

**STRATEGIC PLAN IMPLEMENTATION AND ORGANIZATIONAL
PERFORMANCE IN AINAMOI SUB-COUNTY HOSPITALS,
KERICHO COUNTY, KENYA**

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DEDICATION

This project is dedicated to my parents, Mr. & Mrs. Benjamin Koskei for their advice and encouragement.

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Above everything else, I thank God for His unending love. I will also like to sincerely thank my supervisors Dr. Kimutai Geoffrey and Dr. Kemboi Ambrose for their encouragement, unending advice and innumerable suggestions that made this work come to completion.

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ABSTRACT

Implementation of strategic plan is significant for institutional performance because strategies may not be of essence unless appropriately implemented. Management should have a clear strategic plan in order to successfully establish its prospects for their organization. The research aimed at analyzing the implementation strategic plan and organizational performance in Ainamoi Sub-County Hospitals. The study formulated the following objectives; to examine how management styles, allocation of resources, organizational culture and organizational structure influences implementation of strategic plans and the performance of the organization. The research employed a case study design with a target of 340 employees; Stratified sampling technique was used to determine the sample and a sample size of 181 was arrived by a formula of Krejcie and Morgan (1970). Questionnaires, the main tool for data collection established how management styles, allocation of resources, organization culture and structure influenced implementation of strategic plan. The collected data was analyzed using descriptive and inferential statistics. Descriptive statistics used included frequencies, percentages and tables. A multiple regression analysis was used in inferential statistics. Findings of the study were presented by use of frequency tables and graphics. The study found out that management style influenced implementation of strategic plans and organization performance, through the preference of institutional leadership though the correlation coefficient index showed a relatively weak relationship ($\beta = -0.376, p < 0.00$). Findings on resource allocation influences on the implementation of strategic management plans was rated as moderate on the correlation coefficient index of ($\beta = -0.243, p < 0.00$). The influence of organizational culture on organizational performance had a positive correlation coefficient index of ($\beta = 0.339, p < 0.00$). Finally organizational structure was found to influence performance in Ainamoi SubCounty hospitals. However this was indicated as negligible on the correlation coefficient index and this is supported by ($\beta = 1.137, p < 0.00$). Recommendations of the study were that; management should provide a leadership role in ensuring that all the stakeholders are committed towards implementing the strategic plan. Both the county and national government should be in-charge with management of health sector and should ensure that adequate resources are availed to the institutions for purposes of strategy implementation and organizational performance. It was further recommended that the incoming hospital management structures take note of cultural dynamics so that an absolutely new slate of practices is enacted and experts who are involved in regular reviews adopt organizational structures. This is to avoid monotony in job design and bureaucracy which barricade goal realization. Future study should link strategy implementation and performance, to ascertain how the two relate.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Not long ago, scholars have discovered the effects of prescribed strategic plans in general performance in organizations. Numerous researchers found out that exists no dependable relationship amid that process leading to strategic plans and execution. In USA, Romney (2011) conducted a study on strategic planning process. Among the findings was that most of the activities in strategic planning are associated to the strategic plan achievements. They include control systems, information and its sequence, a set of consistency, consensus building, and undertaking. The highlight is on the important task workers' capability play in the implementation practice, emphasizing that success can lead to a center of capability. A study done by Porter and Harper (2013) in USA argued that organizations executives, workforce, and institutional infrastructure must work collectively to bring a high level of accomplishment competence, that can makes available an institution with a good proficiency.

Canole (2009) conducted a study on strategic planning in United States of America and realized that strategic planning had a number of advantages, which changed the way the people carry out their duties. The process of planning involved the entire community; a democratic way of planning. The study also revealed that planned opinion and acting was derived from premeditated preparation. Indeed Lane, *et al* (2010) also pointed out that strategic planning in health sector posses numerous gain: - hospitals intentional map can assist an institution to chart its potential course, to institute main concerns, to expand its yield or activities and handle efficiently with fast varying situations (Schraeder, 2012).

While clear policy and sound organization may lay a guide, it is also important for the executives to provide guidance to enable teamwork and hence achieving the goals and mission. In Nigeria, Aosa (2012) discovered that taking part in the accomplishment of strategic arrangements differed with several businesses displaying soaring contribution whereas others had little participation as uttered by their management practices. Overcoming resistance to change by effective use of power leads to success. Which in most cases can be done by overcoming people's behavior and persuading them to do what they could not have done hence rise over resistance. Efficient application of authority is necessary for successful management.

In majority of the organizations in Rwanda, self-governing leadership is always prominent, where they capitalize on participation of a collection affiliates who are determined to make decisions (Mulube, 2009). It is still not clear if effective execution in the public health sector with a guide of acceptance and committing the concept of strategic managing and planning can be attainable. Mintzberg (2014) argued that excellent achievement of premeditated plans relies on the knowledge surroundings employees, who should guide the institution to carry out its functions in an appropriate manner.

In Kenya, a study by Kimemia (2016) found out that those institutions that use strategic plans have their organization perform well and concluded that hospitals should be encouraged to use suitable strategic plans. Moreover, a study by Waititu (2011) in Kenya found out that the main problem with hospitals had been very low adoption record of strategic plans partly attributed to weak mechanisms and hence poor performance.

In Ainamoi Sub-County hospitals, the health sector is on transition with respect to strategic plans, which was the requirement of the government (GOK, 2012). The units that were basically

traditional in orientation had to find ways of dealing with emerging issues that includes increasing competition sectors in the same service. There is limited study that has discussed the implementation of strategic plans and organizational performance across Kericho County.

1.2 Statement of the Problem

The enactment of a new constitution for Kenya and a new system of government marked a new beginning for the citizens, to foster equitable and sustainable socio-economic development through effectual and well-organized mobilization of available resources and its utilization. This was to ensure well-organized and elevated value of healthcare system that is handy, impartial and inexpensive to all Kenyans. Strategy implementation problems originated from the of the organization`s management and running (Awino, 2011), from the workers throughout opposition of change and pessimistic discernment and on or after income (Awino et al, 2012). The failure of an institution as a result of strategy disintegrates causing unconstructively effects to the owners.

Kenyan health system being one of the devolved functions is facing the problem of leadership, health system and experts have described as forced devolution (Ooko, 2014). It is not that devolution is in itself a wrong concept. The leadership might not be considering the important subject concerning strategy accomplishment and this may have contributed significantly to the challenges faced in the counties. Healthcare workers skilled independence could be flouted in some counties mainly where the governors choose people who do not poses the necessary qualifications to lead the health care management .The imprecise hierarchical reporting points may puzzle the workers hence establishing more complications. Furthermore, some information reveals that dissatisfaction from the county health authorities has driven made workers move away from a number of counties in Eastern and North Eastern Kenya (Hajir, 2014). In general, Kenyan public health care quality declined in level 4 and level 5 facilities with devolution

resulting to more deaths in 2014 than in any of the preceding years, which was blamed majorly on poor leadership in public hospitals (Gathura, 2015; KNBS, 2015). Notwithstanding the efforts and resources being directed to strategic planning, the up-and-coming realities like recurrent health workers strikes are a indicator that something is not well.

A research conducted by Development Initiatives in 2014 on influence of devolution on health service delivery in the some selected counties, found out some institutional, resource distribution and spending challenges that must be handled to reassure successful and maintenance of quality healthcare service delivery at the devolved units.

This implies that, strategic plan implementation still remains a challenge for hospitals in Kenya. However, poor implementation of the plans might has been unsuccessful and not the contents. The key staff left the organization due to the dissatisfaction of how the strategic plan was implemented.

While the reviewed studies compared well to the current study, none of the studies concentrated on Ainamoi Sub-County hospitals which faces a unique environment. The government hospitals are a unique sector and the more reason for the study. The study desired to respond these research queries: There is limited study that has focused on the strategic plans implementation and organizational performance across Ainamoi Sub-County in Kericho County.

1. 3 Purpose of the Study

The purpose of this research was to analyze how strategic plan implementation affects organizational performance in the public health sector in Ainamoi Sub-County in Kericho County.

Specific Objectives of the Study

- i. To investigate the influence of management style on organizational performance in the public health sector in Ainamoi Sub-County in Kericho County.
- ii. To determine the influence of allocation of resources on organizational performance in the public health sector in Ainamoi Sub-County in Kericho County.
- iii. To analyze organizational culture and its influences organizational performance in the public health sector in Ainamoi Sub-County in Kericho County.
- iv. To establish the influence of organizational structure on organizational performance in the public health sector in Ainamoi in Kericho County.

1.4 Research Hypothesis

Ho₁ Management style has no significant effect on organizational performance in Ainamoi Sub-County in Kericho County.

Ho₂ Allocation of resources has no significant effect with organizational performance in Ainamoi Sub-County in Kericho County.

Ho₃ Organizational culture has no significant effect with organizational performance in Ainamoi Sub-County in Kericho County.

Ho₄ Organizational structure has no significant effect with organizational performance in Ainamoi Sub-County in Kericho County.

1.5 Significance and Justification of the Study

To the Management of the Hospitals the conclusions and suggestions of the study will be helpful to county hospitals management and scholars in the area of strategic planning and health

administration. It will enlighten the hospital managers on appropriate health policy and strategies required in order to effectively implement strategic plans and enhance organizational performance.

To the government, the study will provide useful information to all health stakeholders on the influences of management challenges on implementation of strategic plans.

To other researchers, the study will add to the body of understanding and attract future research in areas related to strategic planning in the hospitals situation.

1.6 Justification of the Study

The Kenya Public health sector is now devolved and due to stiff competition from private organization, it has been forced to implement strategic plan to maximize quality, efficiency and customer satisfaction.

1.7 Scope of the Study

Ainamoi is one of the sub-counties in Kericho County. The study focused on the implementation of strategic plan and organizational performance in public hospitals between 2012 and 2016 and restricted geographically to Ainamoi Sub-County hospitals, which is at the central of Kericho County. The study targeted 340 employees from medical and non-medical personnel working in various health facilities.

1.7 Limitations of the study

The researcher did not encounter any major drawbacks that could potentially impede completion of this study within the required timeline. However there was non-response error that affected

the accuracy of the results. To curb this limitation the researcher assured of confidentiality to the communicated respondents in the introductory letter.

1.8 Definition of Terms

Strategy: The route and extent of the organization above an extensive period, which realize gains in a shifting situation throughout its wealth pattern and capabilities with an aim of gratifying stakeholder.

Strategy Implementation: this is the task which involves translating strategy to directorial achievements. It is a dynamic, iterative 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 strategic plans into reality in order to achieve strategic objectives.

Strategic Planning: this is a way organization practice identification of its strategy, or course, and building resolution on apportioning its income to follow this strategy, including its capital and people.

Organizational Performance: this is the way an institution make use of its assets such as knowledge, people, and raw materials to realize its aspiration in a useful way.

Management styles: are the doctrines that underline the system, capacity and practice managers use in managing circumstances and articulating control inside an organization.

Resource allocation: is the course of action of conveying and administration of property in a approach that hold up an organization's strategic goals.

Organizational culture: are the fundamental values, postulation, standards and customs of interrelating which gives an exclusive public and psychological background of an organization.

Organization structure: the outline in which a range of components of the organization are organized or interconnected.

CHAPTER TWO

LITERATURE REVIEW

2.1 Concept of Strategic plan

A strategy is a common course set for an organization and a variety of components to realize a preferred position in the future. Writh (2010) stated that strategic setting up is the method by which the steering affiliates of an organization envisages its potential and build up the required measures and process to accomplish that expectations. Wirth described that strategic planning practice necessitates an advisor whose role vary from being an external specialist to being actively involved with the preparation of outcomes. Bryson (2008) defined strategic planning as

a restricted attempt to create basic resolution and proceedings that forms and steer what a hospital is, its functions and probably the role of those functions. Cawelti (2002) identify strategic planning as a practice considered assisting leaders regard the kind of organization they wish to create to give out the public.

Excellently implemented strategic plan is an indication of achievement with hospital transformation worldwide (Cooper & Slavin, 1998). The aspects that the pressure strategy realization are; the strategy creation , the strategy perpetrator, the organizational formation, communication, the height of obligation for the strategy, the harmony concerning the strategy and the association along with dissimilar sections (Hambrick, 2006, Allio, 2005, & Chimhanzi, 2004).To bring the unsurpassed results, deliberate planning necessitate extensive yet valuable communication, expansion and examination with strategic options considering highlighting of potential proposition with current resolutions.

2.2 Concept of Strategy Implementation

Strategy implementation sometimes might be a complex phenomenon (Noble and Mokwa, 1999). Strategy implementation is seen as putting into action the formulated strategy. It encompasses grouping of the firm's property with inspiring the personnel to make them attain goals (Ramesh, 2011). While devising an unswerving approach can be a hard task for some management, making that strategy work, putting into practice right through the organization is easier said than done (Hrebiniak, 2006). Numerous aspects can potentially influence the development of strategic plans into organizational action. Contrasting strategy formulation, strategy execution is regularly viewed to be a skill, and not a discipline, and its exploration record has beforehand been depicted as disjointed and diverse (Noble, 1999). Major complexities

frequently occur through the succeeding implementation course which is not surprising after an inclusive strategy strategic choice have been invented.

Strategy implementation is important since its achievement or collapse rate has considerable impact on the success and continuity of the organization. The serious setback with strategy completion is the achievement speed of proposed strategy. In scholarly studies sometimes it can be as low as 10 percent (Judson, 1991). In spite of the appalling evidence, strategy implementation seems less trendy subject. In detail, a number of managers assume implementation as a strategic reflection along with a clean downwards approaches. As an alternative, organizations concentrate more on strategy formulation.

Strategy implementation involves the organization of resources and key performance indicators set out in the strategic plan. Strategy implementation may be faced by a set of challenges which may emanate from the leadership and the management, the resources, the organization composition and customs, the organization political affairs, the enthusiasm of staff, the participation and contribution of staff, the discernment and conflict originating from staff and other stakeholders (Okumus, 2003) . In addition, lack of fit of strategy may also confront its successful implementation (Porter, 2004, Awino et al, 2012, Machuki and Aosa, 2011).

2.2.1 Strategy Implementation Process

Most of the meaning points strategy management as a process of investigation, choice, and measures taken by an organization for creation and sustainability of the best in the market (Kisaka, 2010). The strategic management entails analysis of strategic aim comprising of idea, tasks, and strategic intentions jointly with investigation of inner and outer environment. Pearce and Robinson (2011) delineated strategy management as a lay down of resolution and actions

causing a resultant in the formation and completion of strategies intended to enable attaining of organizations purpose. Moreover, David (2011) defined strategy management as the capability and planning discipline, employing, assessing cross-functional pronouncement to make possible for organizations to achieve its goals.

According to Johnson et al. (2008) strategy management deals with strategic positioning of the organization, strategic choice and decisions, and strategy in action for proper execution. Lastly, Hitt, Ireland, and Hoskisson (2011) defined strategic management practice as complete combination of responsibility, resolutions, and procedures necessary to attain strategic viability.

Strategy execution is the main challenge and wide section of strategy management procedure. It involves the management organizational change, build organizational competencies, create strategic-supportive job atmosphere, worker motivation, and achieving performance goals (Thompson et al., 2008).

According to Pearce and Robinson (2002) implementation involves the practice of operationalizing, institutionalization, and organizing of the strategy. Operationalization of strategy involves identification of quantifiable yearly objectives, formulation of precise purposeful strategies, and development and communication of brief strategy to point resolution. Institutionalization concerns with rearrangement allow organizational constitution, efficient management, and connecting the strategy and organizational way of life.

2.3 Concept of Organizational Performance

Daft (2010), described organizational performance as the capability of an organization to exploit its wealth which includes skills, equipments, people to attain its goals in successful yet competent means. Subsequently, Flapper, Fortuin and Stoop (1996), stated it as a well described

system used by organization to deliver its mandate. Until now, determination of the performance is seen in a number of perceptions among them monetary or non-monetary (Venkatraman and Ramanujam, 2006). As a result, a good number of the study has paid attention on monetary measures only, which includes productivity (Sims, & Gallear, 2008). While, financial dimension of the performance in an organization has long been renowned, measuring the overall performance is not adequate. Which mean that the non-financial dimensions will merit incorporation (Murphy, et al., 2006). Nonetheless, the core intention of this study is examining the implementation of strategic plans and organizational performance across Kericho County.

Santos & Brito, (2012) on organization performance majorly financial performance, showed a range of proportions varying from profitability, market worth and more so to influence the expansion of organization. Contentment of client and worker, modernization, value and status are some characteristic of non-monetary determinants of organization performance. An additional angle of ascertaining organizational performance is the purposive measurement, dependant on fiscal, and biased dimension, evident on internal procedures (Haber & Reichel, 2005; Dess & Robinson, 1984). However, our study was based on implementation of strategic plans and organizational performance critically looking at customer satisfactions and service delivery as measure of organization performance.

As argued above, either objective or subjective angle can be used to study a firms' performance. Wall, Michie, Patterson, Wood, Sheehan, Clegg & West (2004), recommended that both objective and subjective measures can be seen as corresponding. Inmyxia and Takahashi (2009), argued that "financial data is preferable, but firms are not often willing to disclose the confidential data unless the laws require them to disclose it to the public". Conversely, it is someway a problem to find monetary record in open domain as clearly shown by some earlier

studies. The only seem productive measure here is subjective choice available for employment measuring organizational performance (Dess & Robinson, 1984). In that case the few measures of organization performance discussed are customer satisfactions and service delivery since it will be done in a hospital.

2.4 Theoretical Review

2.4.1 Balanced Scorecard

The Balanced Scorecard model was postulated by Kaplan and Norton (1995). The model interprets an organization's direction with its approach into a wide-range of performance actions that comprises a framework for a strategic process and techniques. In business and industry, strategic planning and management system is used comprehensively worldwide. It aligns the business actions to the direction with goals of the organization, which improves domestic and peripheral communications, and check organization activities against objectives (Kaplan and Norton, 2006). Balanced scorecard emanated long ago as a simple performance capacity framework to a complete strategic planning management technique.

The balanced scorecard transforms an organization's strategic plan from an attractive but passive document for the organization on a day to day operations. It gives frameworks that not only ensure performance capacity, but help planners identify what should be done and measured. As the objectives and measures employed in the BSC are depicted from an organization's directions and aim, it contains monetary and non-monetary aspects in providing the managers with a clear guide to enable transformation of the desired mission with consideration of the laid down guideline.

Balance Score Card examines business performance across three different perspectives: the financial, client, internal business process perspective. By the use of the three points of view, the BSC confine both important and lagging performance measures, thus giving a further balanced view of an organization`s performance in the area of researcher. Several studies have proposed that organizations collapse basically as a result of insufficient policy. Norman and Thomas (2003) renowned that business have indefensible source to generate and uphold a competitive limit in the marketplace with no a clear defined strategy. The observation was joined by a number of observed literatures that exhibited a relation connecting strategic planning and firm achievement (Bracker et al., 1988; Lyles et al., 1993; Schwenk and Shrader, 1993; Rue and Ibrahim, 1998; Gibson et al., 2002). Strategic planning is thus fundamental study area for organizational achievement.

To ascertain continued development, it is imperative to appreciate as to why several organizations are extra booming than others. Inclusive analysis of presented learning of small organization (Lurie 1987; Schwenk & Shrader 1993; Miller & Cardinal 1994; Hormozi, Sutton, McMinn & Lucio 2002) proposes that, *ceteris paribus*, a explanation that industry achievement rely with nonexistence or presence of strategic planning, which has been supported in the empirical literature. For example, organizations that employ strategic planning are more expected to realize elevated development, top income on material goods, higher limits on turnover and high worker development (Bracker, Keats & Pearson 1988; Berman et al. 1997; Carland & Carland 2003; Gibson & Casser 2005). A major benefit of the balanced scorecard is that it positions strategy, structure, and vision at the heart of management`s hub. Moreover, BSC was raised to inform the story of a party strategy and to direct its completion.

The model accentuates an incorporated blend of financial and non-financial performance measures. It maintain management alertness on the whole business course and facilitate guarantee that definite present working performance is in line with long-standing strategy and client standards, therefore it is extremely significant in the health sector.

2.4.2 7s Model, Strategy Implementation and Performance

McKinsey's (1982) model illustrates the seven aspects vital for successful strategy implementation. The 7-S model classifies the seven aspects as strategy, structure, systems, staff, skills, style/culture, and shared values. Strategy is the map of accomplishments an organization put together in rejoinder or expectation of, transformation of the exterior setting. Strategy is distinguished using devices or else equipped events by its character of being planned, sound thought during and frequently virtually run through. It entails essentially three problems, the current position of the organization, where it is determined to go in a specific period and the possible means to achieve. Thus, strategy is intended to alter the firm from the current spot to the latest point depicted by objectives, with focus to controls of the ability or the impending (Kaplan, 2005).

The 7-S model put forward that organizations will be thriving if they attain an incorporated harmony amongst three "hard" "S's" of strategy, structure, and systems, and four "soft" "S's" of skills, staff, style, and super-ordinate goals (now referred to as shared values) (Kaplan, 2005). The hard components which should be feasible as well as straightforward to recognize comprises of strategy, structure and systems. They are generally well stated and noticed in the form of concrete substance or information like strategy declaration, corporate policy, organizational graph and additional credentials. The performance in every point is significant for constructing a unrelenting competitive benefit and as a result top level management should engage and

empower employees in crafting and implementing the strategies. Structure establish separation of tasks and the spread of authority from the top to bottom. A successful organisation makes impermanent structural adjustments to enable adaptation of some specific tasks and in addition the basic structural subdivisions.

Systems includes all formal and informal measures determined to run the organization daily without avavoiding the reward structure, budgeting and programmes, instructions etc. They are very crucial in achievement of planned strategies. Styles on the other hand may not be personality but to the pattern of substantive and representative actions undertaken by top manager. The question he/she should ask is, how participative is the management/leadership style? The styles engaged by the manager greatly influences how priorities are communicated and received and may ultimately have profound influences on performance. Skills means that employees have mastered those attributes required to effectively carry out the company strategy. They include the organisational skills, capabilities and core competences. Staffing determines whether the company employes people with skills, trained the same with near enough skills and place them on the precise work in order to put into effect that ability. Shared values are also refered to as super ordinate goals. The employees of the firm should share the same guiding values and missions. This aspects usually has an overall influence on the other aspects.

The four Ss, are further complex to understand. The ability, standards and basics of shared culture, for instance, are endlessly rising and are changed by the employees in the organization. It is for that reason only probable to comprehend these factors by learning the organization exceptionally intimately, by and large through explanation and/or through carrying out interviews. The Tom Peters and Robert Waterman (1980s) 7-s framework only plays a critical role in ascertaining how strategies developed can be best implemented though consideration of

internal factors. It therefore ignores external factors which are also very essential in shaping firms ultimate performance. An organization cannot exist in isolation and might be affected by other factors like economic factors, change in government policies among others. The organization therefore needs to best establish how to interact with the external factors along with ensuring internal efficiency.

Each an every factor in the 7-s model can have great impact on implementation of strategic plans in the public health sector . Achievement will be measured by how well the seven factors are put in practice,hospitals should be in a position to identify their shared values and establish if they are consistent with their structure, strategy, and systems. If the values cannot match with the soft elements they should devise changes required. It is therefore advisable to check at the hard elements, how well does each one hold up the other? If not they are supposed to discover where amendments necessitates making. There is need to also consider other soft elements. In case they hold up the preferred hard elements? Is it that they also uphold one another? Incase not, what requirements should be altered? As they regulate and line up the elements, they will necessitate analyzing how the changes impact other elements and their alignment.

2.4.3 Incrementalism Theory

Incrementalism theory (1950s) by the American political professor Charles Lindblom in relation to the then-widespread commencement of guiding principle making as a method of balanced examination concluding in a value- exhaustive resolution. Incrementalism involves small scale extensions of past practices when enacting organizational strategies. Managers in Incrementalism have an indistinct impression as to where the organization ought to go nevertheless strategies should be checked in little steps, since there is high level of uncertainty on definite result.

Strategies are made by minor adjustments to existing behavior as part of a political negotiation process. This approach attempts to avoid errors that may be encountered while implementing strategies especially under unclear circumstances and in situations where unexpected changes are bound to happen. Managers do not have control over the strategic management process since it is an all inclusive process that considers strategies that are acceptable to all.

Incrementalism is not applicable in situations where radical new changes are needed and in situations where there is an in built conservatism. Some constrain of implementation of strategic plans in hospitals could be as a result of some members of the institution feeling their positions are threatened and may resist any strategy that comes their way. Some may simply suffer from fear of the unknown thus making implementation difficult. There are some strategies especially in the public sector that do not seem incremental but involves dramatic shifts. It might be hard to develop procedures for incrementalism especially when offering certain services. Finally incrementalism only applies to a stable environment. This is always not the case because some environmental influences may not be predicted with certainty.

Incrementalism approach is more acceptable in the health sector since consultations, compromise and accommodation are built into the process. The managers will rely on how the organization inclusively implements a strategy and design the best way. They will always list the advantages and disadvantages involved in implementing a strategy then devise ways of correcting problems limiting implementation and build on the benefits acquired from implementation of the strategy. This model applies for any organization that is risk averse and they will only take a step after carefully establishing the impact of past results. It is therefore a model that organizations can use to implement strategies since in the process of implementing strategies they always face a lot of management challenges which this study sought to establish.

2.5 Empirical Review

2.5.1 Management Style

In strategy implementation, planning the action that people have to undertake is not sufficient. Kaplan and Norton (1996) found that majority of organizations contain an essential detachment amid the strategy formulation and implementation. Most managers have little know-how of planning the implementation of strategy especially those that are transformational (Hussey, 1998). Successful strategy implementation needs sourcing and organizing the requisite resources and keeping them in place an adequate monitoring and evaluation framework among others.

Whenever there is a continued communication by top managers, through words and actions, then there is an assurance to strategy. According to Cummings and Worley (2005), the duty of instigating demanding strategic plan should be allocated to managers with expertise, talents and can be counted on to revolve resolutions and actions into results to convene the recognized objective. Hussey (1998) argued that it was important to make certain that the employees who take lead in action have the requisite capabilities. Thompson (2007) effective strategy implementation depends on competency of human resources and effective integration of systems. Managers are advised to destroy barriers to helpful communication throughout boundaries; often involving clients into the communication and information method. They should also provide precise and appropriate information to those who require it to arrive into conclusions (Richard, Kendrick & Vershinina, 2010).

Many organizations work in uncertain, dynamic and turbulent environment where pressures are continuous and changing (Thompson, 1995). Thomson view was echoed by Mintzberg concept of emergent strategies. Organizations must learn how to deal with both these strategies with an increase emphasis on business adoptability, innovation and learning (Wharton, 1997). Porter

(1983) concurred that the impact that the wider environment has on firms and industry can be significant that is why it is imperative for an organization to understand and identify the forces that affect the industry it operates.

According to Thompson (2007) a strategy in a company is all about how, how business growth is managed, how it will build a strong customer base and outdo the competitors, how each function can operate, and how to improve organizational performance. According to Wheelen (2008) strategic management includes strategy formulation, implementation, evaluation environmental scanning and control. It is about continues monitoring and improvement of business processes, procedures and policies to ensure the organization remains focused on its core intent. This is also class of resolutions that guide the organization to achieve its goals. Pearce (2002) indicated that the idea of strategic managing entails setting up, controlling, classifying of policy associated resolution and procedures of the organization.

Charles (2010) evaluated how the associations linking the leadership style interrelate to organizational performance compared with the Human Resource Management strategy and organizational performance. But, he did not consider the influence of premeditated arrangements implementation and the impact on organizational performance. Charles (2010) did not conduct his study focusing on the effect of strategic plan implementation on organizational performance. Mcnamara, G. (2005) explored at the same time as the key consequences of the transformational and transactional leadership behaviors on organizational performance of Russian companies. However the most important impact of the transformational and transactional leadership behaviors on strategic plan implementation was not included.

Okumus (2001) identified about ten variables that are required for successful strategy implementation. Formulation, environmental vagueness, organizational formation, culture, operational set up, communication, resource allocation, people, direction and product. Pearce and Robinson (2003) asserted that for any organization to perform well, modes like structure of organizations, information systems, styles in leadership, key managers' assignment, accounting, rewards and controls systems must be in place.

Planning and implementing projects by translating strategies and managing using an efficient annual planning system, tactical yearly planning and annual business planning will turn strategy into action (Pucko, 2006). Kaplan (2005) added that, allocating strict responsibility for strategy implementation by translating plans of the enterprise, key activities in successful organizations. Other factors seen to play a pivotal role in successful organizations include: using leadership to direct employees, formal communication, use of MBO (management by objectives), using human resource management activities and application of the balanced scorecard (Kaplan & Norton 1996, 2006).

Borg and Gall, (2006) asserts that a strategic plan is paramount in strategic management. Implementation of strategies is the challenge in strategic management. Practically, strategies constantly continue in every top management subject yet employees are to adopt the strategy (Mantere & Vaara, 2008; Whittington, 2007).

As reported by Wooldridge et al., (2008), a good number of employees in organizations lack capabilities even as executives might be possessing leadership abilities for carrying the accomplishment of considered strategies. YuklandLepsinger (2007) explains that understanding is regarded the most purposefully chief resource to an organization performance. Huse (2000)

explains that it is being formed and apprehended by persons other than organization. He further stated that organizations need to consider the types of programs needed to improve workplace capabilities and not the finance allocated. They should also spend time in constant education of the workforce so that they continually are competitive (Bernardin, 2007; Boxall& Purcell, 2000). In due to beginning of strategic plans, assessing the awareness and ability of the employees is important for the core organization there s also need for training needs to be developed where there are gaps (Keuning, 2008). It is believed to advance the height of success of the plans since the staff will have the correct expertise in their area of work.

Schuster, (2002), argues that for any successful plan implementation, management should be involved. A pace is being set for implementation process. Due to the misperceptions of management as rational, Burnes (2004) looked at it more holistically. He identified theoretical (objective configuration), methodical (objective achievement and assessment) and as an ability (execution of decisions). Drucker (2005) argued execution of strategic plans as an art because it emerges to be a meticulous aptitude required to convince others that procedure ought to be acknowledged .Cowling (2009) elevates the essentials of autonomous managing in every central level organizations, which can be vital for every excelling organization.

Schein (2010) argued that work in an organization is not carried out in the vacuum system idea but in essence it is ruled and directed using organizations traditions principally morals, attitude, traditions and methods exceptional to that culture. This has been viewed by the modern instigators as multifaceted organizational phenomena (Kotter & Heskett 1992) that is created in an unbroken structure. Richard and Bagozzi (2003) admits that internal orientation of workforces is largely supported on the customs, attitudes, morals and hypothesis of the employees in an

organization, therefore it has the prospective to be influential on strategic management. According to Burnes (2006), culture is not fixed but it transform after a while.

Keuning (2008), states that for management to be alive to the fact that they need to encourage their employees and adjust their beliefs, managers should try to implement culture from top management to lower management. As culture do not come up routinely, and instead due to the very many aspects in the organization, Ondiek (2010) gave the factors influencing culture change as visible society's values and distinctiveness, the organization's record and precedent leadership, and aspects such as industry and know-how. Akhtar et al., (2008) further argued that strategic change plan involves a change in organizational culture. For that reason it is compulsory for the manager throughout strategy implementation to device ways of tackling subjects of organizational beliefs in case they hinder on the implementation process. It is again significant to approve ordinary matters that form the organization culture with an aim of achieving desired strategy (Odiek, 2010). Glueck (2000) stipulates that the organization culture is at the centre of the success of implementation of strategic plans.

2.5.2 Allocation of Resources

Miller, (2002) emphasized that correct distribution of resources is vital for utilization, endurance and accomplishment of an organization goals. The availability of workers, skills, information, funding and time is a timely essential ingredient. (Alexander, 1985& Miller, 2002). This shows how organization can influence the process of implementation (Barney, 1991). Resource distribution is crucial especially when aligned to the objective which is usually stated with its sources of resources.

Allocation of resources on many occasions influences the overall performance. This is based on the fact that the major drive of revising divisional plans at the corporate level is to make good allocations of workforce, capital, and other rare resources among divisions. Regularly the capital appropriation requirements of the divisions add up to more than headquarters can give. An organization's strength should be leveraged upon to explore a business advantage. The major weapon to outwit competitors is strategic thinking. Organizations need to devise a channel through which they can break established competitive barriers. Insightful strategy leads to superior edge and business growth (William, 1994). This should be visible and discernible in the performance of the organization. The strategic planning practice has at the moment gained reputation internationally and across all levels of businesses. Scholars have stated that supportive strategy implementation aids effective organization performance. Strategy implementation aims to develop the efficacy of management, bring results and positive influence for an organization. This in one way or another causes a direct progress in achievements. Strategy implementation is an essential success feature in performance

Resource allocation is a quantitative plan that sets out organizations' sources and application of funds in a specified timeframe commonly in one year. According to Kaplan (1998) once an organization has developed its short term plan, it can project the operating and financial consequences of that plan over short run planning horizon usually one year. He continued to elaborate that planners are interested in developing estimations of cash flows and resource needs in which they can arrange and meet capacity and financing needs in a systematic way.

Resource allocation is pegged to strategic corporate plan, a document that stipulates an organization's long term plan to achieving its strategic goals. A strategic plan covers a longer period of time, for instance five years. Resource allocation takes place at the second level of

strategic management process, which is strategy implementation. At this level, organizations establish annual objectives and allocate resources so as articulated strategies can be implemented. David (1997) noted that strategy formulation without being implemented does not serve any useful purpose. According to Thompson and Strickland (1989), implementation means resolving on what is supposed to be done within to put the formulated strategy into place so as to attain the intended outcomes. Hunger and Wheelen (1995) noted that implementation of strategy is the process in which the managers construe strategies and guidelines into outcome via the development of plans, account and measures.

Organizations are careful when allocating resources to their activities due to the scarcity of resources. David (1997) indicated that policymakers must make a decision which different strategies that will promote the organization since most organization have limited resources. Allocation of resources is done through a budgetary process and involves assessing the organizations revenues and expenditure for the activities covered in a period. Understanding the economic plan is imperative to which is a quantitative plan has a big impact on the organizations performance and profit generation.

The capacity of a company to organize the resources desirable for the support new strategic policies has a major influence on the strategy implementation process. Organizational elements should have budgets and financial resources for implementing their parts of the strategic plan effectively. Strickland (2008) argued that a lot of funding wastes organizational resources and diminishes financial performance; further little finance decelerates escalation and holds back the hard work of organizational part to complete their section of the strategic plan competently.

The greatest strategic challenge in budgetary allocations is that in organizations which are not for profit, budgetary allocations are made to benefit the management of the organization and not the key stakeholders hence business failure. Another challenge in the implementation of strategies through budgets is that there is always competition for capacity between strategic tasks and operating ones, which in most cases is resolved in favor of the later. In many organizations, the strategic budget is not separated from the operating budget (Ansoff, 1990). Helde and Johannessen (2002) indicated that organizations have several resources namely; financial resources, physical resources, human resources and technological resources. Once initiated though nothing really happens until resources committed, plans raise hopes and expectations. Limited economic resources are always the major point for successful strategy implementation.

It is said that for firms seeking to formulate and implement plans effectively there is need for High ranked managers are particularly as a significant resource. Hitt (2007) stated that knowledge and ability of an institutions entire workforce, is an important resource to be maximized to facilitate the effective implementation of a firm's strategies. There is need to determine the way a firm is intending and whether or decide how the objectives will be made the using the strategic decisions made by top-level managers. Hence, having a top-management team with advanced managerial skills is a critical element in strategy implementation. Social capital is equally important in strategy implementation. It includes relations inside and outside the firms which help the organization accomplish its responsibilities (Hitt *et al* 2007).

During the course of two organizations implementing the same strategy the resultant performance is likely to be different. Studies also suggest that tools can be a major basis of the organizational performance (Hitt et al, 2006). This might be explained once again in terms of assets and capabilities, and the uniqueness resulting from their distinctive use and expansion over

time. Although resources might be the same, the resultant objective will anyway differ in respect to performance and eventually in quality.

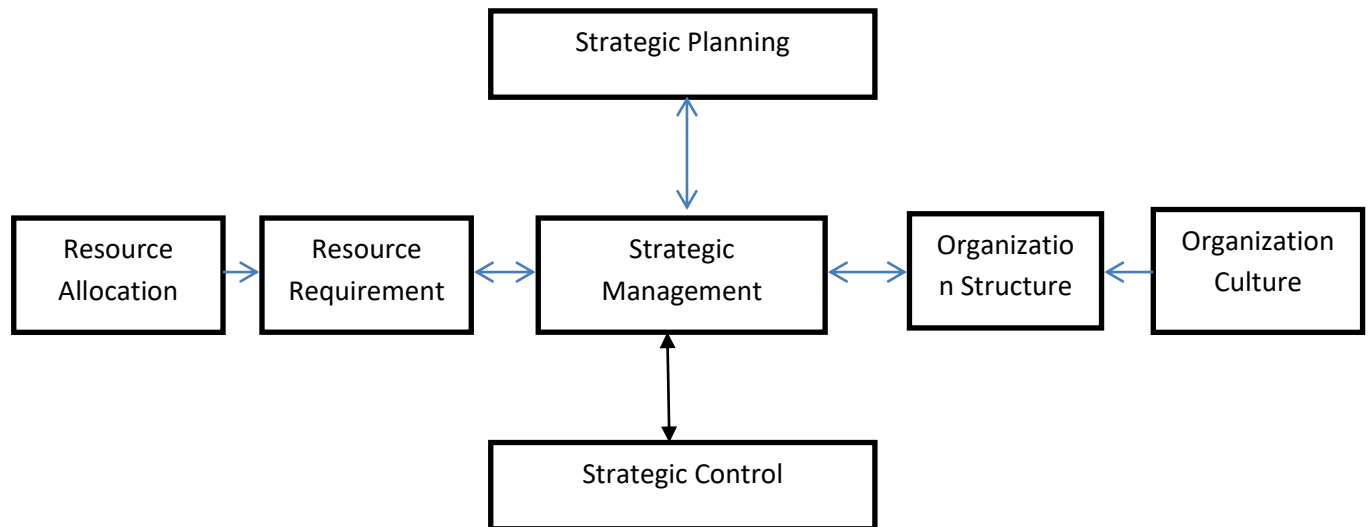
A strategy, thus, makes different performance according to the characteristic functioning and structure of the organizations that is strong-minded by its special use of resources and capabilities. These unique resources have hardly been perfect investigated and written by any study for inclusive analysis and distribution. This has resulted to hypothetical frameworks with a widening consistency-variance on condition that a prelude to knowledge disharmony.

David (1997) noted that short-term highlight that organizations should realize to reach long-term objectives always guide in the annual objectives for strategic implementation. This foundation for allocating resources is represented by yearly objectives. Resource allocation arises due to the need to restrict expenditure in order for the organization to achieve its objectives and continue to survive in stiff business competition. It is essential for organizations to strictly adhere to budgets in order to gain cost advantage. Thompson (2007) noted that a company can be able to enjoy the low-cost leadership if they try to capitalize in minimal cost provider rather than just being one of the several companies with competitive low costs. Organizations experience scarce resources all the time hence the need to work on choices in order to pick activities that are crucial to the organization's overall performance. Miller (1988) observed that when people do not have adequate resources to satisfy their every desire especially income and time, they are therefore termed as in a scarcity .For organizations, money is a scare resource whose use requires planning in form of budget projections.

A budget is a quantitative plan, plans are the most systematic reports that document what to be done, who is to do what, what time and what resources are required. Plans are tactical and not

strategic and focus on specific activities. A budget according to Horngren (1996) is a condensed business plan for the forthcoming year. He added that executives require budgets to guide them in allotting resources and maintaining control and also to enable them to measure and reward progress. Mckinsey (1922) indicated that the first efforts in corporate strategy are all limited to the development of budget with managers realizing that there is a need to plan the allotment of funds. Later in the 1900s budgeting improved to include forecasting into the future. Resource allocation is a means to strategy implementation. The role of strategic management in organizations' resource allocation is well explained by Rowe (1994) through a strategic four-factor model. The model explains how organizations' strategy must suit the overall performance of the organization and use resources in a manner that achieve purpose and convince principles and ensure a balance the demand imposed by external and internal forces

Figure 2.1: Strategic Management Model



Source: Rowe (1994), Strategic Management, a Methodological Approach, 4th Edition.

From the diagram, it is apparent that resource requirement links strategic management to the organization's resources that include land, plant equipment, finances, information, personnel and goodwill. The resources are allocated to the organizations' requirements after determining their viability and value to the organization. The relationship between strategic management and resource allocation is clearly demonstrated by Steiner (1979) when explaining the relationship between top management and strategic planning at formulation and implementation stages. Steiner cited Peter Drucker's definition of this relationship and noted that the work of strategic management can only be carried out by part of the organization in which it can see the whole business. He noted that this organ is the one which can decide on issues that affect the whole organization are capable of balancing objectives and requirements of current period alongside the future and can assign resources of men and capital attain key results.

Jerry (1977) explains that developing and adopting a budget is beneficial. He noted that preparation of a budget is only the beginning in the continuing process of planning and controlling the organization's future. Lucey (1996) explained that budgetary preparation involves the act of organizing comprehensive, short period (regularly 1 year) and the departments of the firm therefore translating the extended corporate plan into accomplishments. He added yearly budget process must be seen as stages in the enhanced fulfillment of the extensive plans for the organization. Organizations allocate both financial and non financial resources to activities marked for implementation in a specific period. Progress monitoring is important in order to establish risk of non-performance which would prevent achievement of the organizations objectives. It is important to control expenditures during the progress of activities. Monitoring and control work hand in hand to ensure allocated resources are put to the intended use.

Monitoring ensures that mistakes are promptly corrected to avoid waste of time and money that would occur when correcting errors noticed long after they were done.

Organizations are faced with challenges when allocating the limited resources to projects and activities marked for implementation in a specific period. Organizations are careful not to allocate too much resource for fear of wasting the limited resources and too little allocation would stifle strategic implementation. Successful strategic implementation needs a strong management, appropriate resource distribution, business practices and guidelines that support the strategies and extremely high stage focus.

Organizations are faced with challenges in allocating the scarce resources to activities and thorough analysis is carried out to establish whether the plans are feasible undertakings that will guarantee returns that fulfill the organization's objectives. Rowe (1994) noted that to survive in today's global market; organizations must focus their efforts where they can achieve the best possible cost advantage relative to their competitors. This requires strategic analysis of different scenarios in order to establish the most cost effective expenditure for the organization. Competition has grown over the years and business undertakings have continued to face challenges. These challenges have forced the organizations to strive for better cost containment measures to remain in business. Smith rightly asserted that "when you run a company or a business you want to reap a huge return to benefit your investment of time and money" (Smith 2011). Cost is a very vital factor of an organization's profits such that the lower the costs the higher the profits, the opposite is true. Resource allocation focuses primarily on expenditure and pays little attention to the results obtained after incurring such costs. For example an organization's marketing manager may fail to undertake an opportunity to sell more by increasing the travelling of the sales staff if he/she notices that such expenditure will exceed the

allocated/ budgeted amounts. This will deny the organization extra sales that would have exceeded the costs the company is avoiding to incur. Production costs for example are directly linked to the organization's production and it would be unwise for the company to cut down its production citing budget constraints.

Another challenge of resource allocation is on its preparation. In many organizations, the budgets are prepared on the foundation of past data rather than its future performance. This tends to paint a wrong picture of the future but focuses on the company's past trends. However, this limitation is addressed by putting emphasis on flexible and zero based budgeting. Budgets have a tendency of de-motivating staff especially when the targets are too high and the employees feel they may not be achieved. It is also important to have all employees buy into the budget for full implementation to be attained. In addition, unrealistic budgets can lead to managers making decisions that can be disadvantageous to the organization. The budget can mislead if it cannot be revised because of the changes in the external environment. The circumstances that are considered when setting the budgets change over time and new circumstances emerge; these require regular reviews in order to align the resources to prevailing situations. Resource allocation is time consuming and costly. It involves organizations' top management, chief officers and senior officers at all levels. They prepare their respective departments and section's budget before they are presented to a Budget Committee who sits in many sessions. The process takes months with regards to the length of the organization's resource allocation procedures.

2.5.3 Organizational Culture

The stronger the culture, the superior the efficiency, Johnson and Scholes (2002) noted that culture is a powerful point that can also be a limitation. It is power since it reassures and economizes contact, facilitate organizational decision making and may produce high point of

teamwork and dedication in the organization, the consequences are efficiency and hence enhanced performance. It revolves out to be a weakness when vital collective beliefs and values hinder the requirements of the organization, its strategy and the employees on the company's behalf hence a pessimistic impact on the general performance. A company's customs can be a key strong point once it is firm with the strategy and therefore can be a dominant motivating power with the achievement. Culture will also be able to turn away a company on or after meeting cutthroat pressure or adapting to shifting fiscal and collective surroundings that a latest strategy is considered to trounce: collective procedure can also build inflexibility if an organization desires to alter their strategy.

It is imperative that the culture which subsists in the organization be well-matched with the strategy being employed. According to Roy (1994) one of the vital qualities describing exceptional organizations is the corporate culture. A resistance may be experienced when this fit lacks and may in turn irritate the implementation efforts of the strategy. It is also noted that human resources is a critical reserve in the organization, hence education and growth is very significant for better performance. This training is essential for improving skills to develop and strategy implementation. To improve effectual strategy implementation, there is need for enough administrative courses of action and procedures in place. Pearce (2011) viewed culture as the set of imperative assumption and values shared by members in an organization.

In managing the strategy-culture, affiliation requires sensitivity to the communication involving the transformation necessary to implement the new strategy and the compatibility or “fit” linking those changes in addition to the firms culture (Pearce, 2011). The implementation of new strategy is extensively interested in modification in those mechanisms to contain the alleged

desires of the strategy. Strategy depends on relationship between a firm's culture and the critical factors which in most cases managers find it difficult to think through them.

According to Ansoff, and McDonnell, (1990) effective strategic planning activities can be as a result of the brainstorm achieved inside and outside the corporation. The process always keep in mind the adjustment of emerging environment and the expected implications of modern decisions, which also contains controlling the business logically, the relations, directs, and controls complex ventures in the course of a practical, operational management structures. Strategic planning practice engrosses formulation of vision and undertaking statement, conducting environmental analysis and lastly strategy implementation and selection (Pearce and Robbinson, 2008).

Decenzo and Robbins (2008) advanced that a valuable strategic planning system for an organization associates long-range strategic ambition with both mid-range and prepared plans. The nature of strategic planning itself described strategy planning as an ongoing, never-ending, integrated process requiring continuous reassessment and reformation. Strategic planning is thus deliberate and emergent, dynamic and interactive. Galbreath, (2005) acknowledged that strategy is partly planned and partially unplanned.

Chimbugia (2011) recommended that useful preparation as a practice as described in the literature is not as balanced and logical. Further he describes planning to be generic activity whereby its determinants are partly autonomous of the area being applied and the area where judgment, creativity and intuition are still essential. The requirement of strategic arrangement is always been connected with the field of strategic planning from its initial understanding. The near the beginning improvement considerably comprise that of Andrews (Ansoff, 1990). According to Bresser and Bishop (2003), formalization is the level to which the custom of the

organization is clearly distinct. He additionally distinguished among “formalization”, meaning to whether these standards are printed down in manual and additional documents.

2.5.4 Organizational Structure

Bourgeois & Brodwin, (1984) defines organization structure as the pattern in which various departments are interrelated. Studies in strategic management show organizational structure as a very critical aspect (Bourgeois & Brodwin, 1984, Chandler, 1982 & Heracleous, 2000). Explicitly it is viewed as one variable which management can utilize to attain the intended mission (Bourgeois & Brodwin, 1984). (Heracleous, 2000) on realization of a new strategy inside the organization could possibly interpret to a redesign of the structure.

It is suspected that diverse heights of administration use different strategies (Nutt 1998). Features moderately close to the organizational structure are the subsequent mainly barriers of execution. (Heide, Gronhaug & Johannessen, (2002). Views by Drazin and Howard (1984) see structure arrangement being a necessity in winning implementation of innovative strategies (Noble, 1999b). Schaap (2006) recommend a fine-tune of organizational structure to align them and ensure efficient execution. During the implementing the relationship between policy and structure is taken to be the most important in utilizing structure for strategy implementation (Hitesh 2012). Main factors to consider when designing the structures are; the suitable assignment and association of dissimilar elements (Knoff, Finch, & Carlyon, 2004).

Structures need to be positioned and should contain clear and efficient communication lines between employees. According to Johnson and Scholes (2002), organizations are prepared to work by means of official and casual organizational course of action. These methods are considered as the kingpins of organizational process and for that reason is able to help or

hamper the conversion of strategy in accomplishment. These processes vary from system, regulations and procedures referred as official controls throughout social control which are termed as culture and routine to self-controls indicated by individual inspiration. Although yearly goals, well-designed strategies, and detailed strategy present imperative way of communicating all that should be done to implement the firm's strategy, extra is desired to implement that strategy successfully (Pearce & Robinson, 1994) . Strategic implementation is probable toward success after correspondence is realized between quite a few essentials (Aosa 1992).

There are two categories of these elements. These are structure and course elements. Structure describes the arrangement of a business performing associations that survive among the different parts of company. On the other hand, process elements include leadership, culture, resources and other administrative procedures (Learned 1969). Pearce and Robinson (1994) four organization elements provide fundamental long-term means for the strategy to be successfully implemented. These are structure, leadership, culture and rewards. These elements ensure that the strategy permeates the firm's day-to-day life and hence lead to successful implementation.

Numerous stiff fits ought to be formed between strategy and an organization's competences, potential, guidelines and formation. Connecting strategy and budgetary distribution and strategy and domestic support system, between strategy and the reward structure, between strategies and the corporate culture of the organization. Habrick and Cannella (1998) did a research focusing on communication and interaction process in strategy implementation. They hypothesized type of character for successful strategist: flexible, unbiased and with a permanent center on prospective pressure to strategy implementation.

Findings from Beer *et al* (2000) showed that management in various team does not make the essential trade-offs they encounter through the implementation but in its place, they produce unclear strategic objectives that does not give direction for implementation. Participation of center managers' precious understanding is key because of its achievement. Kaplan and Norton (2001) in their findings found that as limited as five percent of a workforce understands their organizations policy. Sometimes the senior management may bypass center management, and get hold of information from them and then instructs the junior level employees; this in turn may cause unproductive communication lines in the implementation team. Furthermore, these results in circumstances where disagreement are kept away from and important deliberations on decision-making are lost.

According to Thompson *et al* (2007), the survival useful strategy implementation relies on the skilled employees and efficient internal organization systems. For successful strategy implementation an organization needs to create a center of attention, encourage and maintain gifted managers and workers with appropriate skills and intellectual capital. The workers should appreciate how to achieve business objective, that are very important to attain complete implementation. Assisting workforce to increase the knowledge, skills and abilities concerned in implementing the strategy requires attention to the employment practice and education. Making certain that management and employees are well-equipped to handle present alteration will keep everyone work to attain financial goals. Successful communication is always a key consideration for strategy implementation, Peng and Littlejohn (2001).

Adebayo (2010)'s study looked at the consequences of interior control on organizational performance with reference to Eco bank Nigeria Plc: The core principle was to examine the impacts of internal control on organizational performance, but he did not examine the effects of

external control on organizational performance and also failed to explore the effects of strategic plan implementation on organizational performance. Csaszar (2011) established and examined a way in which organizational structure impacts the overall operations of the organization but failed to consider how this structures influence the plan implementation.

The structure assist an organization recognize its actions and the means in which it will harmonize them to attain the firm's strategic objective. (Hill et al, 2009). The accurate organizational structure is critical to facilitate the association to implement its strategy. To make possible the accomplishment of the strategic and organizational objectives, organizational structure bring together and incorporate the responsibilities completed by all employees in the organization, that is employees at all levels, and across all distribution and occupation.

A range of studies have paid attention on human resource connected issues affecting implementation of strategies in organizations .Alexander (1985) found out that about half of institutions faced challenges like lack of capabilities by employees and also poor relationships (Govindarajan, 2009) discovered that part of the process is influenced by the worth of the procedure intended by the people in the organization.

Yang (2008) revealed that implementers include senior management, central management, junior management and subordinates; in addition there is need for expertise in some process.

Effective strategy implementation has on no account been extra significant in the modern results-driven industry environment. Zagotta and Robinson (2002) highlighted that the real worth of strategic management lies in its implementation. Strategies formulated and not implemented provide small point (David 2001) and still the most excellent formulated strategy is viably inappropriate when not successfully implemented (Barney, 2002). Nevertheless, research point

out that most organizations fall short to put into practice their strategies efficiently. Majority of the leaders examined in a recent study perceived a breach amongst their organizations aptitude to formulate and communicate sound strategies and their ability to implement this strategies. An additional 64% of the respondents did not have absolute self-assurance that their organizations would be able to connect the gap between the formulation of strategy and the effective implementation of the strategy (Lepsinger, 2006).

Kalali (2011) discovered that the deliberations concerning challenges and complicatedness of strategy implementation in the modern period had been extremely captivated by the strategic management conversation because the implementation of strategic plans and resolution have not been as successful as their designers projected. For example one of the furthestmost challenges for managers and decision-makers in organizations is to implement managerial strategic decisions even as many strategic decisions fall short; occasionally, regardless of sensitivities expressed in decision-making stage, they face with numerous troubles to put into operation such decisions.

2.6 Research Gap

Many studies have been conducted for instance Charles (2010), did a study on the impact of leadership techniques on organizational performance as observed from human resource management strategy examined the associations between the management methods, the organizational performance and the Human Resource Management approaches. However, he did not examine the consequences of Strategic plan implementation on organizational performance. Charles did not conduct his study focusing on the effect of strategic plan realization and organizational performance. Mcnamara, (2005), explored in tandem the foremost result of the

revolutionary and transaction leadership conduct on organizational performance of Russian corporations. However Mcnamara failed to investigate of the key outcomes of the transformational and transactional leadership behaviors on strategic plan implementation. Pearce and Robinson (2003) assert that to effectively implement strategy, methods including organizational structure, information methods, leadership approaches, obligation of key leaders, budgeting and return and controls structures must be in place. Therefore Charles, Mcnamara and Pearce and Robinson left a gap to be filled in our current study.

Jerry (1977) explained that developing and adopting a budget is beneficial. He noted that preparation of a budget is only the beginning in the continuing process of scheduling and directing the organization's future. It was therefore indicated that organizations allocate both financial and non financial resources to activities marked for implementation in a specific period, however the current study focused on influence allocation of resources on organizational performance in the public health sector in Ainamoi Sub-county in Kericho County.

Abuya (2008) considered strategic risk organization practice among public entities in Kenya; Wambui (2004) features motivating strategic planning by the commercial sector; Churqo (2009) did a study on the supposed connection between strategic forecast and performance contracting in Kenya public corporations and Ajwag (2009) studied the relationship between corporate culture and organizational performance, a survey of Kenyan state corporations. However none of the study was studied on organizational culture and its influences organizational performance in the public health sector in Ainamoi in Kericho County.

2.7 Conceptual Framework

The implementation of strategic plan (independent variable) and organization performance (dependant variable) is influenced by factors that form independent variables that include:-

Conceptual Framework

(Independent variables)

(Dependent variable)

Strategic plan implementation

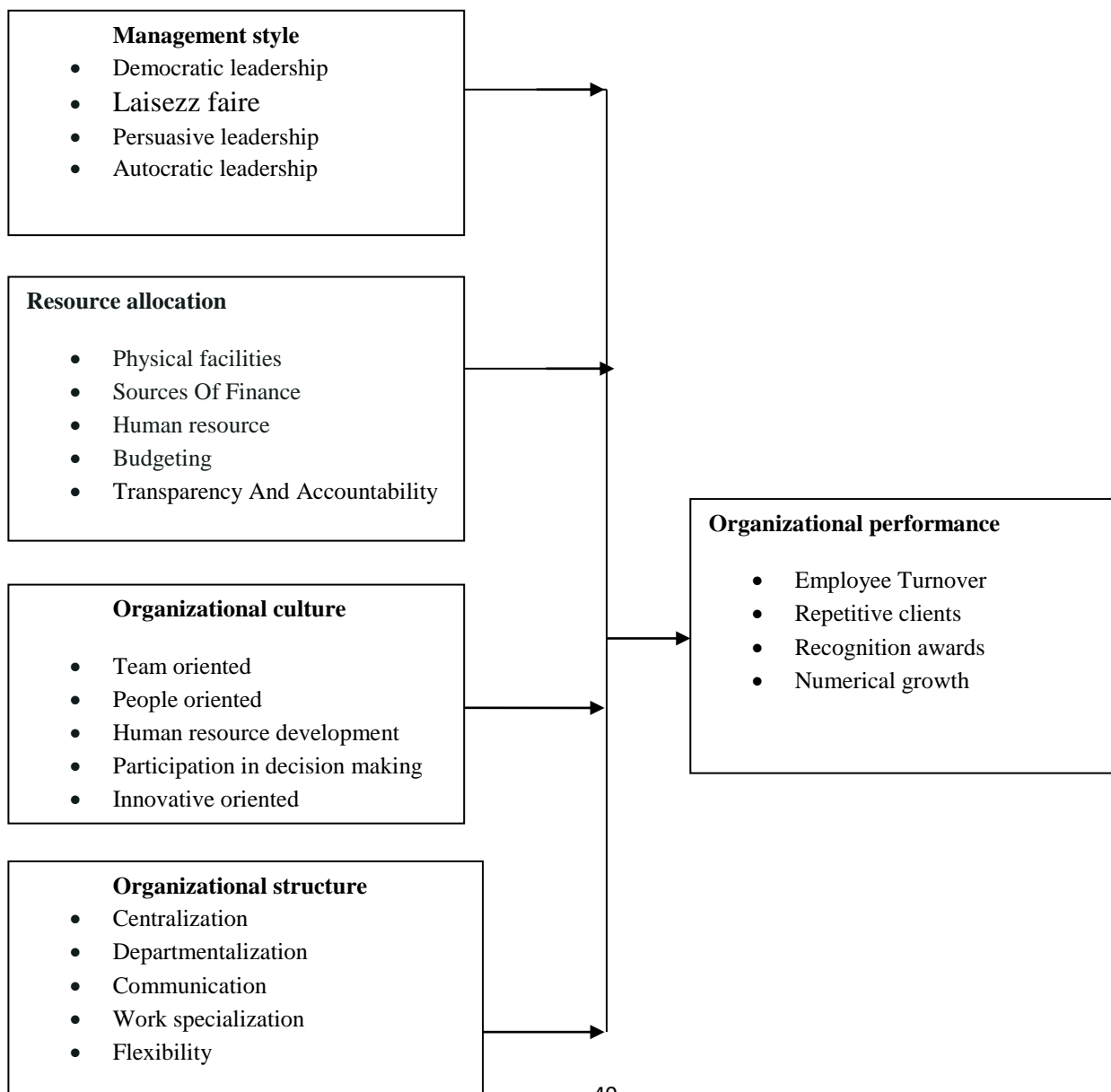


Figure 2.2: Conceptual Framework

In the public sector the leadership style recognized is spread to the management; as the institution nurtures it attracts fresh managers who split the similar ideals. From the above figure management style was measured by nature of democratic leadership, participatory leadership, autocratic leadership, laissez faire and transformational leadership.

Usefulness of resource distribution also entails manager constantly supervise their composition and organize methods to discover some means to reorganize or modernize in order to ensure more efficient functioning. Factors that measure resources include: - finances budgets, human capital, physical facilities, technological advancement and transparency and accountability

Their traditions are often founded on standards that highlight the base line. Organizations struggle to manage employees' conduct by connecting reward systems to their control schemes. The culture illustrates the typical ways - "this is the way we do it around here" in which affiliates of an organization find the job completed. Hierarchy of management, team oriented, free flow of information, participation in decision making and behavior patterns.

As organizations grow, the structure the dimension and figures of their purpose and distribution get enlarge. To cut down on routine expenses and successfully manage the actions of people, roles, and dissections, managers must build up an apparent and explicit chain of command. The above figure measure organizational structure in terms of centralization, decentralization, line & staff, work specialization and departmentization.

In this study, the learner is concerned in how independent variables affect one dependent variable which included: - customer satisfaction, service delivery, numerical growth and hospital

management. The four independent variables are the ones that influence the strategic plan implementation in government hospitals.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design of the Study

This was a descriptive study. It attempts to illustrate distinctiveness of observable fact, views, topics, preference, approaches and insights of people of concern for the inquiry (Borg & Gall, 1983). In that case it sought to describe and interpret various situations and depict the participants in an accurate way.

3.2 Study Area

The study was conducted in Ainamoi Sub- County hospitals because of the significant role it plays in the region in providing a fundamental health service to community. Coupled with this, any disruption to its core function was detrimental to the society's welfare and secondly, because of its accessibility. The study population were both the professional and support staff at the Ainamoi Sub- County Hospitals. The researcher targeted population of 340 employees from different departments.

3.3 Target Population

The target population was drawn from employees in Ainamoi Sub- County hospitals. The study targeted 340 employees in the various departments ranging from top level to lower level employees. The population was categorized as illustrated below.

Table 3.1 Target Population

Hospital	Medical officers	Human resource	Clinical officers	Nurses	Finance officers	Procurement	Support staff	Total
Kericho CH	22	2	34	106	2	6	20	192
Ainamoi SC H	3	1	23	14	2	4	14	61
Sosiot SCH	3	0	10	11	1	4	10	39
Kapsaos SC H	2	0	6	8	1	3	3	23
Kenegut HC	0	0	5	6	0	2	2	15
Kapsuser HC	0	0	2	5	0	2	1	10
	30	3	80	150	6	21	50	340

3.4 Sampling Size and Sampling Procedure

For the purpose of getting a representative sample, the researcher stratified the ministry into their departments. A stratified random sample is a functional mix and classification, thus allowing both a quantitative and qualitative method be accepted (Cohen, 2011) its benefit is that it allows inclusion of subgroup random sampling which is normally disregarded by other methods. In order to determine the sample size of the respondent from a total a total target of 340 respondents, a formula by Krejcie and Morgan (1970) was adopted. A sample size n was estimated from a from a known population size, N

$$n = \frac{X^2 N P (1-P)}{d^2 (N-1) + X^2 P (1-P)}$$

Where: n = required sample size

N = the given population size

P = Population portion, assumed to be 0.50.

d = the degree of accuracy whose value is 0.05

X^2 = Table of chi-square for one degree of freedom; which is 3.841

Substituting to the formula, estimated sample size (n) will be:

$$n = \frac{3.841 * 340 * 1(1-.05)}{0.05^2}$$

$(340-1) + 3.841 * 0.5(1-0.5) = 181$. Therefore, the sample size comprised of 181. As

shown in the next table:-

Table 3.2 Sample Size and Sample Procedure

Department	Procedures	Sample
Medical officers	30/340*181	16
Human resource	3/340*181	2
Clinical officers	80/340*181	43
Nurses	150/340*181	80
Finance department	6/340*181	3
Procurement	21/340*181	11
Subordinate staff	50/340*181	26
TOTAL	340	181

3.5 Data Collection Instruments

3.5.1 Questionnaires

This is a research tool which comprises of questions for gathering data from respondents. Questionnaires are designed for survey or statistical research in order to extract specific information. Questionnaires are appropriate because they help in collecting the suitable information, they ensure that the given information is equivalent plus agreeable with the investigation; it decreases biasness in creating and raise queries as well as making questions

engaging as well as wide-ranging (Mellenbergh, 2008). The primary data used in the research was obtained through this method. The supervisor commended the questionnaires developed by the researcher.

The actual visits to the hospital assisted in gathering the definite information necessary in the research study. The use of the trained research assistants was important in the administration of the questionnaires. Data was collected by use of open and closed ended questionnaires. The questionnaires were guided by variables as indicated in the objectives. Data was collected using both open ended and closed ended questions. The use of open ended was chosen because it gives greater depth of response and encourages the responded to imagine more and is also easy to formulate. On the other hand close ended questions are easier to analyze, administer and are inexpensive in the time and financial aspects. The researcher finally used document analysis to acquire more information on analysis of strategic plan implementation on organization performance.

3.6 Administration of Data Collection Instruments

An authority letter from the National Commission for Science, Technology and Innovation (NACOSTI) was obtained and then from administrator of the hospitals ahead of the scheduled to field work by the researcher. The researcher was assisted by some trained research assistance to administer the questionnaires to the employees leaving them with individual employees to fill then collected them later.

3.7 Validity and Reliability of the Research Instruments

3.7.1 Reliability of Research Instruments

A tool can be considered reliable if it provides similar results every time it is administered (Martyn, 2014). Since, in quantitative research, it is for consistency and replicability in collecting data (Cohen *et al.*, 2013).

Deprived reliability demeans the accuracy hence reducing the ability to track (Mislevy, 2012). A pilot study was conducted in Bureti Sub-County Hospitals-. 20 Questionnaires were circulated. Assessment of the reliability coefficient was done using Cronbach's alpha research instruments which gave an average of 0.761. Orodho; J. (2005) argued that all the values greater than 0.7 was regarded as suitable in the study.

3.7.2 Validity of Research Instruments

Sub-division of the data collection instruments according to the available variable and objectives was done, to ensure that there is ease of widespread and characterized behavior domains being calculated. According to Kothari, C. (2005) validity of an instrument is the achievement of the level in measuring what it is intended to measure. Expert judgment that involved discussing the objects in the instruments with the supervisors, lecturers and colleagues ensured content validity of the instrument was determined. Incorporation of some propositions for improvement was done by use of the final instruments study.

3.8 Data Analysis and Presentation

Inferential and descriptive statistics was used to analyze the collected data. Descriptive statistics included frequencies, percentages and tables. SPSS version 20 Statistical Package was used to run the data. The first investigation involved collecting the data and running descriptive

statistical analysis. The data was tabulated and classified into sub samples according to the relationship between analyses of strategic plan implementation on organization performance. Tables and charts was adopted in presenting of the analyzed quantitative data, this being a descriptive method. Standard deviation, mean and frequency distribution was attained as a result.

The testing of the relationship of variables was done by used of inferential statistics and in this instance the variables were seen to be related by seen by regression analysis. There was also need for the establish of the degree of the relationship between the variables which was achieved through correlation analysis. In this case the above tests were achieved by use of ANOVA, t-test and F-tests. The influence that the independent variables had on the dependent variable was determined and interpreted by use of ordinary least squares regression analysis; analysis of strategic plan implementation and organizational performance. On finding if independent variable affected the dependent variable, the research questions were tested. Each independent variable was analyzed separately; this was to investigate separately their individual influence on the dependent variable. Regression coefficient of each research question, for each value to be equal to zero was done by use of the ANOVA F-statistic. An analysis to determine the combined influence of all the independent variables was done. Combination and involvement for analysis for all the independent variables was done.

For inferential statistic a regression analysis was involved to finding best fit line so as to explain how the variation in the outcome (variable Y) depends on the variation of an independent variable (X).

The regression equation was as follows

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Where:

X = independent variables

X_1 – Management style

X_2 – Allocation of resources

X_3 – Organizational culture

X_4 Organizational structure

Y = dependent variable (Organizational Performance)

b_0 = The unknown parameters; this may be a scalar or a vector.

e = Error term

3.9 Ethical Consideration

The consent for research was obtained from the relevant authorities. The reason for the research was clarified to all the respondents. They were also assured of anonymity and confidentiality. Names or any personal identification numbers was not reflected on the questionnaires apart from for the numbering for questionnaires which assisted in the identification and editing.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, AND INTERPRETATION

4.1 Response Rate

This information was collected from Questionnaires. Out of the 181 questionnaires administered, the researcher managed to get back 167 and hence the return rate was 92%, any response of 50% and above is adequate for analysis thus 92 % was acceptable by any standards, Babbie (2002). This was made possible by the use of research assistants who made understanding to the respondents.

Table 4.1 Response Rate

Target group	Questionnaire issued	Questionnaire returned	Percentage
Questionnaire	181	167	92

4.2 Reliability of Instrument

Reliability is concerned with precision and accuracy; an error can be obtained by any random manipulation that tends to put the measurement in different state. (De Vaus, 2002).

Table 4.2 Reliability Test

Measures	Cronbach`s Alpha	No. Of Items	Comment
Management Style	0.903	5	Acceptable
Allocation of resources	0.924	5	Acceptable
Organization culture	0.923	5	Acceptable
Organization structure	0.962	5	Acceptable
Organization performance	0.980	5	Acceptable

From the table; Cronbach`s alpha was used to assess the reliability coefficient of the research instruments. The reliability test any value above 0.8 was considered appropriate threshold. The

alpha value for all instruments were generated which were above the recommended measure of 0.80 therefore the instrument was considered reliable for the study.

4.3 Descriptive Statistics

This section aims at observing and describing the general characteristics of the data in regard to its distribution. Specific aspects observed included the measures of central tendency i.e. mean and median; variability i.e. standard deviation and symmetry i.e. skewness and kurtosis.

4.3.1 Analysis of Demographic variables

The study sought to assess who the population comprised, hence demographic data such as the gender of respondents, age bracket, level of education and the years worked in the organization.

Table 4.3 Demographic Profile of Respondents

Variable		Frequency	Percentage
Gender	Female	107	64.1%
	Male	60	35.9%
Age	Below 25yrs	4	2.4%
	25-30yrs	12	7.2%
	31-35yrs	103	61.7%
	36-40yrs	35	21%
	41-44yrs	8	4.8%
	Above 45	5	3%
Education level	Masters	6	3.6%
	Degree	18	10.8%
	Diploma	98	58.7%
	Certificate(KCSE & KCPE)	45	26.9%
Length of Service	Less than 5	15	9%
	6-10	130	77.8%
	11-15	14	8.4%
	More than 16years	8	8%

From the respondent Ainamoi Sub-County Hospitals have more female employees than male employees comprising of 35.9% male and 64.1% female .This implies that the researcher was able to minimize the influence of gender biasness by collecting data across all genders, meaning the data collected represented the views of both genders and hence was not biased.

The respondents ages show that 2.4% aged below 25years, 7.2% aged from 25-30, 61.7% aged from 31-35, 21% aged from 36-40, 4.8% aged from 41-44 and lastly 3% were over 45 years of age. The study revealed that Ainamoi Sub-County Hospitals had a young population of workforce with 31-35 years of age being the majority in this study.

The education of the respondents was important since the level of education gives an indicator of the knowledge respondents had on the strategic plan implementation on organizational performance in Ainamoi Sub-County Hospital. The findings showed that the majority had Certificate, Diploma, Degree and master's qualification and Certificate qualification consisting of 26.9%, Diploma qualification consisting of 58.7%, degree qualification were 10.8%. Masters were 3.6%. This implied that the researcher was able to obtain responses from all the levels of education backgrounds, a represented opinion from different academic qualifications and hence it was a true representation of the happenings at the organization that majority of the employees had the minimum qualification to work within the hospitals. This corresponds to Awiti (2008) who affirmed that a respondent who is sufficiently educated will provide convincing and dependable outcomes.

The years worked of the respondents was important this gives an indicator of the experience respondents had on strategic plan implementation on organizational performance in Ainamoi Sub-County Hospital. The results illustrates that a good number of the respondents were below 5

years which was 9%, 6-10years 77.8%, 11-15years 8.4%, and lastly those of more than 16years had 4.8%. This showed that the study obtained responses from all employees from different working durations in the institution. In this case there were varied opinions from the respondents without influence resulting from being at the organization for too long or being new in the organization. The results further implied that organization had employees who were adequately aware of various strategic plans that taking in hospitals across Ainamoi sub-county.

4.4 Analysis Of Variables In Hypothesis

4.4.1 Effects of Management style on implementation of strategic plan

The study sought to find out the effects of management style on implementation of strategic plan at Ainamoi County Hospital.

Table 4.4. Management style on Implementation of Strategic Plan

Management Style	Resp	SD	D	UN	A	SA	Mean	SD	Skewn	Kurto
Well performing hospitals have their managers get views of other employees	F	77	90	0	0	0	4.4611	.49998	.158	-1.999
	%	46.1	53.9	0	0	0				
We are allowed to participate in decision making when it comes to strategy implementation	F	40	60	10	25	32	3.3054	1.46737	-.450	-1.276
	%	24.0	35.9	6.0	15.0	19.2				
Autocratic implementation of strategy leads to poor performance	F	5	2	0	90	70	1.6946	.80445	2.157	6.944
	%	3.0	1.2	0	53.9	41.9				
The hospitals allow the employees to make some decisions on their own during work performance.	F	50	90	0	17	10	3.9162	1.11622	-1.332	1.054
	%	29.9	53.9	0	10.2	6.0				
Persuasive leadership leads to well performing hospitals	F	5	2	0	60	100	1.5150	.82766	2.533	7.915
	%	3.0	1.2	0	35.5	59.9				

Well performing hospitals have their managers get views of other employees; the respondents were as follows; 46.1% strongly disagree, 53.9% disagreed. It had a mean of 4.4611, standard deviation of 0.49998, skewness of 0.158 and a kurtosis of -1.999. It is desirable that for the normal distribution of data the values of skewness should be near to 0. The values for asymmetry and kurtosis should between -3 and +3 are considered acceptable in order to prove normal univariate distribution. From the above findings the value of kurtosis and skewness were within the range and were considered acceptable. This implied that the management of the hospital was aware of democratic in their leadership styles yet there were not participating.

On whether employees are allowed to participate in decision making when it comes to strategy implementation the response were as follows; 24% strongly disagreed, 35.9% disagreed, 6% were undecided, 15% agreed and 19.2% strongly agreed. It had a mean of 3.3054, standard deviation of 1.4673, skewness of -0.450 and a kurtosis of -1.276. From the above findings the value of skewness and kurtosis were within the range and were considered acceptable. From the findings it implied that the managers did not allowed participatory leadership.

If autocratic implementation of strategy leads to poor performance, the responses were as follows; 3% strongly disagreed, 1.2% disagreed, 53.9 % agreed and 41.9% strongly agreed. It had a mean of 1.6946, standard deviation of 0.8044, skewness of 2.157 and a kurtosis of 6.944. For this case skewness were within the range and were considered acceptable whereas skewness was above and not accepted. The study further implied that autocratic leadership could not bring any positive results in the organization.

Whether hospitals allow the employees to make some decisions on their own during work performance the response were as follows; 29.9% strongly disagreed, 53.9% disagreed, 10.2%

agreed and 6% strongly agreed. It had a mean of 3.9162, standard deviation of 1.116 skewness of -1.332 and a kurtosis of 1.054. It is desirable that for the normal distribution of data the values of skewness should be near to 0 therefore both skewness and a kurtosis were accepted. The results further implied that persuasive leadership was not taken into consideration by the management.

Persuasive leadership leads to well performing hospitals, the response were as follows; 3% strongly disagreed, 1.2% disagreed, 35.5% agreed and 59.9% strongly agreed. It had a mean of 1.5150, standard deviation of 0.8276, skewness of 2.533 and a kurtosis of 7.915. From the above findings the value of and kurtosis were within the range and were considered acceptable. Whereas the values of skewness and kurtosis were above and therefore it did not prove a normal univariate distribution

Thompson (2007) effective strategy implementation depends on competency of human resources and effective integration of systems. Managers should break down barriers to effective communication across functional and hierarchical boundaries; often bringing clients into the communication loop as well as information systems should provide accurate and timely information to the people who need it for decision making. Manyasi (2009) revealed that managers do not use a proactive approach to crises management during strategy implementation.

4.4.2 Effects of Resource Allocation on implementation of strategic plan

The study sought to find out the finance on implementation of strategic plan at Ainamoi County Hospital.

Table 4.5 Resource Allocation on Implementation of Strategic Plan

Resource Allocation	Resp	SD	D	UN	A	SA	Mean	Std.D	Skew	Kurto
We have enough physical facilities (laboratories, land, washrooms and water)allocation to implement our strategy	F	2	8	0	27	130	1.3533	.81461	2.785	7.626
	%	1.2	4.8	0	16.2	77.8				
Our hospital has many sources of finances which allows us to expand our infrastructure	F	60	81	3	20	3	4.0479	1.01084	-1.230	.915
	%	35.9	48.5	1.8	12	1.8				
We have enough employees who implement the strategic plan	F	80	30	0	20	37	3.5749	1.66974	-.623	-1.383
	%	47.9	18.0	0	12.0	22.2				
The management gives priority to supportive budget to implement strategic plans.	F	37	10	10	50	60	3.5150	1.55949	-.679	-1.124
	%	22.2	6.0	6.0	29.9	35.9				
There is transparency and accountability in tendering process for equipments and drugs	F	75	35	21	21	15	3.8024	1.36320	-.806	-.686
	%	44.9	21.9	12.6	12.6	9.0				

Whether there were enough physical facilities (laboratories, land, washrooms and water) allocation to implement strategy; the respondents were as follows; 1.2% strongly disagreed, 4.8% disagreed, 16.2% agreed and 77.8% strongly agreed. It had a mean of 1.3533, standard deviation of 0.8146, skewness of 2.785 and a kurtosis of 7.626. From the above findings the value of skewness were within the range and were considered acceptable. The value of kurtosis was higher and therefore did not prove a normal univariate distribution. This implied that most of

this hospital had enough Physical facilities but underutilized yet it was a factor that affected strategic plan implementation.

If the hospitals had many sources of finances which allows expanding the infrastructure, the response were as follows; 35.9% strongly disagreed, 48.5% disagreed, 1.8% were undecided, 12% agreed and 1.8% strongly agreed. It had a mean of 4.0479, standard deviation of 1.0108, skewness of -1.23 and a kurtosis of 0.915. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution. From the findings it implied that sources of finance were not adequate for further implementation of strategic plan.

We had enough employees who implement the strategic plan, the responses were as follows; 47.9% strongly disagreed, 18% disagreed, 12 % agreed and 22.2% strongly agreed. It had a mean of 3.5749, standard deviation of 1.6697, skewness of -0.623 and a kurtosis of -1.383. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

This findings agreed with a study done by Wooldridge *et al.*, (2008) who acknowledged that employees who do not have the expertise while managers may have the qualification of management skills to maintain the implementation of strategic plans .According to Yukl and Lepsinger (2007) acknowledged that the most strategically important resource to an organization. It is created and held by individuals not organization (Huse, 2000).

The management gives priority to supportive budget to implement strategic plans, the response were as follows; 22.2% strongly disagreed,6% disagreed, 6% were undecided,29.9% agreed and 35.9% strongly agreed. It had a mean of 3.5150, standard deviation of 1.5594, skewness of -

0.679 and a kurtosis of -1.124. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution. These findings implied that budgeting done but not followed as per strategic plan.

There is transparency and accountability in tendering process for equipments and drugs, the response were as follows; 44.9% strongly disagreed, 21.9% disagreed, 12.6% were undecided, 12.6% agreed and 9% strongly agreed. It had a mean of 3.8024, standard deviation of 1.3632, skewness of -0.806 and a kurtosis -0.686. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Thompson and Strickland (1989) viewed implementation as acting on what has to be done internally to put the formulated strategy into place to achieve the targeted results. Helde and Johannessen (2002) indicated that organizations have financial resources, physical resources, human resources and technological resources.

4.4.3 Effects of Organizational Culture on implementation of strategic plan

The study sought to find out on how organizational Culture influences organizational performance.

Table 4.6: Organizational Culture on Implementation of Strategic Plan

Organizational Culture	Resp	SD	D	UN	A	SA	Mean	Std.D	Skewn ess	Kurto sis
Our hospital emphasizes on team work which leads to better implementation of strategy	F	8	6	3	80	70	1.8144	.99167	1.807	3.388
	%	4.8	3.6	1.8	47.9	41.9				
People oriented culture helps our hospitals to implement strategy effectively	F	88	62	0	11	6	4.2874	1.0185	-1.815	2.894
	%	52.1	37.1	0	6.6	3.6		1		
Our organization is very innovative in implementing strategy	F	5	18	8	46	90	4.1856	1.1227	-1.355	.802
	%	3.0	10.8	4.8	27.5	53.9		3		
Most of the employees in our hospitals are assertive	F	7	9	3	59	89	4.2814	1.0348	-1.809	2.868
	%	4.2	5.4	1.8	35.5	53.3		5		
Management sponsors most of the employees because it believes in people development.	F	24	40	2	61	40	2.6826	1.4315	.375	-1.350
	%	14.4	24.0	1.2	36.5	24.0		3		

The respondent were asked on whether the hospital had emphasized on team work which leads to better implementation of strategy, the response showed that strongly agree were 41.9 %, those who agreed were 47.9%, undecided were 1.8 %, disagreed were 47.9% and 41.9% % strongly disagreed. This had mean 1.8144, a Std.D .99167, Skewness 1.807 and Kurtosis of 3.388. From the above findings the value of Skewness was within the range and were considered acceptable therefore prove a normal univariate distribution whereas Kurtosis was far beyond the mean and was not accepted. As further implied that team oriented had worked together .

People oriented culture helps our hospitals to implement strategy effectively, the results showed those who strongly agree were 41.9 %, those who agreed were 47.9%, undecided were 1.8 %,

disagreed were 47.9% and 41.9% % strongly disagreed. This had mean 1.8144, a Std.D .99167, Skewness -1.8152 and Kurtosis of 0.894. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Our organization is very innovative in implementing strategy, the response showed that strongly agree were 53.9%, those who agreed were 27.5%, undecided were 4.8%, disagreed were 10.8 % and 3.0% strongly disagreed. This had mean 4.1856, a Std.D 1.12273, Skewness -1.355 and Kurtosis of 0.802. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Most of the employees in our hospitals are assertive the response showed that strongly agree were 53.3%, those who agreed were 35.5%, undecided were 1.8%, disagreed were 5.4% and 34.2% strongly disagreed. This had mean 4.2814, a Std. 1.03485, Skewness -1.809 and Kurtosis of 2.868. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Management sponsors most of the employees because it believes in people development, the response showed that strongly agree were 24.0%, those who agreed were 36.5%, undecided were 1.2%, disagreed were 24.0% and 14.4% strongly disagreed. This had mean 4.2814, a Std. 1.03485, Skewness -1.809 and Kurtosis of 2.868. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

It is consequently on the manager during strategy implementation to develop process of dealing with concerns of organizational culture otherwise will slow down on the implementation

procedure. Adopting desired strategy that shape the organization is also of essence toward the common goal of shaping the organizational culture (Odiek, 2010). According to Glueck (2000), the strategy execution success and planning is greatly influenced by the organization culture. There is a requirement for the middle level institutions in Kenya to increase perception of the organizational culture existing in the institution (Carney, 2004; Wright *et al.*, 2005).

4.4.4 Effects of Organizational Structure on implementation of strategic plan

The study wanted to discover out the effects of organizational Structure on performance in Ainamoi County hospitals.

Table 4.7: Organizational Structure on Implementation of Strategic Plan

Organizational Structure	Resp	SD	D	UN	A	SA	Mean	Std.D	Skewne	Kurtosi
Our hospital has a well design structure which allows effective strategy implementation	F	17	12	3	75	60	2.1078	1.25645	1.270	.543
	%	10.2	7.2	1.8	44.9	35.9				
Most of our departmental heads coordinate well with their peers to achieve the objectives of the organization	F	2	7	0	90	68	1.7126	.77694	1.721	4.545
	%	1.2	4.2	0	53.9	40.7				
The nature of our organizational structure enables the free flow of information critical to strategy implementation	F	19	20	0	70	58	2.2335	1.34409	1.011	-.295
	%	11.4	12.0	0	41.9	34.7				
Centralized organization structure leads to effective strategy implementation	F	13.2	15.0	4.8	35.9	31.1	2.4311	1.40343	.692	-.913
	%	22	25	8	60	52				
The nature of our organizational structure enhances organizational flexibility critical to strategy implementation	F	20	33	4	50	60	2.4192	1.44510	.606	-1.138
	%	12.0	19.8	2.4	29.9	35.9				

The respondents were asked on the rate on whether the Ainaioi County hospitals had a well design structure which allows effective strategy implementation, the results showed that strongly agree were 10.2 %, those who agreed were 7.2%, undecided were 1.8 %, disagreed were 44.9% and 35.9% % strongly disagreed. This had mean 2.1078, a Std.D 1.25645, Skewness 1.270 and Kurtosis of 0.543. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

The study further sought to asses on whether the hospitals departmental heads had coordinated a well with their peers to achieve the objectives of the organization. The responses were as follows strongly agree were 40.7%, those who agreed were 53.9%, disagreed were 4.2% and 1.2% strongly disagreed. This had mean 1.7126, a Std.D 0.77694, Skewness 1.721and Kurtosis of 4.545. From the above findings the value of skewness were within the range and were considered acceptable. Whereas the values of Kurtosis was above and therefore it did not prove a normal univariate distribution.

The results were as follows; our organizational structure enables the open flow of information vital to strategy implementation. The responses were as follows strongly agree were 19%, those who agreed were 20%, disagreed were 70% and 58% strongly disagreed. This had mean 2.2335, a Std.D 1.34409, Skewness 1.011 and Kurtosis of -.295. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Furthermore on whether the hospital had a centralized organization structure which had led to effective strategy implementation, the responses were as follows: - 60% strongly agree, 50% agreed, those who disagreed were, and undecided 4%, 33% and 20% strongly disagreed. This

had Mean 1.9042, a Std.D 1.19352, Skewness 1.413 and Kurtosis of 0.946. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

The nature of our organizational structure improve organizational flexibility critical to strategy implementation the responses were as follows: - 35.9% strongly agree, 29.9% agreed, those who disagreed were, and undecided 2.4 %, 19.8% and 12.0% strongly disagreed. This had Mean 2.4192, a Std.D 1.44510, Skewness .606 and Kurtosis of -1.138. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

From the results above Abuya (2008) did a study on strategic risk management practices among state corporations in Kenya; Wambui (2004) factors driving strategic planning by the corporate sector; Churqo (2009) also did a studies on the perceived linkage connecting strategic planning and performance constricting in Kenya and Ajwag (2009) studied the connection among corporate culture and organizational performance, a survey of Kenyan public institutions.

4.4.5 Organizational Performance

The study sought to investigate on organizational performance, the response were as shown in next table 4.8;

Table 4. 8: Organizational Performance on Implementation of Strategic Plan

Organizational performance	Resp	SD	D	UN	A	SA	Mean	Std.D	Skewness	Kurtosis
Managers and employees turnover is very low in our hospital	F %	10 6.0	17 10.2	0 0	60 35.9	80 47.9	1.9042	1.19352	1.413	.946
Many patients in our hospitals are repeat clients	F %	27 16.2	8 4.8	11 6.6	43 25.7	78 46.7	2.1796	1.46980	1.021	-.442
Our organization has received recognition in the last one year	F %	32 19.2	8 4.8	0 0	59 35.3	68 40.7	2.2635	1.50583	.999	-.576
We have improved facilities over the years	F %	25 15.0	23 13.8	12 7.2	55 32.9	52 31.1	2.4850	1.43475	.625	-1.024
There is a significant growth in the number of clients visiting our hospitals.	F %	17 10.2	39 23.4	0 0	48 28.7	63 37.7	2.3952	1.44355	.583	-1.212

Form the table above the study sought to assess whether the Managers and employees turnover is very low in our hospital, the response were as follows:-47.9% strongly agree, 35.9% agreed, those who disagreed were 10.2% and 6.0% strongly disagreed. This had Mean 1.9042, a Std.D 1.19352, Skewness 1.413 and Kurtosis of 0.946. From the above findings the value of Skewness

and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Many patients in our hospitals are repeat clients, the responses were as follows: -46.7% strongly agree, 25.7% agreed, undecided were 6.6%, those who disagreed were 4.8 % and 16.2% strongly disagreed. This had Mean 2.1796, a Std.D 1.46980, Skewness 1.021 and Kurtosis of -.442. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

Our organization has received recognition in the last one year the responses were as follows: - 19.2% strongly agree, 4.8% agreed, those who disagreed were 35.3% and 40.7 % strongly disagreed. This had Mean 2.2635, a Std.D 1.50583, Skewness .999 and Kurtosis of -.576. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

The study further sought to asses on whether there were improved facilities over the years, the response were as follows: - 15.0 % strongly agree, 13.8 % agreed, those who were undecided 7.2%, those who disagreed were 32.9% and 31.1% strongly disagreed. This had Mean 2.4850, a Std.D 1.43475, Skewness .625 and Kurtosis of -1.024. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

There is a significant growth in the number of clients visiting our hospitals, the response were as follows: -10.2% strongly agree, 23.4% agreed, those who disagreed were 28.7% and 37.7% strongly disagreed. This had mean 2.3952, a Std.D 1.44355, Skewness .583 and Kurtosis of -

1.212. From the above findings the value of Skewness and kurtosis were within the range and were considered acceptable therefore prove a normal univariate distribution.

The finding further agreed with that Adebayo (2010)'s who took a study effect of internal control on organizational performance using a case study of Eco bank Nigeria Plc: The main purpose of this study was to examine the effect of internal control on organizational performance, but he did not examine the effects of external control on organizational performance and also failed to investigate the effects of strategic plan implementation on organizational performance.

4.5 Inferential Statistics

4.5.1 Tests for Regression Analysis Assumptions

4.5.1.1 Normality Assumptions

Kolmogorov-Smirnov test (K-S) one sample test was used in order to test the assumption of the normality of the population distribution, whereby a significance value of less than 0.05 indicate that the data is normal and if the significance value is greater than 0.05, the data significantly deviate from a normal distribution (Tabachnic and Fidell 2001) This is shown in table 4.9

Table 4.9 One-Sample Kolmogorov-Smirnov Test

		Mngmnt	Resources	OrgCulture	OrgStructure
N		167	167	167	167
Normal Parameters ^{a,b}	Mean	2.9784	3.2587	3.4503	2.1808
	Std. Deviation	.34011	1.15858	.99000	1.18245
Most Extreme Differences	Absolute	.193	.207	.165	.219
	Positive	.193	.112	.095	.219
	Negative	-.138	-.207	-.165	-.159
Kolmogorov-Smirnov Z		2.498	2.678	2.132	2.836
Asymp. Sig. (2-tailed)		.000	.000	.000	.000

a. Test distribution is Normal.

b. Calculated from data.

From table 4.9, it is indicated that the data used in this study is normally distributed and hence can be subjected to other statistical tests of significance used to test the relationship between independent and dependent variables that require normally distributed data. This is because the significance values of all the variables were below 0.05 confidence level.

4.5.1.2 Linearity Assumptions

Linearity assumption accurately tests the relationship between dependent and independent variables; it tends to establish if the relationships are linear in nature. From the study Pearson product moment correlation was used to assess the linearity among the variables of the study which include; organizational structure, allocation of resources, organizational culture and management style.

Table 4.10: Assumption of Linearity

		Management Style	Resource Allocation	Organization Culture	Organization Structure	Organization Performance
Management Style	Pearson Correlation	1	.525**	.585**	.373**	.311**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	167	167	167	167	167
Resource Allocation	Pearson Correlation	.525**	1	.951**	.850**	.819**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	167	167	167	167	167
Organization Culture	Pearson Correlation	.585**	.951**	1	.839**	.825**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	167	167	167	167	167
Organization Structure	Pearson Correlation	.373**	.850**	.839**	1	.985**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	167	167	167	167	167

From the results in table 4.11, below there was positive relationship between the dependent and independent variables of the study thus assumption of linearity was supported. From the results, it can be seen that correlations among the dimensions were all significant except for management styles. Correlations between, organization structure $r = 0.985$, organization culture $r = 0.825$, resource allocation $r = 0.819$, were positively and significantly related to organizational performance where they were all between a correlation of 0.7 and 0.9. Management styles on the other hand had a low linearity of $r = 0.311$. Linearity assumptions were therefore satisfied.

4.5.1.3 Homoscedasticity Assumptions

Homoscedasticity means that the variance of errors is comparable across all levels of the independent variables. It was checked by use of Levene test to assess the equality of the variances for the four variables (management styles, allocation of resources, organization structure and organization culture). The assumptions of homoscedasticity refer to equivalent variance of errors across all levels of the independent variables (Osborne & Waters, 2002). This indicates that researchers assume that errors are spread out constantly between the variables (Keith, 2006). It is usually manifested when there is a similar variance for all values of the predictor variable around the regression line. The results as shown in table 4.11.

Table 4.11 One-Sample Test of Homoscedasticity Assumptions

	Test Value = 0					
	t	df	Sig.(2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Mngmnt	113.168	166	.000	2.97844	2.9265	3.0304
Resources	36.347	166	.000	3.25868	3.0817	3.4357
OrgCulture	45.038	166	.000	3.45030	3.2990	3.6016
OrgStructure	23.834	166	.000	2.18084	2.0002	2.3615
Org Perfm	21.340	166	.000	2.24551	2.0378	2.4533

a. Predictors: (Constant), management styles, allocation of resources , organization structure ,organization culture

b. Dependent Variable: organization performance

From table 4.10 the results showed that the Sig. level (2-tailed) level of management styles (p=0.00), allocation of resources (p=0.00), organization structure (p=0.00), organization culture and organization performance (p=0.00) were significant because their significance level was less than 0.05. It was therefore concluded that homogeneity of variances was supported.

4.5.2 Correlation analysis

From the study Karl Pearson's coefficient of correlation was applied to check whether there is linear relationship between the variables.

Table 4.12: Correlations Analysis between the dependent and independent variables

		Correlations				
		Management Style	Resource Allocation	Organization Culture	Organization Structure	Organization Performance
Management Style	Pearson Correlation	1	.525**	.585**	.373**	.311**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	167	167	167	167	167
Resource Allocation	Pearson Correlation	.525**	1	.951**	.850**	.819**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	167	167	167	167	167
Organization Culture	Pearson Correlation	.585**	.951**	1	.839**	.825**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	167	167	167	167	167
Organization Structure	Pearson Correlation	.373**	.850**	.839**	1	.985**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	167	167	167	167	167
Organization Performance	Pearson Correlation	.311**	.819**	.825**	.985**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	167	167	167	167	167

** . Correlation is significant at the 0.01 level (2-tailed).

From table 4.9 The variables were at 99% level of confidence, since 1 percent change in management style to 31.1 % change in organizational performance.1% change in allocation of resources leads to 81.9% change in organizational performance, 1% change organizational culture leads to 82.5% change in organizational performance and 1% change in Organizational structure led to 98.5 % change in organizational performance. From our finding it clearly

indicated organizational structure has high level of association strategic plan implementation on organizational performance.

This implies that all the study variables: management style, allocation of resources, organizational culture and organizational structure were correlated to strategy implementation and were positively and statistically significant.

4.5.3 Test of Hypothesis

On determining that all the variables of strategic plan implementation had an effect organization performance the study computed regression model of the variables indicating how they interacted in the study.

4.5.3.1 Model Summary

Table 4.13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.990 ^a	.979	.979	0.19845

a. Predictors: (Constant), S, M1, R, C

From the results on model summary as shown in table 4.19, R= .990^a, R- square = .979, adjusted R-square=.979, and the SE= .99225. Multiple correlation R coefficients indicate the degree of linear relationship of organization performance with all the predictor variables, where as the coefficient of multiple determinations R-square shows the provision of the total variation in Organization performance that is explained by the independent variables, organizational structure, allocation of resources, organizational culture and management style in the regression equation. The R-square gives us the coefficient of determination between the variables the results from the regression analysis give an R-square value of .979, which means that 97.9% of the independent variables cause the change on dependant variable (Organization performance).

4.5.3.2 Analysis of Variance (ANOVA)

The significance of the regression model was tested using Analysis of Variance (ANOVA) which provides information about levels of variability within the regression. ANOVA shows the importance of the relationship between the independent and the dependent variables Table 4.13 presents the results of this test.

Table 4.14: Analysis of Variance (ANOVA)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	300.554	4	75.139	1907.925	.000 ^b
	Residual	6.380	162	.039		
	Total	306.934	166			

a. Dependent Variable: performance

b. Predictors: (Constant), organizational structure, allocation of resources, organizational culture and management style

As shown from the table 4.14 above, $F= 1907.925$, $p < .000^a$

One way ANOVA was used to test for preferences differences among four variables for 5% levels of significant in predicting how organizational structure, allocation of resources, organizational culture and management style affected organization performance. The F test provides an overall test of significance of the fitted regression model. The F value of 1907.925 $P=0.01 < 0.05$ indicating that all the variables in the equation are important hence the overall regression is significant. This implies that all the dimensions of organizational culture under study jointly have a positive and significant impact on strategic plan implementation affects organizational performance. Therefore, it is important for the management to give more attention to these dimensions of organization culture and structure among others to ensure they are effective in implementing strategies.

4.5.3.3 Regression analysis

The research used multiple linear regression analysis to determine the linear statistical relationship between the independent (organizational structure, allocation of resources, organizational culture and management style) and dependent variable (organizational performance).

Table 4.15: Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig
1	(Constant)	0.506	.140		3.623	.000
	Management style	-.376	.058	-.094	-6.484	.000
	Allocation of resources	-.243	.045	-.207	-5.349	.000
	Organizational culture	.339	.055	.247	6.148	.000
	Organizational structure	1.137	.026	.989	43.828	.000

The regression equation used to link the dependent and independent variable was as follows;

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + \varepsilon$$

$$Y = -.376X_1 + -.243X_2 + .339X_3 + 1.137X_4 + \varepsilon$$

Where y = Organization performance

X₁= Management style

X₂= Allocation of resources

X₃= Organizational culture

X₄= Organizational structure

The coefficients in table 4.15 indicated the corresponding change in the dependent variable when a change of one unit is effected in the independent variable. Thus, a 1% improvement of Management style had a negative effect on organization performance of -.376%; 1% improvement allocation of resources would lead to -.243% organization performance, and a 1% improvement in Organizational culture would result in a 0.339% of organization performance and 1% improvement of Organizational Structure would result in a 1.137% on organization performance. Besides, the magnitude of the t values indicates that Organizational structure (t= 43.828) is the main predictor variable for organization performance this is followed by Organizational culture (t= 6.148) then allocation of resources (t= -5.349) and finally Management style (t= -6.484).

Table 4.16: Summary of the results of Hypotheses Testing

Hypot hesis	Statement	β Values	P Values	Decision
H ₀₁	Management style has no significant influence on organizational performance in Ainamoi Sub-county hospitals.	-0.376	0.000	Accepted
H ₀₂	Allocation of resources has no significant relationship with organizational performance in Ainamoi Sub-county hospitals.	-0.243	0.000	Accepted
H ₀₃	Organizational culture has no significant relationship with organizational performance in Ainamoi Sub-county hospitals.	0.339	0.000	Rejected
H ₀₄	Organizational structure has no significant relationship with organizational performance in Ainamoi Sub-county hospitals.	1.137	0.000	Rejected

The study tested the hypotheses and the decision rule was reject H_0 if $P < 0.05$. The results obtained were as shown below;

For the first hypothesis H_{01} , ($\beta = -0.376$, $p < 0.00$), thus the null was accepted meaning that there is no significant relationship between management styles and with organizational performance in Ainamoi Sub-County hospitals in Kericho County.

The second hypothesis H_{02} ($\beta = -0.243$, $p < 0.00$), the null hypothesis was accepted meaning that there is no significant relationship between allocation of resources and organizational performance in Ainamoi Sub-County hospitals in Kericho County.

The third hypothesis H_{03} ($\beta = 0.339$, $p < 0.00$).the null hypothesis was rejected meaning that there is a significant relationship between organizational culture and organizational performance in Ainamoi Sub-County hospitals in Kericho County.

The final hypothesis H_{04} ($\beta = 1.137$, $p < 0.00$) was rejected, implying that there is a significant relationship between organizational structure and organizational performance in Ainamoi Sub-County hospitals in Kericho County.

The results show that the regression weights of two of the independent variables were significant. This means that two of the postulated hypotheses were not supported while two was supported. Thus organizational culture and organizational structure are predictor variables for organization performance.

4.6 Chapter Summary

The chapter observed and described the general characteristics of the data in regard to its distribution. Specific aspects observed included the measures of central tendency i.e. mean and median; variability i.e. standard deviation and symmetry i.e. skewness and kurtosis.

Kolmogorov-Smirnov test (K-S) one sample test was used to test the assumption of the normality of the population distribution.

Linearity assumption was used to accurately test the relationship between dependent and independent variables;

Correlation analysis was performed to determine existence and strength of relationship between the dependent and independent variables used in the study.

A multiple linear regression analysis was used to determine the linear statistical relationship between the independent and independent variables.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of the findings

5.1.1 Effects of Management Style on Implementation of Strategic Plan

The first objective examined how management styles influenced the implementation of strategic management plans and organizational performance. The findings indicated that there was no significant effect where the correlation coefficient index showed a relatively weak relationship ($\beta = -0.376$, $p < 0.00$). The study found out that the some hospital management did not allow employees to present their views, to concur with (Thompson, 1995), many organizations work in uncertain, dynamic and turbulent environment where pressures are continuous and changing. They were not allowed to participate in decision making when it comes to strategy implementation, hence Pearce (2002) indicated that the idea of strategic management involves planning, directing, organizing and controlling all related decisions and actions of the organization. Furthermore the hospital managers were autocratic in implementation of strategy which had led to poor performance. The hospitals allowed the employees to make some decisions on their own during work performance and if persuasive leadership was to be practiced it could leads to hospitals performing well.

5.1.2 Effects of Resource Allocation on Implementation of Strategic Plan

The second objective examined how allocation of resources influenced the implementation of strategic management plans and organizational performance which was found to be moderate with a correlation coefficient index of ($\beta = -0.243$, $p < 0.00$). There were enough physical facilities (laboratories, land, washrooms and water) allocation to implement strategy; the study found out that there were there but not adequate and up-to-date. Some hospital had missed

equipment like computers and even some were still manual records instead of digitalization of information systems. This concurs with Rowe 1994, resource requirement links strategic management to the organization's resources that include land, plant equipment, finances, information, personnel and goodwill. Most of the hospital had less sources of finances which did not allow us to expand our infrastructure. And that most of the staff was not involved in the implementation of strategic plan. Further it was found out that the management did not give priority to supportive budget to implement strategic plans and there was no transparency and accountability in tendering process, Jerry (1977) explained that developing and adopting a budget is beneficial, it is the beginning in the continuing process of planning and controlling the organization's future.

5.1.3 Effects of Organizational Culture on Implementation of Strategic Plan

The third objective examined the influence of organizational culture on implementation of strategic management plans and organizational performance. This was established to be positive on the correlation coefficient index of ($\beta = 0.339$, $p < 0.00$). The hospital emphasized on team work which leads to better implementation of strategy, majority of the respondent agreed, to concur with Johnson and Scholes (2002) culture is a strong point that can also be a weakness. If the employees were people had oriented culture which would help the hospitals to implement strategy effectively, the results showed those who majority strongly agreed. It further found out that the organization was very innovative in implementing strategy and that most of the employees in our hospitals are assertive as they agreed. It is therefore incumbent on the manager during strategy implementation to come up with ways of addressing issues of organizational culture lest they impede on the implementation process. It is also important to adopt common themes that shape the organization culture towards desired strategy Roy (1994).

5.1.4 Effects of Organizational Structure on Implementation of Strategic Plan

The fourth objective sought after the influence of Organizational Structure on implementation of strategic management plans and organizational performance. This was found to be positive correlation coefficient index and supported by ($\beta = 1.137, p < 0.00$). Majority of the respondent agreed that the hospital had a well designed structure which allowed effective strategy implementation. That most of our departmental heads coordinate well with their peers to achieve the objectives of the organization. These findings are consistent to that of Bourgeois & Brodwin, 1984 organizational structure is observed as single variable that the organization can attain its desired intentions. This should be able to permit the free flow of information significant to strategy implementation, centralized organization structure leads to effective strategy implementation.

5.2 Conclusions

The study concluded that the effects of Management style on implementation of strategic plan were as follows: Well performing hospitals have their managers get views of other employees, the hospitals had to allow employees participate in decision making when it comes to strategy implementation. Autocratic implementation of strategy leads to poor performance. The hospitals also need to incorporate the employees to make some decisions on their own during work performance lastly persuasive leadership leads to well performing hospitals.

The study further concluded that the factors that influenced resource allocation on implementation of strategic plan were; hospitals having enough physical facilities (laboratories, land, washrooms and water) allocated. Enough Sources of finances for the expansion of infrastructure and enough employees who implement the strategic plan. The management gives

priority to supportive budget to implement strategic plans. There is transparency and accountability in tendering process for equipments and drugs.

Further it was concluded that organizational culture influenced organizational performance. The hospital had emphasizes on team work which leads to better implementation of strategy. People oriented culture helps the hospitals to implement strategy effectively. The organization was very innovative in implementing strategy. Most of the employees in our hospitals are assertive and management sponsors most of the employees because it believes in people development.

On the effects of organizational structure on performance, it was concluded that the hospital had a well design structure which allows effective strategy implementation. Most of the departmental heads coordinated well with their peers to achieve the objectives of the organization. The character of the organizational structure allowed liberated flow of information important to strategy completion .Centralized organization structure leads to effective strategy implementation and the nature of the organizational structure enhances organizational flexibility.

5.3 Recommendations of the Study.

In support of the findings of the study the following suggestions were made on policy and practice. The study also made suggestions for further studies.

5.3.1 Recommendation on Policy and Practice

Management should provide a leadership role in ensuring that all the stakeholders are committed towards implementing the strategic plan. Top managers should undergo executive capacity building sessions to realization that their corporate objectives are easily attained through team

work and not through strict supervision and instructions. This can be done through organization leadership and encouraging teamwork hence winning support from all the staff concerned.

It is also recommended that both the county and national government should be in-charge with management of health sectors and ought to make certain that sufficient capital are provided to the institutions in support of strategy execution as this is an expensive exercise which must be deliberately and budgeted for. The hospital management is required to furthermore guarantee an elevated point of collaboration among employees and realistic plan for competence edifice to give skills and willingness to the departmental members.

In addition it can be recommended that organizations should give its employees opportunities to explore, and experiment, limited delegation leadership. This will create an industrial organization culture that fosters original behavior necessary for strategy implementation; to help organizations remove strategy implementation barriers such as lack of employee participation, empowerment, involvement and communication

Furthermore it is recommended that the incoming hospital management structures or hospital structure should take note of cultural dynamics so that an absolutely new slate of practices is enacted. The internal culture that does not support ultimate realization of objectives should be avoided by first ensuring that all employees are well inducted into their roles, systems, rules and procedures in order to enhance organizational performance.

Finally the study recommended that experts should be involved in regular reviews of adopted organizational structures. This will reduce monotony in job design and bureaucracies which barricade goal realization. In addition the hospitals in Ainamoi can hire experts on internal

research and development units to constantly and consistently align their strategic outlooks to structural flexibility.

5.4 Recommendation for Further Studies

The study explored the strategic plan implementation and organization performance in the public health sector of Aina Moi sub county, Kenya and therefore recommends that a similar study should be done in other Sub-counties in Kenya to link strategy implementation to performance and to ascertain how the two relate to each.

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APPENDIX I: QUESTIONNAIRE

I am a student of Kisii University pursuing Masters Degree in Business Administration. As part of the requirement of the course I am carrying out a research study entitled **ANALYSIS OF STRATEGIC PLAN IMPLEMENTATION ON ORGANIZATIONAL PERFORMANCE IN AINAMOI SUB-COUNTY HOSPITALS**. The research study is a partial requirement for the award of Masters Degree in Business Administration. This questionnaire is therefore issued purely for academic purpose and the information provided will be treated confidentially. Your corporation will be highly appreciated. Moreover your cooperation in ensuring that the questionnaires are answered will be highly appreciated. Please note that the information you give will be treated with confidence and will be used for academic purpose only.

SECTION A: BACKGROUND INFORMATION OF THE RESPONDENTS

Please tick the appropriate box that best describes your answer

1. Your gender (Tick one)

Male Female

2. Your age bracket (Tick one)

Below 25yrs 26-30 31-35
36-40 41-45 Above 45

3. Your highest level of academic qualification (Tick one)

Certificate (K.C.S.E, K.C.P.E) Diploma
Degree (Undergraduate) Masters

4. How long have you been working in the health sector (Tick one)

Less than 5 year 6-10 years
11-15 years More than 16 years

SECTION B: MANAGEMENT STYLE

5. To what extent do you agree with the following statements regarding management style effects on implementation of strategic plan in Hospitals?

Strongly Disagree (SD) Disagree (DA) Undecided (U) Agree (A) Strongly agree (SA)

	Statement	SD	DA	U	A	SA
1	Well performing Hospitals have their managers get views of other employees					
2	We are allowed to participate in decision making when it comes to strategy implementation					
3	Autocratic implementation of strategy leads to poor performance					
4	The hospitals allow the employees to make some decisions on their own during work performance.					
5	Persuasive leadership leads to well performing hospitals					

SECTION C: RESOURCE ALLOCATION

6. To what extent do you agree with the following statements regarding Resource allocation effects on implementation of strategic plan in Hospitals?

Strongly Disagree (SD) Disagree (DA) Undecided (U) Agree (A) Strongly agree (SA)

	Statement	SD	DA	U	A	SA
1	We have enough physical facilities (laboratories, land, washrooms and water)allocation to implement our strategy					
2	Our hospital has many sources of finances which allows us to expand our infrastructure					
3	We have enough employees who implement the strategic plan					
4	The management gives priority to supportive budget to implement strategic plans.					
5	There is transparency and accountability in tendering process for equipments and drugs.					

SECTION D: ORGANIZATIONAL CULTURE

7. To what extent do you agree with the following statements regarding Organization Culture effects on implementation of strategic plan in Hospitals?

Strongly Disagree (SD) Disagree (DA) Undecided (U) Agree (A) Strongly agree (SA)

	Statement	SD	DA	U	A	SA
1	Our hospital emphasizes on team work which leads to better implementation of strategy					
2	People oriented culture helps our hospitals to implement strategy effectively					
3	Our organization is very innovative in implementing strategy					
4	Most of the employees in our hospitals are aggressive					
5	Management sponsors most of the employees because it believes in people development.					

SECTION E: ORGANIZATIONAL STRUCTURE

8. To what extent do you agree with the following statements regarding Organization Culture effects on implementation of strategic plan in Hospitals?

Strongly Disagree (SD) Disagree (DA) Undecided (U) Agree (A) Strongly agree (SA)

	Statement	SD	DA	U	A	SA
1	Our hospital has a well design structure which allows effective strategy implementation					
2	Most of our departmental heads coordinate well with their peers to achieve the objectives of the organization					
3	The nature of our organizational structure enables the free flow of information critical to strategy implementation					
4	Centralized organization structure leads to effective strategy implementation					
5	The nature of our organizational structure enhances organizational flexibility critical to strategy implementation					

SECTION F: ORGANIZATIONAL PERFORMANCE

9. To what extent do you agree with the following statements regarding Organization Culture effects on implementation of strategic plan in Hospitals?

Strongly Disagree (SD) Disagree (DA) Undecided (U) Agree (A) Strongly agree (SA)

Organizational performance	SD	D	UN	A	SA
Managers and employees turnover is very low in our hospital					
Many patients in our hospitals are repeat clients					
Our organization has received recognition in the last one year					
We have improved facilities over the years					
There is a significant growth in the number of clients visiting our hospitals.					

APPENDIX II: KREJCIE AND MORGAN’S TABLE.

Krejcie and Morgan’s table for Determining Random Sample Size from a Given Population
 {Confidence level 95%; Margin of error + or – 5}

POPULATION SAMPLE

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	308
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384
				1000000	384
				10000000	384

KEY: N = Target Population & S = Recommended Sample Size
SOURCE: Krejcie and Morgan (1970)

APPENDIX 111: RESEARCH PERMIT

THIS IS TO CERTIFY THAT: **Permit No: NACOSTI/P/16/87710/13250**
MS. EVELINE CHEBET KOSKEI **Date Of Issue: 23rd August 2016**
of KISII UNIVERSITY, 389-20108 **Fee Received: Ksh 1000**
RONGAI has been permitted to conduct
research in Kericho County

on the topic: ANALYSIS OF THE
IMPLEMENTATION OF STRATEGIC PLAN
ON ORGANIZATIONAL PERFORMANCE,
for the period ending:
23rd August, 2017



Applicant's Signature
Director General
National Commission for Science, Technology & Innovation

CONDITIONS

- 1. You must report to the County Commissioner and the County Education Officer of the area before embarking on your research. Failure to do that may lead to the cancellation of your permit.**
- 2. Government Officer will not be interviewed without prior appointment.**
- 3. No questionnaire will be used unless it has been approved.**
- 4. Excavation, filming and collection of biological specimens are subject to further permission from the relevant Government Ministries.**
- 5. You are required to submit at least two(2) hard copies and one (1) soft copy of your final report.**
- 6. The Government of Kenya reserves the right to modify the conditions of this permit including its cancellation without notice**



REPUBLIC OF KENYA



National Commission for Science, Technology and Innovation

RESEACH CLEARANCE PERMIT

Serial No. A 10717

CONDITIONS: see back page



**NATIONAL COMMISSION FOR SCIENCE,
TECHNOLOGY AND INNOVATION**

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NAIROBI-KENYA

Ref: No.

Date:

NACOSTI/P/16/87710/13250

23rd August, 2016

Eveline Chebet Koskei
Kisii University
P.O. Box 402-40800
KISII.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on “*Analysis of the implementation of strategic plan on organizational performance,*” I am pleased to inform you that you have been authorized to undertake research in **Kericho County** for the period ending **23rd August, 2017.**

You are advised to report to **the County Commissioner and the County Director of Education, Kericho County** before embarking on the research project.

On completion of the research, you are expected to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


**BONIFACE WANYAMA
FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioner
Kericho County.

The County Director of Education
Kericho County.