine-tuned accordingly. 40% of the respondents designated that as an organization leader, Have enough of a grasp of the situation at ground level to know what's needed and make sure your people get it on a timely basis. When people responsible for implementation are given a results specification and an accompanying material specification that do not match.

The implementers think their leaders are too distant and out of touch with the reality in the trenches. They're not always wrong. Some of the other considered factors considered were everybody in the firm should have the time, skills and systems needed to actively lead, coach and mentor staff to do the job expected of them. Almost always, this involves some degree of organizational development, as managers at all levels are challenged to redefine their roles and where they spend their time. This represents the remaining 9% of the total population of the respondents.

4.5 Strategy Implementation by SMEs in Pharmaceutical Industry

The study sought information on strategy implementation by SMEs in Pharmaceutical industry. The findings are presented below.

4.5.1 Strategy Implementation Strategy

In this section the study found out that, the realization of implementation strategy is subdivided into two according to the result given by the respondent. 65% of them, highlighted that, motivational leadership is what the key factor in strategy implementation is. Real leadership is required to compete effectively and deliver growth. People look to leaders to bring meaning, to make sense of the seemingly unquenchable demand for results and the need for individuals to find purpose and value. Leadership is the common thread which runs through the entire process of translating strategy into results and is the key to engaging the hearts and minds of your people.

The remaining 35% jotted out that, strategy into action is key in strategy implementation. Strategy into action planning is a phased approach charting a course through performance factors, linking strategic thrusts to project, departmental and individual activity. The ultimate goal is to enable organizations to effectively translate strategic intent all the way through to results in a clear and powerful process. The real need is to creatively and systematically unfold the strategy, bring it to life by creating integrated action plans across an organization that ensure all functions and divisions are aligned behind it as shown in the Figure 4.3.

Figure 4.3: Figure to Represent Strategy Implementation Strategy



Source : Primary Data

4.5.2 Participation in Strategic Implementations

Respondents were required by the researcher to indicate if they have ever participated in the strategic implementation in their respective organization. The result from the finding indicated that 59% of the respondents have been involved in several ways in making decision that lead to the success of the business. The remaining 41% of them indicated that they did not get involved in any way because of the following reasons. The first on is Poor communications, apparently some groups like to develop strategic plans, and then hide them under a rock. But they do not do it on purpose.

The failure to communicate the vision and strategic objectives to stakeholders may mean that the developers of the strategy are not getting out enough information for folks to understand what they're supposed to do with it. The second considered reason was passive Management. This is characterized by assuming that things will run themselves after getting them started, which is about as likely as being hit by lightning while being eaten by a shark. The third and the final reason given by those who are not involved in decision making plan was, Motivation and Personal Ownership. This is not to imply that people all a bunch of selfish, greedy, self-serving individuals. Although recent headlines could certainly make that case successfully. It is really that people are looking for the

meaning in what they do. In other words, they want to show up for more than just a paycheck. People want to build something, make a difference as shown in the Figure 4.4.

Figure 4.4: Figure to Represent the Participation in Strategic Implementations



Source : Primary Data

4.5.3 Strategy Implementation

Table 4.6 Table to represent Statements on Strategy Implementation

Factors Under Consideration	Mean Score	Standard deviation
Staff involvement is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures	3.9	0.0412
The implementation of a strategy often encounters rough going because of deep rooted cultural biases	4.1	0.0212
Creating an organization's culture, which is fully harmonized with implementation plan, offers a strong challenge to the strategy implementation leadership abilities	3.7	0.0142
Organizations face resistance to implementation of new strategies especially in organizations with defensive cultures	3.9	0.0314
Organizational systems involvement during strategy implementation had positive effects on the level of implementation success	4.0	0.0981
Ability to clearly communicate with your team and others in the workplace contributes in organization success.	4.1	0.0123
A skilled manager will be able to ensure that the employee's time is used widely and in a productive manner.	4.2	0.0217
Goal setting, plan how to achieve those goals, and track completion of those goals	3.8	0.0124
Delegate responsibility and supervise others for completion of those tasks	3.2	0.0312
Hiring of people with the necessary business skills or leadership talent to drive strategy implementation is a very high priority at your firms.	3.9	0.0154
Technical skills are most important for the first-level managers, but for the top managers, these skills are not something with high significance level	3.6	0.0418

Source: Primary Data

The most rated statement stated that, a skilled manager will be able to ensure that the employee's time is used widely and in a productive manner with a mean of 4.2. Respondents agreed on the same rate on two statements which are the implementation of a strategy often encounters rough going because of deep rooted cultural biases and the ability to clearly communicate with your team and others in the workplace contributes in organization success with a mean score of 4.1. The third statement states that, organizational systems involvement during strategy implementation had positive effects on the level of implementation success with a mean of 4.0. Respondents agreed on the same with three statements which are: Staff involvement is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures; organizations face resistance to implementation of new strategies especially in organizations with defensive cultures and hiring of people with the necessary business skills or leadership talent to drive strategy implementation is a very high priority at your firms in the fourth position with a mean score of 3.9.

In the fifth position was a statement on goal setting, plan how to achieve those goals, and track completion of those goals. This has been slightly agreed with a mean of 3.8. Respondents agreed to some extent on the issue of Creating an organization's culture, which is fully harmonized with implementation plan, offers a strong challenge to the strategy implementation leadership abilities with a mean score of 3.7. The last statement stated that, technical skills are most important for the first-level managers, but for the top managers, these skills are not something with high significance level with a mean score of 3.6

4.5.4 Barriers for Strategy Implementation

Respondent were asked to give some of the barriers that might hinder strategic implementation in an organization. Majority of the respondents indicated Lack of relation between strategic content and strategic process is one of the major reason. This barrier keeps the target strategic position, after an analysis of the economic environment, from being converted into targets and objectives for the different sectors, departments, teams and individuals that make up the organization. The other cindered reason was Lack of

coherence between strategic planning and resource allocation. In this case, the organization's strategic planning is not aligned with the availability of funds. Thus, there are often two types of plans, devoid of the required integration. Other considered reasons include: Lack of strategic feedback and a relatively inflexible formal structure due to IT.

4.6 Discussion of the Study

The discussion of the study is divided into the following two sections

4.6.1 Link to Theory

The research study is based on three theories, one being Theory of Planned Behavior. This theory of planned behavior is a theory about the link between beliefs and behavior. The concept was to improve on the predictive power of the theory of reasoned action by including perceived behavioral control. The theory states that attitude toward behavior, subjective norms, and perceived behavioral control, together shape an individual's behavioral intentions and behaviors. This study found out that, Pharmaceutical managers and staff have the knowledge and ability to use different techniques to achieve what they want to achieve in the implementation of strategy because of their positive attitude and behavior towards their work.

The idea behind Institutional theory elaborates the rules and requirements to which individual organizations must conform if they are to receive support and legitimacy from the environment. A force that constrains change and pressures organizations to act alike, or to imitate others. This is captured by the concept of isomorphism. Consequently, the institutional environment presents normative forces that pressure organizations to conform in certain ways in order to maintain their legitimacy. The emphasis, therefore, is on imitating the behavior of other similar, successful organizations. Institutional theory are mainly preoccupied with pointing out its lack of attention to the political processes, and to other non-institutional factors shaping the responses of organizations to pressures from the environment This study found out that, Effective management skills must be realized with little unanticipated influence from outside political, technological, or market forces.

The third theory is the resource-based view it argue that it is not the environment but the resources of the organization, which form the foundation of the firm's strategy and the origins of the resource-based view can be traced back on the basis of a competitive advantage of an organization lies in the application of the bundle of valuable resources at the organization's disposal. This theory tallies with this study in that, The key business and financial results to be accomplished by what dates; the work plan for accomplishing each of these key outputs; the identification and allocation of resources required to accomplish each action; and the specifications and installation plan for the measurement systems by which implementation will be tracked and fine-tuned accordingly.

4.6.2 Link to Other Studies

The roots of Human Relations Theory (HRT) can be traced to the Hawthorne Studies conducted by Elton Mayo and Kurt Lewin in the 1920s and 1930s at the Hawthorne works of the Western Electric Company, near Chicago in the United States. The human relations approach sees an organization as a cooperative enterprise wherein worker morale is a primary contributor to productivity and so seeks to improve productivity by modifying the work environment to increase morale and develop a more skilled and capable worker.

The Human relations theory is anchored on four basic principles; Decentralization the strict notion of hierarchy employed by classical management theorists is replaced with the idea that individual workers and functional areas (departments) should be given greater autonomy and decision-making power. This requires greater emphasis on lateral communication so that coordination of efforts and resources can occur. This communication occurs via informal communication channels rather than the formal, hierarchical ones; Participatory Decision-Making is participatory in the sense that those making decisions on a day-to-day basis include line workers not normally considered to be "management." According to this study, respondent indicated that, Good communication skills, teamwork, integrity, delegation and motivation are the key factors in strategic implementation of pharmaceutical firms. Also the study found out that by ensuring sufficient skilled talent in the organization results in success.

4.7 Chapter Summary

There were more male respondents than female in this study. Age bracket of 25-30 years was where majority of the respondents belonged. On education, respondents had undergraduate qualification. During decision making the right channels are used. Pharmaceutical managers have the knowledge and ability to use different techniques to achieve what they want to achieve in the implementation of strategy. Respondents have been involved in several ways in making decision that lead to the success of the business. The failure to communicate the vision and strategic objectives to stakeholders may mean that the developers of the strategy are not getting out enough information for folks to understand what they're supposed to do with it.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of findings as discussed in chapter four and interpretations of the data analysis, conclusions and recommendations based on the findings.

5.2 Summary of Findings

The study established that the organizational structure affects the implementation of strategic plans in the service to a great extent. The study further revealed that the organization embraces freedom of expression during strategy implementation. Organization, size affects strategy implementation while supervisors delegate duties and functions during strategy implementation. Management organizes meetings to discuss issues to do with strategic implementation. It was found out that the organization structure affects strategy implementation in the organization through meetings and discussion, freedom of expression, delegation of duties and functions, organization charts, organization Size allow implementation of strategic plans.

The level of managerial skills affected the strategic implementation in the service to great extent. The study revealed that there is lack of manager's commitment to performing their roles which leads to the lower ranks of employees missing support and guidance, the top management's skill to the strategic direction itself is the most important factor. The top management demonstrates their willingness to give energy and loyalty to the implementation process for it to succeed, there is lack of top management backing which is the main inhibiting factor and that the managers don't spare any effort to persuade the employees of their ideas for strategy implementation to be effective. (Rapa, 2005) argues that the most important thing when implementing a strategy is meeting top management's commitment to the strategic direction itself. This is undoubtedly a prerequisite for strategy implementation. Therefore, top managers must demonstrate their willingness to give energy and loyalty to the implementation process. Strategic Planning implementation is not a top-down-approach. Consequently, the success of any implementation effort depends on the level of involvement of middle managers (Rapa, 2005).

The study established that employee training is an attempt to improve employee performance by increasing the employees skills and ability to perform, creating and sharing an organizational goal, acting as a role model, training and development programs are designed to educate employees beyond the requirements of their current position so that they are prepared for a broader and more challenging role in the organization. It revealed that the training allowed employee participation in making job-related decisions, encouraging creativeness, providing support for employees, training is the process of imparting knowledge and skills and presents employees or beneficiaries with the skills they need to perform their jobs better. Lorange,(2006) argued that human resources represent a valuable intangible assets, he further asserts that one Of the major reasons why strategy implementation efforts foiled was that the human factor was conspicuously absent from strategic planning.

5.3 Conclusion

From the findings the researcher concluded that level of managerial skills influences the strategic planning implementation in the service to great extent. The study established that communication and degree of innovativeness is a key success factor in strategic implementation. It affects implementation of strategic planning to a great extent. The researcher further concluded that training affects strategic implementation. It was further established that training was meant to improve employee performance by increasing the employees' ability to perform, creating and sharing an organizational goal, acting as a role model, training and development programs are designed to educate employees beyond the requirements of their current position. The study concluded that the organizational structure influences strategy implementation in the service. This was through bureaucratic bottlenecks. differentiated roles that lead to specialization, number of reporting lines, implementation challenge, type of the structure with the flat allowing implementation, harmony of reporting lines and employee placement.

5.4 Recommendations

The study recommends that when a strategy is being formulated the company should first develop a mission statement that attempts to clarify an organization's values, purposes, and directions. It may be used as a starting point in the strategic implementation process

or it may be developed after the process is finished. Mission statements may specify target customers and markets, principal products or services, geographical domain, core technologies, concerns for survival, plans for growth and profitability, basic philosophy, and desired public image.

Pharmaceutical Firm should use environmental scanning to collect information about opportunities and threats facing the firm obtain data about economic, financial, political, legal, and competitive changes in various markets the firm serves or might want to serve. Political risk analysis and selection of national markets in which investment or disinvestment seems attractive issues from section of course before midterm, plus issues related to collecting market specific information in carried out here.

A control framework should be put in place. With the right management skills, the managerial and organizational processes used to keep the firm on target toward its strategic goals. The control framework can prompt revisions in any of the preceding steps in the strategy implementation process.

5.5 Limitation of the Study

Due to tight schedules of the top management in pharmaceutical industries, the study encountered difficulties in gaining access to the interviewees and the researcher had to keep rescheduling their time to align with the availability of the respondents. Information relating to strategy implementation is always treated with sensitivity. This caused difficulties in convincing the respondents of the importance of giving sincere.

answers to the asked questions evidenced through reluctance of accepting invitation to participate in the study to counter the challenge, the research had to inform the respondents in advance the purpose for the research study being carried out, that it was meant for academic purpose only and not for other investigations.

5.6 Suggestion for Further Research

The study recommends further research on the effectiveness of monitoring and evaluation tools used by pharmaceutical industries in Nairobi City County to monitor and evaluate strategic implementation through internationalization. The recommended further study will supplement the findings of this study by providing management skills on evaluation of the effectiveness of internationalization.

The study recommends carrying out the same study in other parts of the country to find out whether the same results will be obtained. A study should be carried on other private companies in the oil sector on strategic choices made in dealing with challenges of internationalization.

5.7 Chapter Summary

In summary, the level of managerial skills affected the strategic implementation in the service to great extent. The study revealed that the organization embraces freedom of expression during strategy implementation. The study established that employee training is an attempt to improve employee performance by increasing the employees' skills and ability to perform. It recommended that Pharmaceutical Firm should use environmental scanning to collect information about opportunities and threats facing the firm obtain data about economic, financial, political, legal, and competitive changes in various markets the firm serves or might want to serve.

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APPENDIX I: QUESTIONNAIRE

THE EFFECT OF MANAGEMENT SKILLS IN THE IMPLEMENTATION OF STRATEGY BY SMEs IN THE PHARMACEUTICAL INDUSTRY IN NAIROBI CITY COUNTY, KENYA

PART A: DEMOGRAPHIC INFORMATION

1. Name of your company?
2. What is your designation?
3. What is your Gender? Male [] Female []
4. What is your age bracket?
 Below 25 [] 25-35 []
 36-45 [] Above 45 []
5. What is your highest level of education?
 Master's degree [] Undergraduate degree []
 College Diploma [] Others (specify.....) []
6. How many years have you worked in this company?
 0-2 years [] 3-5 years []
 6-8 years [] More than 10 years []

PART B: EFFECT OF MANAGEMENT SKILLS IN THE IMPLEMENTATION OF STRATEGY BY SMES IN PHARMACEUTICAL INDUSTRY IN NAIROBI CITY COUNTY

Management Skills by SMEs in Pharmaceutical Industry in Nairobi City County

7. In your company, are the right processes typically followed while making decisions about a plan of a certain action? Yes [] No []

8. To what extent do you agree with the following statements? (Select all the appropriate)

Give your ratings in the scale of 1-5 (where 1= disagree, 2= indifferent, 3= Agree to a small extent, 4= Agree to a moderate extent, 5= strongly agree

Variable	1	2	3	4	5
Pharmaceutical managers have the knowledge and ability to use different techniques to achieve what they want to achieve in the implementation of strategy					
In pharmaceutical industry management skills are a combination of many skills including the ability to plan, organize, budget, and manage the resources at hand					
The conceptual skills will help managers to look outside the goals of a single business department and make decisions that will satisfy overall business goals.					
The ability to encourage brainstorming and collaborative decision making					
The ability to organize and delegate tasks effectively based on your team members skills and talents in the organization results in success.					
Ensuring sufficient skilled talent in the organization results in success.					
Good communication skills, teamwork, integrity, delegation and motivation are the key factors in strategic implementation of pharmaceutical firms.					
Effective management skills must be realized with little unanticipated influence from outside political, technological, or market forces.					
A lack of change management skills are the biggest barrier to successful strategy implementation.					

9. What development would you like to see on good management skills for a successful strategic implementation in your organization?

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Strategy Implementation by SMEs in Pharmaceutical Industry in Nairobi City County

10. How is strategic implementation achieved in your organization?

.....

11. Have you ever participated in strategic implementations plans in your organization?

Yes [] No []

If yes explain how

.....

12. To what extent do you agree with the following statements? (Select all the appropriate)

Give your ratings in the scale of 1-5 (where 1= disagree, 2= indifferent, 3= Agree to a small extent, 4= Agree to a moderate extent, 5= strongly agree

Variable	1	2	3	4	5
Staff involvement is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures.					

The implementation of a strategy often encounters rough going because of deep rooted cultural biases					
Creating an organization's culture, which is fully harmonized with implementation plan, offers a strong challenge to the strategy implementation leadership abilities					
Organizations face resistance to implementation of new strategies especially in organizations with defensive cultures					
Organizational systems involvement during strategy implementation had positive effects on the level of implementation success					
Ability to clearly communicate with your team and others in the workplace.					
A skilled manager will be able to ensure that the employee's time is used widely and in a productive manner.					
Goal setting, plan how to achieve those goals, and track completion of those goals					
Delegate responsibility and supervise others for completion of those tasks					
Hiring of people with the necessary business skills or leadership talent to drive strategy implementation is a very high priority at your firms.					
Technical skills are most important for the first-level managers, but for the top managers, these skills are not something with high significance level.					

13. What are the main barriers in organizations system while implementing the strategy?

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THANK YOU FOR PARTICIPATION