IMPACT: International Journal of Research in Applied, Natural and Social Sciences (IMPACT: IJRANSS)

ISSN(E): 2321-8851; ISSN(P): 2347-4580 Vol. 3, Issue 10, Oct 2015, 57-70

© Impact Journals



# AN ASSESSMENT OF CHALLENGES INFLUENCING STRATEGY

# IMPLEMENTATION IN PUBLIC SECTOR ORGANIZATIONS IN KENYA:

## A CASE OF BETTING CONTROL AND LICENSING BOARD

### JOHN NYALIGU BUSAKA & JOSPHAT KWASIRA

Jomo Kenyatta University of Agriculture and Technology, Nakuru CBD Campus, Nakuru, Kenya

### **ABSTRACT**

Kenya's public service sector has experienced redundancies, cost cutting, closure of operations and challenges to the quality of their services. These factors have encouraged and forced public sector organizations to formulate and implement effective business strategies as they are viewed as enablers of organization growth as it streamlines internal operations and stimulate access to business opportunities and markets; enhance business-related efficiencies, increase productivity and profitability. However, strategy implementation is a challenge for most of the public sector organizations in Kenya as there are various soft, hard and mixed factors that have negatively influenced the strategy implementation resulting in poor implementation process. The purpose of the study therefore was to establish the challenges influencing strategy implementation in public sector organizations. The specific objectives of the study included financial resources, human resource skills and information technology. The study targeted all 115 managers and gaming inspectors of Betting Control and Licensing Board. The study employed a descriptive research design using both qualitative and quantitative approaches. The study used close ended questionnaires to collect data using simple random sampling. The questionnaire was piloted to ensure validity and reliability. The collected data was coded and analyzed by the aid of Statistical Package for Social Scientists Version 21 and presented in tables. For purposes of establishing the relationship of the variables in the study, both correlation and regression analysis was carried out. The study found a fairly strong positive relationship between availability of financial resources and strategy implementation (r = 0.593). It was established that there was a fairly weak positive relationship between information technology and strategy implementation (r = 0.327). The  $R^2$  value of 0.6163 implied that 61.6% of the variations in the effective strategy implementation at can be explained by the variations in independent variables. From the multiple regression analysis, the t-test statistic shows that all the beta coefficients are significant, since p<0.05. Financial resources were found to be the most important factor in enhancing strategy implementation while the least factor was information technology.

KEYWORDS: Strategy Implementation, Financial Resources & Human Resource Skills

# INTRODUCTION

The public service sector has experienced redundancies, cost cutting, closure of operations and challenges to the quality of their services. In fact the public sector has shifted away from the guaranteed-job status to the introduction of payfor-performance models, while stereotypical public-sector roles are already changing (Ng'ethe *et al.*, 2004). These factors have encouraged and forced public sector organizations to formulate and implement effective business strategies as they

are viewed as enabler of organization growth as it streamlines internal operations and stimulate access to business opportunities and markets; enhance business-related efficiencies, increase productivity and profitability (Costa *et al.*, 2013). In fact business strategies in all the sectors of public service have been undertaken since 2002 with the goal of improving service delivery, increasing efficiency, expanding service and channel offering and meeting the demands of citizens for quality services in a manner that is consistent with their range of financial, environmental, and social concerns. However, the strategy implementation is a challenge for most of the public sector firms in Kenya as there are various soft, hard and mixed factors that have negatively influenced the strategy implementation resulting in poor implementation process (Murithi, 2009). These challenges have caused some organizations to implement these strategies inappropriately, not fully implement them or abandon them all together. This has had devastating negative effects on their performance as it has resulted in poor service delivery, increased internal inefficiencies and negative bottom line. This is because a variety of internal and external operations and the overall organization performance critically depends on the effective strategy implementation (Baldwin & Johnson, 1995).

Among the challenges influencing strategy implementation in Kenya indentified in literature include human resource skills, implementation costs, technology, government regulation, competition and ever-changing business environment and customer tastes. Though a number of studies have been undertaken in attempt to understand the challenges facing strategy implementation in Kenya, there is limited on or no evidence of any studies carried out on the challenges influencing strategy implementation at the Betting and Licensing Control Board (BCLB) despite the board making significant contributions to the national economy annually. The current study intends to limit itself to some of these challenges identified in literature. The Betting Control and Licensing Board (BCLB) was established by an Act of Parliament Chapter 131, Laws of Kenya of 1966. The Board is responsible for regulating betting, lotteries and gaming activities through formulation and issuance of policy guidelines. Over the last few years, the Board has implemented various measures, which have laid a firm foundation for the enforcement and implementation of gaming laws and regulations. The Betting, Lotteries and Gaming Act Chapter 131, empowers the Board to license and control premises and the activities carried there in. The board in consultation with key stakeholders has drafted National Lottery Bill which is yet to be enacted and has proposed amendments to the Betting Lotteries and Gaming Act Cap 131, as well as seen growth in revenue generation to the consolidated fund. According to BCLB, its strategic plan 2013-2017 is geared towards achieving Vision 2030 and is buoyed by the experience and challenges encountered in the previous plan. The strategic plan provides a comprehensive framework for the sustainable performance and improvement within the department for efficient and effective service delivery. The Strategic Plan lays ground for enhanced performance of the Board that is premised on proper utilization of resources, arising from clearly identified goals, targets and core functions, determination of appropriate staffing levels, as well as better and enhanced staff performance based on achievement of set objectives and targets. The Board notes that while there were remarkable achievements in the previous plan, various challenges remain. These include motivation of staff, inadequate and/or obsolete equipments and facilities, inappropriate/inadequate policies, law and programs, delayed exchequer release and under funding, weak inter-agency collaboration, slow adoption of technological advances among others.

#### STATEMENT OF THE PROBLEM

Public sector organizations play a critical role in Kenya's economic growth and development. Currently Kenya has more than 300 parastatals operating in different sectors of the economy such as agriculture, transport, communications, manufacturing, and trade. Some of these parastatals were established to help accelerate economic and social development as well as increase participation of Kenyans in the economy. However, these noble objectives have not been fully realized. A study of the audited accounts of State corporations over the 1993-2012 period titled, estimates that the 12 most wasteful state corporations conservatively lost up to Sh54 billion from 1993 to 2012 (GoK, 2012). This sorry state of affairs can be attributed to old technologies, over-reliance on limited public sector financing, gross employment malpractices, misappropriation of funds, poor expenditure controls, poor strategy implementation and under-funding. This has led to the formation of the Public Sector Reform Task force which is aimed at giving a new lease of life to public sector organizations so that they can play their right role in economic growth. Failure by some of the parastatals in the Kenya to effectively implement strategies have negatively impacted on the operations of these organizations and the country as a whole in terms of reduced foreign direct investment, shortage of food production; reduced contribution to the gross domestic product, government revenues, industrial raw materials and foreign exchange earnings. This situation has also adversely affects the creation of job opportunities within the sector and other linked sectors and more so the livelihoods of the rural population (Wanjama 2009). Furthermore, effective strategy implementation helps reduce costs which are a major challenge in most public sector firms. One of the key regulatory and revenue collection agencies that have consistently contributed to the exchequer in Kenya is the Betting Control and Licensing Board (BCLB). Therefore, it is against this background that this study sought to explore the challenges influencing strategy implementation in public sector organizations in Kenya with specific reference to BCLB.

### **OBJECTIVES OF THE STUDY**

The general objective of the study was to assess the challenges influencing strategy implementation in public sector organizations in Kenya. The study was guided by the following specific objectives:

- To assess the influence of financial resources on strategy implementation at Betting Control and Licensing Board.
- To establish the influence of human resource skills on strategy implementation at Betting Control and Licensing Board.
- To determine the influence of information technology on strategy implementation at Betting Control and Licensing Board.

## LITERATURE REVIEW

The empirical studies are analyzed based on the objectives of the study and an attempt is made to link the empirical studies and the concepts under the present study.

## **Financial Resources and Strategy Implementation**

Financial resources and the way they are managed is the key determinant of strategic success. For the public sector this primarily concerns to deliver the best value within financial limits. Johnson *et al.* (2007) define three issues that

organizations face in terms of the relation between strategy and finance: Managing for value, whether this is concerned with creating value for shareholders or ensuring the best use of public money (budgets); Funding strategic developments and financial expectations of stakeholders will vary, both between different stakeholders and in relation to different strategies. The cost of implementing the strategy is shared between the Government and the development partners and the private sector. The principle enshrined in the sharing reflects the Government's deep commitment, on the one hand, to increase the operation and management of the productive sectors to those best placed to do so and, on the other hand, increase the control of economic affairs to the citizenry. This will increase efficiency of operations, reduce costs and improve distribution mechanisms for the resultant wealth. Therefore, the costing of this strategy will be part and parcel of the medium-term plan, Medium Term Investment plan from which the medium-term expenditure framework will be derived. Development of a detailed and realistic budget for allocating the capital is necessary to affect the internal changes of strategic plan implementation, and closely monitoring and evaluation of the spending process is equally important to the achievement of the objective of the strategy (Badri et al., 2013). Strategy implementation cost includes: determining what resources (people, equipment, materials) and what quantities of each should be used to perform organization activities; developing an approximation (estimate) of the costs of the resources needed to complete the strategy activities; allocating the overall cost estimate to individual work items; and controlling and management changes to the implementation budget (Hrebiniak, 2006).

In developing the initial budget, the finance manager must be able to provide the supporting detail for the cost justifications and the timing for project fund expenditures. When the finance manager finds that the cost schedule is not being followed, he/she must be able to take the necessary action to maintain the agreed-upon cost schedule and document all cost changes that occur during the project (Nyoro et al., 2001). In addition, several competencies are related to keeping the strategy implementation within budget, including the ability to perform resource planning, cost estimation, and cost control (Savio, & Nikolopoulos, 2013). Cost to implement strategy depends on several variables including: resource costs, labor rates, material rates, risk management, plant, equipment, cost escalation, indirect costs. Finance is necessary for procurement of services, equipment and facilities necessary for the implementation of the business strategy. The procurement processes include: determining what to procure and when; documenting product requirements and identifying potential sources; obtaining quotations, bids, offers, or proposals as appropriate; choosing from among potential sellers; managing the relationship with the seller; and completing and settling the contract, including resolution of any open items (Brenes et al., 2007). Strategy implementation cost includes the process required to ensure that the implementation is completed within the approved budget, and includes the following: resource planning-determining what resources and what quantities of each should be used to implement business strategy. Thus, financial resource issues frequently arise not because implementation is inherently expensive or time consuming but because existing issues within the organization impede it. The big costs tend to be in systems change to support change. This is an issue he has addressed in part by moving from in-house systems with more flexibility (Zheng, 2013). Underlying many of these constraints is attitude. Rollout expenses typically revolve around retraining people, changing processes, and any necessary new tools or technology. If a policy change falls short in implementation, a host of problems can arise beyond cost, such as increased reputational and regulatory risk, and even reduced employee morale. Obtaining sufficient financial resources, then, flows from a proper understanding of what is at stake.

### **Human Resource Skills and Strategy Implementaion**

According to Schmidt & Keil (2013) competent employees and their capabilities is essential ingredient for successful strategy implementation. They are important for the organization to develop human resource competencies. The organizations need to attract employees with necessary experience, technical skills and other soft skills. The skills need to vary depending on the type of strategy the firm is planning to implement. Johnson & Scholes (1999) further suggest that a strong management team with the right skills that works closely is important in strategy implementation. Firms need to challenge their employees to innovate and be creative, and motivate them to upgrade their skills continuously (Kaifeng et al., 2012). In the implementation of strategy, hiring and retaining competent employees helps to develop core competencies. However the organization's core competency emerges incrementally as the firm goes about business. It is prudent to be proactive about what implementation of strategy entails and build competencies and capabilities that are scalable. Building core competencies is an inter-departmental effort. Each department performs complementary activities across the organization's value chain. In the implementation of strategy the management team's role is to concentrate enough resources and management attention on activities that strengthen employees' core competencies. Badri et al., (2013) also acknowledged that the effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process. Peng & Litteljohn (2001) defined quality as capabilities, skills, attitudes, experiences and other distinctiveness of people that a specific task or position requires. Prahalad and Hamel (1990) defined core capabilities as complex bundles of skills and collective learning, knowledge and technological know-how exercised through organizational processes that ensure co-ordination of functional activities and give a special advantage which in turn enhance the implementation of strategy and firms performance, creates synergy and competitive advantage.

# **Information Technology and Strategy Implementation**

Arvanitis & Loukis (2009) referred information technology as products, processes, knowledge, instruments, procedures and systems which facilitate the production of goods and services. Information technology gives organizations valuable assistance in implementing new policies, procedures and initiatives. Bird et al., (2006) suggest that information technology enhances and maintains communication and accountability for the managers involved in implementation process throughout the strategy implementation process, and facilitate keeping track of implementation and performance goals and their achievement. However, organizations may be required to add new systems and infrastructure and ensure that all systems function reliably. Kenworthy (2012) stated that training all relevant staff to use new systems and programs is relevant for successful implementation of strategies. They further suggest that information technology is at the center of systems considered for finding customers needs and satisfaction. Successful implementation of strategies entails the integration and coordination of technologic innovations, production processes, marketing, financing and personnel. Through this, defined goals are achieved. Heide et al., (2002) states that information is the blood which flow into the organization's vessels and brings it to life therefore, during the implementing process information technology ensures there is internal circulation of information. In most public sector organizations some managers are still attempting to implement their strategies predominantly using the MS office suite. Unfortunately this is totally inadequate for medium to large organizations and even with the most creative use of Excel organizations quickly hit limitations. Likewise an information management system is not a strategy implementation system; it may provide information essential for planning purposes however it is unlikely to assist in the development and reporting on the numerous activities that need to take place as part

of strategy implementation.

## **Effective Strategy Implementation**

Strategy implementation is process or paths that an organization takes in order to be or reach where it sees itself in the future. It's the process or path that leads to where the organization sees itself in the future. Musyoka, (2011) argues that Strategy implementation is largely an internal administrative activity. It entails working through others, organizing, motivating, culture, creating strong links between strategy and how the organization operates. It also entails a process of converting the formulated strategies into viable operations that will yield the organization's targeted results. She further argues that delicate and sensitive issues are involved in strategy implementation, such as resource mobilization, restructuring, cultural changes, technological changes, process changes, policy and leadership changes. The changes can be adaptive (calling for installation of known practices), innovative (introducing practices that are new to adopting organizations) or radically innovative (introducing practices new to all organizations in the same business or industry).

# RESEARCH METHODOLOGY

For purposes of this study, a descriptive design was employed. The method was preferred as it permits gathering of data from the respondents in natural settings. Descriptive designs result in a description of the data, whether in words, pictures, charts, or tables, and whether the data analysis shows statistical relationships or is merely descriptive. The target population for this study comprised 115 managers and gaming inspectors of the Betting Control and Licensing Board in 7 counties in Kenya where the organization's offices are located. From the target population of 115 managers and gaming inspectors, a sample of respondents which is a true representative of the population was statistically tabulated and found to be 90. Simple random sampling was then used in selecting the participants in the study. Although several tools exist for gathering data, the choice of a particular tool depends on the type of research. In this study an appropriate method to collect the primary data was using a questionnaire. Since the firm's strategies are developed by managers, they were targeted to solicit relevant information on the process of strategy implementation used. The questionnaire used in the study comprised close-ended questions. The data collected from the questionnaires were analyzed descriptively and statistically with Statistical Package for Social Sciences (SPSS) version 21.0. The results of the survey were presented in tables. For the purpose of analyzing the relationships of each of the independent variable on the dependent variable, the study used both correlation and regression analysis to test the hypothesis. The study hypothesized the following model:

$$Y = B_0 + B_1 X_1 + B_2 X_2 + B_3 X_3$$

Where: Y = Effective Strategy Implementation,  $X_1$  = Financial Resources,  $X_2$  = Human Resource Skills,  $X_3$  = Information Technology,  $B_0$ ,  $B_1$ ,  $B_2$  and  $B_3$  = Beta Coefficients. Out of 90 questionnaires that were issued to the sampled respondents, 84 of them were filled and returned. Of the returned questionnaires, 10 were incorrectly filled and thus were not used in the final analysis. Therefore, 74 questionnaires were correctly filled and hence were used for analysis representing a response rate of 82.22%.

# RESEARCH FINDINGS AND DISCUSSIONS

Following the processing and analyzing of the collected data, the findings are presented in line with the objectives of the study. The study sought to establish the gender of the respondents with an aim of establishing whether there was a

link between gender and the variables under study. According to the findings, majority of employees are male (60.8%) while female were 39.2%. The researcher attributed trend to the existing gender gap in employment in most sectors in Kenya today. The study further wanted to establish the distribution of ages of the employees since previous studies have linked age to various performance measures. The results indicate that a majority of employees at BCLB are of the age group 41 - 50 years (58.10%) while the least age group is above 51 years (17.6%). The researcher attributed this to the low employment opportunities provided by public sector organizations in Kenya in the past decade. The study further sought to establish the educational levels of the respondents in order to ascertain if it influenced the variables under study. The study established that more than 68% of the respondents had an undergraduate degree or a master degree level of education which was attributed to the increased availability of opportunities in the higher education sector in Kenya. Further, only 23.1% of the respondents had a diploma level of education further indicating higher educational requirements needed to join the public sector in Kenya. Finally, the study sought to establish the working experience of the respondents. Majority of the respondents (41.9%) had worked for over 10 years in the organization. Cumulatively, more than 79% had more than 5 years of experience while only 5.4% had less than 3 years working experience. This trend was attributed to the fact that most public sector organizations in Kenya have their employees on a permanent and pensionable basis and thus employees in management position would most likely have risen through the ranks over some period of time which translates to higher work experience.

## **Influence of Financial Resources on Strategy Implementation**

The results of the analysis on factors associated with financial resources and how it influences strategy implementation in public sector organizations in Kenya are shown in Table 1. Majority of the respondents disagreed that there was adequate financing to meet the costs of implementation (2.37), that the funds allocated were received on schedule and with no delays (2.15), that there were no internal changes to the fund allocation for strategy implementation (2.13), that there were adequate resources to cater for training related to strategy implementation (2.38) and that financing catered for fluctuations in the industry arising from factors beyond the organization (2.32).

	n	Min	Max	Mean	Std. Dev.
There is adequate financing to meet the costs of implementation	74	1	5	2.37	0.991
The funds allocated are received on schedule and with no delays	74	1	5	2.15	0.824
There are no internal changes to the fund allocation for strategy implementation	74	1	5	2.13	0.792
There are adequate resources to cater for training related to strategy implementation	74	1	5	2.38	0.977
Financing caters for fluctuations in the industry arising from factors beyond the organization	74	1	5	2.32	0.998
The organization has adequate and competent personnel qualified to handle fund management	74	1	5	3.98	0.945
The organization has internal control systems that can enhance fund utilization	74	1	5	3.67	0.997
Financial resources are therefore the greatest hindrance to strategy implementation	74	1	5	4.32	0.973

The respondents however agreed that the organization had adequate and competent personnel qualified to handle fund management (3.98), that the organization had internal control systems that can enhance fund utilization (3.67) and

that financial resources was therefore the greatest hindrance to strategy implementation (4.32). The respondents' ratings in the statements related to financial resources were cumulated to obtain a composite score for financial resources and its influence on strategy implementation. The total scores were then used to compute the Pearson's correlation coefficient to establish whether there was a relationship between financial resources and strategy implementation as BCLB. From the correlation analysis, it was established that there was a fairly strong positive relationship between availability of financial resources and strategy implementation at BCLB (r = 0.593). Although the correlation was fairly strong, the positive nature of the relationship implies that higher levels of strategy implementation can be associated with availability of adequate financial resources. The findings are in agreement to those of Kihanya (2013) who found a similar trend in the relationship between funding and implementation of business strategies.

### Influence of HR Skills on Strategy Implementation

Table 2 shows the findings related to HR skills and how it influences strategy implementation. The respondents, on average, agreed that the organization had adequate and competent employees to handle strategy implementation (3.84) and that there were internal human resource systems to coordinate the human resource function in strategy implementation (4.11). The respondents however disagreed that the organization focused on strategic capabilities of the employees and used these capabilities to enhance strategy implementation (2.42), that the organizational structure enhanced internal communication which is key in enhancing strategy implementation (2.33), that the organizational structure facilitated the process of strategy implementation effectively and efficiently (2.32) and that the composition and structure of the board enhanced strategy implementation in the organization (2.04). The respondents were however unsure as to whether employees were encouraged to be innovative and creative in strategy implementation (3.34) or whether the organization invested in developing core competencies of the employees through training and mentorship (3.21). The respondents' ratings in the statements related to HR skills were cumulated to obtain a composite score on human resource skills. The total scores were then used to compute the Pearson's Correlation Coefficient to establish whether there was a relationship between HR skills and strategy implementation at BCLB. The study established that there was a fairly strong positive relationship between HR skills and strategy implementation at BCLB (r = 0.512). The fairly strong positive relationship implies that strategy implementation at BCLB is greatly influenced by the HR skills of the employees in the organization. The study further deduced that the fairly strong correlation implied that human resource skills was one of the key factors that influences strategy implementation in public sector organizations.\

Table 2: Influence of HR Skills on Strategy Implementation

	n	Min	Max	Mean	Std. Dev.
The organization has adequate and competent employees to handle strategy implementation	74	1	5	3.84	0.965
Employees are encouraged to be innovative and creative in strategy implementation	74	1	5	3.34	0.988
The organization invests in developing core competencies of the employees through training and mentorship	74	1	5	3.21	0.745
The organization focuses on strategic capabilities of the employees and uses these capabilities to enhance strategy implementation	74	1	5	2.42	0.897
There are internal human resource systems to coordinate the human resource function in strategy implementation	74	1	5	4.11	0.996
The organizational structure enhances internal	74	1	5	2.33	0.973

communication which is key in enhancing strategy					
implementation					
The organizational structure facilitates the process of strategy implementation effectively and efficiently	74	1	5	2.32	0.984
The composition and structure of the board enhances strategy implementation in the organization	74	1	5	2.04	0.651

## **Influence of Information Technology on Strategy Implementation**

The study finally sought to establish the influence of information technology on strategy implementation in line with the last study objective and the results are depicted in Table 3. The study established that most of the respondents agreed that use of information technology had given the organization valuable assistance in implementing strategies (4.27), that use of information technology had enhanced accountability which is key in strategy implementation (4.19), that information technology had enhanced planning processes which are important in strategy implementation (3.99), that use of information technology had enhanced employee capacities in handling the changing and advancing lottery and gaming machines (4.19) and that information technology had also enhanced internal communication and thus information was easily shared across the branches (3.97). The respondents were however unsure whether employee training on the use of information technology had been enhanced thus enhancing strategy implementation (3.23), whether use of information technology had made the organization more flexible and given it the ability to meet strategy implementation targets (3.15) or whether all employees had relevant information technology competencies required to effectively implement strategies (3.02). The respondents' ratings in the statements related to information technology were cumulated to obtain a composite score for information technology. The total scores were then used to compute the Pearson's Product Correlation Coefficient to establish whether there was a relationship between information technology and strategy implementation at BCLB. From the correlation analysis it was established that there was a fairly weak positive relationship between information technology and strategy implementation (r = 0.327). The weak positive relationship implies that high levels of strategy implementation at BCLB can be associated to some extent to the information technology used by the organization.

Table 3: Influence of Information Technology on Strategy Implementation

	n	Min	Max	Mean	Std. Dev.
Use of information technology has given the organization valuable assistance in implementing strategies	74	1	5	4.27	0.903
Use of information technology has enhanced accountability which is key in strategy implementation	74	1	5	4.19	0.715
Employee training on the use of information technology has been enhanced thus enhancing strategy implementation	74	1	5	3.23	1.117
Information technology has enhanced planning processes which are important in strategy implementation	74	1	5	3.99	0.958
Use of information technology has made the organization more flexible and given it the ability to meets strategy implementation targets.	74	1	5	3.15	0.983
Use of information technology has enhanced employee capacities in handling the changing and advancing lottery machines	74	1	5	4.18	0.755
Information technology has also enhanced internal communication and thus information is easily shared across the branches	74	1	5	3.97	0.992

All employees have relevant information technology					
competencies required to effectively utilize it in strategy	74	1	5	3.02	0.998
implementation					

# **Strategy Implementation in Public Sector Organizations**

Table 4 shows the findings related to measurement of strategy implementation in public sector organizations in Kenya specifically BCLB.

**Table 4: Strategy Implementation in Public Sector Organizations** 

	n	Min	Max	Mean	Std. Dev.
There is adequate financing to meet all budgetary requirements	74	1	5	2.25	0.634
There are adequate and competent staff to handle strategy implementation at all levels	74	1	5	4.21	0.658
Strategies are implemented within the planned scheduled time frames in the organization	74	1	5	2.14	0.673
There is adequate and relevant information technology to assist in strategy implementation	74	1	5	3.99	0.801
The organizational structure facilitates efficient and effective strategy implementation	74	1	5	2.17	0.986

From the findings, majority of the respondents were in agreement that there were adequate and competent staff to handle strategy implementation at all levels in the organization (4.21) and that there was adequate and relevant information technology to assist in strategy implementation (3.99). The respondents however disagreed that there was adequate financing to meet all budgetary requirements (2.25), that strategies were implemented within the planned scheduled time frames in the organization (2.14) and that the organizational structure facilitated efficient and effective strategy implementation (2.17). The study further carried out a regression analysis to test the significance of the influence of the independent variables namely financial resources, HR skills and information technology on strategy implementation at BCLB. The model summary is depicted in Table 5.

**Table 5: Regression Model Summary** 

Model	R	$\mathbb{R}^2$	Adjusted R <sup>2</sup>	<b>Std Error of the Estimate</b>
1	0.7851	0.6163	0.6178	0.4247

The R<sup>2</sup>, the coefficient of determination shows variability in dependent variable explained by the variability in independent variables. This value tells us how effective strategy implementation at BCLB can be explained by financial resources, HR skills and information technology. The R<sup>2</sup> value of 0.6163 implies that 61.6% of the variations in the effective strategy implementation at BCLB can be explained by the variations in independent variables. This therefore means that other factors not studied in this study contribute 39.4 % of effective strategy implementation in public sector organizations. The researcher further conducted a multiple regression analysis and the findings of the multiple regression model are depicted in Table 6.

Un standardized Standardized Model Coefficients Coefficients В SE В t p  $0.27\overline{1}$ Constant 1.877 1.244 2.773 Financial Resources 0.398 0.142 0.304 3.432 0.001 0.298 0.357 3.220 HR Skills 0.128 0.012 Information Technology 0.144 0.153 2.732 0.004 0.192

**Table 6: Multiple Regression Analysis** 

From the multiple regression model, holding financial resources, HR skills and Information technology constant, effective strategy implementation at BCLB would increase by 1.877. It was established that a unit increase in financial resources would cause an increase in effective strategy implementation by a factor of 0.398, a unit increase in HR skills would cause an increase in effective strategy implementation by a factor of 0.357 and a unit increase in information technology cause an increase in effective strategy implementation by a factor of 0.192. This shows that there is a positive relationship between in effective strategy implementation at BCLB and the independent variables in the study. The unstandardized beta coefficients in Table 4.13 were then used to obtain the overall relationship of the independent variables; financial resources, HR skills and information technology and the dependent variable; effective strategy implementation at BCLB and model was formulated as:

$$Y = 1.877 + 0.398X_1 + 0.357X_2 + 0.192X_3$$

Where: Y = Effective strategy implementation at BCLB,  $X_1$  = Financial resources,  $X_2$  = HR skills,  $X_3$  = Information technology. The results also show the unique contribution to the explaining of the independent variable. The standardized coefficients assess the contribution of each independent variable towards the prediction of the dependent variable, since they have been converted in the same scale to show comparison. The result indicates that financial resources which had the highest beta value of 0.304 had the greatest influence on effective strategy implementation at BCLB. The second most important variable was HR skills with a beta value of 0.298. The third most important variable was information technology with a beta value of 0.192. The t-test statistic shows that all the beta coefficients are significant, since p<0.05.

# **CONCLUSIONS**

The study concluded that for effective strategy implementation in public sector organizations such as BCLB, there needs to be adequate financing to meet the costs of strategy implementation, the funds allocated should be received on schedule without delays, there shouldn't be internal changes to the fund allocation for strategy implementation, there must be adequate resources to cater for training related to strategy implementation and financing should cater for fluctuations in the industry arising from factors beyond the organization. The study further concluded that for effective strategy implementation the organization must have adequate and competent personnel to handle fund management and the organization should effective internal control systems that can enhance fund utilization. Further, it was concluded that the organizational structure should be one which enhances internal communication which is key in enhancing strategy implementation, the organizational structure should be tailored in such a way that it facilitates the process of strategy implementation effectively and efficiently and the composition and structure of the board should be geared towards enhancing strategy implementation in the organization. Finally, the study concluded that for effective strategy

implementation in public sector organizations appropriate use of information technology is needed in order to give the organization valuable assistance in implementing strategies.

### REFERENCES

- Arvanitis, S., & Loukis, E. (2009). Information and Communication Technologies, Human Capital, Workplace Organization and Labour Productivity in Greece and Switzerland: A Comparative Study Based on Firm-level Data. *Information Economics and Policy*, 21, 43-61.
- 2. Badri, H., Bashiri, M., & Hejazi, T. (2013). Integrated strategic and tactical planning in a supply chain network design with a heuristic solution method. *Computers & Operations Research*, 40(4), 1143-1154.
- 3. Baldwin, J., & Johnson, J. (1995). Business Strategies in Innovative and Non-Innovative Firms in Canada, *Research Policy*, 25, 785-804.
- 4. Bird, T., A., Bradley, R. V., & Pridmore, J. L. (2006). Information Systems Success in the Context of Different Corporate Cultural Types: An Empirical Investigation. *Journal of Management Information Systems*, 23(2), 267-294.
- 5. Brenes, E., Mauricio, M., & Molina, G. (2007). Key Success Factors for Strategy Implementations in Latin America, *Journal of Business Review*.
- 6. Costa, H., Rozenfeld, H., Amaral, C., Marcacinit, M., & Rezende, S. (2013). Systematization of Recurrent New Product Development Management Problems. *Engineering Management Journal*, 25(1), 19-34.
- 7. Government of Kenya. (2012). *Efficiency Monitoring Unit Report on Government Parastatals*. Nairobi: Government Printers.
- 8. Heide, M., Grønhaug, K., & Johannessen, S. (2002). Exploring Barriers to The Successful Implementation of a Formulated strategy. *Scandinavian Journal of Management*, 18, 217-231.
- 9. Hrebiniak, G. (2006). Obstacles to Effective Strategy Implementation. Organizational Dynamics, 35, 12-31.
- 10. Johnson, G., Langley, A., Melin, L., & Whittington, R. (2007). *Strategy as Practice: Research Directions and Resources*. Cambridge: Cambridge University Press.
- 11. Kaifeng, J., Lepak, D. P., Jia, J., & Baer, J. C. (2012). How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy Of Management Journal*, 55(6), 1264-1294.
- 12. Kenworthy, L. (2012). Introduction: Appreciating What We Have-A Snapshot of the Diverse Resources Available to Us Today. *Academy Of Management Learning & Education*, 11(4), 744-745.
- 13. Kihanya, T. (2013), Challenges influencing the implementation of business strategies in public sector firms in Kenya: A survey of parastatals in the Ministry of Agriculture, *International Journal of Social Sciences and Entrepreneurship*. 1(2), 635-649.
- 14. Murithi, J. (2009). Challenges facing implementation of business strategies in the public sector in Kenya.

- Unpublished Journal. University of Nairobi.
- 15. Musyoka, L. (2011). Challenges of strategy implementation in Jomo Kenyatta foundation. *International Journal of Current Research*, 3(11), 301-308.
- 16. Ng'ethe, N., Musambayi, K., & Gareth, W. (2004). *Strengthening the Incentives for Pro-Poor policy Change*: An analysis of drivers of change in Kenya. *Strategy Report*, 24-32.
- 17. Nyoro J. K., Wanjala, M., & Awour, T. (2001). *Increasing Kenya's Agricultural Competitiveness*: Farm Level Issues. In print.
- 18. Peng, W., & Litteljohn, D. (2001). Organizational Communication and Strategy Implementation-A Primary Inquiry. *International Journal of Contemporary Hospitality*, 13, 360-363.
- 19. Prahalad, C. K., & Hamel, G. (1990). The core competence of the corporation, *Harvard Business Review*, 68(3), 79-91.
- 20. Savio, N. D., & Nikolopoulos, K. (2013). A strategic forecasting framework for governmental decision-making and planning. *International Journal Of Forecasting*, 29(2), 311-321.
- 21. Schmidt, J., & Keil, T. (2013). What Makes a Resource Valuable? Identifying the Drivers of Firm- Idiosyncratic Resource Value. *Academy of Management Review*, 38(2), 206-228.
- 22. Wanjama, M. (2009). *Challenges facing implementation of strategies in Kenyan Parastatals*. Unpublished Thesis, University of Nairobi.
- 23. Zheng, C. (2013). Critiques and extension of strategic international human resource management framework for dragon multinationals. *Asia Pacific Business Review*, 19(1), 1-15.