

**INTERNAL FACTORS AFFECTING THE IMPLEMENTATION OF
STRATEGIC PLANS IN FAITH-BASED HEALTHCARE INSTITUTIONS IN
KITUI COUNTY**

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DECLARATION

I understand that plagiarism is an offence and I therefore declare that this research project is my original work and has not been presented to any other institution for any other award.

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DEDICATION

This work is dedicated to my parents, Mr. and Mrs. Nyamai, and siblings Samson, Christine, Annah, Jeremiah, Agnes, Vincent, Jenifer, Priscillah, Jostine, Rose, Faith and Jacob.

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LIST OF ACCRONYMS AND ABBREVIATIONS

ANOVA	Analysis Of Variance
CEO	Chief Executive Officer
CHAK	Christian Health Association of Kenya
CV	Coefficient of Variance
FBI	Faith-based Institution
FBO	Faith-based Organizations
HRM	Human Resource Management
KEC	Kenya Episcopal Conference
NCCK	National Council of Churches Kenya
NGO	Non Governmental Organization
USA	United States of America
SBU	Strategic Business Unit
SD	Standard Deviation
SME	Small and Medium Enterprises
SPSS	Statistical Packages for Social Sciences
SWOT	Strengths Weaknesses Opportunities Threats
WHO	World Health Organization

OPERATIONAL DEFINITION OF TERMS

Faith-based Healthcare Institutions:	Can be defined as those healthcare service providers affiliated with, supported by or based on religion or a religious group (https://en.wikipedia.org/wiki/Faith-based_organization).
Organizational culture:	Refers to the beliefs; expectations and values employees have about the organization (Handy, 1993).
Organizational resource:	Can be defined as an asset, competency, process, skill, or knowledge which is controlled by the organization (Hodge, Anthony & Gales, 1989).
Organizational structure:	Refers to the way the work needed to accomplish organizational mission is spread across its workforce (Gibson, Mentzer & Cook, 2005).
Strategy implementation:	Is the communication, interpretation, adoption and enactment of strategic plans (Hrebiniak & Joyce, 2006).
Strategic planning:	Is the process of formulating and decisions about an organization's future direction (Kotler, 2000).

ABSTRACT

This study sought to investigate the internal factors affecting implementation of strategic plans in faith-based healthcare institutions in Kitui County. The objectives of the study were to: examine the effect of human resource management practices on the implementation of strategic plans in faith-based healthcare institutions, to establish the influence of organizational culture on implementation of strategic plans in faith-based healthcare institutions and to establish the effect of organizational structure on the implementation of strategic plans in faith-based healthcare institutions. To achieve the objectives, the research involved a census study on all the faith-based healthcare institutions in Kitui County. A stratified sample of 130 respondents was drawn from the 23 faith-based healthcare institutions in Kitui County to form the basis for the generalizations about the population. The study targeted top level management, departmental heads and low cadre employees, judged to be familiar with strategic planning process, working in the faith-based healthcare institutions. The researcher used a combination of data collection instruments namely; questionnaires and interview guide to collect data which was analyzed using computer program; Statistical Package for Social Science (SPSS), Version 21. Descriptive analysis was done to organize and summarize the data. ANOVA test was used to determine the differences between group means. The three independent variables studied revealed a positive correlation with the dependent variable meaning that; human resource management practices, organizational culture and organizational structure significantly affect strategic plan implementation in faith-based healthcare institutions. A multiple regression analysis was also done to establish the contribution of the three independent variables to the dependent variable. The R^2 (coefficient of determination) of 0.613 means there will be a variation of 61.3 per cent in the dependent variable (strategic plan implementation) due to changes in independent variables (human resource management practices, organizational culture and organizational structure). The recommendations for the study are that the management of faith-based healthcare institutions should ensure a supportive organizational culture characterized by astute leadership which can translate organizational mission into simple strategic goals. Employees should be empowered through continuous training and rewarded fairly to enlist their commitment to strategic plan implementation. All stakeholders should be fully involved in strategic planning right from formulation to the implementation so that the implementation process can be successful. Although there is no optimal organizational structure, organizations should have suitable structures which are aligned to the strategic objectives, are responsive to the environment, with clear responsibility for strategic plan implementation and delegation of authority.

CHAPTER ONE

1.0 INTRODUCTION

This chapter examines the background of the study, the research problem, objectives and purpose for the study. The chapter also discusses the scope, limitations and delimitations for the study.

1.1 Background of the study

Strategic planning is the process of formulating and implementing decisions about an organization's future direction. It helps an organization to adapt to the ever-changing environment by addressing the key issues of what, how, when and whom decisions of the organization (Kotler, 2000). Strategy implementation is the stage which provides answers to three critical questions of who are the people who will carry out the strategic plan, what must be done, and how are they going to do it (Wheelen & Hunger, 2007).

Strategy implementation is the second major phase of strategic planning after strategy formulation. It involves putting policies into action through the development of programs, budgets and procedures. It calls for changes within the overall culture, structure, or management system of the entire organization (Hrebiniak & Joyce, 2006). As the second phase of strategic planning, strategy implementation involves decisions with regard to how the organization's resources will be aligned and mobilized towards the set objectives. The phase includes various management activities that are necessary to put strategy in motion such as motivation, compensation, management appraisal, and is linked to management functions; planning, controlling, organizing, motivating, leading, directing, and communication (Steiner, 2004; Higgins, 2005).

The scientific management theory by Taylor (1911) emphasizes on scientific study of jobs to eliminate wasteful steps. According to this theory, the management scientifically selects and trains people to ensure that they fit into principles of science developed for every component of work. The bureaucratic theory according to Webber (1924) appreciated the power of division of labour and selection of personnel based on technical

competence to address inefficiencies in organization. However, the impersonal nature of management under the bureaucratic and scientific conditions is a source of conflict in the organization since stakeholders have no opportunity to air their views so as to influence decision making in the organization (Shafritz, Ott & Jang, 2011).

The contingency theories by Lawrence (1922) and Lorsch (1932) anchor on the notion that, people seek to build organizations in order to find solutions to the environmental problems facing them. Organizations do not exist in isolation but are environment serving and dependent. Contrary to the conditions for the bureaucratic and scientific theories, the contingency theories opine that managers should be given authority to make decisions contingent on the current situation. Consequently, organizations will be structured differently depending on the condition at hand (Hodge, Anthony & Gales, 1996).

The practice of strategic management becomes a vital tool in creating a balance between an organization and the environment since organizations need to give the best response to the environmental conditions it's facing (Pearce & Robinson, 2007). Strategic planning tries to relate the organization to the environment by identifying its strengths, weaknesses, opportunities and threats. The inherent relationship between environment and strategy implementation forms the basis of the study.

1.1.1 Internal factors

Strategic managers need to look beyond scanning and analyzing the external environment, for opportunities and threats, to scanning within the organization to identify internal strategic factors which enhance their competitive advantage (Tolbert & Hall, 2009). The success of strategic plan implementation relies so much on firm's ability to effectively manage its internal environment according to Hill and Jones (1995). The internal environment is controllable and manageable through planning (Freeman & Reid, 2006) and consists of factors such as current employees, management systems and organizational culture (Kibera, Munyoki & Njuguna, 2014). Wheelen and Hunger (2007) recon that the internal environment of an organization consists of variables that are within the organization itself and are not usually within the short-run control of top management

such as; organizational structure, organizational culture, financial, physical and human resources.

Organizational resource can be defined as an asset, competency, process, skill, or knowledge which is controlled by the organization. It is termed as strength if it provides an organization with competitive advantage. They include; human, financial, physical and technological resources. According to Hodge, Anthony and Gales (1996), organizations are made up of people. The human resource component should therefore be managed strategically and in a coherent approach so as to individually and collectively contribute to the achievement of an organization's objectives (Storey, 1989). The knowledge, experience and capabilities of the organization's workforce determine its success.

Organizational structure refers to the way the work needed to accomplish organizational mission is spread across its workforce. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment (Gibson, Mentzer & Cook, 2005). Organizations must have appropriate structures if they are to successfully implement their strategies (Lumpkin, 2003). Organizations depend on environment for support and the nature of environment dictates the level of differentiation an organization will pursue. The organization should therefore select the combination of an organizational structure and control systems that will allow it to pursue its strategy effectively. The organizational structure provides the framework in which to implement a strategy (Stock, Greis & Kasarda, 1999).

Organizational culture refers to the beliefs; expectations and values employees have about the organization. It is the fundamental feel or psychology of the organization and differing psychological contracts with the employees (Handy, 1993). Organizational culture builds the feeling of identity among members of the organization and helps in assimilation of new members of staff to the organization which creates competitive advantage (Cameron & Quinn, 1999). Adaptive cultures energize and align employees to strategize and adopt practices that fit environmental conditions and have a built-in capacity to alter those strategies and practices when relevant conditions change (Daft,

2009). Unhealthy cultures are characterized by managers who tend to be arrogant and hostile to the stakeholders and employees who are reluctant to change values and leadership (Sackman, 1991). It is therefore evident that adaptive cultures harness commitment of the stakeholders which is highly critical towards the strategy implementation.

1.1.2 Strategic planning

Strategic planning can be viewed as the process through which leaders develop a vision for the organization's future and determine the necessary priorities, procedures, and operations to achieve the vision (Barry, 1997). It helps planners to examine experiences, test assumptions, gather information about the present, and anticipate the environment in which the organization will operate in the future (Morfaw, 2009). A strategic plan includes measurable goals which are realistic and attainable, covers several years and requires the organization to examine its business and the environment it is operating in. This helps the organization to focus its attention on the crucial issues and challenges it is facing (Ward & Peppard, 2002).

Many organizations use strategic plans as a management tool to ensure that members are working towards the same goals and the organization is continuously adjusting to the changing environment (Hodge, Anthony & Gales, 1996). This is in anticipation that strategic planning will translate to improved organizational performance (Schwenk & Shrader, 1993). Nonetheless, formal strategic planning was critiqued by Mintzberg (1988) on the basis of the fallacies of strategic planning: the fallacy of prediction posed by the fact that future is unknown, unpredictable and uncertain, the fallacy of detachment posed by the fact that it is impossible to divorce the formulation from the implementation of the strategy and the fallacy of formalization which inhibits flexibility, spontaneity, intuition and learning.

1.1.3 Strategic plan implementation

Strategy implementation can be defined as the communication, interpretation, adoption and enactment of strategic plans (Noble, 1999). It also refers to the activities and the choices which are required for the execution of the strategic plan. Strategies and policies

are put into action through the development of programs, budgets and procedures. Strategy implementation follows strategy formulation and entails the action point of strategic management process, (Pressman & Wildavsky, 1984). As such the formulation stage cannot be separated from the implementation stage. The people involved in the formulation stage should form part of the implementation team to ensure that there is no underestimation of time and other resources in the implementation stage (Katsioloudes, 2002).

During strategic plan implementation, managers seek to answer three critical questions of: who are the people who will carry out the strategic plan, what must be done and how will it be done? The pros and cons of the strategic alternatives are considered and the best alternative adopted (Walker & Ruekert, 1987). The implementation teams in any organization are usually drawn from functional managers or directors of Strategic Business Units (SBUs) who work closely with their subordinates to put together implementation framework (Gupta, 1987; Golden, 1992).

Myrna (2009) uncovered the main pitfalls encountered by managers during the implementation of the strategic plans. Some of the pitfalls identified are; inadequate resource allocation to the implementation stage, lack of stakeholder involvement, overambitious strategic plans that include every good idea, lack of passion, competence and commitment to the course of strategic plan implementation. A study by Allio (2005) on 276 senior operating executives also revealed that without consistent and aligned implementation across functional disciplines, even the best planned strategy becomes ineffectual. The study concluded that strategy development receives significant attention and resources but implementation is often neglected with disastrous consequences.

1.1.4 Faith-based Healthcare Institutions

The Kenyan health system is made up of the public sector; Ministry of Health and Parastatals organizations and the private sector which comprises of Private for profit, Non-Governmental Organizations (NGOs), and Faith-Based Organizations (FBOs) according the Kenya Health Policy 2014-2030. Faith-based healthcare centres can be defined as those healthcare service providers affiliated with, supported by or based on

religion or a religious group. Under this framework, privately owned and operated clinics and hospitals supplement the services offered by the public sector in the health systems. In fact, the faith-based category of healthcare institutions constitutes 30 and 40 per cent of the hospitals beds in Kenya (Muga, Kizito, Mbayah and Gakuruh, 2004). Christian Health Association of Kenya (CHAK) coordinates activities of about 230 health institutions in Kenya while Kenya Episcopal Conference (KEC) coordinates activities of about 354 institutions affiliated to the Catholic Church (Berman & Benson, 1995).

The Kenya Health Sector Strategic and Investment Plan (KHSSP) 2013- 2017 appreciates the partnership between the state and non-state agencies in the improvement of health standards in the country. Kitui County is located in Eastern Kenya and borders; Tana River County to the East and South East, Taita Taveta County to the South, Makueni and Machakos Counties to the West, Embu County to the North West, and Tharaka and Meru Counties to the North. The county headquarters is Kitui Town and the county covers an area of 30,496.5 square KM with a population of 1,012,709 (Male 48% and Female 52%). The County has a documented strategic plan which outlines plans to invest in renal dialysis, a cancer unit and a forensic laboratory (Kenya Vision 2030-Governors tool kit).

The Kitui County Ministry of Health and Sanitation is headed by the County Executive Committee Member of Health and Sanitation. The ministry currently has a vibrant work force of around 2100 health workers in the 255 public health care centers spread across the county. According to the County Ministry of Health and Sanitation records, there are 23 faith-based healthcare institutions in the County. However, there is no data available on the number and composition of the work force in the faith-based sector of health care provision, a factor which has motivated this study.

1.2 Statement of the Problem

The implementation stage of strategic management seeks to create a fit between the organization's formulated goal and its ongoing activities (Muturi & Maroa, 2015). A study by Miller (2002) revealed that organizations fail to implement around 70 per cent of their new strategies. Mankins and Steele (2005) also observed that 40-60 per cent of the potential value of strategic plans is never realized due to inefficiencies in planning

and implementation. Studies by Yamo (2006), Awino, Mutoria and Oeba (2012) and Salah (2014) show a positive correlation between successful implementation of strategic plans and organizational performance. Nevertheless, strategic planning is not devoid of challenges as reported by Sesi (2009), Ruguru (2012) and Waihenya (2014).

The emergence of global markets and institutions, which could potentially affect businesses in the current era, has made management of both public and private health institutions more demanding according to Hodge et al (1996). As such, strategic management becomes an indispensable practice in both public and private health institutions. Studies by Koske (2003) and Ateng (2007) concur that many organizations come up with good strategic plans but achieve very little in terms of their implementation. The NCKK in their 5th corporate plan (2009) observed that the implementation of strategic plans among FBIs is ineffective and this negatively affected their performance.

A critical analysis of strategy implementation on organizational performance by Khatoya (2014) revealed that, organizational structure, culture, employee involvement and strategic leadership affect implementation of strategic plans in Lake Victoria South Water Services Board in Kisumu. Muhindi (2012) studied the factors affecting adoption of strategic plans in mission hospitals in Kiambu County. The study revealed that organizational structure, culture, leadership and resource allocation are critical factors to successful strategy implementation. However, the study majored on adoption of strategic planning in mission hospitals and did not investigate internal factors affecting implementation of the strategic plans.

Kamau (2015) studied institutional factors influencing implementation of strategic plans in government hospitals in Kitui Central Sub County. This study did not include the participation of the FBIs despite the fact that they account for 30 to 40 percent of hospital beds in Kenya. The study recommends a critical examination of internal factors affecting the implementation of strategic plans among private hospitals in Kitui County to help them deliver on their mandate. This study sought to address the knowledge gap by investigating the internal factors affecting strategic plan implementation in faith-based healthcare institutions in Kitui County.

1.3 Objectives of the study

The general objective of this study was to investigate the internal factors affecting the implementation of strategic plans in faith-based healthcare institutions in Kitui County.

1.3.1 Specific objectives

- i. To examine the effect of human resource management practices on implementation of strategic plans in faith-based healthcare institutions in Kitui County.
- ii. To establish the effect of organizational culture on implementation of strategic plans in faith-based healthcare institutions in Kitui County.
- iii. To establish the influence of organizational structure on implementation of strategic plans in faith-based healthcare institutions in Kitui County.

1.4 Research Questions

The study sought to answer the following research questions:

- i. What is the effect of human resource management practices on the implementation of strategic plan in faith-based healthcare institutions in Kitui County?
- ii. What is the effect of organizational culture on the implementation of strategic plans in faith-based healthcare institutions in Kitui County?
- iii. What is the effect of organizational structure on the implementation strategic plan in faith-based healthcare institutions in Kitui County?

1.5 Significance of the study

Health is one of the devolved functions under the new constitution and the County Governments have heavily invested in the health sector to improve health care provision. The National Government has also invested substantially through Constituency Development Fund and Economic Stimulus Program in the health sector. The findings of this study will inform policy and action in strategic plan implementation in the National Government and Ministry of Health.

Empirical research has shown a link between strategic planning and firm's performance and therefore the findings of this study will enhance the implementation of strategic plans by the faith-based healthcare institutions and county governments. This will positively impact on the performance of the faith-based healthcare institutions and county governments.

There is insufficient information on implementation of strategic plans among faith-based health institutions especially in Kitui County. The findings of the study will build on the knowledge body which is available for other scholars and the study recommendations will form basis for further research on strategic plan implementation. The study will build on the empirical information which is available on strategic planning.

1.6 The scope of the study

Due to the dynamic nature of strategic planning, the study's interest was drawn by the implementation stage since previous studies have shown a gap in strategic plan implementation. The study focused on all the faith-based healthcare institutions in Kitui County with a view of identifying the internal factors affecting implementation of strategic plans.

1.7 Limitations and Delimitations of the study

The researcher anticipated reluctance from some respondents to freely discuss issues contained in the strategic plan and therefore gave a written assurance to the respondents that the information they were providing was to be used purely for academic purpose and treated with utmost confidentiality. The drop and pick method was used to enhance the response rate because it allows a personal contact between the study and respondents. This provided room for any needed clarifications thus ensuring the data collected was useful in achieving the objectives of the study.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter gives an overview of what other researchers have done related to strategy implementation. Strategy has been defined in five different contexts: as a plan consciously intended to ensure that the set objectives are achieved; as a ploy trick or a subset of plan intended to outsmart or overcome an opponent or competitor; as a series of action which involves consistent behavior over time which may or may not be intended; as a position involving location of the organization within an environment and as a conceptual as well as cultural process concerned with how an organization itself sees and perceives the environment (Mintzberg; 1994).

2.2 Theoretical literature

There is a general assumption that strategy implementation is a simple, straightforward process of less importance compared to strategy formulation (Alexander, 1991; Noble, 1999; Aaltonen & Ikavalko, 2002). Several problems have been identified to affect strategy implementation; lack of communication, poorly documented strategies, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, weak management role in strategy implementation, poor reward system, poor cultural and structural alignment and uncontrollable environmental variables (Beer & Eisenstat, 2000, Higgins, 2005 ; Siddique & Shadbolt, 2016).

Several models and frameworks (such as SWOT analysis, Portfolio models, Porter's Generic Model, and Product life-cycle theory) have been used for strategy analysis and formulation but there are no agreed upon generally accepted and dominant models for strategy implementation (Okumus, 2003; Verweire, 2014).

2.2.1 Mckinsey Seven S's Model of Strategy Implementation

This framework was proposed by Mckinsey and Company in the early 1980s after the company conducted applied research business and industry. The model was used to

analyze over 70 large organizations (Waterman, Peters & Philips, 1980). Their argument was that organization effectiveness originates from the interaction of seven factors which play critical role; Structure, Strategy, Systems, Style/Culture, Skills, Staff and Subordinate goals. Interactions and fit among the seven factors is critical if the organization was to achieve its objectives (Pascale & Athos, 1981).

Strategy is defined as the plan of action an organization prepares in response to, or anticipation of, changes in its external environment. Strategy is therefore designed to transform the organization from the present position to the new position described by the objectives, subject to constraints, capabilities and/or potential (Ansoff, 1965). Structure is the specific shape that the organization assumes as it operates. Structure of an organization is dependent on its objectives and culture and dictates how it operates and performs (Waterman et al, 1980).

Systems can be seen as the internal processes that support and implement the strategy and run day-to-day affairs in the organization. The systems are normally strictly followed and are designed to achieve maximum effectiveness. Systems should be designed with intention to make processes that involve customers as user friendly as possible (Lynch, 2009). All organizations have their distinct cultures and management styles. The culture includes norms, values and beliefs developed over time to become relatively enduring features of the organizational life. Culture is an important consideration in the implementation of any strategy in the organization (Martins & Terblanche, 2003).

Staff refers to the humans (people) who work in the organization to ensure success. The importance of human resources must occupy the central part of any organizational strategy. Organizations should hire the best staff, provide them with rigorous training and push them to their limits so as to achieve competitive advantage over competitors (Purcell & Boxal, 2003). Subordinate goals/Shared Values are the common fundamental ideas guiding the concepts around which the business is built. They keep employees working towards a common destination. Organizations with weak values and common goals often find their employees following their own personal goals that may be different or in conflict with those of the organization (Martins & Terblanche, 2003). This model

does not give clear examples and explanations for the relationships and interactions between the seven factors.

2.2.2 Intended Strategy (Thomson) Model

This was put forward by Thomson (2001) and observes that, there are four essential components which articulate the basis for successful strategy implementation. The four components include; strategic leader, intended strategy (with clear objectives and targets), organizational structure and strategic resources. The strategic leader establishes coordination among the other three components of strategy implementation. The responsibility of the strategic leader will be to ensure that all the objectives and targets under the intended strategy match with the organizational structure and also to secure and allocate the relevant strategic resources.

Under this arrangement, people inside the organization are expected to strategically use the other strategic resources within the organizational structure to carry out the assigned tasks. The actions of the people should be evaluated and monitored to check whether their actions are compatible with the set targets and objectives. The idea of achieving strategic consensus for successful strategy implementation was also supported by Rapert, Valiquette and Garretson's (2002).

2.2.3 Aligned 8 S's Model of strategy implementation

This was proposed by Higgins (2005) as an improvement to the Mckinsey seven S model. The main argument for this model was that the seven factors (Strategy and Purposes, Structure, Systems and Processes, Style, Staff, Resources and Shared values) must be aligned in one direction for optimal strategic performance.

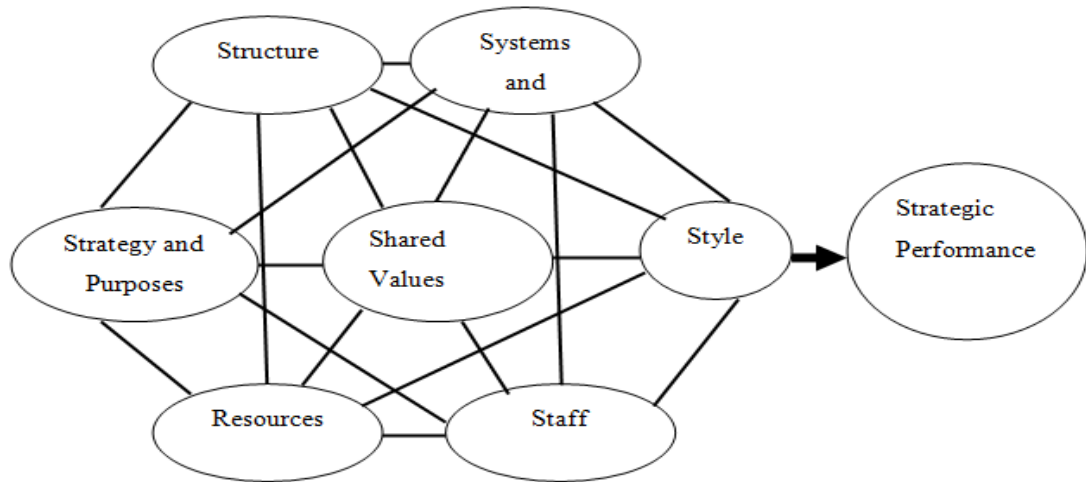


Figure 2.1: Aligned 8 S's Model (Higgins, 2005)

2.2.4 5P's Model of strategy implementation

Pryor, Anderson, Toombs and Humphreys (2007) proposed a framework based on the alignment and integration of widely accepted activities and functions of successful strategy implementation; structure, systems, leadership behavior, human resource policies, cultures, value and management processes. The intertwined elements of culture, organization, people, and systems for strategy implementation of these elements were summarized in form of 5Ps: Principles, Purpose, Processes, People, and Performance.

Purpose includes all elements that define the organizations purpose such as; mission, vision, targets, aims and strategies. Principles are the guiding assumptions and philosophies that guide the organization in its business. People are the teams that perform jobs in a coherent manner with the principles and processes of the organization to achieve its goals. Processes are the variables that represent the organizational structure, internal systems, rules and procedures used by the organization to produce its products and services. Performance includes all the measures and results used as support or aid to the decision making.

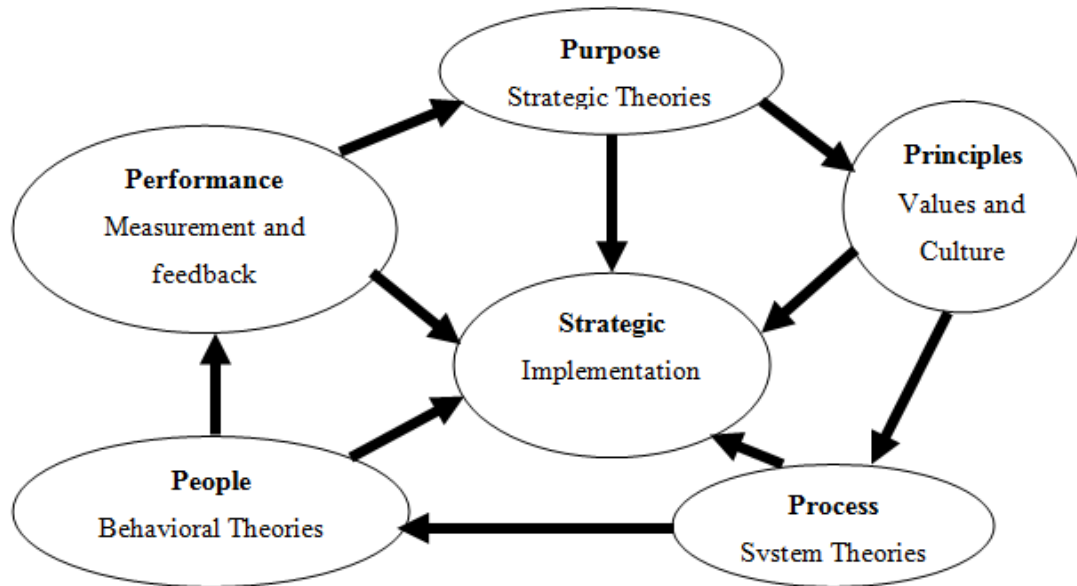


Figure 2.2: 5P's Model strategy implementation (Pryor et al, 2007)

2.3 Strategy implementation and key variables framework

This was developed by Okumus (2001) who identified ten key variables which were critical for strategy implementation as; strategy formulation, environmental uncertainty, organizational structure, culture, communication, resource allocation, people, control, operational planning and outcome. While empirically evaluating this framework, Okumus (2001) was able to identify three new strategy implementation variable; multiple-project implementation factor which fall under “strategic content”, organizational learning factor which fall under “internal context” and external partners factor which fall under “strategic process”.

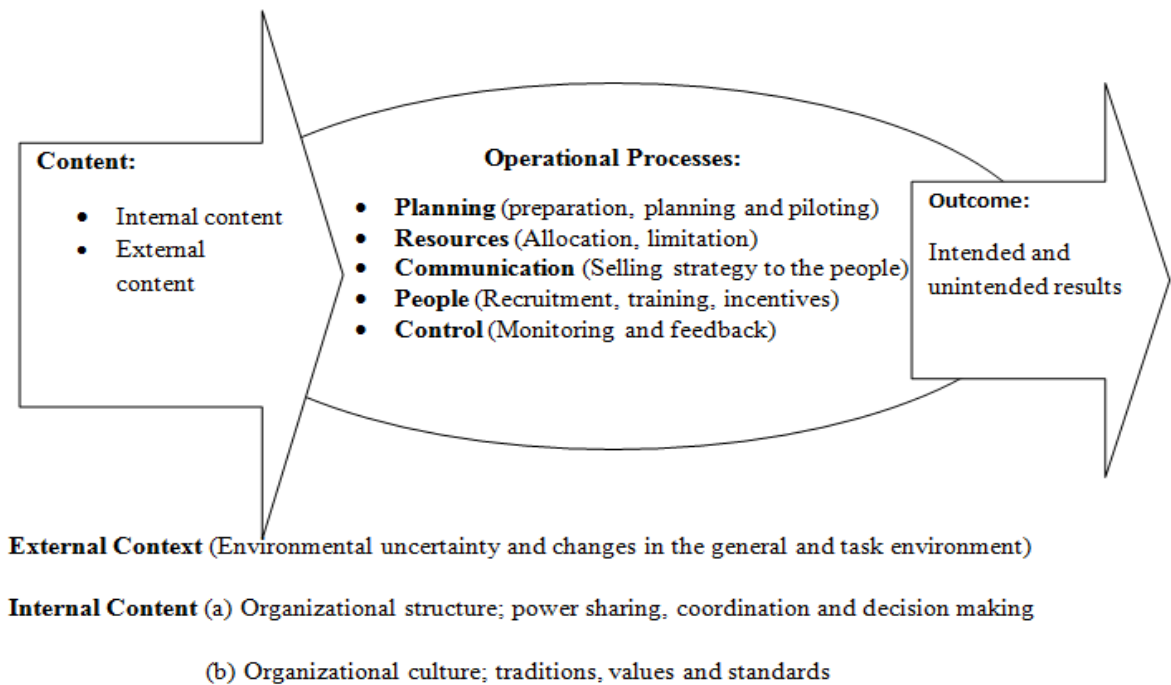


Figure 2.3: Key variables framework (Okumus, 2001)

2.3.1 Strategy and Human Resources Management Practices

Human resource management can be defined as a strategic and coherent approach to the management people who individually and collectively contribute to the achievement of an organization's objectives (Storey, 1989). The formulation and implementation of strategy require a great deal of resources; time, financial, human and physical resources (Allio, 2005). Wheelen and Hunger (2007) define strategy implementation as the process by which strategies and policies are put into action through the development of programs, budgets, and procedures. The budget serves as a detailed plan of the new strategy in action and also specifies through pro forma financial statements the expected impact on the firm's financial future.

Most strategic plans fail at implementation stage if the CEOs hire industry experts from outside the organization to draft the plans (Myrna, 2009). The emphasis should be on the involvement and active participation of the employees and other stake holders of the organization. This will create ownership of the plan by the employees and enhance their commitment to the plan implementation. Govindarajan (1989), however, noted that the

executive team and the employees involved in the formulation and implementation of the strategic plans should be competent enough. The effectiveness of strategy implementation is affected by the quality of people involved in the process; the CEO, middle management, lower management and non-management. The human resource department strategy should be aligned with the organization's strategy (Becker & Huselid, 2006).

According to Eisenstat (1993), insufficient employees' capability is a limiting factor in the implementation of strategies. Participative strategic planning positively affects personnel commitment to strategy implementation which increases company performance, (Kohtamaki, 2012). The main idea behind participative strategic planning is to create change within a company by involving personnel to commit them to the implementation of the strategic change (Greiner & Schein, 1990). Participative strategic planning is only possible when its objectives are communicated in the right way (Speculand, 2009). Communication, in this case, should aim at shifting the focus from the initial fanfare of strategic plan launch to staff members to embracing the strategy implementation.

Training of employees enables them to effectively cope with changing needs and factors in the external environment (Charnov & Montana, 2000). A change in strategy requires an organization to change. The people making those changes therefore need proper training to articulate the change process. Employee training from this perspective influence the strategy implementation process (Walker & Reif, 2003). Reward strategies need to be linked with business strategies (horizontal linkage) being implemented to enhance implementation (Straus & Sayles, 2002). Non cash rewards, however, bring greater recognition to the recipient and possess a long-term effect on the employees that can result in an increased engagement in the organizational goals. This makes reward an integral part of strategy implementation (Straus et al, 2002).

Strategy implementation becomes easy when an organization acquires loyal and high performing employees (Lewis, Goodman, Fandt & Michlitsch, 2006). The employees should come first even before the customers since loyal employees will always serve customers in the right way. Loyal employees understand what the customer wants and

deliver it. They like their job and plan to stay with the company for the long term. A company must, therefore, develop long term relationships that are profitable for the customers and the company. Caliskan (2010) observed that strategic human resource management enables organizations to be more effective by integrating the overall strategic aims of business and the human resource strategy and implementation.

2.3.2 Strategy and Organizational Culture

Organizational culture can be defined as responses to corporate dilemmas (Hampden, 1990). It is the fundamental feel or psychology of the organization and differing psychological contracts with the employees (Handy, 1993). The essence of organizational culture is described by Aurelio (1995) as the collective psyche of a group. However, there is a distinction between the business climate which defines how the organization carries out its activities and organizational culture which defines what the organization believes and values (Guzzo, 1996).

Organizations which have strong culture were found to have enhanced business performance (Kotter & Heskett, 1992). Organizations with healthy culture seem to be adaptive and tend to have managers who deeply value their customers, employees and the stockholders. The managers strongly value the employees and processes thereby creating useful change. The bottom line is that, adaptive cultures energize and align employees to strategize and adopt practices that fit environmental conditions and have a built-in capacity to alter those strategies and practices when relevant conditions change. Unhealthy cultures are characterized by managers who tend to be arrogant and hostile to the stakeholders and employees who are reluctant to change values and leadership (Sackman, 1991).

According to Hofstede, Neuijen, Ohayv and Sanders (1990), there are four traits of organizational culture; culture as a belief system of shared beliefs and values that gives members of an institution meaning and provides them with the rules of their behavior, culture as a learned entity (a pattern of behavior developed by members of an organization and transferred to the new members), culture as a strategy (every part kind of strategy formulation is a cultural activity and all cultural stands should be viewed as

strategic decisions) and culture as mental programming process which programmes minds of members of a certain organization to behave in a particular way.

Organizational culture should be changed to fit the strategy (Deal & Kennedy, 2005). This can only be done through cultural innovation followed by cultural maintenance. Cultural innovation involves creation of new culture and changing the culture by changing the old cultures with new ones. Cultural maintenance involves integrating the new culture by reconciling the differences between the old culture and the new culture. It also involves embodying the new culture.

2.3.3 Strategy and Organizational Structure

An organizational structure defines how activities such as task allocation, coordination and supervision are directed towards the achievement of organizational aims. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment (Gibson et al, 2005). Lumpkin (2003) reckoned that firms must have appropriate organizational structures if they are to successfully implement their strategies. Chakravarthy (1982) argued that an optimum strategy – structure match yields superior performances to the organization.

However, Chandler (1962) observed that chief executives will choose a structure that enables them to pursue the strategy they have chosen for the firm. His popular phrase structure follows strategy was later tested and confirmed by Pooley-Dias (1972), Thanhserser (1972) and Channon (1973) who concluded that structural changes occur because inefficiencies caused by the old structure have become too obviously detrimental to be tolerated. A proper strategy-structure alignment is necessary for successful implementation of business strategies since firms lagging behind in this alignment may exhibit poor performance and be at a serious competitive disadvantage (Noble, 1999b; Drazin & Howard, 2004).

Changes in the environment are reflected in the changes in the organizational strategy which in turn informs the change in the organizational structure. The conceptual conclusion is that strategy, environment and structure need to be closely linked otherwise the organizational performance will suffer. Richards (2006) observes that as

organizations grow the size and number of their functions and divisions increase. This should be matched by a change in the organizational structure so as to economize on bureaucratic costs and effectively coordinate people and functions in the organizations (Hill & Jones, 2010).

There is, however, no agreement about optimal organizational design but there is a general consensus that firms in the same industry tend to organize themselves in a similar manner; firms following similar strategies are expected to adopt similar organizational structures. There is no bad or good structure but managers should develop a structure that will be suited to the strategies they are implementing (Peters & Pierre, 2003). The structure should also be appropriate to markets, internal policy, customers, culture and the people. One of the conclusions by Stock, Greis and Kasarda (1998) was that the organizational structure provides the framework in which to implement a strategy.

2.4 Empirical Literature

This section discusses other studies which have been done relating the influence of the independent variables for this study (Human Resources Management Practices, Organizational Culture and Organizational structure) on the dependent Variable (Implementation of Strategic plans in faith based healthcare institutions). The section also summarizes the empirical studies with a view of identifying research gaps.

2.4.1 Human Resource Management Practices and Strategic Plan Implementation

Organizations are made of people and coordination and control of their actions is imperative in the organization (Hodge et al, 1996). The stakeholder theory defines an organization is a social construction made of interaction of various stakeholders, amongst them the employees. Organization is thus seen as the network of all stakeholders, a complex system of exchanging services, information, influence and other resources (Mersland & Strom, 2009).

Human resources represent one of the five variables which should be fitted and matched together if an organization is to effectively implement a strategy (Stonich, 1982). The other four variables are; strategy formulation, organizational structure, management

processes and culture. It is essential to factor all these variables if the strategy is to be successfully implemented since if any is inevitable in one of the variables, a periodic review of all the elements must be made to maintain the fit. Kohtamaki, Kraus, Makela and Ronkko (2012) studied 160 small and medium-sized IT firms in Finland and found out that participative strategic planning positively affects personnel commitment to strategy implementation. High performing and loyal employees play a significant role in strategic plan implementation (Michlitsch, 2000).

Participative strategic planning creates change within a company by involving personnel who also commit to the implementation of the strategic change (Greiner & Schein, 1990). Thus active participation and involvement of all employees and the stakeholders in the organization becomes key to the implementation of strategic plans is the (Myrna, 2009). This is supported by Wernham (1984) who identified lack of resources (Human, money, and materials) as a significant factor influencing strategy implementation.

A survey by Alexander (1985) revealed that strategy implementation in most organizations fail because the low level employees lack the requisite knowledge about the strategies. Organizations therefore have to ensure that there is adequate training on all the employees involved in strategy implementation (Crittenden & Crittenden, 2008). This was supported by Hussey (1985) who reckoned that all the variables considered important in strategy implementation can be altered through training the employees.

Reed and Buckley (1988) observed that there should be a link between the reward and appraisal systems if the strategy implementation is to be effective in the organization. A fit between human resources, structure, systems and culture is imperative if an organization is to identify actual and potential strategy implementation problems (Aaker, 1998). Motivation and coordination of employees is very important in ensuring that the organization takes the right direction towards achievement of its objectives (Hill & Jones, 2008).

Brenes, Mena and Molina (2008) conducted a research to learn and understand the key success factors in the implementation of business strategies in Latin America. One of their findings was that organizations should have suitable leadership and motivated

employees and management if their strategies are to be implemented successfully. Yang, Sun and Eppler (2009) identified employees and managers as “strategy executors” as a major factor that influences strategy implementation.

A study conducted by Sesi (2009) on the challenges to the implementation of strategic plans in the Kenya Dairy Board revealed that inadequate and underdeveloped component of human resources hinders the implementation of strategic plans. The study employed a case study design hence there is danger of false generalization.

Waihenya (2014) did a study on factors influencing adoption of strategic planning in SMEs in Nakuru town and identified human resources management as a critical factor. The study used random sampling method which may not give an accurate representation since the SMEs differ in sizes and management styles. The experience, capability and knowledge of an organization’s workforce are a determining factor of success. Kamau (2015) also identified human resources management as an institutional factor which influences the implementation of strategic plans in government hospitals in Kitui Central Sub-County. Further studies strategic plan implementation is therefore recommended.

2.4.2 Organizational Structure and Strategic Plan Implementation

A good organizational design should economize on the bureaucratic costs of the organizational structure and enhance company’s value creation skills which jointly increase the profitability of the organization. Without proper attention to the creation of a cohesive and efficient structure, the ability to carry out tasks that have to do with the stated goals of the organization is highly unlikely to occur.

An optimum strategy – structure match yields superior performances to the organization according to Chakravarthy (1982). However, Chandler (1962) observes that chief executives will choose a structure that enables them to pursue the strategy they have chosen for the firm. His popular phrase “structure follows strategy” was later tested and confirmed by Pooley-Dias (1972), Thanherser (1972) and Channon (1973) who concluded that structural changes occur because inefficiencies caused by the old structure have become too obviously detrimental to be tolerated.

A study by Heide, Gronhaug and Johannessen (2002) revealed that factors related to organizational structure pose a great challenge to strategy implementation. Organizations motivate and coordinate their members through the use of organizational structure and controls. Thus organizational design is critical to the successful implementation of strategies (Hill & Jones, 2008). The same observation was also made by Muhindi (2012) who identified organizational structure as one of the major factors affecting adoption of strategic planning in Mission hospitals in Kiambu County. This was supported by Joshua (2013) who identified organizational structure as a contributing factor to the implementation of strategic plans in public schools in Lari District.

The effect of organizational structure on strategy implementation was also identified by Kirui (2013) and Nzyoki (2015) who studied Local authorities in Migori County and Municipal Council of Machakos respectively. Abok (2013) also did a study on factors affecting the implementation of strategic plans in Kenya and identified organizational structure as a major contributing factor. A study by Khayota (2014) identified organizational structure as a major contributor to the successful implementation of strategies in Lake Victoria South Water Services Board. The studies recommend a more refined study to understand the relationship between the organizational structure and strategic planning under different systems of management. The studies also recommend a census study of the mission hospitals to get a better understanding on the factors affecting adoption of strategic planning in the private sector.

2.4.3 Organizational Culture and Strategic Plan Implementation

The essence of organizational culture is described by Aurelio (1995) as the collective psyche of a group and organizations which have strong culture tend to have enhanced business performance (Kotter & Heskett, 1992). Since every kind of strategy formulation is a cultural activity and all cultural stands are viewed as strategic decisions, organizational culture can be viewed as a strategy (Sun, 2008; Hofstede, 1980). Organizational culture has direct influence on employee motivation, productivity, efficiency and innovation within the organization. The perverseness of an organization's culture requires management to recognize underlying dimensions of their corporate

culture and its impact on employee related variables such as satisfaction, commitment, strategy implementation and cohesion (Lopez, Peon & Ordos, 2004).

According to Mehta and Krishnan (2004), successful companies apparently have strong cultures. Similarly, organizational culture can be used to as a toll for achieving performance (Alvesson, 1990) as strong cultures help leaders to be more charismatic and influential in their organizations (Krishnan, 2004). Organizational culture, however, seemed to have substantial influence on organization's strategy (Green, 1988; Mantere, 2000; Van Der Maas, 2008; Van Buul, 2010). Strategy has also been defined as a product of organizational culture (Green, 1988) while Buul (2010) argues that strategy and organizational culture are synonymous. Few studies show the implicit effect of organizational culture on strategy implementation (Van Der Maas, 2008).

Studies by Ruguru (2012) on factors affecting strategic plan implementation in the Public Sector Sacco Societies in Nairobi, Mutuvi (2013) on factors affecting the implementation of strategic plans by NGOs in Nairobi County and Kamau (2015) on institutional factors affecting strategic plan implementation in government hospitals in Kitui Central Sub-County respectively confirmed that organizational culture plays a significant role in the strategic plan implementation since healthy cultures are receptive to change while rigid cultures hinder innovation of new ideas and adoption of change strategies. Organizational culture was also found to influence the implementation of strategic plans in Lake Victoria Water Services Board by Khatoya (2014).

2.5 Overview of literature

Strategic planning has been defined as the process of formulating and implementing decisions which define the organization's future. The strategic decisions are vital in ensuring firm's survival in the ever-changing and turbulent business environments. Most of the reviewed literature revealed that strategy implementation is much a daunting task as compared to strategy formulation. The implementation process is affected by a myriad of factors both internal and external which the organization should address if it is to implement its strategic plan. The literature has also revealed that there is a positive correlation between the implementation of strategic plans and performance of the firms.

The institutional factors affecting the implementing of strategic plans according to the different studies are; organizational structure, organizational resources, organizational culture and monitoring and evaluation. These four factors are very critical in answering the important questions of; how, when, where, who and what concerning strategic plan implementation. Other factors are organizational structures, human resources and Monitoring and evaluation. Although a study was done on institutional factors affecting strategic plan implementation in hospitals in Kitui Central Sub County, the governance system of faith-based health care institutions is different and thus the internal factors affecting implementation of strategic plans are expected to differ from those of the public hospitals. The study sought to found out the factors affecting strategic plan implementation in the faith-based healthcare institutions.

2.6 Conceptual framework

This is a graphical presentation showing the relationship between the dependent variable and independent variables. For the purpose of this study the dependent variable is strategic plan implementation and the independent variables are; human resource management practices, organizational culture and organizational structure. Aaker (1998) proposed a framework for analyzing organizations and considered that organizational components (Structure, Systems, People and Culture) help organizations in identifying strategy implementation problems. This will enable the organization to achieve superior; quality, efficiency, Innovation and responsiveness to customers (Hill & Jones, 2008).

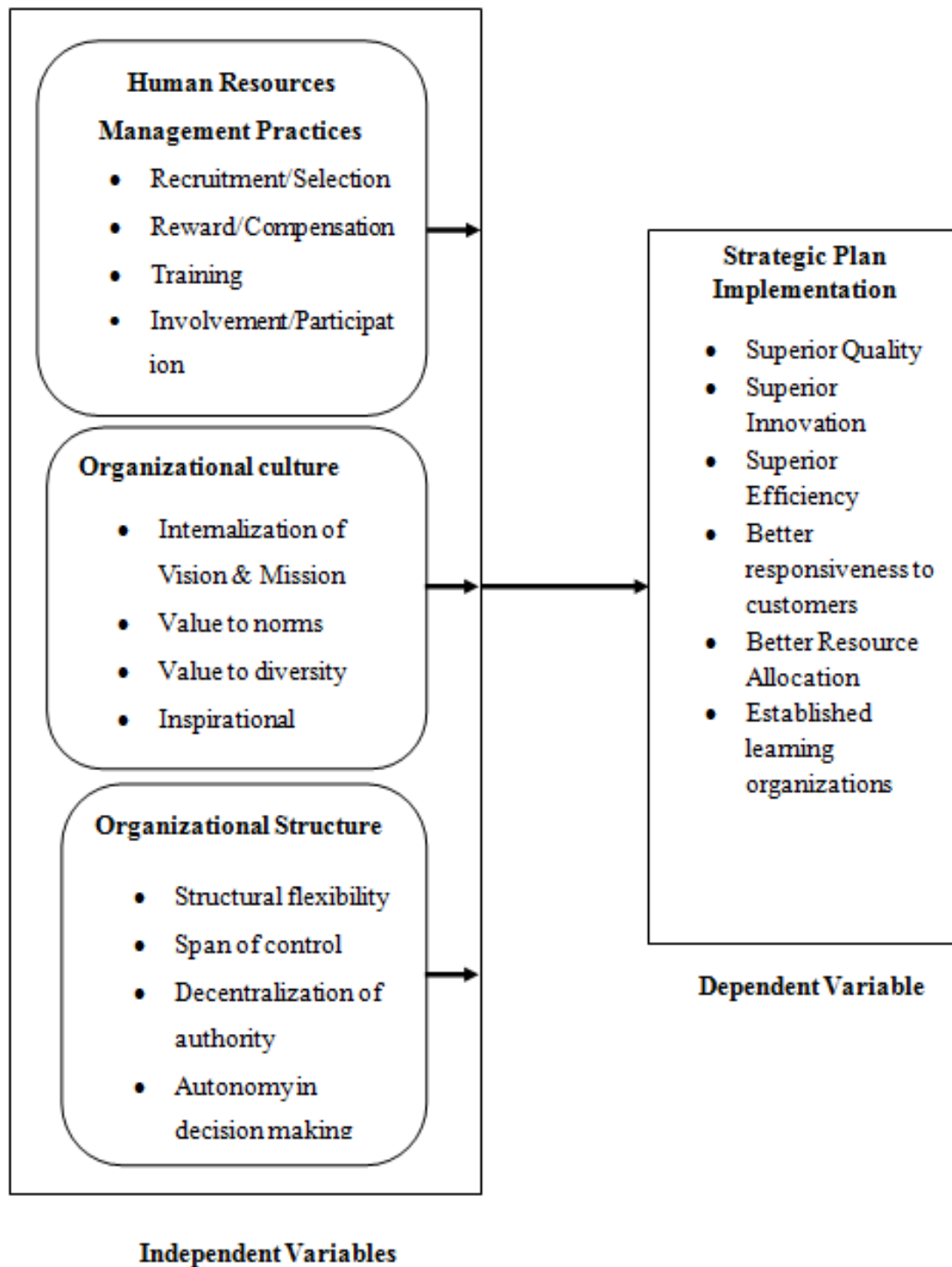


Figure 2.4: Conceptual framework (Researcher, 2017)

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter gives a description of how the target population was identified, the sampling techniques used, data collection procedures, data analysis and presentation. The chapter is sub-divided into; research design, target population, sample size and sampling procedures, data collection and data analysis.

3.2 Research Design

The research used a descriptive or survey design since it best attempts to describe conditions of the present scenario by using different subjects to fully describe the phenomena (Westfall & Stasch, 1990). Information was obtained without any manipulation or change in the environment. The descriptive research design was used to obtain information concerning current status of a phenomena and to describe what exists in respect to variables and conditions by providing answers to questions of who, what, when, where and how associated with the strategic plan implementation in faith-based healthcare institutions in the Kitui County.

3.3 Target Population

The target population for this study will be all the employees working in faith-based healthcare institutions in Kitui County. According to the County Ministry of Health and Sanitation, there are 23 faith-based healthcare institutions in Kitui County. The target population is therefore the 421 employees of the 23 faith-based healthcare institutions in Kitui County, as shown in Table 3.1.

3.4 Sampling size and Procedure

The study used stratified sampling to enhance the accuracy of the study. Treating every institution as strata a random sample of 30% (130 employees) was drawn from the 421 employees, in the 23 faith-based healthcare institutions, as shown below;

Table 3.1: Sampling frame

Stratum	Population	Sample
Kyanika AIC Dispensary	6	2
Kyome AIC Dispensary	8	3
Mbitini ACK Dispensary	10	3
Nyumbani Village Dispensary	6	2
St. Monica Dispensary Nguutani	12	4
St. Joseph's Dispensary Kavisuni	18	6
Syongila ACK Dispensary	8	3
Iiani Catholic Dispensary	10	3
Our Lady of Lourdes Mutomo	123	35
Muthale Mission hospital	99	30
Mulutu AIC Dispensary	6	2
Mutune Catholic Dispensary	6	2
Nuu Catholic Dispensary	9	3
St. Mary's Dispensary Miambani	6	2
Curran Dispensary	7	2
Katakani Dispensary	7	2
St. Joseph's Dispensary Mutito	12	4
Kanyangi Mission Hospital	22	7
Kimangao Dispensary	8	3
Zombe Catholic Dispensary	9	3
AIC Zombe Dispensary	14	4
ACK Mwingi CHBC Clinic	7	2
Rehoboth Maternity & Nursing Home	8	3
Total	421	130

3.5 Data Collection Instruments

Since not much has been documented on the faith-based healthcare institutions in Kitui County, the study depended solely on primary data from the respondents. Primary data are those which are collected afresh and for the first time and thus happen to be original in nature. The study used self-administered questionnaires, interview guide and an observation schedule to collect data from the respondents.

3.5.1 Research Questionnaires

Self-administered questionnaires were dropped to all the faith-based institutions for the purpose of collecting information on strategic plan implementation. This method ensures that opinions from the respondents can be obtained both in structured and unstructured manner. The method was used since it is comparatively inexpensive when used to collect data from large population scattered across big geographical area.

3.5.2 Interview Guide

This is purposeful conversation in which one person asks prepared questions and the other person answers them (Frey & Oishi, 1995). The method presented the respondent with freedom on how to respond to the questions and made them feel in control of the interview thus providing important information required to respond to the research questions.

3.6 Data Analysis

The data collected was both qualitative and quantitative in nature. Therefore, the study used qualitative and quantitative statistical techniques in data analysis. Statistical Package for Social Science (SPSS) program, version 21, was used to analyze the data. The quantitative data collected was analyzed by descriptive statistics and presented in tables and charts. This was attained through the utilization of frequency distribution, means, percentages and standard deviation. The study used a Likert scale ranging from 1-5 for analyzing items that were in nominal scale. Qualitative data was coded and analyzed through content analysis.

Descriptive statistics such as mean, standard deviation and coefficient of variance were used to explain the data spread. Inferential statistics were conducted to test relationships between the variables. Pearson R correlation analysis was used to get the magnitude and direction of the relationship between the variables. A multiple regression analysis was conducted to show the causal relationship between the dependent and independent variables. R^2 was obtained to show the contribution of independent variables to the

change in dependent variable while adjusted R^2 covers against change in correlation coefficient through addition of extra variables which have no significance in the model.

ANOVA, F-test and t-test were utilized to test the significance of the regression model developed. Separate analysis was conducted for each independent variable to test their influence on the dependent variable and then all the independent variables were analyzed to determine their combined influence on the dependent variable.

The equation below shows the regression model which was used;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where:

Y = Dependent Variable

β_0 = Constant term

β_1 = Coefficient for the first independent variable (HRM practices)

β_2 = Coefficient for the second independent variable (Organizational culture)

β_3 = Coefficient for the third independent variable (Organizational Structure)

X_1 = First independent variable (HRM practices)

X_2 = Second independent variable (Organizational culture)

X_3 = Third independent variable (Organizational Structure)

ε = Error term

CHAPTER FOUR

4.0 RESULTS

4.1 Introduction

This chapter presents the research results and findings based on the data which was collected and analyzed to respond to the research questions. The results are presented in various formats; frequency tables, pie charts, bar graphs. The chapter also presents the descriptive statistics for the variables in an effort to achieve the specific objectives of the study. The chapter presents the regression model which will be useful in analysis, drawing of conclusions and making of recommendations in the subsequent chapters.

4.2 Response Rate

Questionnaire return rate represents the proportion of the sample that participated in the survey and returned their questionnaires as intended by the researcher. The response rate for this study was 72 respondents which was 55 per cent of the sample size of 130 respondents. This was sufficient for analysis since a response rate of 50 per cent is considered adequate for analysis (Barbie, 2002; Hager, Wilson, Pollack & Rooney, 2003). The response rate is summarized in Appendix II.

4.3 Reliability Test

Reliability is the extent to which results are consistent over time and an accurate presentation of the total population under study is considered reliable if the results of a study can be produced under a similar methodology (Orodho, 2003). Bayton (2008) noted that when a respondent answers a set of test items, the score obtained represents only a limited sample of the behavior. As a result, the scores may change due to some characteristic of the respondent, which may lead to errors of measurement. These kinds of errors reduce the accuracy and consistency of the instrument and the test scores. It therefore remains the researcher's responsibility to assume high consistency and accuracy of the tests and scores (Gebauer & Seveg, 2001).

According to Nachmias and Nachmias (2006), a Cronbach Alpha test confirms the reliability and consistency of a data collection instrument. A Cronbach alpha value of over 0.7 qualifies an instrument as reliable and consistent in data collection (Kothari, 2004). The reliability test for the study is shown in Table 4.1 below;

Table 4.1 Reliability Test

Variables	Number of Items	Cronbach's Alpha
All Variables	28	0.812
Strategic Plan Implementation	6	0.834
Human Resource Management Practices	5	0.742
Organizational Culture Aspects	10	0.789
Organizational Structure Aspects	7	0.809

The overall Cronbach alpha as shown in Table 4.1 above is 0.812 and therefore, the research questionnaire passed the reliability test.

4.4 Background information of respondents

The study sought to know the profile of the respondents in terms of their departments, age, the number of years worked in the organization, highest level of educational qualification and their involvement in strategic plan implementation.

4.4.1 Respondent Department

The study required the respondents to state their departments of work. The analysis of respondents' departments is shown in Table 4.2 below.

Table 4.2 Respondent's Department

Department	Frequency	Percent
Medical	46	63.9
Administration	26	36.1
Total	72	100.0

From the study findings above, majority (63.9 per cent) of the respondents were from the medical department as compared to administrative staff (36.1 per cent). This can be

explained by the nature of the target organizations since their services are purely medical in nature.

4.4.2 Age of the respondent

The study also required the respondent to indicate their age category. The analysis of the respondents' age is shown in Table 4.3 below.

Table 4.3 Respondents' age

Age	Frequency	Percent
Not Stated	2	2.8
Less than 30 Yrs	18	25.0
31-40 Yrs	23	31.9
41-50Yrs	22	30.6
51-60 Yrs	5	6.9
Above 60	2	2.8
Total	72	100.0

The findings of the study indicate that, majority of the respondents (62.5 per cent) belong to the age bracket 31-50 years. This shows that majority of the respondents are in their middle age and therefore in better position to be involved in strategic plan implementation.

4.4.3 Highest educational qualifications

The study also required the respondents to state their highest academic level achieved. This was in order to assess how capable they were in understanding the issues to do with strategic planning in the organization. The analysis of the educational levels for the respondents is shown in Table 4.4 below.

Table 4.4 Respondents educational level

Education	Frequency	Percent
Diploma	40	55.6
Bachelor's Degree	29	40.2
Post graduate degree	3	4.2
Total	72	100.0

According to the findings of this study, majority (55.6 per cent) of the respondents were found to possess diploma and 40.2 per cent first degree qualifications respectively. It was therefore fair to deduce that, the faith-based healthcare institutions had to some good extent respondents who were in better position to respond to the study.

4.4.4 Number of years working in the Faith-based sector

The study also required the respondent to state the number of years they have been working with the faith-based sector. The analysis of the number of years working in the faith-based sector is shown on Table 4.5 below.

Table 4.5 Number of years in faith based sector

Age	Frequency	Percent
Not Stated	1	1.3
Below 1 Yr	3	4.2
1-3 Yrs	21	29.2
3-5 Yrs	30	41.7
Above 5 Yrs	17	23.6
Total	72	100.0

From Table 4.5, majority (41.7 per cent) of the respondents reported to have worked with faith-based sector for over 3 years. This is relatively enough time for the respondents to understand the sector and more so issues related to strategic planning in the organization.

4.4.5 Age of the organization

The study required the respondents to state the number of years the institution has been in operation. This was in order to establish if the organizations had been in operation long enough to formulate and implement strategic plans. The analysis of the years the organization has been in operation is shown in Table 4.6 below.

Table 4.6 Age of the organization

Years	Frequency	Percent
1-3Yrs	2	2.8
3-5 Yrs	8	11.1
Above 5 Yrs	62	86.1
Total	72	100.0

The study, as shown in Table 4.6 above, revealed that majority (86.1%) of the organizations were in operation for a period of more than 5 years which is sufficient for formulation, implementation and review of the strategic plans.

4.4.6 Policy on Strategy Implementation

The study sought to know whether the target organizations had policy to guide the strategic planning process. The analysis of policy on strategy implementation is shown in Figure 4.1 below.

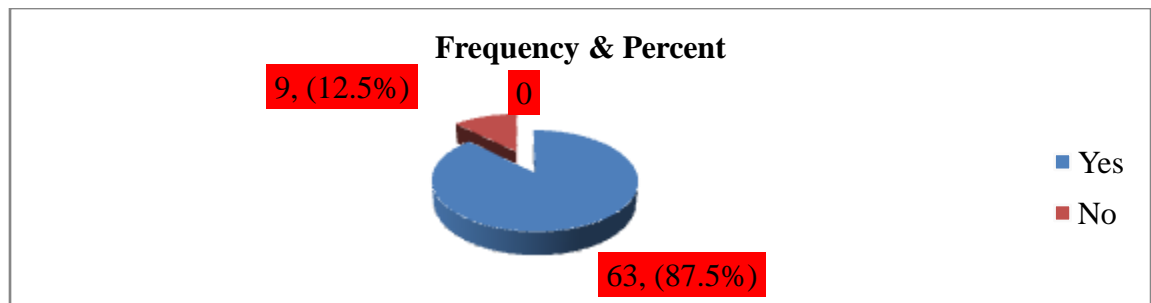


Figure 4.1: Policy on strategy implementation

As shown in Fig. 4.1 above, 87.5 per cent of the respondents agreed that their organizations had policies on strategic planning while 12.5 per cent denied that their organizations had policies to guide the process.

4.4.7 Planning Cycle

The study required the respondents to state the planning horizon of their organizations. This information will give an insight into whether the timeframe given for the implementation of the strategic activities is enough for the actualization of the organizational objectives. The analysis of planning cycle for the faith-based healthcare institutions is shown in Table 4.7 below.

Table 4.7 Planning Cycle

Years	Frequency	Percent
0-2Yrs	28	38.89
2-5Yrs	33	45.83
Above 5Yrs	11	15.28
Total	72	100.0

From the findings in Table 4.7 above, majority (45.83 per cent) of the respondents indicated that their organizations were operating medium plans. Scholars Awino (2007), Judge and Robinson (2007) categorized planning into three different horizons; 0-2 years as short, 2-5 years as medium and over 5 years to be long-term. The existence of a planning horizon and actualization period are key indicators of implementation of strategic plans (Aosa, 1992).

4.4.8 Achievement of strategic objectives

The study sought to know the extent to which the strategic objectives are achieved according to respondents. This information will provide an insight into the state of actualization of the strategic goals in the organizations thus giving empirical evidence whether there is an issue with the implementation of strategic plans in the organization. Table 4.8 below shows the analysis of achievement of strategic objectives in faith-based healthcare institutions in Kitui County.

Table 4.8 Achievement of strategic objectives

	Frequency	Percent
Not at all	1	1.4
Little extent	4	5.6
Moderate extent	28	38.9
Large extent	34	47.2
Very large extent	5	6.9
Total	72	100.0

From the findings, 47.2 per cent of the respondents believe that strategic objectives were being achieved to a large extent while 38.9 per cent believe that strategic objectives were being achieved to a moderate extent. This is a proof that indeed there are issues affecting the achieving of strategic objectives in the faith-based healthcare institutions in Kitui County.

4.4.9 Budgetary allocation for strategy implementation

The study required the respondents to state whether their organizations had a budgetary allocation for the implementation of strategic plan. The unique resources possessed by an organization and how they are utilized affect the implementation of strategic plans. This information is, therefore, useful in pre-determining whether strategic plan implementation will be successful or not. The budget for strategy implementation should be considered during the formulation stage and enough allocation made for successful strategic plan implementation.

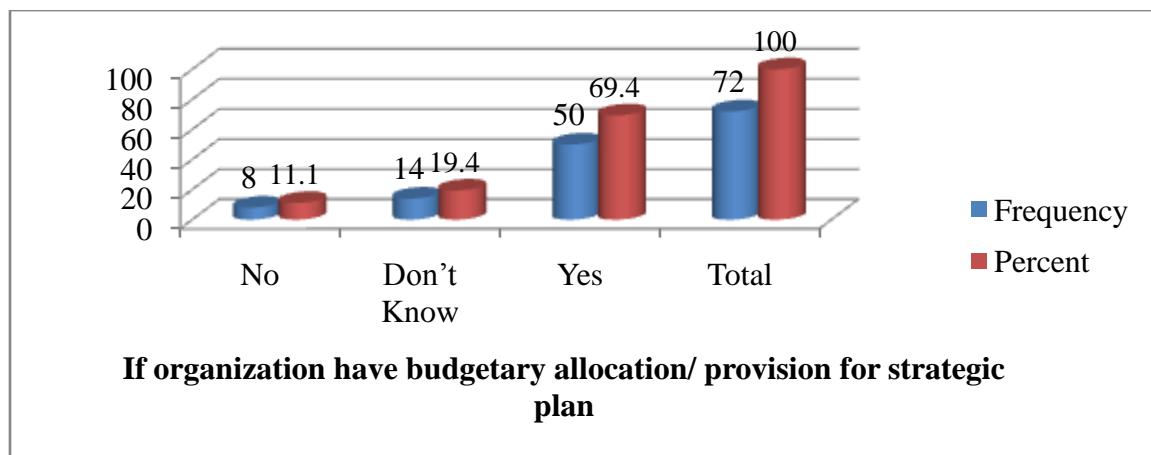


Figure 4.2: Budgetary allocation for strategic plan implementation

The findings as shown in Figure 4.2 above reveal that 69.4 per cent of the respondents were of the opinion that all the strategies were being matched with an implementation budgetary allocation as opposed to 19.4 per cent who believe that there were no budgetary allocations towards strategy implementation in their organizations. 11.1 per cent of the respondents were not aware whether their organizations were operating budgets for strategy implementation.

The implementation of strategy in some cases fails due to underestimation of the resources needed to implement the strategy (Pressman & Wildavsky; 1984). A study by Mulube (2009) also concluded that resources could be a hindrance or support to strategy implementation.

4.5. Measures to recruit and retain best employees

The study also required the respondents to state the measures their organizations had put in place to recruit and retain their best employees

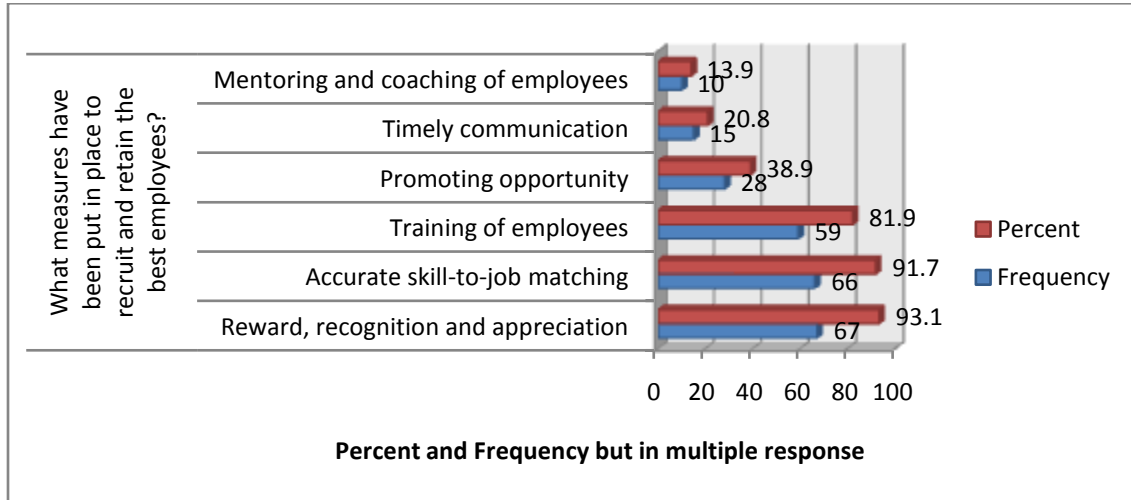


Figure 4.3: Employees recruitment and retention strategies

The findings reveal that reward, recognition and appreciation (93.1 per cent), accurate job descriptions (91.7 per cent) and training of employees (81.9 per cent) are the most common practices being used by organizations to recruit and retain best employees. It also emerged from the study that most organizations do not have mentoring and coaching programs (13.9 per cent) for their employees. Communication is not timely (20.8 per cent) and promotion opportunities for their employees (38.9 per cent) are not sufficient.

4.5 Descriptive Statistics for the variables

Descriptive statistics such as mean and standard were used to describe features of the sample since it is possible to identify certain indices from the raw data (Kothari, 2004).

4.5.1 Human Resource Management Practices

The first objective of the study was to examine the effect of human resource management practices on the implementation of strategic plans in faith-based healthcare institutions in Kitui County. To achieve this objective, the results for the variable attributes were tabulated and analyzed using mean, standard deviation and coefficient of variance. The

study used a Likert scale measurement with 1 representing not at all and 5 representing very large excellent. The results are tabulated in Table 4.9 below;

Table 4.9 Descriptive Statistics for HRM practices

HRM Practices	N	Minimum	Maximum	Mean	SD	C.V
Recruitment and Selection	72	2	5	3.90	.617	0.158
Training	72	3	5	4.83	.414	0.086
Compensation	72	3	5	4.92	.327	0.067
Involvement in decision making	72	4	5	4.82	.387	0.080
Involvement in succession planning	72	2	5	3.51	.805	0.229

From the findings, majority of the respondents felt that compensation has highest influence on strategic plan implementation, as shown by mean of 4.92, compared to the other attributes of Human Resource Management which were studied. The respondents also felt that involvement in succession planning has the lowest influence on strategic plan implementation with a mean of 3.51. The findings also reveal a low coefficient of variance (CV) which implies less variation in the data set.

4.5.2 Organizational Culture

The second objective of the study was to establish the effect of organizational culture on the implementation of strategic plans in faith-based healthcare institutions in Kitui County. The results for the variable attributes were tabulated and analyzed using mean, standard deviation and coefficient of variance, as shown in table 4.10 below. The study used a Likert scale measurement with 1 representing not at all and 5 representing very large excellent. Majority of the respondents reported that alignment of people to the organizational direction is very critical for implementation of strategic plans (Mean=4.85). The study produced a low coefficient of variance implying that there is less variation in the data set.

Table 4.10 Descriptive statistics for organizational culture

Organizational Culture Aspects	N	Mini mum	Maxi mum	Mean	SD	C.V
Emphasis on philosophy, values and believes the organization stands for	72	1	5	4.57	.693	0.152
Focus on systems as opposed to people	72	1	5	3.85	.867	0.225
Value attached to the organizational norms in play	72	1	5	3.51	.712	0.203
Value for diversity in the organization	72	1	5	4.79	.604	0.126
Planning as opposed to ad-hoc decision making	72	1	5	3.55	.733	0.207
Inspirational leadership	72	1	5	4.38	.769	0.176
Alignment of people with organizational direction	72	1	5	4.85	.597	0.123
Behaviour patterns of the employees in the organization	72	1	5	3.41	.771	0.226
Outward manifestation of the culture by employees in the organization	72	1	5	3.14	.457	0.146
Ability of top leadership to translate mission into simple strategic goals	72	1	5	4.83	.557	0.115

4.5.3 Organizational Structure

The third objective of the study was to establish the influence of organizational structure on the implementation of strategic plans in faith-based healthcare institutions in Kitui County. The results for the variable attributes were tabulated and analyzed using mean, standard deviation and coefficient of variance. The study used a Likert scale measurement with 1 representing not at all and 5 representing very large excellent. Table 4.11 shows majority of the respondents were of the view that alignment of organizational structure to the strategic objectives has greatest effect on strategic plan implementation as compared to the rest, as shown by the highest mean of 4.85 and standard deviation of 0.548. The respondents also indicated that structure responsiveness to the environment influences strategic plan implementation as shown by a mean of 4.82 and standard deviation of 0.589. A low coefficient of variance implies that there is less variation in the data set.

Table 4.11 Descriptive Statistics for Organizational Structure

Organizational Strategic Aspects	N	Minimum	Maximum	Mean	SD	C.V
Flexibility in decision making	72	1	5	4.62	.663	0.144
Inclusion of strategic planning department in the organization	72	1	5	2.87	.929	0.323
Structure responsive to the environment	72	1	5	4.82	.589	0.122
Clear chain of command	72	1	5	4.31	.705	0.164
Alignment of organizational structure to strategic objectives	72	1	5	4.85	.548	0.113
Delegation of authority – decentralization of power	72	1	5	4.22	.755	0.179
Formalization – strict regard to procedure	72	1	5	3.01	.760	0.253

4.5.4 Indicators of Strategic Plan implementation

The results for the strategic plan implementation attributes were tabulated and analyzed using percentages and mean. The study used a Likert scale measurement with 1 representing not at all and 5 representing very large excellent.

Table 4.12 Descriptive Statistics for indicators of strategic plan implementation

Strategic Plan Implementation	N	Minimum	Maximum	Mean	SD	C.V
Leads to clear focus (enhanced teamwork)	72	1	5	4.26	.750	0.176
Leads to competitiveness awareness	72	1	5	4.86	.350	0.072
Leads to better allocation of organizational resources	72	1	5	3.64	.817	0.225
Sets ground for learning organizations	72	1	5	3.23	.877	0.272
Leads to better organizational design	72	1	5	2.88	.978	0.340
Enhanced competitiveness	72	1	5	4.79	.473	0.099

As shown in Table 4.12 above, the respondents reported that successful implementation of strategic plans will improve the organization's competitive awareness, as shown by the mean of 4.86 and standard deviation of 0.350. The low coefficient of variance implies a less variation in the data set.

4.6 Correlation Analysis

Correlation is a term which refers to the relationship between two variables. A strong or high correlation means that two or more variables have a strong relationship with each other while a weak or low correlation means that the variables are hardly related. The value of -1.00 represents a perfect negative correlation while a value of +1.00 represents a perfect positive correlation. A value of 0.00 means that there is no relationship between the variables being tested (Orodho, 2003).

The study used a Pearson R correlation coefficient to determine how the research variables relate to each other. This analysis assumes that the four variables being analyzed are measured on at least interval scales.

Table 4.13 Correlation Analysis

Variables		Strategic Plan Implementation	HRM Practices	Organizational Culture	Organizational Structure
Strategic Plan Implementation	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	72			
HRM Practices	Pearson Correlation	.698	1		
	Sig. (2-tailed)	.000			
	N	72	72		
Organizational Culture	Pearson Correlation	.622	.585	1	
	Sig. (2-tailed)	.000	.000		
	N	72	72	72	
Organizational Structure	Pearson Correlation	.821	.495	.623**	1
	Sig. (2-tailed)	.000	.001	.000	
	N	72	72	72	72

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

Pearson’s correlation, which ranges between -1 and +1, reflects the degree of linear relationships between two variables. Using Pearson correlation coefficient (r) and p-value analysis, a correlation is considered significant when the probability value is below 0.05 (p-value \leq 0.05). From Table 4.13 above, the level of significance for HRM Practices, organizational culture and organizational structure is 0.698, 0.622 and 0.821 respectively. Therefore, there is a positive relationship between the independent variable (strategic plan implementation) and dependent variables (Organizational Culture, HRM Practices and Organizational structure).

4.7 Multiple Regression Analysis

The study sought to establish the contribution of each of the independent variables (HRM Practices, Organizational culture and organizational structure) to the implementation of strategic plans in faith-based healthcare institutions. From the model summary, Adjusted R squared represents the coefficient of determination which is the variation in the dependent variable due to the changes in independent variables.

Table 4.14 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.742 ^a	.613	.581	.3026

- a. Predictors: (Constant), Organizational Structure, HR Management Practices, Organizational Culture

R represents the correlation coefficient which is the relationship between the study variables. From the findings shown in Table 4.14 above, there was a positive relationship between the study variables as shown by 0.742. The R² of 0.613 means that there will be a variation of 61.3 per cent in Strategic Plan Implementation (dependent variable) due to changes in the three independent variables (HRM practices, Organizational Culture and Organizational Structure).

4.8 Regression Coefficients

A regression model was used to establish the relationship between the independent variables and the dependent variable. Coefficient of determination explains the extent to

which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Strategic Plan Implementation) that is explained by all the three independent variables (Organizational Structure Attributes, HRM Practices, Organizational Culture Attributes).

The standardized coefficients are the estimates which result from regression analysis that have been standardized so that the variations in the dependent and independent variables are one. Unstandardized coefficients represent the amount by which dependent variable changes if the independent variable is changed by one unit keeping other independent variables constant.

Table 4.15 Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.102	.715		4.336	.0000
HRM Practices	.279	.078	.251	3.566	.0001
Organizational Culture	.282	.065	.261	4.346	.0000
Organizational Structure	.564	.0850	.489	6.670	.0000

a. Dependent Variable: Strategic Plan Implementation

According to the findings, human resource management practices (X_1 , $B=0.279$, P -value= 0.0001), organizational culture (X_2 , $B=0.282$, P -value= 0.000) and organizational structure (X_3 , $B=0.564$, P -value= 0.000) were all significant in predicting the implementation of strategic plans since their p -values were less than 0.05 .

The regression equation therefore becomes:

$$\text{Strategic plan implementation} = 3.102 + 0.279 X_1 + 0.282 X_2 + 0.564 X_3 + \varepsilon$$

Where Y is the dependent variable (Strategic Plan Implementation), X_1 is the HRM Practices, X_2 is Organizational Culture and X_3 is Organizational Structure while ϵ is the term error.

The model revealed a positive relationship between human resource management practices and strategic plan implementation by a factor of 0.279. A unit change in human resource management practices would lead to a change in strategic plan implementation by a factor of 0.279. This is the second highest contributor in the model after organizational structure. This finding supported the observation of other scholars. Melrose (2005) cited training/educating of staff, Amulyoto (2004) cited employee motivation, Pearce and Robinson (2004) cited involvement while Osoro (2009) and Mulube (2009) cited rewarding of employees as critical factors to strategic plan implementation. Poor knowledge of strategic objectives by the employees affects strategy implementation (Korten, 1990; Cole, 2002; Mintzberg, 2004).

There was also a positive relationship between organizational culture and strategic plan implementation as denoted by a factor of 0.282 in the model. A unit change in organizational culture would lead to a change in strategic plan implementation by a factor 0.282. This finding supports other scholars' observation that when employees are provided with opportunities to explore, investigate and experiment, an entrepreneurial organizational culture which fosters innovation is created (Johnson & Scholes, 1999; Ulwick, 2002; Sackman, 2003; Abok, 2014). Thus organizational culture fosters innovativeness among the employees which allows adoption of ideas and change strategies.

The model also revealed a positive relationship between organizational structure and implementation of strategic plans by a factor of 0.564. Thus a unit change in organizational structure would lead to a change in strategic plan implementation by a factor of 0.564. At 0.564, organizational structure is highest contributor in the model. This finding supports observations by other scholars. Porter (2003) suggested that decentralization of authority is one way of reducing problems associated with tall hierarchies and bureaucratic costs. Khayota (2014) opines that organizational structures

influence implementation of strategic plans through task allocation, decentralization of authority, span of control, employee coordination, integration and structural flexibility.

According to the regression model established, the strategic plan implementation will be 3.102 when HRM practices, organizational culture and organizational structure are constant at zero. A unit increase in HRM practices will lead to 0.279 units increase in strategic plan implementation, a unit increase in organizational culture will lead to 0.282 units increase in strategic plan implementation and a unit increase in organizational structure will lead to 0.564 units increase in strategic plan implementation taking all other independent variables at zero.

4.9 Analysis of Variance (ANOVA)

In trying to test the significance of the model, the study used ANOVA. The ANOVA test was done in order to investigate whether the variation in the independent variables explain the observed variance in the outcome.

Table 4.16 Analysis of Variance (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	1.64	3	.41	23.56	.00001 ^b
1	Residual	2.1769	57	.0174		
	Total	3.8169	60			

a. Dependent Variable: Strategic Plan Implementation

b. Predictors: (Constant), Organizational Structure, HRM Practices, Organizational Culture

From Table 4.16 above, the f-value for regression is 23.56 which is significant at p value 0.0001. The regression model is therefore significant at 95% confidence level and is useful in predicting the relationship between the dependent variable and independent variables.

CHAPTER FIVE

5.0 DISCUSSION

5.1 Introduction

This chapter provides a discussion of the study findings as shown in chapter four. The study on internal factors affecting the implementation of strategic plans in faith-based healthcare institutions in Kitui County focused on human resource management practices, organizational culture and organizational structure. According to the findings, the respondents agreed that all the factors considered in the study affected strategic plan implemented.

5.2 Effect of Human Resource Management Practices on Strategic Plan Implementation

The first specific objective of this study was to examine the effect of human resource management practices on implementation of strategic plans in faith-based healthcare institutions in Kitui County. To achieve this objective, the study adopted a descriptive research design to examine the effect of human resource management practices; recruitment, reward, training and involvement on strategic plan implementation. The regression analysis revealed that human resource management practices affect strategic plan implementation in FBIs in Kitui County. The effect of the attributes of HRM practices studied on strategic plan implementation was, however, low implying that there could be other attributes of the variable which were not covered by the study.

Brenes, Mena and Molina (2008) conducted a research, based on empirical data about company performance in terms of strategy formulation and implementation, to learn and understand the key success factors in the implementation of business strategies in Latin America. The study found out that suitable leadership and motivated employees play a critical role in strategic plan implementation. The findings of the current study support their observation that human resource management practices organizations should have

suitable leadership and motivated employees if their strategies are to be successfully implemented.

Sesi (2009) conducted a case study on challenges to the implementation of strategic plans in the Kenya Dairy Board. The study used primary data from the chief executive officers and managers which was collected by use of interview guide. The study found out that inadequate and underdeveloped human resource hinders successful strategic plan implementation in Kenya Dairy Board. The findings of the current study support this observation that recruitment and training of employees is critical if successful implementation of strategic plans in faith-based healthcare institutions is to be achieved.

A study by Waihenya (2014) on factors influencing adoption of strategic planning in licensed hardware shops in Nakuru town identified human resources management as a critical factor influencing adoption of strategic plan implementation. A simple random sample was generated from the hardware shops in Nakuru Town and data was collected using semi-structured questionnaires. A major finding from this was that enough resources should be allocated for development of human resources to enhance strategic plan implementation. The findings of the current study revealed that training of employees is very important if strategic plans are to be implemented in faith-based healthcare institutions in Kitui County.

A descriptive study by Kamua (2015) on institutional factor which influences the implementation of strategic plans in government hospitals in Kitui Central Sub-County found out that human resource management practices affect strategic plan implementation. Practices such as reward, training and selection should be properly addressed to enhance strategic plan implementation. The findings of this support the observation by Robinson and Pearce (2004) that strategic plans are normally very complex and require people with high level of logistical skills to interpret and implement. The above findings compare with the current study which linked human resource practices; recruitment, training, reward, involvement in decision making to strategic plan implementation FBIs in Kitui County.

All the attributes measured for this variable posted significant means revealing that indeed organizational structure influences strategic plan implementation. The findings of this study support conclusion made by different studies (notably Stonich, 1982; Okumus, 2001; Pryor et al, 2007; Aaltonen & Kavalko, 2002; Cater & Pucko, 2010) human resource management processes such as recruitment, training and compensation influence strategy implementation in the organization.

5.3 Effect of Organizational Culture on Strategic Plan Implementation

The second specific objective of this study was to establish the influence of the organizational culture on implementation of strategic plans in faith-based healthcare institutions in Kitui County. The study considered attributes such as; emphasis on philosophy, focus on people, value attached to organizational norms, value of diversity, planning, alignment of people to the organizational direction, behavior patterns, outward manifestation and ability of top leadership to translate mission into simple strategic goals. The regression analysis revealed that there is low influence of the variable attributes on strategic plan implementation among FBIs in Kitui County. This implies that there are other organizational culture attributes (not covered by this study) which influence strategic plan implementation in FBIs in Kitui County.

Mehta and Krishnan (2004) did a study on effects of organizational culture and influence tactics on transformational leadership. The study adopted a descriptive research design sampling executives in a large manufacturing firm in India. The study revealed that successful companies apparently have strong cultures. Leadership is more transformational if the organizational culture is strong. This finding compares to the current study which found that inspirational leadership affects strategic plan implementation in faith-based healthcare institutions in Kitui County. Alvesson (1990) conducted a multi-level analysis of social forces which are involved in diffusion of organizational culture. The analysis revealed that strong cultures help leaders to be more charismatic and influential in their organizations.

A case study by Van Der Maas (2008) on strategy implementation in small island community found out that organizational culture has substantial influence on

organization's strategy implementation. Ruguru (2012) also did a different study on factors affecting strategic plan implementation in the Public Sector Sacco Societies in Nairobi. The study adopted a descriptive research design with the census study relying on primary data collected using questionnaires. The study found out that for the public sector Saccos to successfully implement their strategic plans, there is need to change the organizational culture of the Saccos through rigorous process of organizational change targeting all cultural aspects that do not support strategic plan implementation. This finding compares to the finding current study that realignment of organizational culture is key if FBIs were to successfully implement strategic plans.

Mutuvi (2013) carried out a study on factors affecting the implementation of strategic plans by NGOs in Nairobi County. The study revealed that organizational culture affects implementation of strategic plans in NGOs located in Nairobi County. The findings of the current study on internal factors affecting strategic plan implementation in faith-based healthcare institutions in Kitui County supported this observation by linking organizational culture to strategic plan implementation.

The attributes measured for this variable (which are; emphasis on philosophy, focus on people, value attached to organizational norms, value of diversity, planning, alignment of people to the organizational direction, behavior patterns, outward manifestation and ability of top leadership to translate mission into simple strategic goals) posted significant means revealing that indeed organizational culture influences strategic plan implementation. This supported conclusions made by different studies (Schmelzer & Olsen, 1994; Aaker, 1998; Cater & Pucko 2010) that organizational culture helps the organization to identify actual and potential strategy implementation problems and that hostile organizational culture is an obstacle to strategy implementation.

5.4 Influence of Organizational Structure on Strategic Plan Implementation

The third specific objective of this study was to establish the influence of organizational structure on the implementation of strategic plans in faith-based healthcare institutions. The organizational structure attributes considered were; flexibility in decision making, inclusion of strategic planning in the organization, structure responsive to the

environment, clear chain of command, alignment of organizational structure to strategic objectives, delegation of authority and formalization. The regression analysis done revealed that organizational structure has a moderate influence on strategic plan implementation among FBIs in Kitui County. This is an implication that there are equally other attributes of organizational structure which influence strategic plan implementation in FBIs in Kitui County which were not covered by this study.

Heide, Gronhaug and Johannessen (2002) conducted a case study on a Norwegian ferry-cruise company to identify barriers to successful implementation of activities as part of a planned strategy. Data was collected using structured questionnaires. The findings of the study indicate that various types of communication problem may be influenced to some extent by the organizational structure. This constitutes a key barrier to the implementation of strategic activities. One of the findings of the current study was that timely communication aids strategic plan implementation in FBIs in Kitui County.

Ng'ang'a and Ombui (2013) carried out a study on contributing factors to the implementation of strategic plans in public schools in Lari District. The study adopted a descriptive survey research design whereby a stratified random sample was selected. The study found out that organizational structure should support the strategy which is being implemented by the organization. This observation compares to the current study finding that there should be alignment between the strategy being pursued by the organization and the organizational structure adopted.

Abok (2013) also did a study on factors affecting the implementation of strategic plans in Kenya and identified organizational structure as a major contributing factor. The study used structured questionnaires and interview schedule to collect primary data from respondents. The study revealed that there is close link between strategy and organizational structure. A similar study by Khayota (2014) identified organizational structure as a major contributor to the successful implementation of strategies in Lake Victoria South Water Services Board. The finding of the current study supports this by linking organizational structure flexibility to strategic plan implementation among FBIs in Kitui County.

By linking strategic plan implementation to the organizational structure, the study on internal factors affecting strategic plan implementation in faith-based healthcare institutions in Kitui County also provides empirical evidence to the conclusion made by Chandler (1962), Pooley-Dias (1972), Thanheiser and Channon (1973) and Mwirigi et al (2014).

The information about the variables used in the three objectives was clear. A coefficient of determination was conducted to establish the percentage to which change in the dependent variable is contributed by the independent variables. A multiple regression analysis was also conducted to identify individual relationship between the dependent variable and independent variables while analysis of variance (ANOVA) was conducted to analyze the difference in group means. The study produced a significant model which was tested using the f-value.

CHAPTER SIX

6.0 CONCLUSIONS AND RECOMMENDATION

6.1 Introduction

This chapter provides conclusions derived from the findings of the study, recommendations and areas for further research. The study sought to find out if human resource management practices, organizational culture and organizational structure have influence on strategic plan implementation in faith-based healthcare institutions in Kitui County. Based on the foregoing facts, many organizations formulate strategic plans but implementation of such strategic plans still remains a challenge. The analysis of regression coefficients revealed that all the independent variables (human resource management practices, organizational culture and organizational structure) have positive causal relationship with the dependent variable (strategic plan implementation).

6.2 Conclusions

The study endeavored to examine internal factors affecting the implementation of strategic plans in faith-based healthcare institutions in Kitui County. Based on the findings, the study made conclusions on the effect of human resource management practices on strategic plan implementation, effect of organizational culture on strategic plan implementation and the effect of organizational structure on strategic plan implementation.

6.2.1 Effect of Human Resource Management Practices on Strategic Plan Implementation

From the discussion in chapter five, the study concluded that human resource management practices affect implementation of strategic plans in faith-based healthcare institutions in Kitui County. The respondents rated compensation, involvement in decision making, training, involvement in decision making, recruitment and involvement in succession planning in that order. The study therefore concluded that the process of recruitment and selection should be objectively done to ensure that organizations get

suitable employees who can aid strategic plan implementation. A fair reward motivates employees to enhance their performance towards attainment of strategic objectives.

A strategic change requires people who are well equipped to articulate the change process. If employees lack the requisite knowledge about the strategies, successful implementation might not be achieved and therefore training is critical. Involvement of employees through participative strategic planning aids the strategic plan implementation by enlisting their commitment to the implementation process. Better human resource management practices enable the organization to acquire high performing and loyal employees who aid in strategy implementation.

From the regression analysis, discussed in chapter five, if all the other independent variables are held constant, a unit increase in human resource management practices will lead to proportionate increase in strategic plan implementation in faith-based healthcare institutions in Kitui County. There are also other practices of human resource management which affect strategic plan implementation in FBIs in Kitui County which were not covered by this current study.

6.2.2 Effect of Organizational Culture on Strategic Plan Implementation

The study concluded that organizational culture has a significant influence on strategic plan implementation. The respondents rated; alignment of people with organizational direction, ability of top leadership to translate mission into simple strategic goals, value for diversity, emphasis on philosophy, values and organizational believes, inspirational leadership, focus on systems as opposed to people, planning as opposed to ad-hoc decisions, value attached to the organizational norms, behavior patterns of employees and outward manifestation of the culture by employees in that order.

The study therefore concludes that unsupportive culture may curtail the implementation process while healthy culture can be used as a tool in strategic plan implementation. The inherent dimensions of organizational culture require an organization's leadership to clearly recognize its impact on employee related variables which affect strategy implementation. The strategic mission should clearly show value attached to diversity in the organization's philosophy. Organizational leadership should also pay attention to

organizational norms and how they shape employee behavior which is critical in strategic plan implementation.

Organizational culture should allow opportunities for exploration, investigation and experimentation which foster innovation. This allows adoption of new ideas and change strategies. The regression analysis, discussed in chapter five, revealed that if all the other independent variables are held constant, a unit increase in organizational culture will lead to a proportionate increase in strategic plan implementation in faith-based healthcare institutions in Kitui County. There are other attributes of organizational culture which influence strategic plan implementation in FBIs in Kitui County but were not covered by the study.

6.2.3 Effect of Organizational Structure on Strategic Plan Implementation

The study concluded that organizational structure influences strategic plan implementation in faith-based healthcare institutions in Kitui County. The respondents rated; alignment of organizational structure to strategic objectives, responsiveness of organizational structure to the environment, flexibility in decision making, clear chain of command, delegation of authority, formalization and inclusion of strategic planning department in the organizational structure in that order.

The study therefore concludes that organizational structure should have clear responsibility for strategic plan implementation. There should also be delegation of authority to the line managers who are involved in strategic plan implementation. Organizational structures should be consistent with the strategic objectives being pursued by the organizations and also allow flexibility in decision making enhance strategic plan implementation. This can be achieved through decentralization of power to lower levels of management. Since organizations do not operate in isolation, organizational structure should be responsive to the environment.

The regression analysis, discussed in chapter five, show that if all the other independent variables are held constant, a unit increase in organizational structure will lead to a proportionate increase in strategic plan implementation in faith-based healthcare institutions in Kitui County. There are other elements of organizational structure which

affect strategic plan implementation in FBIs operating in Kitui County which were not covered by this study.

6.3 Recommendations

The study also endeavored to make recommendations for policy to the national government and ministry of health, recommendations for practice the county government and FBIs and recommendations for academia on contribution to theory and empirical orientation. Based on the findings and conclusions, the study made the following suggestions for further study and proposals on how organizations can successfully implement their strategic plans.

6.3.1 Recommendations for Policy

Based on the findings of this study, the national government through the ministry of health can make informed decisions regarding strategic plan implementation in the healthcare institutions. The study recommends that the top leadership of the organizations should be competent enough to inspire the strategic plan implementation process. The leadership of the organizations should ensure that there are policy guidelines on recruitment, training and reward of the employees. The organizational hierarchy, delegation, communication channels should be backed by proper policy framework if organizations are to successfully implement their strategic plans.

The study also recommends that the management of faith-based healthcare institutions should strive to establish healthy organizational culture which will support strategic plan implementation. The implementation process should be closely monitored to ensure that the strategic objectives are achievable within existing organizational structure. Policy makers should therefore make informed interventions which may include review of the existing policies to ensure that they are consisted with the strategies being implemented by the organization.

6.3.2 Recommendations for Practice

Strategic planning has been recognized as an effective management tool which can be used to enhance organizational performance. Past studies have shown that the potential

value of most strategic plans is never realized due to inefficiencies in planning and implementation. This study on internal factors affecting the implementation of strategic plans in faith-based healthcare institutions in Kitui County found out that human resource management practices, organizational culture and organizational structure affect the implementation of strategic plans.

The management of faith-based healthcare institutions and the county governments should ensure an organized staffing system with efficient training and remuneration programs. They should also ensure that there is a common belief on organizational goals which creates a supportive culture for strategy implementation. The management should also initiate flexibility in the organizational structures with proper communication channels and decentralized decision making.

6.3.3 Recommendations to Academia

Although the objectives were clear and successfully accomplished, the study only focused on the internal factors; Human resources management practices, organizational culture and organizational structure. The study supported the observations and conclusions made by other scholars and provided empirical evidence on internal factors affecting strategic plan implementation in Kitui County. The study provides information about faith-based healthcare institutions in Kitui County which is useful in addressing the knowledge gap.

The study also focused only on the implementation stage of strategic planning. The concept of strategic planning is very complex and other areas of strategic planning should be considered for further study. The coefficient of determination for the study is 0.613 meaning that the studied factors explain only 61.3 per cent of strategic plan implementation in the faith-based healthcare institutions. Further studies are therefore recommended to study 38.7 per cent which was not covered by this study. The study also focused on faith-based healthcare institutions in Kitui County. It is, therefore, recommended that similar studies be conducted in other counties.

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APPENDICES

APPENDIX I: UNIVERSITY INTRODUCTION LETTER



**SOUTH EASTERN KENYA UNIVERSITY
OFFICE OF THE DIRECTOR
BOARD OF POST GRADUATE STUDIES**

P.O. BOX 170-90200
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Our Ref: D61/KIT/20_468/2014

Date: 5th January, 2017

Kimuli David Ndungi
Reg. No. D61/KIT/20468/2014
Masters of Business Economics
C/O Dean, School of Business Economics

Dear Ndungi

RE: PERMISSION TO PROCEED FOR DATA COLLECTION

This is to acknowledge receipt of your Masters in Business Administration Proposal document entitled, "*Internal Factors Affecting the Implementation of Strategic Plans in Faith Based Healthcare Institutions in Kitui County.*"

Following a successful presentation of your Master Proposal, the School of Business and Economics in conjunction with the Directorate, Board of Post graduate Studies (BPS) have approved that you proceed on and carry out your Research Data Collection in accordance with your approved proposal.

During your research work, you will be closely supervised by Dr. Kennedy Ocharo. You should ensure that you liaise with your supervisor at all times. In addition, you are required to fill in a Progress Report (*SEKU/ARSA/BPS/F-02*) which can be downloaded from the University Website.

The Board of Postgraduate Studies wishes you well and a successful research data collection as a critical stage in your Master of Business Administration.

Prof. Cornelius Wanjala
Director, Board of Postgraduate Studies

Copy to: Deputy Vice Chancellor, Academic, Research and Students Affairs
Dean, School of Business and Economics
Director, Kitui Campus
Chairman, Department of Business and Entrepreneurship
Dr. Kennedy Ocharo
BPS Office - To file

APPENDIX II: RETURN RATE

Strata	Expected Frequency	Observed Frequency	Return Percentage
Kyanika AIC Dispensary	2	2	100
Kyome AIC Dispensary	3	1	33
Mbitini ACK Dispensary	3	3	100
Nyumbani Village Dispensary	2	1	50
St. Monica Dispensary Nguutani	4	2	50
St. Joseph's Dispensary Kavisuni	6	3	50
Syongila ACK Dispensary	3	3	100
Iiani Catholic Dispensary	3	1	33
Our Lady of Lourdes Mutomo	35	15	43
Muthale Mission hospital	30	19	63
Mulutu AIC Dispensary	2	2	100
Mutune Catholic Dispensary	2	2	100
Nuu Catholic Dispensary	3	1	33
St. Mary's Dispensary Miambani	2	2	100
Curran Dispensary	2	1	50
Katakani Dispensary	2	1	50
St. Joseph's Dispensary Mutito	4	2	50
Kyangi Mission Hospital	7	3	43
Kimangao Dispensary	3	1	33
Zombe Catholic Dispensary	3	1	33
AIC Zombe Dispensary	4	3	75
ACK Mwingi CHBC Clinic	2	1	50
Rehoboth Maternity & Nursing Home	3	2	67
Total	130	72	55

APPENDIX III: RESEARCH QUESTIONNAIRE

The purpose of this questionnaire is to solicit information on the internal factors which affect the implementation of strategic plans (working plans) in Faith-based healthcare Institutions in Kitui County. You are kindly requested to participate in this study by responding to **all** the questions. I wish also to state that the information given will be used purely for academic purpose and confidentiality is therefore assured. Be honest in your responses.

INSTRUCTIONS

- i. Tick (✓) against appropriate box
- ii. Fill in the data in the spaces provided below each question
- iii. You can attach written statements if necessary

SECTION A: PROFILE OF ORGANIZATION AND RESPONDENT

1. Department Medical Administration
2. Age Less than 30 yrs
31-40 yrs
41-50 yrs
51-60 yrs
Above 60
3. Highest educational qualifications
Form four
Diploma
Degree
Post graduate degree
4. Number of years working in the Faith-based sector
Below 1yrs
1-3 Yrs
3-5 Yrs
Above 5Yrs

5. Years the institution has been in operation

Below 1yrs

1-3 Yrs

3-5 Yrs

Above 5Yrs

6. How often are the strategic plans in your organization reviewed (what is your organizations planning cycle)?

a) 0-2 years

b) 2-5 Years

c) Above 5 Years

7. Does your organization have a policy on strategic plan implementation?

Yes No

8. To what extent do you think the strategic objectives are achieved according to you?

1=Not at all 2=little extent 3=Moderate extent 4=large extend5=very large extent

1) 2) 3) 4) 5)

9. In your own opinion, are the strategic objectives achieved within the set time frame?

Yes

10. Does your organization have a budgetary allocation/provision for strategic plan implementation in the annual budget?

Yes Don't Know

SECTION B: HUMAN RESOURCE MANAGEMENT PRACTICES

Different factors affect the strategic plan implementation in the organizations; some of them are internal while others are external.

11. What measures have been put in place to recruit and retain the best employees?

a. Accurate skill-to-job matching

b. promotion opportunities

- c. Timely communication
- d. Training of employees
- e. Reward, recognition and appreciation
- f. Mentoring and coaching of employees
- g. Others

12. In which ways are employees in this organization empowered to implement the strategic plan?

- a. Sharing of goals and direction with the employees
- b. Trusting the employees by giving them clear expectations
- c. Provision of accurate information for decision making
- d. Feedback on work progress
- e. Others

13. Which reward system does your organization has for rewarding employees who achieve the set targets?

- a. Monetary incentives (benefits, profit sharing)
- b. Non-monetary incentives (promotions, flexible work schedule)
- c. None

14. The commitment of the employees to the strategic planning process is very crucial for successful implementation. Involvement is a sure way of enlisting the commitment of the employees in strategic planning. What is your involvement in strategic planning in your organization?

- a. Setting of targets
- b. Involvement in strategy formulation
- c. Participation during the strategy implementation
- d. Not involved at all

15. In a scale of 1-5, state to what extent the following Human Resource Management Practices affect the implementation process of strategic plan in your organization:

1=Not at all 2=little extent 3=Moderate extent 4=large extent 5=very large extent

Human Resources Management Practices	5	4	3	2	1
a) Recruitment and Selection					
b) Training					
c) Compensation					
d) Involvement in decision making					
e) Involvement in succession planning					

SECTION C: ORGANIZATIONAL CULTURE

16. In a scale of 1-5, to what extent do you think the following attributes of organization culture affect strategic plan implementation in your organization:

1=Not at all 2=little extent 3=Moderate extent 4=large extent 5=very large extent

Organizational Culture Attributes	5	4	3	2	1
a) Emphasis on philosophy, values and believes the organization stands for					
b) Focus on systems as opposed to people					
c) Value attached to the organizational norms in play					
d) Value for diversity within the organization					
e) Planning as opposed to ad-hoc decision making					
f) Inspirational leadership					
g) Alignment of people with organizational direction					
h) Behaviour patterns of the employees in the organization					

i) Outward manifestation of the culture by employees in the organization					
j) Ability of top leadership to translate mission into simple strategic goals					

SECTION D: ORGANIZATIONAL STRUCTURE

17. Different attributes of organizational structure affect the implementation of strategic plans. In your own opinion, in a scale of 1-5, state to what extent the following affect the strategic plan implementation process:

1=Not at all 2=little extent 3=Moderate extent 4=large extend 5=very large extent

Organizational Structure Attributes	5	4	3	2	1
a) Flexibility in decision making					
b) Inclusion of strategic planning department in the organization					
c) Structure responsive to the environment					
d) Clear chain of command					
e) Alignment of organizational structure to strategic objectives					
f) Delegation of authority – decentralization of power					
g) Formalization – strict regard to procedure					

SECTION E: STRATEGIC PLAN IMPLEMENTATION

18. Organizations which successfully implement strategic plans realize a number of benefits. In your own opinion, in a scale of 1-5, state to what extent the following statements are true: 1=Not at all, 2=little extent , 3=Moderate extent, 4=large extend 5=very large extent

Benefits	5	4	3	2	1
a) Leads to clear focus thus enhancing teamwork					
b) Leads to competitiveness awareness					
c) Leads to better allocation of organizational resources					
d) Sets ground for learning organizations					
e) Leads to better organizational design					
f) Enhances competitiveness by having coordinated approach to changes in the business environment					

Thank you for taking your time to complete the questionnaire.

APPENDIX IV: INTERVIEW GUIDE

1. Name of the organization:
2. Position of the respondent:
3. Do you think there are any challenges affecting strategic plan implementation in your organization? Name them
 - a.
 - b.
 - c.
 - d.
 - e.
4. How do you think the challenges can be addressed?
5. Do you think the organization has the resource capacity to implement the strategic plan?
6. What is your planning cycle?

APPENDIX V: FAITH BASED HEALTH CARE FACILITIES IN KITUI COUNTY

- | | |
|--|----------------------------------|
| 1. Kyanika AIC Dispensary | 12. Mutune Dispensary |
| 2. Kyome AIC | 13. Nuu Catholic Dispensary |
| 3. Mbitini ACK Dispensary | 14. Miambani Catholic Dispensary |
| 4. Nyumbani Village Catholic Dispensary | 15. Mulango AIC Dispensary |
| 5. St. Monica Catholic Dispensary Nguutani | 16. Ikutha Faith Nursing Home |
| 6. St. Joseph Dispensary Kavisuni | 17. Mutito Dispensary |
| 7. Syongila ACK Dispensary | 18. Kanyangi Mission Hospital |
| 8. Iiani Health Centre Kitui | 19. Kimangao Dispensary |
| 9. Mutomo Mission Hospital | 20. Zombe AIC Dispensary |
| 10. Muthale Mission Hospital | 21. Zombe Catholic Dispensary |
| 11. Mulutu AIC Dispensary | 22. Mwingi Faith Medical Centre |
| | 23. Rehoboth Maternity & Nursing |

Source: County Ministry of Health and Sanitation

(<http://kitui.go.ke/ministries/ministry-of-health-and-sanitation.>);18/10/2016

