

**CHALLENGES OF STRATEGIC PLAN IMPLEMENTATION: A CASE
STUDY OF THE KENYA ROADS BOARD**

**BY
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DECLARATION

This management project is my own original work and has not been presented for a degree in any other University

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DEDICATION

This study is dedicated to my late mother *Magdalene* who raised me with so much love and made me the person I am today

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LIST OF ABBREVIATIONS

APRP	Annual Public Roads Programme
DRCs	District Roads Committees
ED	Executive Director
FY	Financial Year
KRB	Kenya Roads Board
RMLF	Road Maintenance Levy Fund
SSATP	Sub Saharan Africa Transport Programme

ABSTRACT

This is a study of Kenya Roads Board (KRB). KRB is a state corporation mandated to oversee the road network and thereby coordinate its development, rehabilitation and maintenance funded by the KRB Fund and to advise the Government on all matters related thereto. The success of KRB has a direct impact on the performance of the Kenyan economy as infrastructure has been identified as a major catalyst to economic growth. The objective of the study was to identify the challenges that KRB has faced in the implementation of its strategic plan. The data for the study was collected from primary and secondary sources. Primary data was collected through personal interviews while secondary data was collected through review of documents within the organization.

The study established that KRB has an elaborate strategic planning process and has developed two strategic plans (2003-2008) and (2008-2013). The Board of Directors and all staff are involved in setting the vision, mission, objectives and strategies of the organization. However, KRB faced some challenges in the implementation of its strategic plan, major of which was monitoring of the implementation process and coordination of activities across departments.

On the basis of the above findings, it is recommended that KRB puts in place a monitoring system to ensure there is an early warning system if the implementation is not going according to plan. The harmony between departments should be improved by clearly defining their roles and responsibilities.

CHAPTER ONE: INTRODUCTION

1.1 Background

New approaches to management in the public sector are imperative as governments enter the new millennium. Market dynamics have created challenges for public organizations, with the emergence of the global economy, advances in technology, increased societal demands, and the need to provide more social services with fewer resources. As well, a widespread desire for increased organizational scrutiny has increased the pressure for change, given more accessible globalized information systems and heightened media attention critical of government inefficiencies in service delivery.

Response mechanisms have emerged within the private market to meet these recent challenges but government organizations have been slower to respond. This has mainly been due to fiscal constraints and the bureaucratic process in governments. However, a new approach, which incorporates modern strategic management tools, is necessary for the public sector to achieve improved performance and overall service quality. While current public policy models have certainly started to reflect a shift away from traditional thinking about organizational design and public management, a systematic process for creating and sustaining improved performance that reflects changes in the environment is still lacking in some organizations.

The guiding principles in any strategic management process, whether in the public or private sector, are about understanding what changes are needed, how to implement and manage these changes and how to create a roadmap for sustaining improvements that lead to better performance. The difficulty in strategic management is the challenge of laying a foundation for success in the future while meeting today's challenges.

Strategic planning is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead. (Bryson, 1995).

1.1.1 Concept of Strategy

The concept of strategy embraces the overall purpose of an organization. It is the determination of the basic long-term goals and objectives of an enterprise, adoption of courses of action and the allocation of resources necessary for carrying out those goals.

Gole (2005) proposes that strategic management is a process directed by top management to determine the fundamental aims or goals of the organization, and ensure a range of decisions which will allow for the achievement of those aims or goals in the long-term, while providing for adaptive responses in the short-term. The three core areas of corporate strategy: strategy analysis, strategy development and strategy implementation.

Strategic analysis deals with examining the environment within which the organization operates. Strategy formulation is concerned with determining where the organization is, where it wants to go and how to get there. It involves carrying out situation analysis that leads to setting of objectives. Vision and mission statements are crafted and overall corporate objectives, strategic business unit objectives and tactical objectives are also developed. Strategy implementation is the process of allocating resources to support an organization's chosen strategies. This process includes the various management activities that are necessary to put strategy in motion and institute strategic controls that monitor progress and ultimately achieve organizational goals. Strategy evaluation includes review of external and internal factors that are bases for strategies formulated, measuring performance and taking corrective action, if necessary. This is important as all strategies are subject to future modification depending on environmental turbulence (Robbins and Coulter (1996).

Strategy formulation and implementation is an on-going, never-ending integrated process requiring continuous reassessment and reformation. Strategic management is dynamic and involves a complex pattern of actions and reactions. It is partially planned and partially unplanned. Strategy is planned, emergent, dynamic and interactive (Thompson and Strickland, (1980), Johnson. and Scholes (2002). Pearce and Robinson (2007) states

that to effectively direct and control the use of the firm's resources, mechanisms such as organizational structure, information systems, leadership styles, assignment of key managers, budgeting, rewards and control systems are essential strategy implementation ingredients.

1.1.2 Concept of Strategic Plan

Lynch, R. (2006) states that the purpose of strategic planning is to use a formal planning system for the development and implementation of the strategies related to the mission and objectives of the organization. Strategic planning therefore formalizes the strategy process in the organization and the plan integrates the activities of the organization and specifies a timetable for the completion of each stage.

Cox, J.B., (1997) defines a strategic plan as a management tool used to improve the performance of the organization. It outlines the organization's direction and priorities and guides the management in making decisions regarding the allocation of resources. A strategic plan builds commitment from its key stakeholders of the organization to a particular direction that will guide the future allocation of the organization's resources. He further states that a useful strategic plan being a set of priorities allows for the plan to be adjusted according to changing needs or resources should be achievable, measurable, and time sensitive. The plan should be flexible and responsive to changing conditions as the environment is ever changing. The plan may contain unforeseen detours such as unexpected crises, new opportunities, or changes in resources.

The process of strategic planning involves an analysis of the environment the organization is operating and how it may change or develop in future. The setting of vision, mission and objectives sets the direction of the organization in the long term. Strategy development involves finding the strategic route forward and selection options for implementation.

1.1.3 Challenges of Strategic Plan Implementation

Strategy implementation usually involves change as organizations and their environment are constantly changing. Implementation programmes vary according to the nature of the strategic problems that the organization faces. According to Jones & Hill (1997), implementation of strategy is a way in which a company creates the organizational arrangement that allows it to pursue its strategy most effectively. Organizational structure, information systems, leadership, culture, assignment of key managers, budgeting, rewards and control systems are ingredients of successful strategy implementation (Pearce and Robinson, 2007).

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation. The reward system aligns activities and objectives of individuals and units with the objectives and needs of the firm's strategy (Shirley, 1983). Successful strategy implementation depends on a large part on how a firm is organized. The structure helps an organization identify its activities and the way in which it will coordinate them to achieve the firm's strategic objective. It also provides managers with a vehicle to exploit fully the skills and capabilities of the employees with minimal costs and at the same time enhance the firm's capacity to achieve superior efficiency, quality, innovation and customer responsiveness (Pearce & Robinson, 2007).

Organizational culture helps in nurturing and dissemination of core values. Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Implementation of new strategy will be concerned with adjustments in the structures, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy. Therefore for strategic plan implementation to be effective there should be a fit between the new changes and the firm's culture (Pearce and Robinson, 2007).

Organizations should be structured in such a way that they can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted (Lorsch 1967). Thompson and Strickland (1980) notes that while strategy formulation requires the abilities to conceptualize, analyze and judge, implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Owen (1982) agrees that strategy and structure need to be matched and be supportive of each other in order to achieve objective set. Structure is the means by which the organization seeks to achieve its strategic objectives and implement strategies and strategic changes (Thompson 1997). Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments.

In an ever changing and competitive business environment, organizations require a strategic leader who is able to provide and share a clear vision, direction and purpose for the organization (Thompson, 1997). Leadership is the key to effective strategy implementation. The role of the Chief Executive is fundamental because a CEO is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The right managers must also be in the right positions for effective implementation of a new strategy (Jones & Hill, 1997). Top management goodwill and ownership to drive the process is critical to effective implementation of strategy.

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation (Shirley, 1983). According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance. To the extent that rewards are available, durable, timely,

visible and performance contingent, they can reinforce and support organizational goals, work designs and employee involvement.

Reward system should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007, Thompson et al, 2007).

According to Thompson et al (2007), effective strategy implementation depends on competent personnel and effective internal organizational systems. No organization can hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital. The task of implementing challenging strategic initiatives must be assigned to executives who have the skills and talent to handle and can be counted on to turn decisions and actions into results to meet established targets. Without a smart, capable result-oriented management team, the implementation process ends up being hampered by missed deadlines, misdirected or wasteful efforts. Building a capable organization is thus a priority in strategy execution.

High among organizational building priorities in the strategy implementation is the need to build and strengthen competitive valuable competencies and organizational capabilities. Training therefore becomes important when a company shifts to a strategy that requires different skills, competencies and capabilities.

1.1.4 Kenya Roads Board

Kenya Roads Board is a State Corporation established by Kenya Roads Board Act, No. 7 of 1999. The object and purpose of the Board is to oversee the road network in Kenya

and thereby coordinate its development, rehabilitation and maintenance funded from the Kenya Roads Board Fund and advise the Minister responsible for roads on all matters thereto. Following the enactment of the KRB Act in 1999, the operationalization of the Board came about in 2002 and in the same year the Board of directors was appointed and staff recruited.

The mandates of KRB as contained in the Kenya Roads Board Act, 1999 are to coordinate the co-ordinate the implementation of all policies relating to the development, rehabilitation and maintenance of the road network, coordinate the development, rehabilitation and maintenance of the road network with a view to achieving efficiency, cost effectiveness and safety, administer the funds derived from the fuel levy and any other funds that may accrue to it, determine the allocation of financial resources from the Fund or from any other source available to KRB required by roads agencies for the development, rehabilitation and maintenance of the road network, to ensure that the allocation of funds is pegged to specific categories of roads, monitor the operations or activities undertaken by road agencies in the development, rehabilitation and maintenance of roads, and evaluate, by means of technical, financial and performance audits, the delivery of works, ensure that all procurements for the development, rehabilitation and maintenance of roads or other associated works, funded out of the Fund or other funds are conducted in accordance with the guidelines and criteria set out by KRB; recommend to the Government appropriate levels of road user charges, fines, penalties, levies or any sums required to be collected under the Road Maintenance Levy Fund Act, 1993 and paid into the Fund and recommend such periodic reviews of the fuel levy as are necessary for the purposes of the Fund and other potential sources of revenue for the development, rehabilitation and maintenance of roads which could be made available to it for the performance of its functions; and advise the Minister on all matters related to roads.

One of the major challenges facing the road sub-sector is the deplorable condition of the road network. This has mainly been due to inadequate maintenance arising from insufficient funds and an inappropriate institutional framework for road sub-sector

management and this has hampered national development. The Economic Recovery Strategy for Wealth and Employment Creation for 2003-2007 (ERS 2003-2007) sets out the broad principles through which the economy of Kenya is being set on the path to fulfilling its economic potential. The ERS acknowledged the need for a functional transport sector as the third pillar of the economic recovery effort which is expected to tackle such challenges as reduction of poverty by half by the year 2015 and the achievement of newly industrialized country status by 2020.

To fully maximize the resources of KRB in the achievements of its mandate, KRB embarked on the development of a strategic plan and through various initiatives the first Strategic Plan 2003-2008 was formulated in 2003. This was due to the realization that strategic planning enables an organization to examine the environment in which it exists and operates; explore the factors and trends that affect the way it does business; seek to meet its mandates and fulfill its strategic vision and mission; frame strategic issues which must be addressed; and find ways to address these issues. The KRB Strategic Plan (2003-2008) identified eight objectives that were derived from the mandates of the Board. These are to enhance and sustain the KRB Fund, to optimize utilization of KRB Fund, to ensure efficient and effective delivery of road works, to increase the maintainable road network by 10% annually, to safeguard road sub-sector resources against natural and man-made calamities, to enhance and sustain a positive corporate image and to develop strategic internal capacities.

The key strategies identified were to pursue the finalization and adoption of the road sub-sector policy and strategy, facilitate the legal review of the road sub sector, institute and coordinate programmed road maintenance, increase the maintainable road network by 30% during the plan period and minimize levels of axle overloading.

1.2 Statement of the Problem

Mintzberg & Quinn (1991) stated that 90% of well formulated strategies fail at implementation stage while David (1997) claimed that only 10% of formulated strategies

are successfully implemented. Having a good strategy does not mean that an organization is moving in the right direction. People often resist change but the same people will be more open to change when it is communicated to them in the right manner. Strategies require regular reviews depending on environmental changes. Implementing strategy is tougher and more time consuming than crafting it. Many organizations have formulated excellent strategies but have not achieved excellent results due to poor strategy implementation. Studies reviewed hereunder have revealed that this failure is due to variety of managerial activities that are undertaken to implement strategy. Managing resistance to change associated with strategy implementation also proves difficult for most organizations.

Recent studies done in the area of strategy implementation include: Muthuiya (2004) focused on strategy implementation and its challenges in non-profit organizations in Kenya: A case study of AMREF. He found that AMREF faced the following challenges: inadequate resources, advocates and supporters of strategic decisions abandoning the process with resultant negative effect on staff commitment and enthusiasm; unsupportive organization structure, environmental factors and implementation period taking longer than anticipated. Omollo (2007) studied the challenges of implementing strategic decisions at the Kenya Armed Forces Medical Insurance Scheme (AFMIS). She found that implementation of strategic decision is a continuous process which requires monitoring and evaluation at all stages to determine the best alternatives in the process. She also found that organizations need to formulate clear and well documented strategies from the very beginning of strategy formulation through to implementation and that managers at all levels of the organization must identify and embrace the strategy so that staff buy in the idea and connect with strategy being implemented.

A study by Aboud (2007) focused on the challenges facing the implementation of strategy for revitalizing agriculture (SRA). The findings of the study (from most challenging to least challenging) were: inadequate staff motivation, poor understanding of SRA by stakeholders and low acceptability of the strategy. Koske (2003) studied strategy implementation and its challenges in public corporations, a case of Telkom

Kenya. He found that the major challenges faced were poor management and resources, poor leadership style, lack of financial resources, limited IT capacity, government regulations and unsupportive culture. Koske concluded that it was necessary for the company's strategy to be in line with the structure, leadership, culture, resources and supportive systems.

As observed above, the studies conducted on strategy implementation were carried out in the telecommunications sector, non governmental organizations and semi autonomous government organizations. The studies revealed that the organizations studied had various challenges in strategy implementation. The main challenges identified in the studies were leadership, structure, resources, communication of the strategy and lack of staff motivation. From the studies reviewed above, it is observed that though the organizations had key challenges in the implementation of their strategies, they had direct control of their strategies.

As indicated earlier, KRB has developed key strategies to meet its objectives but key of them depend on other government bodies mainly the road agencies to implement them. One of the key strategies of the Board in its strategic plan (2003-2008) was to increase the maintainable road network by 30% during the plan period. However, KRB does not implement works and therefore does not have total control on implementation of the strategy. The studies therefore have not focused on any organization that is dependent on another for its strategy implementation. There is no study conducted on strategy implementation in the road sector organizations. This research will therefore seek to identify challenges faced in the implementation of strategic plan at the Kenya Roads Board and its dependence on implementation of its strategies by other bodies. This problem statement leads to the following question: what are the challenges faced in strategic plan implementation at the Kenya Roads Board?

1.3 Research Objectives

The objective of this study was to determine challenges that KRB faced in the strategic plan implementation

1.4 Significance of the Study

The study will be important to Kenya Roads Board as it implements its second strategic plan since it will provide an in-depth analysis of how the strategy should be implemented and challenges that may be faced at all levels of the organization. It is also important to the Management and staff of Roads Authorities that are newly formed as the study will provide insight into some of the challenges that may be faced in the implementation of their strategic plans and how they can deal with them. The authorities will strive to avoid the pitfalls and capitalize on the strengths. The Inspector General of Corporations will be able to monitor and evaluate implementation of the board's strategic plan and advise on effective ways of implementing it. Scholars will find it important as the study will increase the body of knowledge in this area.

CHAPTER TWO: LITERATURE REVIEW

2.1 The Concept of Strategy and Strategic Planning

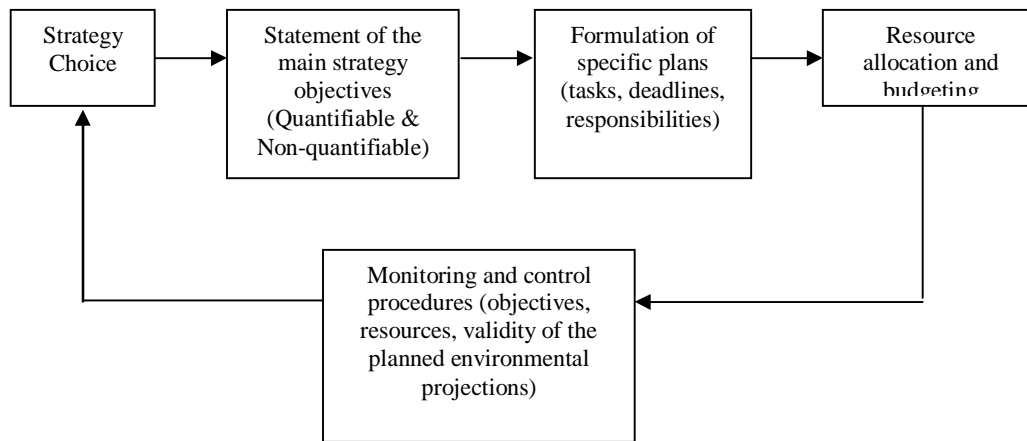
Chandler (1962) defined strategy as the determination of the basic long term goals and objectives of an enterprise and the adoption of action and the allocation of resources necessary for carrying out these goals. This means that strategy is about managing new opportunities. The strategy that is chosen should be one that optimizes the resources available in order to achieve organizational goals and objectives. According to Mintzberg (1987), strategy is a plan, ploy, a pattern of behaviour, a position in respect to others and a perspective. Strategy therefore specifies the intended course of action of an organization, develops ways to outwit a competitor. The characteristic of strategy is that it is deliberate as well as emergent. It is a pattern of actions and resource allocations designed to achieve the goals an organization (Bateman and Zeithaml, 1993). Quinn (2003) defined strategy as the pattern or plan that integrates an organizations major goal, policies and action sequences into a cohesive whole. Goals state what is to be achieved and when the results are to be accomplished and policies guide the limits within which action should occur.

Strategy is the direction of an organization over the long term, which achieves advantage in the changing environment through its configuration of resources and competences with the aim of fulfilling stakeholder expectations (Johnson and Scholes, 2003). This means that organizations should provide value to their customers better than their competitors. Strategic planning involves making decisions about the organization's long term goals and strategies. It is an ongoing activity in which all managers are encouraged to think strategically and focus on the long term, have a strong external orientation as well be focused on short term-tactical and operational issues. In strategic planning senior management is responsible for the development of the strategic plan. The concept of strategic planning is concerned with where are we now, where do we want to be, how do we get there, who must do what and how are we doing (Bateman and Zeithaml, 1993).

2.2 Strategy Implementation Process

According to Lynch (2006), there are three core areas of corporate strategy, these are strategic analysis, strategy development and strategy implementation. The strategy implementation process requires a firm to draw up plans to carry out its strategies. The implementation issues should address the question of activities that need to be undertaken in order to achieve the agreed objectives, resource allocation and budgeting and timescale for implementation of the plans and how progress will be monitored and controlled. Monitoring the implementation of strategy helps to assure that organizational efforts conform to the plan and that results achieved are aligned with the objectives. Monitoring also allows for corrective action in that necessary changes may be made along the way.

Figure 1: Basic Strategy Implementation Process



Source: Lynch, R. (2006) Corporate Strategy, Prentice Hall, 4th Edition.

2.3 Strategy Implementation in the Public Sector

According to Johnson & Scholes (2003), concepts of strategy and strategy management are as important in the public sector as in the commercial sector. In public sector, government-owned organizations, the strategy is usually governed by broader public policy concerns rather than profits. Strategy in non-profit organizations needs to reflect the values held by the institutions concerned and decision making may be slower and

complex. Further, the criterion of acceptability to stakeholders of strategic choices is probably of greater significance in the public sector than in the commercial sector.

Lynch (2006) proposes that in public sector strategy, the analysis of the strategic environment is more complex than in the private sector because public sector strategy involves the wide ranging and ill-defined subject of the public interest. The main areas that constitute environmental analysis for a public sector organization are the extent of the market mechanism in public service, concept of public value and stakeholder power and complexity.

According to Cole (1997) a public sector organization receiving its funding from taxation will be faced with a different league of stakeholders, the most influential being the funding agency. While private sector organizations grapple with challenges of strategy implementation, public sector organizations have even more challenges arising from political interference, competition for government resources and competing stakeholder interests.

2.4 Challenges of Strategic Plan Implementation

Formulating appropriate strategy is not enough. For effective strategy implementation, the strategy must be supported by decisions regarding the appropriate organization structure, reward system, organizational culture, resources and leadership. Just as the strategy of the organization must be matched to the external environment, it must also fit the multiple factors responsible for its implementation (Bateman & Zeithaml, 1993, David, 1997). Strategic planning is process by which an enterprise develops a vision of the future and draws up goals, strategies and action plans for realizing the vision. Performance contracts are drawn from strategic plans which are based on strategies and targets.

According to Jones & Hill (1997), implementation of strategy is a way in which a company creates the organizational arrangement that allows it to pursue its strategy most

effectively. Successful strategy implementation therefore, (David 1997) must consider issues central to its implementation which include, matching organizational structure to strategy, creating a supportive organizational culture among other issues.

2.4.1 Organizational Structure

Organizations should be structured in such a way that they can respond to pressure to change from the environment and pursue any appropriate opportunities which are spotted (Lorsch 1967). Thompson and Strickland (1980) note that strategy implementation involves working with and through other people and institutions of change. It is important therefore that in designing the structure and making it operational, key aspects such as empowerment, employee motivation and reward should be considered. Structure (Thompson 1997) is the means by which the organization seeks to achieve its strategic objectives and implement strategies and strategic changes. Strategies are formulated and implemented by managers operating within the current structure. The structure of an organization is designed to breakdown how work is to be carried out in business units and functional departments. People work within these divisions and units and their actions take place within a defined framework of objectives, plans, and policies.

Successful strategy implementation depends on a large part on how a firm is organized. Owen (1982) agrees that strategy and structure need to be matched and be supportive of each other in order to achieve objective set. The structure helps an organization identify its activities and the way in which it will coordinate them to achieve the firm's strategic objective. It also provides managers with a vehicle to exploit fully the skills and capabilities of the employees with minimal costs and at the same time enhance the firm's capacity to achieve superior efficiency, quality, innovation and customer responsiveness (Pearce & Robinson, 2007).

2.4.2 Organizational Culture

Culture is a set of assumptions that members of an organization share in common (shared beliefs and values). Organizational culture helps in nurturing and dissemination of core values. Implementation of new strategy will be concerned with adjustments in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce and Robison, 2007). Wehrich & Koontz (1993) look at culture as the general pattern of behaviour, shared beliefs and values that members have in common. Culture can be inferred from what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behaviour over time. This means organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave. The top managers create a climate for the organizations and their values influence the direction of the firm.

2.4.3 Leadership and Management

Organizational structure on its own is not sufficient to ensure successful implementation of a strategy, effective leadership is required. Bateman and Zeithaml (1993) define a leader as one who influences others to attain goals. Leaders have a vision and they move people and organizations in directions they otherwise would not go. In a competitively chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization (Thompson, 1997).

Leadership is the key to effective strategy implementation. The role of the Chief Executive is fundamental because a CEO is seen as a catalyst closely associated with and ultimately is accountable for the success of a strategy. The CEO's actions and the perceived seriousness to a chosen strategy will influence subordinate managers' commitment to implementation. The personal goals and values of a CEO strongly influence a firm's mission, strategy and key long term objectives. The right managers must also be in the right positions for effective implementation of a new strategy (Jones

& Hill, 1997). Top management goodwill and ownership to drive the process is also critical to effective implementation of strategy. According to Thompson (1997) the strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organizations who will be responsible for implementing them.

2.4.4 Performance Management

The level of success of a strategy depends on the degree of participation in planning and on acceptance of the goals, indicators and targets set. Therefore effective implementation of a strategy is likely to be successful if it rests on meetings and consensus between the management and staff, rather than a top down imposition of plans and targets (Song, 1983). Goal setting involves managers and subordinates jointly establishing and clarifying employee goals. The first element of goal setting is establishing goals that are perceived as challenging but realistic and to which there is high level of commitment. It involves having employees participate in the goal setting process so as to increase motivation and performance. Participation also convinces employees that the targets are achievable and can increase their commitment to achieving them. Employee participation is likely to be effective if employee involved and will therefore support goal setting. Participation in goal setting is likely to be seen as legitimate, resulting in the desired commitment to the implementation of a strategy (Cummings & Worley, 2005).

The second element in the goal setting process involves specifying and clarifying the goals measurement. When given specific goals, workers perform higher because ambiguity is reduced than when they simply receive no guidance. Clarifying goal measurement requires that employees and supervisors negotiate resources necessary to achieve the goals such time, equipment, raw materials and access to information. If employees cannot have appropriate resources, the targeted goal may have to be revised. The process of specifying and clarifying goals can be difficult if the business strategy is unclear, hence under such conditions, attempting to gain consensus on the measurement and importance of goals can lead to frustration and resistance to change.

2.4.5 Reward and Sanction Systems

The execution of a strategy depends on individual members of organization especially key managers. Motivating and rewarding good performance for individuals and units are key success factors in effective strategy implementation (Shirley, 1983). According to Cummings and Worley (2005), organizational rewards are powerful incentives for improving employee and work group performance. It can also produce high levels of employee satisfaction. Reward systems interventions are used to elicit and maintain desired levels of performance. To the extent that rewards are available, durable, timely, visible and performance contingent, they can reinforce and support organizational goals, work designs and employee involvement.

Reward systems should align the actions and objectives of individuals with objectives and needs of the firm's strategy. Financial incentives are important reward mechanisms because they encourage managerial success when they are directly linked to specific activities and results. Intrinsic non-financial rewards such as flexibility and autonomy in the job are important managerial motivators. Negative sanctions such as withholding of financial and intrinsic rewards for poor performance are necessary to encourage managers' efforts (Pearce and Robinson, 2007, Thompson et al, 2007).

2.4.6 Resources and Capacity

According to Thompson et al (2007), effective strategy implementation depends on competent personnel and effective internal organizational systems. No organization can hope to perform the activities required for successful strategy implementation without attracting, motivating and retaining talented managers and employees with suitable skills and intellectual capital. The task of implementing challenging strategic initiatives must be assigned to executives who have the skills and talent to handle and can be counted on to turn decisions and actions into results to meet established targets. Without a smart, capable result-oriented management team, the implementation process ends up being

hampered by missed deadlines, misdirected or wasteful efforts. Building a capable organization is thus a priority in strategy execution.

High among organizational building priorities in the strategy implementation is the need to build and strengthen competitive valuable competencies and organizational capabilities. Training therefore becomes important when a company shifts to a strategy that requires different skills, competencies and capabilities.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research design

The study was conducted through a case study. The case study design was chosen because it the researcher could be able to carry out an in-depth investigation of the organization phenomenon (Mugenda and Mugenda, 2003). The design was appropriate as it allowed the researcher to obtain multiple perspectives of KRB. The design was also considered appropriate as the researcher was able to identify characteristics and aspects that were unique to KRB.

3.2 Data Collection

Primary and secondary data was collected. Primary data was obtained through personal interviews of nine respondents namely, the Executive Director, General Managers and their Deputies and the Heads of Sections namely, Legal & Corporate Affairs and Human Resources. This was done through an interview guide (Appendix 1) which contained three sections of open ended questions on respondent information, strategy development and implementation process and challenges of the strategic plan implementation. Additional questions were introduced during the interview to clarify responses and also for deeper probe to get further information.

Secondary data was collected from materials available in the organization mainly the strategic plan, annual reports, reports of strategic plan reviews, performance contracts, contracts with road agencies and sector wide reports on formation of KRB and the reform process in the road sub sector.

3.3 Data Analysis

The data collected was checked for consistency, completeness and objectivity. It was then classified into categories of leadership, strategic planning process, staff motivation,

organization structure, organization culture, monitoring, coordination and measuring success. The data was then analyzed by use of content analysis. Recorded responses of the interviewees and reviews of historical documents was coded into themes which were used to build up inferences.

The responses of the respondents were analyzed to determine the challenges faced by KRB in the implementation of the strategic plan. This method was used by Omollo (2007).

CHAPTER FOUR: FINDINGS AND DISCUSSION

4.1 Introduction

The research objective was to determine the key challenges that Kenya Roads Board faced in the implementation of its strategic plan. This chapter presents the findings with regard to the objective and discussion of the same. The data was collected from nine respondents and this comprised of the Executive Director of Kenya Roads Board, three General Managers and their Deputies in Planning & Programming, Technical Compliance and Finance Departments and the Heads of Sections of Human Resource and Legal & Corporate Affairs Sections. The findings are presented as shown below.

4.2 Strategic Planning Process

The respondents interviewed were aware of the existence of the strategic plan and had departmental functional plans. The strategic plan was formulated by assistance through professional consultants where a draft plan was developed by a selected staff team in the senior and middle management. The remaining staff were involved in a workshop that agreed on vision, mission, core values, opportunities, threats, strengths and weaknesses as well as the business plan. The first strategic plan (2003-2008) and the current strategic plan (2008-2013) were formulated. According to the respondents, the strategic plan was reviewed annually and this involved the review of the environment, targets and budgets. During the review of the strategic plan all staff are involved and is usually done through a workshop facilitated by an external professional consultant. The targets were then used to develop the performance contract which was signed between the Board and the Minister for Roads. The Executive Director then signs a performance contract with the Board while the Heads of Departments and Sections sign performance contracts with the Executive Director.

The Executive Director is evaluated on annual basis against the targets agreed with the Board. Once the strategic plan is approved by the Board, all departments develop their

departmental plans from the corporate business plan. This includes the strategies, targets, time frame and performance indicators of the plan. The Heads of Department sign Performance Contracts with the Executive Director.

From the analysis, it can be concluded that Kenya Roads Board has a very elaborate strategic formulation and review process. However, management must lay more emphasis on the implementation of the strategy.

4.3 Communication of the Strategic Plan

All the respondents unanimously agreed that the communication of the strategic plan was effective. KRB being a small organization of approximately 40 staff was able to involve all the staff in the formulation and review of the strategic plan. The vision, mission, core values, objectives and action plans were all agreed at the strategic plan and the review workshops. The vision, mission statements and core values are also displayed in strategic locations in the organization. All the respondents had received a copy of the strategic plan and were well aware of the vision and mission statements.

It was also established that KRB has a communications policy that outlines the communication objectives and processes. However, the respondents felt that there was no regular communication of the state of implementation of the strategic plan and performance of KRB.

4.4 Leadership

The role of the Board is to give the overall direction of the organization and hence provide the leadership required. KRB is governed by a Board of Directors and is comprised of eight members from the private sector and five members from the public sector appointed by the Minister for Roads as provided for in the KRB Act. The Chairman is appointed by the President from among members of the private sector. The Executive Director is appointed by the Board through a competitive process after which

the Board recommends three candidates to the Minister for Roads, who then selects one candidate.

Respondents felt that the Executive Director (ED) is the driving force of KRB and has seen the organization through turbulent times of reforms and external pressures and felt that KRB had come out stronger and had greatly improved its performance from the performance contract assessment by the Performance Contract Steering Committee in the Office of the President. The study further established that the ED had successfully negotiated attractive terms and conditions of service of the staff and those interviewed expressed confidence in the leadership of the ED. The respondents indicated that the ED usually engaged them in matters important to the organization during staff meetings and other local forums.

4.5 Recruitment Policy

Most respondents indicated that the recruitment process was competitive and transparent. This was supported by the fact that positions for all employees from officer level were advertised in the newspapers and the Board involved in the final selection. The organizational capacity needs for the organization were mainly identified during annual strategic plan reviews and recommendations by the heads of departments and sections. The recruitment policy was therefore found to support the implementation of strategy in KRB.

4.6 Staff Skills

The study sought to find out whether Kenya Roads Board staff possessed the necessary skills and competencies to implement the strategic plan. All the respondents interviewed possessed a degree or a post graduate degree level of education. The findings also established that all staff from officers (lower management) possessed a degree as it was the minimum qualification for the entry level to lower management position. It was

further established that the KRB has a training policy and a number of staff are taken for skills enhancement trainings within any given year. Staff trainings were identified through performance appraisals and staff recommendations of trainings. The training had intensified with the signing of the performance contracts as specific targets were set for staff training and also a budget dedicated to the training.

However, not all trainings were linked to achievement of specific plans in the strategic plan. Those identified as spearheading the strategic plan process had not received specific training on strategy implementation skills. KRB therefore needs to put more emphasis on trainings that will enhance skills and knowledge on strategy implementation.

4.7 Financial Resources

The study established that Kenya Roads Board receives its funds from the Road Maintenance Levy Fund, Agricultural Cess and toll Collections. 98% of the funds are disbursed to the road agencies for implementation of road works while 2% forms the recurrent expenditure for the Board (Appendix 2 shows KRB Budget FY 2008/2009).

Many respondents noted that the Board continues to perform activities that were meant to be undertaken by other road sub sector organizations but which were not undertaken either due to capacity constraints or were not considered priority by those organizations. This was noted to further stretch the operations budget. The respondents felt that the funds for road works were insufficient to carry out the plans of the Board and were also concerned with the dependence on one source of funds. The respondents recommended that KRB should source other funds so as not be solely dependent on the government since insufficient funds had hampered the implementation of its strategies.

4.8 Organization Structure

KRB comprises of 40 members of staff mainly engineers, accountants, human resource as well as legal personnel. KRB has a simple structure divided into 3 key departments; that

is: Planning & Programming which is responsible for preparation and delivery of the Annual Public Roads Programme (APRP), Technical Compliance responsible for ensuring value for money is achieved through technical compliance, performance and financial audits of the road works funded by the KRB Fund. Finance Department is in charge of the management and disbursement of the Fund. There are four supporting sections, that is, Legal & Corporate Affairs which is in charge of the ensuring that KRB operates within the established legal framework, corporate planning and maintaining a positive corporate image. (Appendix 3 shows the KRB Organization Structure) Human Resources Section is responsible for ensuring that KRB has an optimal mix of human resources as well as the day to day administration of the KRB activities. There are also Information, Communication Technology (ICT) responsible for overseeing the ICT systems and Procurement Section that implements the procurement plans of KRB respectively.

The study also established that KRB engages external consultants for performance of certain responsibilities that would otherwise require massive resources to implement. This includes technical compliance, performance & financial audits, internal audit and Road Inventory and Condition Survey (RICS) among others. The respondents noted that this had allowed KRB to concentrate on critical aspects of the Fund management. Further the respondents seemed to support the small size of the organization as it gives a sense of security to the staff unlike large organizations where staff are sometimes threatened with retrenchment due to uncontrolled numbers. Overall, the respondents interviewed felt that the structure largely supports the implementation of the strategic plan of KRB as it plays more of oversight role than actual implementation of works.

4.9 Organization Culture

Kenya Roads Board has identified six core values in its strategic plan. These are excellence, customer focus, integrity, staff focus, diversity and good corporate citizenship. The core values are also printed and displayed on walls of the organization.

All new employees are taken through an induction process where they are sensitized on KRB mandates as well as its core values.

Most respondents interviewed felt KRB was run more like a private sector organization than a public sector organization, because there was no bureaucracy and staff attitudes were in support of the organizational values and this is what sets KRB apart from other organizations in the sector. The respondents also indicated that KRB conducts culture change programmes within the organization and also within the road sector organizations so as to focus the culture to private sector management. In addition, team building events are held annually and temporary task forces and committees with membership across the organization are used to perform and complete certain tasks. This is seen to have brought a sense of togetherness in the organization as staff are regularly sensitized on the strategic direction of KRB and that its success translates to the successes of each individual staff.

4.10 Employee Commitment

The Board in its strategic plan recognizes staff as its most valuable resource and commits to provide a satisfying work environment, promote respect, unity and commonness of purpose among staff. The Board further seeks to promote and encourage exchange of ideas and openness. The respondents noted that KRB has implemented an open door policy and there was a controlled freedom to staff behaviour.

The research further found out that KRB was able to retain staff for long periods and this helped to reduce the disruptions to the strategy implementation. This is supported by the fact that out of the nine respondents interviewed, five had worked in KRB for seven years (since its operationalization) while the others had worked for more than three years. The respondents felt that KRB values them and they were committed to the organization and its strategies.

4.11 Information Systems

KRB has a fully established Information, Communication & Technology section headed by a Manager. KRB has developed various information systems to manage the implementation of the Annual Public Roads Programme (APRP), financial management systems and human resource management systems. On the formulation and implementation of the strategic plan, the respondents indicated that there was no adequate monitoring and reporting system that would track the implementation of the plans of the Board.

The respondents recommended that KRB should develop a system that will assist them in monitoring the implementation of the plans of the Board to enable them take corrective measures on time.

4.12 Performance Management

Kenya Roads Board has a fully developed performance management system. The Executive Director signs a Performance Contract with the Board with the targets that the Board signs with the Minister for Roads. The Heads of Department enter into performance contracts with the Executive Director for delivery of targets derived from the corporate performance contract. The performance contract identifies the targets, performance indicators, time frame and the budgetary requirements. To determine the achievement of targets of KRB, appraisals for each staff is conducted by the Head of Departments/Sections who are then appraised by the Executive Director. The Executive Director is appraised by the Board. This is compared to the targets set at the beginning of the year as set out in the strategic plan. Respondents interviewed felt that the appraisal system should be reviewed to encompass a wider approach to the appraisal like inter-departmental appraisal, this was due to the fact that departments were dependent on each other for performance of certain tasks and therefore should be able to appraise each other. This was because some staff/departments seemed to concentrate so much on their individual and departmental performance at the expense of the corporate performance.

The linkage between individual and departmental performance to the overall corporate performance was found to be weak.

It was further established that financial bonuses are paid to staff annually in December of every year. Respondents interviewed felt that although they received bonuses, they could not link their performance with the bonuses received. This was because the bonus was paid long after the appraisals were conducted and there was consistent communication on the same and therefore the bonus received did not necessarily motivate staff to improve their performance based on the evaluation results.

4.13 External Factors

Kenya Roads Board is a public sector organization with a wide range of stakeholder representation in the Board. KRB is also expected to deliver one of the most critical infrastructural needs, that is, the roads and therefore the interest that Kenyans and the country have in general are enormous. The members of parliament are key stakeholders in KRB as they sit in the District Roads Committees (DRCs) which have been in charge of prioritization and implementation of works in the districts.

The Board is under extreme pressure to perform and deliver good roads. In addition, reforms have been going on in the sector for the last three years which has come up with a number of activities that are supposed to be performed by other organizations within the road sector. However, these partners have not met their part of the bargain and it has led KRB to take up several activities which were not planned for in the strategic plan. This has stretched the human and financial capabilities of KRB leading to delays in implementation of some activities in the strategic plan. Respondents interviewed also observed that KRB had also been a victim of its own success as it has been forced to take up activities of other road sector organizations that were still plagued with public sector bureaucracy and lack of funds. Other organizations also felt threatened by the success of KRB and therefore did not accord KRB the support it required to perform its activities.

4.14 Coordination of Activities

The departments and sections in KRB develop departmental plans from the corporate plans and therefore all activities are shared. Some activities are however, not an end to themselves and outputs of some departments or sections are inputs in others, and this is due to the cross functional nature of the structure which leads to duplication of activities in some areas. Essentially, there are supposed to be input and output departments however because of the cross functional structure of the departments and sections, coordination is often compromised. Although there is a Senior Management Committee (SMC) comprising of heads of departments and sections, some respondents felt that discussions and decisions of the SMC did not trickle down to the rest of the management. There was also the feeling that lack of coordination between departments and sections had led to duplication of roles which had impacted negatively on the implementation of required operational plans for each department. Some of the respondents felt that the roles and responsibilities should be clearly defined so that each department or section is clear on their expectations for a certain task.

Many respondents recommended that KRB introduces a forum specifically to plan its activities and ensure harmony within the system.

4.15 Monitoring and Reporting

Monitoring is critical to the successful implementation of any plan. Monitoring of KRB strategic plan is done through quarterly reporting which is done together with reporting on the performance contract. These reports are presented to the Board of Directors for discussion and comments before they are sent to the Performance Contract Steering Committee which is the arm of Government in charge of implementation of performance contracts in the public sector. An annual report on the achievement of the strategic plan is prepared and presented during annual review meetings. The report seemed to lay a lot of emphasis on establishing the performance of KRB. Respondents felt that KRB lays

very little emphasis on the obstacles or challenges experienced in the implementation process during the review of performance.

Although there are established management information systems in KRB, there is no system that tracks the implementation of the strategic plan and that can provide updates on the implementation status and point extent of achievement of planned outcomes as well as the challenges experienced. Most respondents recommended the establishment of such a system as a priority.

4.16 Measuring Success

From performance contract reports of ministries and state corporations, KRB has consistently performed well and has been on an upward trend since the introduction of performance contracting by the government in the financial year 2006/2007. KRB has also been among the best performers in the category of Financial State Corporations and therefore can be termed as fairly successful. Success is the measure that organizations can use to determine how much they have achieved. Respondents interviewed were of the view that KRB should measure its success based on the impact it has had the road sector and the level of achievement of its mandates.

When asked to quantify KRB successes, many respondents would not give specific areas though they generally agreed that KRB had been quite successful. The respondents said that it was difficult to determine the success of KRB because it had not put in place mechanisms to measure and document progress so far. It was therefore difficult for the employees to link the extent of their individual and organizational success and hence inspire them to improve their performance.

CHAPTER FIVE: SUMMARY, LIMITATIONS AND RECOMMENDATIONS

5.1 Summary

The success of any organization is dependent on how an organization plans its business and executes the plans for achievement of its intended outcomes. Kenya Roads Board has been in operation for seven years and is implementing its second strategic plan.

5.1.1 Challenges

The challenges facing KRB in the implementation of its strategic plan were identified as follows:

KRB is a small organization with a critical mandate covering the whole country. This, according to the respondents include; overseeing the development, rehabilitation and maintenance of roads in Kenya. The respondents felt that the funds for road works were insufficient to carry out the plans of the Board and were also concerned with the dependence on one source of funds. The respondents recommended that KRB should source funds from other sources so as not be solely dependent on the government since insufficient funds had hampered the implementation of its strategies.

The respondents felt that although KRB staff possessed the necessary skills and competencies to implement the strategic plan, there was no deliberate move to provide trainings that were linked to achievement of specific plans in the strategic plan. Those identified as assisting specifically with implementation of the strategic plan process have not received specific training on strategy implementation skills.

The Board has a fully established Information, Communication & Technology section headed by a Manager. The Board has developed various information systems to manage the implementation of the Annual Public Roads Programme (APRP), financial management systems and human resource systems. However, the Board does not have a

well developed monitoring and reporting system that would track the implementation of the plans of the Board.

Kenya Roads Board has a fully developed performance management system. The existing performance contract identifies the targets, performance indicators, time frame and the budgetary requirements. However the respondents felt that although they received bonuses, they could not link their performance with the bonuses received. This was because the bonus was paid long after the appraisals were conducted and there was no communication on the same and therefore the bonus received could not be seen as appreciation for individual performance.

Another challenge the respondents identified was poor coordination between various departments and sections. The respondents noted that roles and responsibilities of departments and sections are cross functional, hence leading to duplication of some activities. Essentially, there are supposed to be input and output departments however because of the cross functional structure of the departments and sections, coordination has been compromised. The respondents felt that lack of coordination between departments and sections had led to duplication of roles which has impacted on delay in the implementation of required operational plans for each department.

Monitoring is critical to the successful implementation of any plan. Implementation of KRB strategic plan is done through quarterly reporting which is done together with reporting on the performance contract. Respondents felt that KRB lays very little emphasis on the obstacles or challenges experienced in the implementation process during the review of performance.

Success is the measure that organizations can use to determine how much they have achieved. The respondents said that it was difficult to determine the success of the organization because the organization has not put in place mechanisms to measure and document progress so far. It was therefore difficult for the employees to link what they were doing and hence inspire them to improve their performance.

5.2 Recommendations

The study established recommendations that the respondents felt would counter the challenges experienced in the implementation of the strategic plan.

5.2.1: Recommendation on Training

KRB needs to put more emphasis on trainings that will enhance skills and knowledge on strategy implementation. This will assist employees in the achievement of specific plans in the strategic plan.

5.2.2: Recommendations on Financing

The funds available for road works were identified as insufficient to carry out the plans of the Board and over reliance on one source of funds. It is recommended that KRB sources funds from other sources so as not be solely dependent on the government since insufficient funds had hampered the implementation of its strategies.

5.2.3: Recommendations on Monitoring

The management of KRB needs to develop a system that will assist them in monitoring the implementation of the plans of the Board to enable them take corrective measures on time.

5.2.4: Recommendation on Coordination

The roles and responsibilities of departments and sections are cross functional, hence leading to duplication in some activities. KRB should review the structure of the organization so as to ease coordination.

5.3 Conclusion

The study revealed that KRB had institutionalized the strategic management practices within the organization. However, the management needs to lay more emphasis on the strategic implementation phase and especially by ensuring that there is a monitoring system that tracks the implementation of the plans that is capable to providing early warning signs if the process does not go according to plan.

When the challenges identified are singled out, coordination of activities, monitoring of the strategic plan and availability of adequate resources were found to be the most recurring. There is need therefore for education of the management on the implementation it is as critical as crafting of strategies.

5.4 Recommendation for further Study

The government is undertaking key reforms in the roads sub-sector aimed at achieving the four building blocks for successful road management in Kenya that is ownership, dedicated funding, clarified responsibilities and commercialized management. These reforms include the formation of new authorities which are expected to clarify responsibilities of the players in the sector and also adopt commercialized management approach. The organizations in the sector work very closely together and it may be therefore important to study how the strategies of various organizations are linked and also a comparative study on challenges of implementation of strategic plans to determine if there are unique sector challenges.

5.5 Limitations of the Study

The researcher interviewed only nine respondents being those who are largely responsible for implementing the strategic plan. The researcher did not interview the junior staff or any external sources to get a view of the other stakeholders. However those interviewed were largely responsible for the implementation of the strategic plan. .

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APPENDIX 1: INTERVIEW GUIDE

POSITION IN EMPLOYMENT

- (i) Executive Director: í í í í í í í í í í í í í ..
- (ii) General Manager: í í í í í í í í í í í í í ..
- (iii) Senior Manager: í í í í í í í í í í í í í .
- (iv) Manager: í í í í í í í í í í í í í .

LEVEL OF EDUCATION:

- (i) Post Graduate: í í í í í í í í í í í
- (ii) Graduate í í í í í í í í í í í
- (iii) Below degree level í í í í í í í í í í í .

NO. OF YEARS SERVED: í í í í í í í í í í í .

SECTION 1: STRATEGIC PLAN DEVELOPMENT AND PROCESS

Please comment on the following.

1. Title of the respondent:
2. Is there a link between the strategic plan and the overall goal of KRB? If yes, describe the linkage
3. Was there any preparation before starting the strategic plan process?
4. Who were involved in the strategic plan process from the very beginning?
5. How was the strategic planning process conducted?
6. How would you describe the commitment of senior management and the other management staff towards the strategic plan process?

7. How was the team spearheading the strategic plan process selected?
8. How was the strategic plan communicated to staff?
9. Were employees involved the strategic plan process at any stage?

SECTION 2: EVIDENCE OF STRATEGY IMPLEMENTATION

1. Does KRB have annual objectives? Which are they?
2. Does your department have functional strategies?
3. Has KRB allocated or budgeted for resources for implementation of the plans
4. How does KRB monitor the implementation of the strategies set above?

SECTION 3: THE CHALLENGES FACED

1. Has KRB faced any challenges faced in the implementation of its strategic plan, if yes what challenges has it faced?
2. What caused these challenges?
3. What was top management reaction to these challenges?
4. Has the organization structure facilitated the implementation of the plan? If it hasn't, what has the Board done about it?
5. Has the human resources been adequate for the tasks? If not, what has the Board done about them?
6. To what extent has the organizational culture facilitated the implementation of the strategic plan?
7. What recommendations would you offer to resolve these challenges
8. How would you describe the compatibility of the strategic plan with overall goal of the organization?

APPENDIX 2: INTRODUCTION LETTER

Rosemary W. Wairia
University of Nairobi
NAIROBI

**RE: CHALLENGES OF STRATEGIC PLAN IMPLEMENTATION:
A CASE OF KENYA ROADS BOARD**

I am student of the University of Nairobi pursuing a degree course of Master of Business Administration. In partial fulfillment of the requirements of the Course, am required to carry out a research project in my area of specialization, Strategic Management.

I intend to carry out a research into the Challenges of Strategic plan implementation in Kenya Roads Board (KRB) to determine the key challenges that KRB has faced in the implementation of its strategic plan.

This is to request for your assistance by availing time for an interview to enable me collect the data for the project. The research is purely for academic purposes and all information will be treated in confidence and will not be disseminated to others without your consent and you shall also not be quoted in any part of the project.

Yours assistance will be highly appreciated.

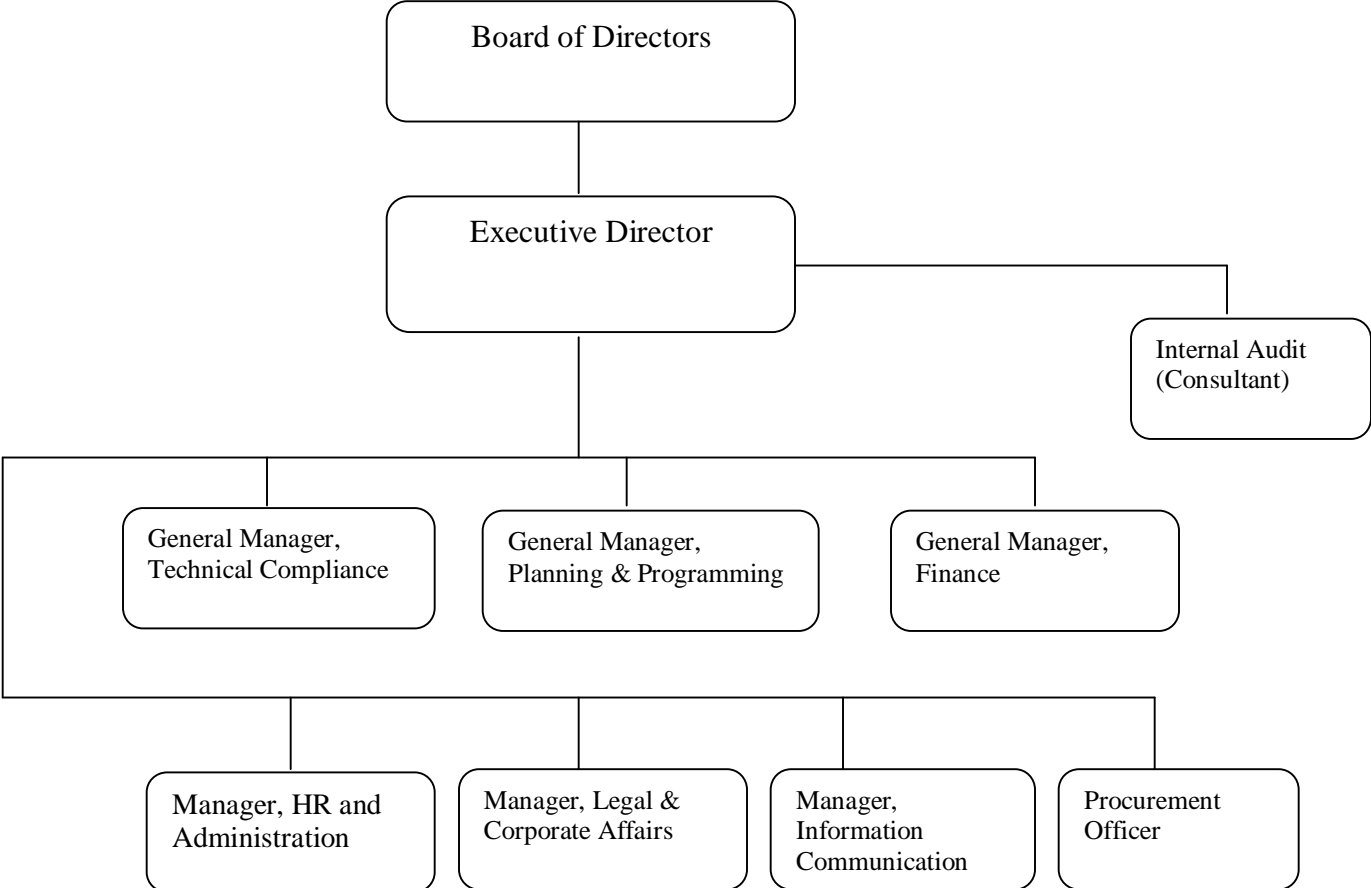
ROSEMARY WAIRIA

Table 1: Kenya Roads Board Fund Budget FY 2008/2009

	Recipient	% of the Fund	Budget 2009/2010
1	KRB Operations	2	392,500,000
2	International trunk roads Transit Tolls	40	8,150,000,000
	Total		8,150,000,000
3	To be allocated based on a 5 year road investment plan	10	1,962,500,000
4	Rural roads		
a	Constituency roads	20	3,925,000,000
c	District roads equitable	12	2,855,000,000
5	KeRRA - Agricultural Cess	-	75,000,000
6	Urban roads	15	2,443,750,000
7	National parks and reserves roads	1	196,250,000
	Total	100	20,000,000,000

Source: Annual Public Roads Programme (APRP) FY 2008/2009

Figure 1: Kenya Roads Board Organization Structure



Source: Kenya Roads Board Strategic Plan FY 2008/2009