ANALYSIS OF THE FACTORS AFFECTING STRATEGY IMPLEMENTATION IN MICROFINANCE INSTITUTIONS IN KENYA: A STUDY OF KWFT

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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A Research Project Report Submitted to the School of Business in Partial Fulfilment of the Requirements for the Award of the Degree of Master in Strategic Management (MBA)

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DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other colleges, institutions or university other than the United States International University Africa for academic credits

Signed: ______________________ Date: ______________________

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This project has been presented for examination with my approval to the appointed supervisor

Signed: ______________________ Date: ______________________

Prof. Katuse Paul

Signed: ______________________ Date: ______________________

Dean, School of Business
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ABSTRACT

The study sought to analyze the factors affecting strategy implementation in Microfinance Institutions. The study is carried out in order to achieve the following objectives: to investigate the effect of commitment of the top level management on strategy implementation in MFIs in Kenya, to investigate the effect of communication on strategy implementation in MFIs in Kenya, to establish the effect of coordination of activities on strategy implementation in MFIs in Kenya, and to determine the effect of organizational culture on strategy implementation in MFIs in Kenya.

This research adopted a descriptive approach on the factors affecting strategy implementation in MFIs registered with the Association of Microfinance Institutions (AMFI) in Nairobi, Kenya. The target population of this study composed of the management staff of the Microfinance institutions. Simple random sampling technique was used to get a sample size and primary data was collected directly from the management staff. A questionnaire was used to gather answers from the staff which included ‘yes’ and ‘no’ questions and also questions that required sentence long answers. To search for the relationship between strategy implementation and variable of the study, the researcher used a multiple regression analysis. The intended total population for this study was 300 staff management. Stratified random sampling was utilized to select a sample size of 90 respondents. By the use of questionnaires the researcher was able to collect quantitative data which was analyzed using descriptive statistics using SPSS and presentation of the findings was done using tables, pie charts and bar graphs.

The study showed that commitment of top management correlate well with strategy management. Some of the major findings included: 74.9% of the total respondents believed that commitment of top level management contribute heavily on strategy implementation. 45.8% of the respondents agreed that top managers usually demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed. 51.8% of the respondents believed that top management’s commitment to the strategic direction is important. Majority of the respondents agreed that departmental heads do give support to their subordinates. The study also found out that communication is a great factor in strategy implementation in micro finance institutions which is shown by 78% of the respondents agreeing to the statement. 62.4% of the respondents agreed
that coordination of activities is a factor that contributes to strategy implementation in microfinance institutions. In conclusion, it is clear that commitment of the top level management, communication, coordination of activities, and organizational culture effect on strategy implementation in MFIs.

The study recommends that MFIs management should ensure there are mechanisms which enhance the commitment of the top management in the organizations operations, also the level of communication should be upgraded to ensure efficiency and effectiveness. The management should ensure that all operations of the organization are well coordinated and there should be no activity that conflicts with another, there should be harmony always, also the organizational culture should be observed and it should be for the benefit of achieving organizational goals and objectives.
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I am also thankful to the staff members of United States International University Library who helped me throughout the research period. I offer my kind thanks to all my family members who have been instrumental to me throughout my study period not forgetting the entire staff fraternity of MFIs who offered to assist me in the data collection process. I will always be grateful to everyone who supported me with this project.
DEDICATION

I dedicate this project to my loving and caring family members, my mother Kuldip Lotay and my sisters Jasbir Lotay and Basant Panesar, for their constant encouragement in the entire period of my study.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Organizations seem to have difficulties in implementing their strategies. This is has been proven by many researchers. Researchers have revealed various problems in strategy implementation which include: lack of leaders to implement the strategies, lack of communication between team members, lack of commitment to the strategy, unawareness or misunderstanding of the strategy, poor organizational systems and resources, lack of coordination and sharing of responsibilities, inadequate capabilities, increased level of competition among colleagues, and uncontrollable environmental factors (Beer & Eisenstat, 2007).

Researchers doing strategic and organizational research give more attention to strategy formulation or strategic planning rather than giving attention to strategy implementation. Alexander (2005) proposes a few explanations behind this: strategy implementation is less fabulous than strategy formulation, individuals' neglect it as a result of a conviction that anybody can do it, people are not aware of what it incorporates and where it starts and finishes. Moreover, there are just a predetermined number of applied models of system execution.

Strategy which is a fundamental management tool in any organization is a multi-dimensional concept that various authors have defined in different ways. According to Thompson (2007), it is the match between an organization’s resources and skills and the environmental opportunities in addition the risks it faces and the purposes it wishes to accomplish. It is meant to provide guidance and direction for the activities of the organization. Since strategic decisions influence the way organizations respond to their environment, it is very important for a firm to make strategic decisions and define strategy in terms of its function to the environment. The purpose of strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment (Thompson, 2007). Johnson and Scholes (2008), look at strategy as the direction and extent of an organization over a long period, which accomplishes advantage for the organization through its arrangement of assets inside an evolving domain, and satisfy partner's desires.
Strategic management is, consequently, both a skill and an art. Good strategic management requires both clear thought and sound judgment. Strategic management is the formal and structured process by which an organization builds up a position of strategic leadership. Strategy development is a multidimensional process that must include rational analysis and intuition, experience, and emotion. But, whether strategy formulation is formal or informal, whether strategies are deliberate or emergent, there can be little uncertainty as to the importance of systematic analysis as a vital input into the strategy process. Without analysis, the process of strategy formulation, especially at the senior management level, is liable to be chaotic with no basis for comparing and evaluating alternatives. Moreover, critical decisions become susceptible to the whims and preferences of individual managers, to contemporary fads, and to wishful thinking (Hill & Jones, 2006; and Galpin, 2008).

According to Cole (2009) many MFI’s organizations are not considering the use of ICT based system to implement various growth and development strategies, ICT strategy implementation systems helps MFI’s organizations to effectively respond to the changing business environment which they operate into. During strategy implementation process, some strategies require to be adjusted in order to be compatible with the dynamic characteristics of business environment such as change in demand and supply of MFI’s services and change of interest rates polices by the central bank (Cole, 2009).

Danneels (2008) concurred that, organizations that lacks ICT based systems for strategic planning process takes a long time to achieve the aimed organization objectives as too much time is spent in the execution of strategic planning functions. ICT hence helps in quickening the strategy implementation time and this greatly supports achievement of the organization mission and vision. Davis (2008) on the other hand supported Danneels (2008) argument by suggesting that ICT based systems helps in speeding strategy implementation process by replacing manual strategy implementation functions to computerized strategy implementation functions which are easier to execute.

Strategy implementation involves putting the strategy into practice. This includes developing steps, methods, and procedures to execute the strategy. It also includes determining which strategies should be implemented first. The strategies should be prioritized based on the seriousness of underlying issues. During strategy implementation,
organizations management should first focus on the serious problems and then move onto the other problems once those have been addressed (Garg, 2007).

David (2007) contended that strategic implementation is concerned with affecting the chosen strategy for the organization that is putting the strategy into practice. Strategic implementation always includes a degree of change and the effective management of change can significantly affect the successful implementation of the desired strategy.

The emergence of the microfinance industry presents an unprecedented opportunity to extend financial services to the vast majority of the economically active population. The World Bank estimates that the potential global market for microenterprise credit currently stands at 100 million clients. In many developing economies small and micro businesses comprise of nearly ninety percent (90%) of all firms (Thompson, 2007).

The Kenyan microfinance industry emerged in the past 30 years because of the absence of access to formal financial services for most of Kenya’s low-income people. The contribution of the microfinance sector in the economic development of Kenyan economy cannot be disregarded. It is now widely recognized in Kenya that the promotion of micro and small enterprises is a viable and dynamic strategy for achieving national goals, including employment creation and poverty alleviation. According to a baseline survey conducted in 2005, the microfinance industry contributes at least 18.6% of Kenya’s Gross domestic product (GDP) (Mullei & Bokea, 2005).

Microfinance, the provisions of financial services to the low-income households and micro and small enterprises (MSEs), provide an enormous potential to support the economic activities of the poor and thus contribute to poverty alleviation. The Microfinance industry in Kenya has experienced major transformations over the past twenty years, growing from a fledgling concern dominated by a few donor and church-based NGOs to a vibrant industry increasingly driven by commercial sustainability. Generally, the providers of microfinance services in Kenya can be clustered into three broad categories, notably; formal, semi-formal and informal institutions with the level of formality defined by the degree of regulation. Under the formal category are commercial banks and the Post Office Savings Bank. The semiformal category includes SACCOs and Microfinance institutions, while ASCAS and ROSCAs dominate the informal (KEMCAMP, 2008).
In the past, microfinance institutions (MFIs) established using either an NGO or a savings and credit co-operative societies framework have been important sources of credit for a large number of low income households and MSEs in the rural and urban areas of Kenya. The MFIs had, however, operated without an appropriate policy and legal framework until 2006 when Micro finance Act was enacted for their regulation and operation. The Government of Kenya recognizing microfinance as a strategic tool for poverty alleviation in Kenya owing to its potential of using institutional credit and other financial services for greater access to, and sustainable flow of financial services, particularly credit, to the low-income households and micro and small enterprises, developed an appropriate policy, legal, and regulatory framework to promote a viable and sustainable system of microfinance in the country through the Microfinance Act 2006.

The microfinance industry in Kenya is facing new environmental demands arising from the enactment of the Microfinance Act 2006, which seeks to mainstream the operations of the microfinance institutions (MFIs) through regulation. This requires development of new strategies and internal capabilities by MFIs to respond to the new environment. Some of the challenges relate to issues regarding ownership, governance, and accountability. These have contributed to a large extent to the poor performance and eventual demise of many MFIs. This has had a bearing on a number of other constraints faced by the industry, namely: diversity in institutional form, inadequate governance and management capacity, limited outreach, unhealthy competition, limited access to funds, unfavorable image and lack of performance standard.

Because of this diversity of institutional legal forms, it becomes challenging to get accurate and proper information from one source about the status of institutions engaged in provision of micro-finance services and also to determine the extent of their outreach. This gives room for uncoordinated development and growth of the sector as well as creating a potential for abuse” (Omino, 2005).

1.2 Statement of the Problem

Failure in strategic management almost always happens during the implementation of the strategic plan. For instance, Mankins & Steele (2005) noted that despite the importance of the strategy execution process, far more research has been carried out into strategy formulation while very few have been done into strategy implementation. Despite the
neglect by academicians and consultants more challenges are experienced in practice in
the course of strategy implementation. Bridging the gap between strategy formulation and
implementation has since long been experienced as challenging. Several studies have
been done on the strategies that the banks have employed over time (Lampel, 2006).
However, little has been done to explore the challenges encountered in strategy
implementation by private organizations in Kenya.

The microfinance industry in Kenya is facing new environmental demands arising from
the enactment of the Microfinance Act 2006, which seeks to mainstream the operations of
the microfinance institutions (MFIs) through regulation (Dondo, 2003). This requires
development of new strategies and internal capabilities by MFIs to respond to the new
environment. To effectively respond to regulation, (Rugman & Verbeke, 2008)
demonstrated that organizations must develop capabilities in areas dominated or largely
influenced by government regulation such as trade and industrial policy. The fact that
MFIs have strived from various stages alongside the adoption of various organizational
strategies due to their regulation indicates that they have not been easy to achieve
optimum strategy implementation (Dondo, 2003). There is therefore the need to research
in the same area on the factors affecting strategy implementation a reason which
contributes to the researcher’s interest in conducting the study. Given the importance of
these strategy implementation processes, this study therefore sought to fill the gap by
analyzing the factors affecting strategic implementation in MFIs in Kenya.

1.3 Purpose of the Study
The purpose of this study was to analyze the factors affecting strategy implementation in
Microfinance Institutions.

1.4 Research Questions
1.4.1 Does the level of commitment of top management affect strategy implementation
in MFIs in Kenya?
1.4.2 To what extent does communication affect strategy implementation in MFIs in
Kenya?
1.4.3 Does coordination of activities affect strategy implementation in MFIs in Kenya?
1.4.4 What is the extent to which organizational culture affect strategy implementation
in MFIs in Kenya?
1.5 Significance of the Study
This study will be of great significance to the following groups:

1.5.1 Management of MFIs
The discoveries of the research will be valuable to KWFT and different MFIs key goals and will help the management in guaranteeing that the strategies set up are implemented till the end. The study's significance is to MFIs as well as to different managers in finance sector. It would help them comprehend the factors influencing strategy implementation and how to conquer them, it would help distinctive firms make progress compared to others.

1.5.2 The Government
The research will also be of importance to the relevant policy makers of the government. It will ensure the policies they make will be of positive impact to strengthen strategy implementation in organizations.

1.5.3 Other Researchers
The study can also be used as a reference material for future researchers on similar points and thus help various academicians who will conduct similar studies. This study also gives importance to other important relationships that have not been researched on; this might be in the regions of connections between effective strategy implementation and firm’s performance.

1.6 Scope of the Study
The study covered the factors influencing strategy implementation in MFIs in Kenya. In this case the researcher intended to collect the required information from Kenya Women Trust Fund branches in Nairobi. Thus the study focused on 120 respondents particularly the management staff (top management, middle management and lower management) in microfinance institutions. The study was carried out from March till July 2016.

1.7 Definition of Terminologies
1.7.1 Communication
Communication is the process through which information is passed and exchanged amongst the banking employees during strategic planning process (Kazmi, 2008).
1.7.2 ICT (Information and communications technology or technologies)
Is an umbrella term that includes any communication device or application, encompassing: radio, television, cellular phones, computer and network hardware and software, satellite systems and so on, as well as the various services and applications associated with them, such as videoconferencing and distance learning (Margaret, 2012).

1.7.3 Microfinance
Refers to the provision of financial services to the poor people with very small business or business projects (Marzys, 2006)

1.7.4 Micro-Finance Institution
It is an institution that provide small scale financial services primarily credit and saving provided to people who farm or fish or herd who operate small enterprises or micro enterprises where goods are produced, recycled, repaired or sold; who provide services; who work for wage and commission; who gain income from renting out small amount of land, vehicles, draft animals, or machinery tools; and other individual and groups at the local level of developing countries both rural and urban area(Robinson, 2001).

1.7.5 Organizational Culture
Following is the criteria used by an organization in doing things:

1.7.6 Strategy Implementation
This is putting the strategy into practice; this includes developing steps, methods, and procedures to execute the strategy. It also includes determining which strategies should be implemented first (Boyne & Walker, 2008).

1.8 Chapter Summary
In summary, the purpose of this research study was to investigate the factors influencing strategy implementation in Microfinance institutions in Kenya. The study expounded more on whether the level of commitment of top management affect strategy implementation in microfinance institutions in Kenya, find out the extent to which communication affect strategy implementation in microfinance institutions in Kenya, finding out the extent to which coordination of activities affect strategy implementation in MFIs in Kenya and firstly finding out the extent to which organizational culture affect
strategy implementation in microfinance institutions in Kenya. The research study took a time of four months from March, 2016 to June, 2016. Chapter two of the study presents the literature review according to various authors on strategy implementation.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This chapter presents information from various researchers who have completed their research in the same field of study. The specific areas covered here are overview of microfinance institutions, services offered by microfinance institutions, theoretical review of Micro Finance Institutions, strategies used by MFIs towards poverty alleviation, empirical review, and conceptual framework.

2.2 Commitment of Top level Management on Strategy Implementation
In strategy implementation and formulation the most important aspect is the top level management commitment on the strategic direction itself. Thus, top management must demonstrate a high degree of their willingness to give energy and loyalty to the implementation process. This demonstrable commitment becomes, at the same time, a positive signal for all the affected organizational members (Rapa & Kauffman, 2007).

Management role in quality management has been highlighted as one of the crucial requirement for a successful quality improvement implementation (Harrington, 2006). According to Peng and Littlejohn (2006), the degree of support that management takes in the implementation a total quality environment is very critical to the success of strategy implementation and cannot be fully implemented if there is lack of commitment from top management. Commitment of top managers in strategy implementation will enable the employees to follow their direction and way of working.

According to Cater and Pucko (2010), while a well-formulated strategy, a strong and effective pool of skills, and human capital are extremely important resources for strategy success, poor management is one of the main obstacles in successful strategy implementation. Mapetere et al., (2012) argued that the chief executive officer (CEO) and top management must emphasize the various interfaces within the organization. One key challenge in successful strategy implementation is ensuring employees’ buy-in and directing their capabilities and business understanding toward the new strategy. Therefore, the need for effective management outweighs any other factor. Beer and Eisenstat (2006) addressed this issue from a different perspective; they suggested that in
the absence of effective management, conflicting priorities will result in poor coordination because employees will suspect that top management prefers to avoid potentially threatening and embarrassing circumstances.

These are the expectations that people have concerning the way the manager exercises leadership. To manage is to forecast and plan to organize, to command, to co-ordinate and control. Management can be traced back to the greatest components of classical theories by scientific management and bureaucratic management by Max Weber, who contributed greatly in the field or management. Armstrong (2006) defines management as the process of getting work done through other people. It is concerned with defining ends and achieving them. Orwa (2007) says that management aims at planning, organizing, leading, controlling, directing and co-coordinating. The nature of management determines the performance of an organization and it is affected through effective utilization of resources and achieves its objective, each department should be managed effectively by defining clear procedures. Staffs should carry out their activities, monitors and evaluate results. Factors such as management skills and knowledge and lack of resources can affect the management of an organization. Poor management can lead to staff retrenchment, conflicts in an organization, low productivity and hence sales decline, misuse of the resources and generally poor performance of an organization, thus good management is necessary to sustain the performance.

Effectiveness of strategy implementation is, to a limited extent, influenced by the quality of people involved in the process (Govindarajan, 2009). Peng and Littlejohn (2006) depict quality as skills required for the implementation, attitudes of the colleagues, capacities of every person, encounters of the supervisors and different attributes of individuals required for a particular undertaking or position. Viseras, Baines, and Sweeney (2005) group 36 key success variables into three research categories: people, organization, systems in the manufacturing environment. Their intriguing findings indicate that strategy implementation success depends vitally on the human or people side of project management, and less on organization and systems related factors. Moreover, Harrington (2006) finds that a higher level in total hierarchical contribution during strategy implementation had positive effects on the level of implementation success, firm benefits and general firm success. Beside these overall findings regarding the “who” of strategy
implementation, we will now review the individual groups of strategy executors at different hierarchical levels.

Another aspect of management involves enhancing communication within the organization. According to Beer and Eisenstat (2006), blocked vertical communication has a particularly pernicious effect on a business’s ability to implement and refine its strategy. Similarly, Janis and Paul (2005) studied the link between a company’s corporate communication function and its implementation of strategy and found that CEOs focus on branding and reputation and prioritize internal communication.

Top management refers to senior-level pioneers including presidents, proprietors, and other high ranking executives (CEO, CFO, etc.) and senior-level managers. Several researchers have emphasized the impact of top management on strategy implementation (Schmidt & Brauer, 2006; Schaap, 2006). Majority of them point out the essential figurehead role of top management in the process of strategy implementation. Schmidt and Brauer (2006), for instance, take the board as one of the key subjects of strategy implementation and discuss how to evaluate board adequacy in strategy execution. Hrebinjak (2006) find that the process of interaction and participation among the top management team typically prompts to greater commitment to the firm’s goals and strategies. This, therefore, serves to guarantee the successful implementation of the firm’s chosen strategy. Smith and Kofron (2006) believe that top managers play a critical role in the implementation not just the formulation of strategy.

By bringing together a team with a variety of backgrounds, new and advanced approaches to old problems are often obtained. The scientific mind from each discipline attempts to extract the essence of the problem and relate it structurally to other similar problems. Taylor (2005) observed that in order to have all workers attaining the necessary understanding of the company vision and goals, provide commitment and actively get involved in translating the strategic plans into implementable activities with measureable results, strong and decisive leadership is needed to drive the course. Taylor contends that strategic leaders manage radical change to achieve dramatic improvements in organizational activities. Such leaders communicate internally and externally with an open management style, trying to build a new culture in which employees can feel involved. Thompson and Strickland (2007) add to this view by observing that strategic
leadership keeps organizations innovative and responsive by taking special plans to foster, nourish and support people who are willing to champion new ideas, better services, new products and product applications.

Coordination of activities, streamlining of processes, aligning the organizational structure, and keeping employees motivated and committed to strategy implementation are key responsibilities of the management. Matthias and Sascha (2008) identified the role of the board, which is to ensure consistency among resource allocation, processes, and the firm’s intended strategy. Beer and Eisenstat (2006) referred to poor coordination across functions and inadequate down-the-line management skills and development as killers of strategy implementation. Zaribaf and Bayrami (2010) categorized the management’s importance into three key roles: managing the strategic process, managing relationships, and managing manager training. In a study involving Zimbabwe’s state-owned enterprises, Mapetere et al., (2012) found that relatively low management involvement in strategy implementation led to partial strategy success in the organization studied.

Researchers have also examined the influence of hierarchical management in implementing strategies. O’Reilly et al., (2010) study concluded that it was only when leaders’ effectiveness at different levels (hierarchies) was considered in the aggregate that significant performance improvement occurred while implementing strategies. Implementation incorporates a number of aspects, some of which can be changed directly and some of which can only be changed indirectly. The latter aspects are more difficult for strategic management to control and change. While studying how implementation of competitive strategies affects business units’ performance, Menguc, Auh, and Shih (2007) argued that managers’ use of transformational management skills results in the best competitive strategies, including innovation differentiation, marketing differentiation, and low cost of the product.

2.3 Communication on Strategy Implementation
As indicated by Forman and Argenti (2005), in spite of the fact that a whole discipline is dedicated to the study of organizational strategy, including the strategy implementation, little consideration has been given to the connection amongst communication and strategy. However, Forman and Argenti in like manner observe that business communication researchers’ specialists have turned out to be more and more interested by
the commitment of corporate communication to an organization's ability to make and disperse its strategy in the most recent decade. Be that as it may, not very many authors have researched the association between corporate communication and strategy, and when they have their center has fundamentally been on how corporate communication impacts their association with its different partners.

Schottz and Schritz (2004), argue that communication are focused towards internal communications as they seek to transform their organization culture and skills not just to make more efficient and productive but to embed the kind of pervasive, transparency personal responsibility and value based decision making that organization scale authenticity requires. Due to communication, organization management increasingly looks to their customers care executives to be educators, able to teach other executives how to communicate about the company. This facilitates open discussion over matters relating to organizations operation about internally and externally and on the relationship between the organization and its customers resulting in improved working conditions and strategy implementation performance.

Moncer (2006), argue that communication involves the two ways that is between an organization and its public. It requires listening to the constituencies on which organization depends as well as analyzing and understanding the attitudes and behaviors of the audience. The strategic role of communication with responsibility from the top of the organization is becoming increasingly recognized. By the turn of the century top management will need to champion the cause of internal communication and will need to read by example. Support from the highest level of the organization is necessary to show middle management that communicating effectively is not just another initiative to live through until the next management that come along, but something that is the most important managerial activity in this company. Specialist in communication should help management think about its relationship with employees and how the latter can help to contribute to the changing organization.

With the call for innovative work, various researchers have effectively underlined the significance of communication for the process of strategy implementation (Schaap, 2006). In light of interviews with 21 presidents and 25 governmental agency heads, Alexander (2005) brings up that communication is specified more much of the time than some other
single thing advancing fruitful strategy implementation. What is into such communications incorporate plainly clarifying what new obligations, undertakings and which obligations should be performed by those representatives who are influenced. It additionally incorporates the purposes for changed occupation exercises, and all the more generally the reasons why the new vital choice was made firstly. Rapert found that organizations in which workers have admittance to administration through open and strong communication atmosphere, it has a tendency to beat those representatives with more prohibitive communication situations (Rapert et al., 2007).

Furthermore the discoveries of Peng and Litteljohn (2006) demonstrate that successful communication is a key need for viable strategy implementation. Organizational communication acknowledges a vital part in preparing, knowledge dissemination and learning amid the procedure of strategy implementation. Actually, communication is pervasive in each part of strategy implementation, as it relates astonishingly to sorting out procedures, authoritative connection and implementation destinations which, thusly, influence the methodology of implementation. Communication barriers are spoken to more a great part of the time than some other sort of obstructions, for instance, various leveled structure limits, learning blocks, for example, organizational structure boundaries, learning hindrances, work force administration boundaries, or social barriers.

Effective communication according to Saleemi (2007), increases efficiency and generally enables an industry to run more smoothly. If a company or industry employees lack communication skills, the company’s ability to work is significantly impeded. If this happens the company will falter and ultimately fail. The following are the objectives of communication towards the employees, raising morale are powerful intangible factors representing the sum of several qualities like courage resolution and confidence. It binds employees with a sense of togetherness and impels them to work in cooperation with one another in the best interest of their organization.

Connell (2006) says that, communication is the ability to transmit information in a way that the intent of it is received appropriately. To progress and accomplish a transaction communication is important when negotiating during sales, when deliveries are being made and in all aspects. It brings together the elements within a firms environmental set ensuring objective achievements with the growth of technology. It has been made easy to perform function since improved skills have been identified in order to manage strategy
implementation it is very important for organizations to have proper communication which is facilitates proper management of strategy. Organizational communication is effective in ensuring proper implementation of strategy when senior personnel within an organization in charge of communication must be key stakeholders when it comes to strategy formulation. They are supposed to be included in the strategic planning committee and given a chance to contribute on design of the strategy and how it should be implemented (Forman & Argenti, 2005).

According to Rapert et al.,(2007) the failure of an organization to communicate its position and future strategy to all employees, and the failure of that communication to be received and accepted by them, will create perception gaps, leading to ineffective execution. Achieving results through communication simply adds to the challenge of implementation.

Communication is a great importance to any organization, it aids in managerial performance and communication helps managers to diagnose the various problems faced by him and to decide on actions to be taken to solve them. Through communication, they are able to plan properly, to organize objectivity, direct decisively and control correctly. Communication also aids in understanding and acceptance of work. Barriers to communication include mechanical barriers caused by disruption and overloading channels of communication. Disruption may be due to noise in the transmission, overloading is caused by overworking. The communication channels due to an increased number of messages. Organizational barriers are caused by inadequacy of facilities bound to delay the transmission of information to delay the transmission of information by oral means through the use of face to face communication and conferences (Flippo, 2005).

As stated by Paul (2008) in effective communication, the message must be received by the intended individual or audiences. The message should be understood and believed, remembered and acted upon. Failure to accomplish any of these tasks means that the entire message fails. Without timely communication of accurate information management cannot effectively conduct its functions of organizing, directing controlling and coordinating the activities of the enterprise nor can it maintain its external relationship. It’s the function of the office to communicate the management decision to different levels of staff and outsiders. It is only through a good and effective office communication
system that leadership, good human relation, high morale and motivation in the organization can be maintained to ensure success of management objectives it’s a matter of general agreement that the main purpose of all communication in an organization is the general welfare of the organization.

Heide, Grønhaug and Johannessen’s (2007), for instance, show that there are different sorts of communication issues (without indicating what they are). These correspondence issues might be influenced to some degree by the hierarchical structure. As per Heide, Grønhaug and Johannessen research, they constitute the key limit to the implementation of orchestrated key exercises. Rapert, Velliquette & Garretson (2007) state that communication and shared understandings acknowledge an essential part in the implementation process. In particular, when vertical communication is successive, key accord (shared appreciation about vital needs) is upgraded and an association's execution makes strides. They explore vertical communication linkages as a means by which strategic consensus and performance can be enhanced.

2.4 Co-ordination of Activities on Strategy Implementation

Coordination includes the step-by-step process lay down in strategic management. Without coordination, a manager would be lost and take actions that would not benefit the organizational strategic implementation. Coordination is essential to ensure that people across the organization know what to do and also ensure that they stay focused on the objectives of the organization. Lack of coordination in organizations causes strategic implementation to take more time than originally expected.

Coordination is also important as they display the ability of a manager to lead the employees. Coordination is also important as it shows the manager’s ability to hold together the team and ensure that the employees believe that the managers have the ability to direct the team in a direction which will ensure that the strategy will be implemented in a correct way. Coordination ensures that communication among employees is effective and thus tasks will take lesser time to complete and there will be no overlapping of tasks as each person knows what they are supposed to be doing.
Coordination also improves the morale and job satisfaction of employees. When a strategy is well coordinated, the team works together effectively to ensure stability and growth of an organization. It also enhances loyalty and commitment among employees.

Nutt (2006) identified four types of implementation coordination strategies used by managers in making planned changes by profiling 91 case studies: intervention, participation, persuasion, and edict. The study found a 100 percent success rate when key executives used an intervention tactic, but observed this tactic in less than 20 percent of the cases. Both the persuasion and participation tactics had 75 percent success rates; persuasion had the highest frequency of use, 42 percent, and participation the lowest, 17 percent. Implementation by edict had a 43 percent success rate and a 23 percent frequency of use.

Nutt (2007) clarifies the four strategies as follows: Intervention alludes to strategy adjustments during the implementation stage by introducing new norms and practices. Participation comprises of articulating strategic goals and nominating a task force that develops and proposes corresponding implementation options. Persuasion consists of the tactic of utilizing the included parties to convince employees about the decided course of actions. The main mechanism for implementation in the edicts coordination (that relies on power and is characterized by absence of participation) is the issuing of directives. In another study by Nutt (2007), intervention, participation, persuasion, and edict were found to describe over 90 percent of the coordination tactics used by strategic managers. The analysis revealed that these four prototype tactics were used almost exclusively. An interventionist” approach” had the best results, but was used in only one case in five. “Persuasion” and “participation” were the next most effective tactics, whereas “edict” was least effective one.

Hofstede (2006), found that for most of the firms, due to lack of coordination, implementation took more time than originally expected and major problems surfaced in the companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in most of the firms and distractions from competing activities in some cases. In addition key tasks were not defined in enough detail and information systems were inadequate. More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of
accord including Beer and Eisenstat’s (2006) who assert that silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions.

Nutt (2006) set up a contingency framework that utilizes situational constraints, such as a manager’s freedom to act and need for consultation. It was developed to select among coordination tactics preferred by practitioners. Case studies of strategic planning were used to test the framework, finding that a high proportion of failures applied implementation tactics that differed from those recommended by the framework. A 94 percent success rate was observed when recommended tactics were used, compared to a 19 percent success rate when non-recommended tactics were used. The framework seems particularly useful in identifying conditions under which participation, persuasion and edict tactics could be profitably used.

Akan et al., (2006), studied strategic decisions in organizations located in the USA and Canada and concluded that half of the strategic decisions failed to achieve their initial objectives mainly because of the difficulties faced during strategy implementation process. Akan et al., (2006) summarized the following as the main problems of implementation: Longer process period than expected, Unexpected problems, Ineffective coordination, Distraction, Lack of preparation, External factors, Leadership problems, Key people leaving the organization, Lack of clarity in objectives, Poor communication, Conflicting priorities, Poor management, Interfunctional conflict, Unclear strategies, Lack of stakeholder commitment, Failure to understand progress, Lack of employee commitment and Inadequate resources.

Okumu (2003), found that the main restrictions to the implementation of strategy include; incoordination and support from other levels of management and resistance from lower levels and poor planning activities. Johnson and Scholes (2008) identified various reasons why strategies fail as such as unexpected market changes, lack of senior management support, effective competitor responses to strategy, utilization of insufficient resources, failure of purchasing, understanding and or communication, timeliness and distinctiveness, lack of focus, and bad strategy poorly conceived business models. Sometimes strategies fail because they are simply poorly planned.
Lehner (2004) takes implementation coordination tactics as genuine organizational behavior based on the assumption that implementation in general is dependent on the environment, and various strategic and organizational variables. He views the study of Bourgeois III and Brodwin (2007) as the first attempt to explicitly link behavioral patterns to the context of strategic management. These patterns are referred to as implementation tactics. Although, Lehner (2004) believes that Bourgeois III and Brodwin were not successful in linking their concept of coordination tactics to other conceptualizations of organizational behaviors, especially with regard to organizational leadership, nor did their framework lead to any empirical studies.

On the basis of the study of Bourgeois and Brodwin (2007), Lehner (2004) proposes five implementation coordination tactics: command, change/politics, culture, collaboration and market. Command and politics/change are both somewhat dictatorial. They can be subsumed under the label ‘tell/sell’ (Lehner, 2004). In contrast, both collaboration and the market as implementation tactics utilize participation to a high degree and in a way which gives subordinate groups a strong voice. It also gives them the possibility to influence the selected courses of action. Only culture as an implementation coordination tactic remains as a single category, which forms an independent dimension by being close to transformational leadership.

Sashittal&Wilemon (2006) take marketing implementation as their research focus. They focus on the point that marketing requires frequent interactions with nearly all functional groups including R&D, engineering, manufacturing, sales and customer service in order to ensure smooth marketing implementation. Marketing professionals often use a variety of tactics to achieve the cooperation of other groups: persuasion, team work, negotiation, commonality of goals, and total quality management methods. Akan, Allen, Helms and Spralls III (2006) discuss four generic strategies (differentiation strategy, cost leadership strategy, focus/cost strategy, focus/ differentiation strategy) and their respective key practices. A number of coordination tactics are necessary to follow a given generic strategy: for a differentiation strategy, the tactics include: innovation in marketing technology and methods, fostering innovation and creativity and a focus on building high market share; the tactic that proved to be most critical for a cost leadership strategy is the minimization of distribution costs.
2.5 Organizational Culture on Strategy Implementation

According to Sackman (2008) organizational culture is the basic commonly held and learned by a group that governs the group members’ perception, thoughts, feelings and actions, and that are typical for the group as a whole. It represents a complex pattern of beliefs, expectations, ideas, values, attitudes, and behaviors shared by the members of an organization that evolve over time. Pearce and Robinson (2006) refer to Organizational culture as the set of important assumptions (often unstated) that members of an organization share in common. Every organization has its culture. An organization’s culture is similar to an individual’s personality an intangible yet ever-present theme that provides meaning, direction, and the basis for action. In much the same way as personality influences the behaviour of an individual, the shared assumptions (beliefs and values) among a firm’s members influence opinions and actions within that organization.

People from cultures that view relationships in terms of hierarchy have a preference for highly structured teams. People from cultures that see relationships in terms of groups want teamwork to be the norm and people from cultures that emphasize the individual feel most comfortable with voluntary and informal teams. Mixing these culture types can have a significant impact on an organization (Perkins, 2008).

Organizational culture is not the same as corporate culture. It is wider and deeper concepts, something that an organization 'is rather than what it 'has', culture is the total sum of the values, customs, traditions and meanings that make a company unique. Corporate culture is often called the character of an organization since it embodies the vision of the company's founders. The values of a corporate culture influence the ethical standards within a corporation, as well as managerial behavior. Senior management may try to determine a corporate culture. They may wish to impose corporate values and standards of behavior that specifically reflect the objectives of the organization. In addition, there will also be an extant internal culture within the workforce. Work-groups within the organization have their own behavioral quirks and interactions which, to an extent, affect the whole system. For example, computer technicians will have expertise, language and behaviors gained independently of the organization, but their presence can influence the culture of the organization as a whole (Chester, 2009).

Only by changing organizational culture, can an organization gradually change the pattern of interaction between people, technologies, and techniques, because the core
competencies of an organization are entrenched deep into organizational practice (Bhatt, 2005). Culture is perhaps the most influential factor in promoting or inhibiting the practice of strategy implementation (Davenport et al., 2008). Every organization’s culture is distinctive, and this distinctive organizational culture differentiates members of one group and the other. Chase (2007) indicates that, many studies have contended that culture is a key factor in determining the effectiveness of strategy implementation. This therefore means that corporate culture affects the successful implementation of organizations strategic plans. Owing to the highly influential nature of a culture to the success of strategy implementation, Davenport et al., (2008) asserted that organizations should ensure that their strategy initiatives fit into their organizational culture, or else they should be prepared to change it. The growth of knowledge requires supportive environment, favorable culture. One of the issues of sharing knowledge in an organizational context is related to the right corporate environment and conditions (Riege, 2006).

In comparing cultures of different countries, cross-cultural researchers have paid more attention to examination of a set of cultural value dimensions developed by Hofstede (2006). Dominant value systems of different countries can be ordered along Hofstede’s set of cultural value dimensions (Hofstede, 2006). People’s main value systems have been crystallized in the institutions these people have built together: their family structures, educational structures, religious organizations, associations, forms of government, work organizations, law, literature, settlement patterns, and buildings. All of these reflect common beliefs that arise from the common culture. Whereas the value systems affect human thinking, feeling, action, and the behavior of organizations and institutions in predictable ways, the value dimensions reflect basic problems that any society has to cope with but for which solutions differ from country to country (Hofstede, 2006).

Only by changing organizational culture, can an organization gradually change the pattern of interaction between people, technologies, and techniques, because the core competencies of an organization are entrenched deep into organizational practice (Bhatt, 2005). Culture is perhaps the most influential factor in promoting strategy implementation (Rugman, 2008). Every organization’s culture is distinctive, and this distinctive organizational culture differentiates members of one group and the other. Grundy (2005) indicates that, many studies have contended that culture is a key factor in determining the
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Empirical investigations suggest that the promotion of an innovation enabling culture requires senior leaders’ support and involvement (Jassawalla & Sashittal, 2005). Farson and Keyes (2007), for example, suggest that fostering failure tolerance is an important means of promoting an innovation enabling culture. And to foster failure tolerance requires that leaders are engaged, show interest in people’s work by asking pertinent questions, express support and give feedback, and are collaborative rather than controlling.

Teece et al., (2007) and Chow, Shields and Chan (2006) support the application of Hofstede’s (2006) cultural value dimensions because Hofstede’s empirical results have been applied at the national level in fifty countries and three regions. On the contrary, unlike Hofstede’s approach, Kluckhohn and Strodtbeck (2006) value orientations’ approach does not aggregate work preference across a range of discrete psychological variables (attitudes, work values, sources of satisfaction). Hence, Kluckhohn and Strodtbeck’s approach is suitable for a study examining job involvement as an outcome but not appropriate for studies examining work involvement (Byson & Roeing, 2005). Job involvement is a specific belief regarding an individual worker’s identification with his or her current job.

One of the real difficulties in strategy implementation appears to be more cultural and behavioral in nature, including the effect of poor reconciliation of activities and diminished sentiments of proprietorship and commitment (Lampel, 2006). Wheelen and Hunger (2008), in the meantime, distinguish the destructive sins of strategy implementation which involve: an absence of perception of how the strategy ought be actualized; customers and staff not completely welcoming the technique; troubles and hindrances not recognized, perceived or followed up on; and disregarding the everyday business goals. Marginson, (2007) battle that strategy implementation advances either from a procedure of winning group commitment through a coalitional type of basic
leadership, or as an aftereffect of complete coalitional association of implementation staff through a solid corporate society.

By providing employees with opportunities to explore, investigate and experiment, bounded delegation leadership creates an entrepreneurial organization culture that fosters innovative behavior (Sackmann, 2006). In an entrepreneurial culture members of the organization identify opportunities and risks based on their perceptions of the internal and external organizational environment, integrate available resources, and bring in other individuals to enable them to undertake creative and innovative ventures (Chen, 2007).

In organizations embracing the social model that stresses a lower level worker participation in both strategy definition and implementation there is partition of "masterminds" and "practitioners". It looks to actualize strategy through the imbue ment of corporate society all through the firm. The social model negates and challenges the essential targets from the financial point of view of a firm (Bateman, 2008). A "tribe like" association is relied upon to win, where an intense society results in workers adjusting their individual objectives and practices with those of the firm. Nonetheless, an abnormal state of authoritative slack is expected to ingrain and keep up a social model. This model has a few constraints: it assumes well-informed and intelligent participants; firms with this model tend to float and lose center; expense of progress in society frequently comes at a high cost; expanded homogeneity can prompt lost assorted qualities, and innovativeness thus (Bateman, 2008).

2.6 Chapter Summary
This chapter provides a literature review as per the research objective; an introduction to the literature review was given. Review of past studies was done to the specific objectives of this research which were commitment of top level management, communication, coordination of activities and organizational culture and towards the end of this chapter a summary of the chapter is provided.

The next chapter which is chapter three will cover the research methodology and procedures to be used for the purpose of data collection.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This study tried to break down the variables influencing strategy implementation in Microfinance institutions. It includes an outline for the accumulation, estimation and investigation of information. Along these lines in this segment the researcher recognized the methodology and procedures that were utilized as a part of the gathering, handling and investigation of data.

3.2 Research Design
This research study received an engaging review approach on the variables affecting strategy implementation in MFIs. The descriptive design was regarded appropriate in light of the fact that the primary interest was to develop the relationship and inspect how the elements maintained matters under investigation in one association. A descriptive study conducted by Kothari (2006), concentrated on the importance of finding the what, where and how of a phenomenon. Descriptive research design was picked on the grounds that it enabled the specialist to whole up the discoveries to a bigger populace.

A research conducted by Mugenda and Mugenda (2003) shows that it is essential and legitimate to use data where subjects are seen in either fundamental set ups without controlling the environment. It can be used when gathering data about individuals' dispositions and assessments. It is a productive approach to gain data expected to depict the states of mind, conclusions and perspectives of administration staff in MFIs on the segments impacting strategy implementation.

3.3 Population and Sampling Design
3.3.1 Target Population
Study population is an all-around described or specified set of people, get-together of things, households, firms, organizations, elements or occasions which are being explored. Along these lines, the population ought to fit a specific particular, which the analyst is concentrating on and the population ought to be homogenous (Cox, 2004). This study targeted all the MFI’s in Nairobi. These were 36 MFI as per the list of MFIs by the Association of Micro Finance Institutions of Kenya (AMFI) 2011. The researcher
targeted the managers of these MFIs who made a total of 300 respondents. This population provided a significant representation of the whole country, Kenya.

Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Category</th>
<th>Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top level managers</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td>Middle level managers</td>
<td>87</td>
<td>29</td>
</tr>
<tr>
<td>Low level managers</td>
<td>183</td>
<td>61</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>300</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Author (2016)

3.3.2 Sampling Design
3.3.2.1 Sampling Frame
A sampling frame is the source material or device from which a sample is drawn. It is a rundown of each one of those inside a population who can be sampled, and may fuse individuals, households or institutions (Chandran, 2004). Cooper and Schindler (2010) characterizes a sampling frame as the rundown of components from which a sample was drawn. A sampling frame gives a means for picking the specific members from the target population that are to be interviewed in the survey. The sampling frame of this study was departmental managers of microfinance institutions in Nairobi.

3.3.2.2 Sampling Technique
In this study stratified and simple random sampling was utilized to pick the items that represented the population. There were regularly figures which isolated the population into sub-populations. This was spoken to for when we picked a sample from the populace. With the end goal to obtain a sample that is an agent of the populace stratified method sampling was used. A stratified specimen was acquired by taking examples from every stratum or sub-stratum of a population. A populace with a couple strata was required to have the level of each stratum in the sample; this was the same as in the population. Utilizing this strategy, the sample was separated into different strata's at the association, consequently the divisions was by working departments. Its influence was that; the expense for each observation in the survey was decreased, and that assessments of the parameters were utilized for each sub-population. Notwithstanding that, the examining
strategy ensured that all individuals from the population were consolidated in the study. A random sample was favored in light of the conviction that it was free from bias and consequently every unit had an opportunity to be combined into the sample.

3.3.2.3 Sample Size
The researcher concentrated on all the MFI's in Nairobi. In any case, from the conceivable 300 target population, random sampling was used to choose managers from each of these MFIs and acquire a sum of 90 test population. This was 30% of the aggregate population. Kothari (2006) fights that if well picked; samples of around 30% of a populace can much of the time give great unwavering quality discoveries. Moreover Mugenda and Mugenda (2003) state that in stratified sampling where population inside every strata is known, a specimen of 30% is sufficient representation for data gathering. The managers were esteemed appropriate for the study as they have better knowledge and awareness on the issue being referred to and would give particular data from an management point of view. This presented in the following table;

Table 3.2 Sample Size

<table>
<thead>
<tr>
<th>Category</th>
<th>Population</th>
<th>Sample Ration</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top level managers</td>
<td>30</td>
<td>0.3</td>
<td>9</td>
</tr>
<tr>
<td>Middle level managers</td>
<td>87</td>
<td>0.3</td>
<td>26</td>
</tr>
<tr>
<td>Low level managers</td>
<td>183</td>
<td>0.3</td>
<td>55</td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td>0.3</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: Author (2016)

3.4 Data Collection Methods and Instruments
Cox (2004) describes various techniques for data collection. The choice of an apparatus and instrument depends basically on the characteristics of the subjects, research point, issue question, targets, plan, expected information and results. This is on account of every tool and instrument gathers particular information.
Primary data was collected directly from respondents and for this study the researcher used a questionnaire. The questionnaire involved close and open finished inquiries. The research instruments were sorted in view of the goals of the study. The questionnaire comprised of two areas, where the initial portion for the most part contained data on the organization foundation which is the sexual orientation, level of education and age. This empowered the researcher to know the nature of the departments, while the second part focused on strategy implementation at MFI. This enabled the researcher to be in a position to analyze the components influencing strategy implementation at MFI and any other variable not specified in the study.

3.4.1 Research Instruments

The researcher distributed a survey instrument (questionnaire) to every individual from the sample population. Secondary data was also gathered in a similar way for this study. This information was helpful for creating extra data for the study from officially archived information or accessible reports especially from the organization's sites. Cooper and Schindler (2010) further clear up that auxiliary information is a valuable quantitative system for assessing verifiable or contemporary private or open records, reports, government archives and sentiments. Fisher (2007) conclude that, numerical records can in like manner be seen a sub classification of chronicles and that such record solidify figures, reports and spending plans. This fundamentally infers the fuse of significant statistical information in the study.

3.5 Research Procedures

Uma (2006) trusts that questionnaires are particularly profitable in light of the fact that they are productive "as far as (a) researcher time, (b), researcher exertion, and (c), monetary assets." Although, He likewise dissect the real drawbacks of surveys: the straightforwardness of answers yielded, the issues of respondents who are unmotivated or untrustworthy, the well-known radiance impact, the passive consent and distinction predispositions, issues concerning self-double dealing and respondent education, and the impact of weakness in situations where the survey is long. In order to achieve the end objectives, the examination used both structured and semi structured questionnaires.

The closed ended questionnaire items were joined into solicitation to constrain irrelevance to the questionnaire goals, and open ended questions were planned to upgrade
clarity of the reactions amid the meetings. As showed by (Bailey et al., 2008) surveys made every respondent react to the arrangement of questions and give productive method for gathering responses from an expansive specimen preceding the quantitative examination. In like way, in applying descriptive design, secondary and primary information was critical for reasons for correlation particularly with optional information which included document reviews.

The researcher administered the research instruments individually to a sample of 90 management staffs currently working in all the 36 MFIs in Nairobi. All care and control was ensured by the researcher to make sure all questionnaires were issued to the respondents and to finish this, a register of questionnaires which were distributed and those which were received was kept.

3.6 Data Analysis Methods
Quantitative data gathered from the questionnaires was analyzed by the utilization of descriptive statistics utilizing SPSS (Statistical Package for Social Sciences) and was portrayed through rates, means and frequencies and this was further shown by use of frequency tables and charts. Data gained from open ended questions was examined using content investigation. As showed to Kirk and Miller (2006), content investigation uses an arrangement of classification for making real and replicable conclusions from data to their connection. This ensured that a precise and qualitative description of the objectives of the study was gained. The researcher likewise led a multiple regression investigation all together to decide the relationship between strategy implementation and the variables of the study. The regression equation that guided the study was ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$):

Whereby $Y =$ Strategy Implementation  
$X_1 =$ Top Management Commitment  
$X_2 =$ Communication  
$X_3 =$ Coordination of Activities  
$X_4 =$ Organizational Culture;

and $\beta_0$, $\beta_1$, $\beta_2$, $\beta_3$ and $\beta_4$ are the regression equation coefficients for each of the variables discussed.
3.7 Chapter Summary

The chapter provides a delineation of the research methodology that was used in this study. The section incorporated a prologue to the part, the research design which was main part descriptive research design which was used in the study, the population and sampling design, data collection methods and instruments whereby questionnaires were our primary instruments of information collection in the study, a pilot study and finally the data analysis methods whereby the collected data were analyzed by the use of descriptive statistics using SPSS.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter presents the findings of the data that was collected from the top level management, middle level management and low level management of employees working in Microfinance institutions. These are. The study was an investigation of the factors affecting strategy implementation in MFIs. The data collected is analyzed, presented and interpreted. The analysis was presented in form of graphs, tables, charts and qualitative statement after proper and essential editing and examination of the data from the respondent was done. There were 85 respondents out of the total sample targeted of 90 people. This is equivalent to 93% of the target group. The discussion found in this chapter is based on the results or the output of the SPSS.

4.2 Results and Discussion
This part provides the results and discussion of the outcome and data analysis of this study. This is based on the questions and research objectives of the study which is to investigate the factors affecting strategy implementation in microfinance institutions.

4.2.1 Response Rate
Out of the sample size of 90 comprising of top level management, middle level management and low level management, 5 top managers responded, 24 middle management responded and 56 low level managers also responded. This composition of respondents is important since it represent all categories that deal with the microfinance institutions.

4.2.2 Target Market/Demographic Information.
The target market or clientele at inception of the microfinance was the women and women groups. These include small groups, middle size groups as well as individual women. However this has changed and more categories of members have been incorporated. These are salaried persons, business persons, and self-help groups among others. The incorporation of these other groups has made micro finances cope with the liberalization whereby the market is open to competition.
4.3 Gender of the Respondent

The chart above shows that 52% of the respondents are female while 48% of the respondents are male. This implies that there was a big proportion of women than men.

4.4 Marital Status

The study shows that there are single as well as married respondents.

Figure 4.2 shows that 62.4% of the respondents are single while the 37.6% of the respondents are married.
4.5 Education Level of Respondent

Table 4.1 Education Level of Respondent

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CERTIFICATE</td>
<td>10</td>
<td>18.8</td>
</tr>
<tr>
<td>DIPLOMA</td>
<td>34</td>
<td>40.0</td>
</tr>
<tr>
<td>DEGREE</td>
<td>25</td>
<td>29.4</td>
</tr>
<tr>
<td>MASTERS</td>
<td>16</td>
<td>11.8</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Author (2016)

The table above shows that most of the respondents are holders of diploma (40% of the respondents) while 29.4% are holders of degrees. The study also shows that 18.8% of the respondents are certificate holders. Another group of respondents stated that they hold certificates. Only 11.8% of the respondents are masters’ holders. This implies that majority of the respondents were well educated and therefore could be relied upon to give good responses.

4.6 Age of the Respondents

The statistics for the respondents is shown in the pie chart below.

Figure 4.3 Age of the Respondents

Source: Author (2016)

The chart shows that majority of the respondents are of the age 18-25 which is represented by 31.8% followed by the age group 34-41 years which is 30.6% of the respondents. Another category of respondent is between 42-49 years, this is represented
with 11.8% while there is another group of between 26-33 years which is represented by 25.9% of the respondents.

4.7 Commitment of Top Management

4.7.1 The Commitment of Top Management Affects Strategic Implementation

Figure 4.4 Effects of Commitment of Top Management

Source: Author (2016)

Figure 4.4 shows that most of the respondents stated that the commitment of top level management contribute heavily on strategy implementation. This is represented by 74.9% of the respondents while 25.1% of the respondent stated that there is no influence of commitment of top management on strategy implementation. This shows that the commitment of top level management contributes towards strategy implementation.

4.7.2 Top Management’s Commitment to the Strategic Direction is Important

According to the above graph, majority of the respondents stated that top management’s commitment to the strategic direction is important. This is represented by 51.8% of the respondents while 17.6% of the respondent also agreed that that top management’s commitment to the strategic direction is important. This shows that the top management’s commitment to the strategic direction contribute greatly on strategy implementation.
Figure 4.5 Top Management Commitment is Important
Source: Author (2016)

4.7.3 Managers are willing and loyal to strategy implementation

From the above bar chart, it’s clear that that majority of the respondents stated that managers are willing and loyal to strategy implementation. This is represented by 45.8% of the respondents while 18.6% of the respondent also agreed that managers are willing and loyal to strategy implementation. This shows that manager’s willingness and loyalty contribute towards strategy implementation.
4.7.4 Lack of top management backing is the main inhibiting factor

Figure 4.7 Lack of top management backing in strategy implementation

Source: Author (2016)

Figure 4.7 shows that most of the respondents strongly disagreed that top management lack backing in strategy implementation (43.5% of the respondents). It’s also clear from the study that some respondents disagreed that top management lack backing in strategy implementation as per 20% of the respondents. The study also shows that 11.8% of the respondents agreed that top management lack backing in strategy implementation; this is according to 11.8% of the respondents. According to this data, top management doesn’t lack backing in strategy implementation.
4.7.5 Department heads do not give their subordinates support

Table: 4.2 Procedures are followed

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid STRONGLY DISAGREED</td>
<td>40</td>
<td>47.1</td>
</tr>
<tr>
<td>DISAGREED</td>
<td>21</td>
<td>24.7</td>
</tr>
<tr>
<td>STRONGLY AGREED</td>
<td>13</td>
<td>19.3</td>
</tr>
<tr>
<td>NOT SURE</td>
<td>5</td>
<td>1.9</td>
</tr>
<tr>
<td>AGREED</td>
<td>6</td>
<td>7.1</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Author (2016)

The table above shows that most of the respondents stated that they disagree that department heads do not give their subordinates support and this is represented by 41.1% of the respondents while 24.7% of the respondents stated that they disagree that department heads do not give their subordinates support. The 19.3% of the respondents agreed that department heads do not give their subordinates support. This shows that department heads give their subordinates support in strategic implementation.

4.8 Communication in Strategy Implementation

4.8.1 Is communication a key success factor within strategy implementation?

Figure 4.8 Communication in Strategy Implementation

Source: Author (2016)

The pie chart shows that communication is a key success factor within strategy implementation. This is as per 78% of the respondents. A small proportion of the
respondents stated that communication is not a key success factor within strategy implementation and this is as per 22% of the respondents. Thus it is clear that communication is a key success factor within strategy implementation.

4.8.2 Communication with employees is frequently delayed

![Figure 4.9 Delay of Communication with Employees](image)

**Figure 4.9 Delay of Communication**

**Source: Author (2016)**

The figure above shows that most of the respondents strongly disagreed that communicating with employees is frequently delayed. This is supported by 62.4% of the respondents. The 15.5% of the respondents stated that they are not sure whether communicating with employees is frequently delayed, only 8.2% agreed that there are some delays in communication. This implies that communication with employees is not delayed.
4.8.3 Challenge of two-way communication

Table 4.3 Challenge of two-way communication

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>STRONGLY AGREED</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>AGREED</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>NOT SURE</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>DISAGREED</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>STRONGLY DISAGREED</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>85</td>
</tr>
</tbody>
</table>

Source: Author (2016)

The table shows that most of the respondents strongly agreed that there is a challenge of two-way communication. This is supported by 38.8% of the respondents. The 23.5% of the respondents agreed that there is a challenge of two-way communication. But 16.5% disagreed that there is a challenge of two-way communication. Therefore strategy implementers are present.

4.8.4 There is generally lack of communication

![Figure 4.10 Lack of Communication](source)

Source: Author (2016)

The above chart shows that most of the respondents strongly agreed that there is generally lack of communication. This is supported by 62.4% of the respondents. The 14.1% of the
respondents agreed that there is generally lack of communication. But 11.8% disagreed that there is lack of communication. Therefore communication is a factor in strategy implementation.

4.8.5 An integrated communications plan was developed

Table 4.4 Development of Integrated Communication Plan

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid STRONGLY DISAGREED</td>
<td>9</td>
<td>10.6</td>
</tr>
<tr>
<td>DISAGREED</td>
<td>12</td>
<td>14.1</td>
</tr>
<tr>
<td>NOT SURE</td>
<td>13</td>
<td>15.3</td>
</tr>
<tr>
<td>AGREED</td>
<td>16</td>
<td>18.8</td>
</tr>
<tr>
<td>STRONGLY AGREED</td>
<td>35</td>
<td>41.2</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Author (2016)

According to the table above, most of the respondents strongly agreed an integrated communications plan was developed at the organization to enhance strategy implementation. This is supported by 41.2% of the respondents. The 18% of the respondents agreed that the plan was developed to enhance strategy implementation. But 14.1% disagreed that an integrated communications plan was developed at the organization to enhance strategy implementation.
4.9 Co-Ordination of Activities

4.9.1 Co-Ordination of Activities

![Co-ordination of Activities](image-url)

**Figure 4.11 Co-Ordination of Activities**

*Source: Author (2016)*

Majority of the respondents stated that coordination of activities affects strategy implementation. This is supported by 62.4% of the respondents, while 37.6% of the respondents stated that coordination of activities does not affect strategy implementation.

### 4.9.2 Extent to which coordination of activities affect strategy implementation

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOT AT ALL</td>
<td>7</td>
<td>8.2</td>
</tr>
<tr>
<td>LESS EXTENT</td>
<td>5</td>
<td>5.9</td>
</tr>
<tr>
<td>MODERATE EXTENT</td>
<td>12</td>
<td>14.1</td>
</tr>
<tr>
<td>GREAT EXTENT</td>
<td>20</td>
<td>23.5</td>
</tr>
<tr>
<td>VERY GREAT EXTENT</td>
<td>41</td>
<td>48.2</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Source: Author (2016)*

It is clear from the table above that most of the respondents’ strongly agreed that coordination of activities affect strategy implementation. This is supported by 48.2% of
the respondents. The 23.5% of the respondents were of the opinion that coordination of activities to a great extent affect strategy implementation. But 8.2% strongly did not agree that coordination of activities affect strategy implementation only 5.9% of the members were of the opinion that coordination of activities affect strategy implementation to a less extent.

4.9.3 There is adequate coordination of activities

![Adequate Co-ordination of Activities](image)

**Figure 4.12 Adequate Coordination of Activities**

**Source: Author (2016)**

The graph shows that most of the respondents strongly agreed that there is adequate coordination of activities. This is supported by 50.6% of the respondents. The 24.7% of the respondents agreed there is adequate coordination of activities. But 11.9% strongly disagreed that there is adequate coordination of activities. Therefore strategy implementation is diverted by the coordination of activities.
4.9.4 Strategic control system existence

The above figure shows that most of the respondents’ strongly agreed that there exists strategic control systems providing a mechanism for keeping today's actions in congruence with tomorrow's goals. This is supported by 61.2% of the respondents. The 11.8% of the respondents agreed that there exist strategic control systems. But 14.1% strongly disagreed that there exists strategic control systems. Therefore majority of respondents were in agreement that there exist strategic control systems providing a mechanism for keeping today's actions in congruence with tomorrow's goals.

4.9.5 There exists some coordination problems

The above figure shows that most of the respondents’ strongly agreed that there exists strategic control systems providing a mechanism for keeping today's actions in congruence with tomorrow's goals. This is supported by 61.2% of the respondents. The 11.8% of the respondents agreed that there exist strategic control systems. But 14.1% strongly disagreed that there exists strategic control systems. Therefore majority of respondents were in agreement that there exist strategic control systems providing a mechanism for keeping today's actions in congruence with tomorrow's goals.
It’s clear from the above chart that most of the respondents strongly agreed that there exists some coordination problems. This is supported by 54% of the respondents. The 24% of the respondents agreed that there exist some coordination problems. But 4.1% strongly disagreed that there exists some coordination problems.

4.9.6 Key tasks are well defined

![Pie chart showing responses to key tasks being well defined](source)

**Figure 4.15 Key tasks are well defined**

**Source:** Author (2016)

The chart shows that most of the respondents strongly agreed that key tasks are well defined and information systems are adequate in strategy implementation. This is supported by 36.5% of the respondents. The 21% of the respondents agreed that key tasks are well defined. But 10.6% strongly disagreed that key tasks are well defined and information systems are adequate in strategy implementation.
4.10 Organizational Culture

4.10.1 Does organizational culture affect strategy implementation?

Table 4.6 Organizational Culture

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>YES</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>NO</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>85</td>
</tr>
</tbody>
</table>

Source Author (2016)

The table shows that 70.6% of the respondents stated that organizational culture affect strategy implementation while 29.4% of the respondents stated that organizational culture affect strategy implementation.

4.10.2 Lack of understanding of strategy implementation

![Lack of understanding of strategy implementation](source)

Figure 4.16 Lack of understanding of strategy implementation

Source: Author (2016)

The chart shows that most of the respondents’ strongly disagreed that there is lack of understanding of strategy implementation. This is supported by 43.5% of the respondents. The 25.9 % of the respondents disagreed that there is lack of understanding of strategy implementation. But 9.4 % strongly agreed that there is lack of understanding of strategy implementation.

4.10.3 Customers and staff not fully appreciating the strategy
Table 4.7 Customers and staff not fully appreciating the strategy

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>STRONGLY DISAGREED</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>DISAGREED</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>AGREED</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>NOT SURE</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>STRONGLY AGREED</td>
<td>41</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>85</td>
</tr>
</tbody>
</table>

Source Author (2016)

The table shows that 48.2% of the respondents’ strongly agreed that customers and staff do not fully appreciate the strategy. The 37% of the respondents agreed that customers and staff do not fully appreciate the strategy. But 8.2% of the respondents disagree that customers and staff do not fully appreciate the strategy. Only 4.7% strongly disagreed that customers and staff do not fully appreciate the strategy. The 1.8% of the respondents stated that they are not sure.

4.10.4 Ignoring the day-to-day business imperatives

Figure 4.17 Ignoring the day-to-day business imperatives

Source: Author (2016)
The graph shows that 60% of the respondents’ strongly agreed that ignoring the day-to-day business imperatives affects strategy implementation. The 17.6% of the respondents agreed that ignoring the day-to-day business imperatives affects strategy implementation. But 11.8% of the respondents disagree that ignoring the day-to-day business imperatives affects strategy implementation. Only 11.8% strongly disagreed that ignoring the day-to-day business imperatives affects strategy implementation. The 1.8% of the respondents stated that they are not sure.

4.10.5 Managers are free to make decisions

![Managers are free to make decisions](Figure 4.18)

**Source:** Author (2016)

The graph shows that 51% of the respondents’ strongly agreed that managers are free to make decisions. However 27.6% of the respondents agreed that managers are free to make decisions. But 13.8% of the respondents are not sure whether that is the case. Only 9.8% strongly agreed that managers are free to make decisions. The 2% of the respondents stated that they strongly disagreed.
4.11 Further Analysis

Table 4.8 Analysis of Commitment of Top Management

<table>
<thead>
<tr>
<th></th>
<th>Top management’s commitment to the strategic direction is important</th>
<th>Top managers usually demonstrate their willingness and loyalty</th>
<th>Lack of top management backing is the main inhibiting factor</th>
<th>Department heads do not give their subordinates support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management’s commitment to the strategic direction is important</td>
<td>Pearson Correlation: 1</td>
<td>.908</td>
<td>.746</td>
<td>.911</td>
</tr>
<tr>
<td></td>
<td>P-value: .012</td>
<td></td>
<td>.023</td>
<td>.015</td>
</tr>
<tr>
<td>Top managers usually demonstrate their willingness and loyalty</td>
<td>Pearson Correlation: .908</td>
<td>1</td>
<td>-.375(*)</td>
<td>.949</td>
</tr>
<tr>
<td></td>
<td>P-value: .012</td>
<td></td>
<td>.026</td>
<td>.000</td>
</tr>
<tr>
<td>Lack of top management backing is the main inhibiting factor</td>
<td>Pearson Correlation: .746</td>
<td>-.375(*)</td>
<td>1</td>
<td>-.457</td>
</tr>
<tr>
<td></td>
<td>P-value: .023</td>
<td></td>
<td>.026</td>
<td>.006</td>
</tr>
<tr>
<td>Department heads do not give their subordinates support</td>
<td>Pearson Correlation: .911</td>
<td>.949</td>
<td>-.457</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>P-value: .015</td>
<td></td>
<td>.000</td>
<td>.006</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).

From table 4.8, the results shows that commitment of top management is positive and significantly (p value, 0.012) related to strategy implementation. The table also shows that lack of top management backing is the main inhibiting factor, hence it is positive and
significantly (p-value, 0.023), further, it is also established that department heads do not give their subordinates support,(p-value 0.015).

**Table 4.9 Communication in Strategy Implementation**

<table>
<thead>
<tr>
<th>Top management’s commitment to strategic implementation is important</th>
<th>Top managers usually demonstrate their willingness</th>
<th>Lack of top management backing is the main inhibiting factor</th>
<th>Department heads do not give their subordinates support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.908</td>
<td>.776</td>
</tr>
<tr>
<td>p-value</td>
<td>.</td>
<td>.038</td>
<td>.019</td>
</tr>
<tr>
<td>Top managers usually demonstrate their willingness</td>
<td>Pearson Correlation</td>
<td>.908</td>
<td>1</td>
</tr>
<tr>
<td>p-value</td>
<td>.038</td>
<td>.</td>
<td>.026</td>
</tr>
<tr>
<td>Lack of top management backing is the main inhibiting factor</td>
<td>Pearson Correlation</td>
<td>.776</td>
<td>-.375(*)</td>
</tr>
<tr>
<td>p-value</td>
<td>.019</td>
<td>.026</td>
<td>.</td>
</tr>
<tr>
<td>Department heads do not give their subordinates support</td>
<td>Pearson Correlation</td>
<td>.811</td>
<td>.949</td>
</tr>
<tr>
<td>p-value</td>
<td>.024</td>
<td>.000</td>
<td>.006</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).

The results from Table 4.9 above shows that effect of communication on strategy implementation is positive and significantly (p-value 0.038) related to strategy
implementation. It was established also from table 4.9 that lack of top management backing is the main inhibiting factor is positive and significantly (p-value, 0.019) related to strategy implementation. The results from the table also shows that department heads not giving their subordinates support is positive and significantly (p-value, 0.024) related to strategy implementation. Hence we conclude that there is a strong relationship between communication and strategy implementation in MFIs.

Table 4.10 Analysis of Co-Ordination of Activities

<table>
<thead>
<tr>
<th></th>
<th>There is adequate coordination of activities</th>
<th>Strategic control systems exists</th>
<th>There exists some coordination problems</th>
<th>Key tasks are well defined</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is adequate</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.988(**)</td>
<td>.963(**)</td>
</tr>
<tr>
<td>coordination of activities</td>
<td>p-value</td>
<td>.014</td>
<td>0.044</td>
<td>0.019</td>
</tr>
<tr>
<td>Strategic control systems exists</td>
<td>Pearson Correlation</td>
<td>.988(**)</td>
<td>1</td>
<td>-.903(**)</td>
</tr>
<tr>
<td></td>
<td>p-value</td>
<td>.011</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>There exists some</td>
<td>Pearson Correlation</td>
<td>.766(**)</td>
<td>-.903(**)</td>
<td>1</td>
</tr>
<tr>
<td>coordination problems</td>
<td>p-value</td>
<td>.044</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Key tasks are well</td>
<td>Pearson Correlation</td>
<td>.963(**)</td>
<td>.950(**)</td>
<td>-.872(**)</td>
</tr>
<tr>
<td>defined</td>
<td>p-value</td>
<td>.019</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

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

From table 4.10 the results shows that co-ordination of activities is positive and significantly (p-value, 0.011) related to strategy implementation among Microfinance Institutions. The results from the table also established that existence of some
coordination problems is positive and significantly (p-value, 0.044) related to strategy implementation although not strongly related. On the other hand, the result from table 4.10 also shows that key tasks are well defined is positive and significantly (p-value, 0.019) related to strategy implementation. Generally, we conclude that there is a strong relationship between the co-ordination of activities and strategy implementation.

Table 4.11 Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Un-standardized</th>
<th>Standardized</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coefficients</td>
<td>Coefficients</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>Constant</td>
<td>.614</td>
<td>.394</td>
</tr>
<tr>
<td>Commitment of Top</td>
<td>.263</td>
<td>.067</td>
</tr>
<tr>
<td>Management</td>
<td>.111</td>
<td>.056</td>
</tr>
<tr>
<td>Communication</td>
<td>.233</td>
<td>.079</td>
</tr>
<tr>
<td>Coordination of Activities</td>
<td>.010</td>
<td>.058</td>
</tr>
</tbody>
</table>

From the data in the above table the established regression equation was:

\[ Y = 0.614 + 0.263 X_1 + 0.111 X_2 + 0.233 X_3 + 0.010 X_4 \]

From the above regression equation it was revealed that holding commitment of top management, communication, coordination of activities, and organizational culture to a constant zero, strategy implementation would stand at 0.614, at sig level of 0.015, a unit increase in commitment of top management would lead to increase in strategy implementation by a factors of 0.263 at sig level of 0.023, unit increase in communication would lead to increase in strategy implementation by factors of 0.111 at sig level of 0.019, unit increase in co-ordination of activities would lead to increase in strategy implementation by a factor of 0.233 at sig level of 0.033, a unit increase in organizational culture would lead to increase in strategy implementation by a factor of 0.010 at level of significance of 0.021.
4.12 Chapter Summary
This chapter presented all the research data was collected from the staff of MFI’s. In this chapter, interpretation of the data collected from the questionnaires was done, and this was represented through the use of pie charts and tables to represent the information one is able to understand from a glance. The next chapter will present the summary, conclusion, recommendations of the study and suggestions for further research.
CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

The chapter discusses the summary of the findings. Included are conclusion and recommendations. Strategy implementation is a big challenge to any organization. The management has to strategize on how to deal with strategy implementation looking at the factor that affects strategy implementation in MFIs. Considering the fact that some microfinance institutions have commitment of top management strategy implementation checking mechanisms, communication levels checking mechanisms as well as good coordination of activities then it’s possible to implement the strategic planning.

5.2 Summary of the Major Findings

The study was an investigation on the factors affecting strategy implementation in microfinance institutions, a case study of Kenya Women Trust Fund (KWFT). A data collection instrument which is questionnaires were distributed to top management, middle level as well as lower management level managers in the micro finance and the response rate was 95%.

The study shows that commitment of top management correlate well with strategy implementation. Strategy implementation handling also relate well with strategy implementation. From the study it can be seen that commitment of top level management contribute heavily on strategy implementation by 74.9% of the total respondents while 25.1% of the respondent stated that there is no influence of commitment of top management on strategy implementation. This therefore is clear that top level management commitment impact heavily on the success of strategy implementation.

From the study, the response on whether top management are committed to the strategic direction itself is the most important factor with a high percentage of agreement from respondents. From the study majority of the respondents agreed that top managers usually demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed. Majority of the respondent at 43.5% strongly disagreed that top management lack of backing is the main inhibiting factor. From the respondents’ majority
disagreed that department heads do not give their subordinates support, this shows that departmental heads give their subordinates support in strategic implementation.

The study found out that communication greatly affects strategy implementation in microfinance institutions. From the study it is clear that communication is a great factor in strategy implementation in microfinance institutions. Majority of the respondents stated that they don’t have communication plan before strategy implementation. This is supported by 62.4% of the respondents, while 37.6% of the respondents stated that they have plan of action. According to a report by UN on women empowerment, empowering women to participate fully in economic life across all sectors is essential to build stronger economies, achieve internationally agreed goals for development and sustainability and improve the quality of life for women, men and communities. Further the report indicates that women empowerment principles offer practical guidance to business. This Research concurs with the report by UN as the research found a strong correlation between strategy implementation and communication. Empowerment eliminates discrimination in all sectors including the business environment.

Thus MFI’s should set up strong organizational policies that will help ensure communication management in the institutions is observed. Communication is a great factor that contributes to strategy implementation, this is simply because when there is no communication, activities do not run as they should, this halts strategic implementation process and even leading to a lot of discrepancies in the system.

Coordination of activities is a factor that contributes to strategy implementation in microfinance institutions. According to Bullow et al., (2010), women enterprises are more disadvantaged than their counterparts. A number of studies also have shown that women generally face more constraints than men. These include access to financial services through formal lending institutions, lack of coordination of activities. The study revealed that the major effect in strategy implementation is the management practices and therefore agrees with the findings by Bullow et al., (2010) to a great extent, this study also concurs with Kavertise and Bitani (2007), who indicated that lack of coordination of activities limits people’s full participation in the social economic development. Time required for the management of business enterprises obtained by women group members in the selected area of study is utilized in house core duties and church based activities
like choirs, fellowships and evangelical church meetings at the expense of business management in total disregard that money borrowed bears interest (Economic Survey, 2012).

It is clear that this variable correlate well with the dependent variable which is strategy implementation. From the table it is shown that the main reason this occurs according to the respondent is the lack of the basic business management skills which are necessary in the business growth. It is unfortunate that sound coordination of activities is not independent of literacy level. When business grows it become possible to meet strategy implementation but if the business stagnate then the implementation become difficult.

There was a moderate correlation between various independent variables, and a strong correlation between the organizational culture and strategy implementation and this corresponds with the expected results and also agrees with Ahamad, (2012), who found out that, lack of clarity in organizations standards, way of doing things and how employees should conduct themselves are some of the very important causes of strategy implementations.

This Research agrees with the above indications from the data arrived at from the findings. The rising number of microfinance institutions in Kenya has led to the need of enhancing organizational culture so as to have strong institutions with the right conduct. This study aimed at investigating whether the organizational culture as an independent variable affect strategy implementation in KWFT.

5.3 Discussions

5.3.1 Commitment of Top Management

From the study it is clear that the commitment of top level management is a major factor in strategy implementation. The respondents who were in agreement were 74.9%. The study was carried out with the main aim of finding out whether commitment of top management affects strategy implementation in MFI’s. According to the findings the study found that commitment of top management greatly affects strategy implementation in micro finance institutions. Commitment of top management therefore greatly determines whether the strategy will be implemented. Many factors have been identified as major determinants of strategy implementations.
The study established that commitment of top level management influence strategy implementation in the Micro finance institutions. Middle level managers are the “key factors” in strategy implementation since they have a pivotal role in strategic communication and the most important thing when implementing a strategy is the top level management’s commitment to the strategic direction. Top managers must demonstrate their willingness to give energy and loyalty to the implementation process. Top level managers always determine the degrees of authority needed to manage each organizational unit during strategy implementation.

The study findings revealed that while management’s commitment is a positive signal for organization to enhance strategy implementation firms in Micro finance institutions, there are still hindrances to strategy implementation. The study established top level management do not always facilitate employee participation in decision making, some firms lack top level management that give organizational members certainty during an implementation effort and some firms do not selects the right people for key positions.

The commitment of the current top level management should be enhanced by ensuring that managers are motivated in monitory and non-monitory terms and clear communication of duties and responsibilities of the managers to the entire organization. Enhancing commitment of the current top level management would in turn improve strategic implementation. The study findings are in tandem with previous studies by Rapa and Kauffman, (2005) that commitment of top level management is undoubtedly a prerequisite for strategy implementation. Kamanda (2006) suggests that employee performance, absenteeism, innovation, turnover and satisfaction may be gauged by the degree of workers’ commitment to the company.

Top management stands as the front runner of any institution, organization, company, in which the outcome is a reflection of their capability and commitment. Strategies cannot be fully implemented with total commitment from top managers. Minjoon et al. (2006), points out that some strategy goals have failed in the implementation due to negligence and reluctance of top management to delegate power and responsibility to subordinates. Some managers are afraid due to insecurity because they believe they are accountable for their subordinates. Some do believe that the subordinate do lack the managerial ability and appropriate skills and as a result of this there is that lack of confidence to delegate
task. That is the more reason why in strategy implementation training is a very important imperative. Top management should be responsible for training the employees to gain the skills and ability required to perform their task effectively. Top managers need to realize that empowering employees through self-manage teams; quality improvement teams and management team will bring much benefit to the organization, through individual knowledge and skills. Thus, top management commitment requires that management at all levels should reassign the role from authoritarian to coaching facilitator because top management commitment does not mean dictatorship but rather their ability to monitor and control their empowered employees and giving room for their middle and line managers to take responsibility in decision making.

5.3.2 Communication

Communication is a key success factor in strategy implementation. Communication processes should be planned to match requirements for a strategy to be implemented. The way in which a strategy is presented to employees is of great influence to their acceptance of it and an integrated communications plan is an effective vehicle for strategy implementation.

Lack of communications cause more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees. Some firms in the Micro finance institutions do not have a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. Moreover, a delayed communication with employees is a hindrance to strategy implementation.

The study found out that communication is a key factor on strategy implementation at KWFT and that this affects implementation to a great extent. The study also showed that an integrated communications plan must be developed at the organization to enhance strategy implementation, and that it is essential both during and after an organizational plan to communicate information about organizational developments to all levels in a timely fashion. It also found that the organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy and that lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities.
to be performed by the affected employees. Other challenges as identified by the study are lack of internet access for some stakeholders, opportunities offered by KWFT are not well publicized for the interest stakeholder uptake, failure to communicate frequently with the stakeholder creating a gap in the in the information flow and lack of resources to set up good communication infrastructure.

The study established that communication process at KWFT is efficient because engineering work requires clear and precise information and all employees are keen not to miss out on any communication in the organization. The efficiency of communication is an impetus to strategy implementation at KWFT. According to Miniace and Falter (2006), communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized. Beer and Eisenstat's (2006) argue that in addition to inability to solicit questions and feedback, lack of communications cause more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees, and, furthermore, cover the reason behind changed circumstances.

5.3.3 Coordination of Activities

Efficient operational management is necessary to ensure that an organization meet its strategies. Coordination of activities maintains and monitors progress towards strategy implementation. Lack of coordination of activities leads to more time before a strategy is implemented. Firms in the Micro finance institutions should ensure efficient coordination of activities and have sufficient policies in solving the challenges of coordination of activities.

Coordination enhances loyalty and commitment among employees and thus enhancing the effectiveness and stability of the organization. Managers have the power to ensure that the team coordinates, integrates and cooperates under supervision to complete tasks to enable the strategy is implemented successfully.

According to the study the respondents rated the coordination of activities related to the strategy Implementation in Micro Finance Institutions as good and were of the opinion that coordination of activities affects strategy implementation to a great extent. It further found out that coordination is essential to ensure that people across the organization know
what to do and to ensure that they stay focused on the key targets under the everyday pressures. The interviewee also responded that strategic control systems provides a mechanism for keeping today's actions in congruence with tomorrow's goals, addition key tasks are well defined in enough detail and information systems are adequate at Micro Finance Institutions resulting in successful strategy implementation and silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions. Also the effectiveness of coordination of activities is a problem in most of the firms and distractions from competing activities in some cases as shown by the study.

Previous studies by Beer and Eisenstat's (2006) also lay emphasis on the role of coordination of activities on strategy implementation. Beer and Eisenstat's (2006) assert that strategy implementation is hindered by unclear strategic intentions and conflicting priorities and weak co-ordination across functions.

5.3.4 Organizational Culture
Organizational culture influences leadership style of managers, understanding of strategy implementation, identification of difficulties during implementation and how managers make decisions. Leadership style of managers includes how they spend their time, what they focus their attention on, what questions they ask their employees and how they make their decisions.

Organizational culture includes the shared beliefs, norms and values that sets the foundation of strategy. For a strategy within an organization to be implemented successfully, it must fully coordinate with the organizational culture. Culture helps in unifying employees with an organization. Culture also helps organizational leaders to work both individually and as teams to implement strategies successfully.

The study established that organization culture influence strategy implementation in the Micro finance institutions. Organization culture influences adherence to organizational vision, mission and values thus steering the implementation of organizational strategy. For an organization culture to have a positive influence on strategy implementation, the following should be observed: respect for a diverse range of opinions, ideas and people (allows employee participation in decision making), tolerance to new ideas employee
motivation, creation of a fun and friendly customer-centered environment, ensuring clarity of vision, mission and values among employees throughout the enterprise and, the organization should sticks to its mission vision and values all the time.

The employees at all levels must firmly understand their individual and inter-dependent roles in attaining the corporate vision. Strategy implementation requires a strong alignment between employee attitudes and strategic goals and objectives. Creation of power distance between the upper and lower cadres in the organization is a hindrance to strategy implementation and must not be tolerated in an organization.

This study found out the organization culture of microfinance institutions in Kenya affected strategy implementation with the respondent expressing that this affected implementation of the strategy to a great extent. The study showed that among the organizational culture factors that affects strategy implementation are, how managers make decisions, leadership style of managers and the dominant values, beliefs and the norms. It also demonstrated that challenges of successful implementation results from lack of cultivation of strong cultural value to meet the changing organizational needs. Other challenges were identified as poor organization rewarding culture, poor structure of office, inadequate staff and poor regional representation.

The study findings are in tandem with the previous studies by Aaltonen and Ikävalko (2007) that established relationships between organization culture and strategy implementation. Aaltonen and Ikävalko (2007) argue that one of the major challenges in strategy implementation appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment. Marginson, (2007) contend that strategy implementation is a result of complete coalitional involvement of implementation staff through a strong corporate culture.

5.4 Conclusion

5.4.1 Commitment of Top Management

The study concludes that commitment by the top management affects the strategic plan implementation. It further concludes that lack of manager’s commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes and that lack of top management backing
being the main inhibiting factors to strategy implementation. The study also concluded that communication is a key factor on strategy implementation in MFIs and that communication process affects implementation of the strategy. It also concluded that lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy and that lack of communication causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees. The MFIs hierarchy when reduced enables the institution to gain competitive advantage by increasing the revenue. Good commitment of top management is important if the micro finance is to gain competitive advantage over the others.

5.4.2 Communication
Communication is inevitable but its effect can be reduced by adoption of various strategies by the MFIs so as to get more revenue. Communication is a key success factor in strategy implementation but some firms in the construction industry do not have a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. Moreover, a delayed communication with employees is a hindrance to strategy implementation. Therefore, the study recommends that managers should invest in free flow of communication between the organization and ensuring that the junior stuff can easily communicate their ideas to the senior without any limitations on hierarchies which demotivate the juniors and deny them a chance to air out their views and also making decisions which are crucial for the benefit of the organization at large.

5.4.3 Coordination of Activities
It was also concluded that coordination of activities affects strategy implementation at MFIs and that coordination is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures. Further it can be concluded that strategic control systems provides a mechanism for keeping today's actions in congruence with tomorrow's goals, addition key tasks are well defined in enough detail and information systems are adequate at MFIs resulting in successful strategy implementation and silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities and weak co-ordination across functions. Also the effectiveness of coordination of activities is a
problem in most of the firms and distractions from competing activities in some cases as shown by the study.

Strategy implementation has a lot of challenges which have to be corrected so as to have positive results in strategy implementation. Micro finances were considered to have lagged behind in managing strategy implementation, but the coordination of activities plays a greater part in managing strategy implementation by the MFIs and leads to increase in income. However through high profitability after containing strategy implementation and the fact that the MFIs have established membership they are able to satisfying.

5.4.4 Organizational Culture
Organization should adopt and implement different cultures for efficiency and effectiveness of the projects progress. The government should come up with a new bill that covers all aspects of effectiveness of field personnel in Kenya and encourage more well-wishers to participate in sustaining the projects, this can only happen if the organization upholds positive organizational cultures and ensures all stakeholder are gaining from it and it’s for the benefit of the organization to ensure effectiveness of its projects.

Organization culture can be a hindrance to strategy implementation if the following are not observed in an organization: unclear vision, mission and values among employees, lack of adherence to organizational vision, mission and values thus steering the implementation of organizational strategy, lack of respect for a diverse range of opinions, ideas and people, intolerance to new ideas employee motivation, lack of a fun and friendly customer-centered environment, failure of employees at all levels to understand their individual and inter-dependent roles in attaining the corporate vision, lack of a strong alignment between employee attitudes and strategic goals and objectives, and creation of power distance between the upper and lower cadres in the organization.

5.5 Recommendations
5.5.1 Recommendations for Improvement
Based on the results of the study the researcher recommends various ways that MFI can use to implement strategies and get more revenue.
5.5.1.1 Commitment of Top Management
The commitment of top management for any organization should be spelled out as part of the organization terms. It is important for the management and employees of microfinance institutions to be committed in the operations of the organization and more important be committed in strategy implementation. The MFI can engage a consultant. The consultants will assist the MFIs on strategizing, thus becoming more competitive in the operations of the organization. The management should not be at any point in time pushed to be committed in strategy implementation, there should be maturity and no follow ups on the happenings of the organization which in return leads to wastage of time and resources. But when the management is committed in strategy implementation, thus the organization gains a competitive edge over its competitors.

5.5.1.2 Communication
Moncer (2006), argue that communication involves the two ways that is between an organization and its public. It requires listening to the constituencies on which organization depends as well as analyzing and understanding the attitudes and behaviors of the audience. The strategic role of communication with responsibility from the top of the organization is becoming increasingly recognized. By the turn of the century top management will need to champion the cause of internal communication and will need to read by example. Support from the highest level of the organization is necessary to show middle management that communicating effectively is not just another initiative to live through until the next management that come along, but something that is the most important managerial activity in this company. Specialist in communication should help management think about its relationship with employees and how the latter can help to contribute to the changing organization. There should be smooth flow of communication to enhance efficiency and effectiveness of employees and enhancing the implementation strategies which are set up by the organization so as to set a competitive edge in the microfinance sector, communication channels should be well defined so as to create teamwork and cooperation.

5.5.1.3 Prudent Coordination of activities
The MFIs need to evaluate all the avenues through which they can generate revenue. This could be establishment of a consultancy department whereby these services can be extended to other MFIs and the community. In addition to the above, Lack of
coordination of activities is a factor that contributes to poor strategy implementation in microfinance institutions and should be put into consideration by the MFI. It is the duty of the institutions to ensure that their staff and customers are well trained and have the financial knowledge that they require in their level for there to be accountability and efficiency in the transactions of the MFI’s. Coordination of activities should thus be emphasized and taken seriously in ensuring it does not affect strategy implementation in micro finance institutions. Also the management should ensure that all steps relating to strategy implementation are well coordinated and non which collide with the other and harmony is maintained always.

5.5.1.4 Organizational Culture
It is the mandate of all micro finance institutions to regulate the conduct of their employees and ensuring that clients are well handled and attended to. Organizations should adopt and implement different cultures for efficiency and effectiveness of the strategy implementation. The government should come up with a new bill that covers all aspects of strategy planning and implementation in Kenya and encourage more well-wishers to participate in the growth of the economy, this can only happen if the organization upholds positive organizational cultures and ensures all stakeholder are gaining from it and it’s for the benefit of the organization to ensure optimal productivity. The main objective of the MFI should be members’ satisfaction thus the institution should ensure it grant loan to employees which can enable them to undertake the project of their choice as long as they can afford to pay. This raises their confidence and makes them stay in the Institution. Therefore organizational culture is of great concern in strategy implementation and it should be emphasized and good and positive cultures should be practiced by microfinance institutions always and ensuring that strategy implementation comes first in its culture.

5.5.2 Suggestions for further Research
The researcher suggests that the research on the impact of establishment of the micro finance by laws on strategy implementation and implementation in the MFIs to be done. This is to establish whether the MFIs can be more professional, get higher revenue from the members and be more competitive. The findings would complement findings of this research. The researcher recommends this research to be done specifically on the MFIs and particularly those with many branches. There is also need to conduct more research
on the factors that would reduce the chances of MFIs having wrangles. This could have been due to stiff competition from the other financial institutions yet they have established membership through specific group members. The main focus should be on the challenges facing strategic planning and implementation of MFIs.
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APPENDICES

APPENDIX I: QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

1. Gender
   Male [ ]
   Female [ ]

2. Marital status
   Single [ ]
   Married [ ]

3. Level of education
   Certificate [ ]
   Diploma [ ]
   Degree [ ]
   Masters [ ]

4. Age
   18-25 Years [ ]
   26-33 Years [ ]
   34-41 Years [ ]
   42-49 Years [ ]

SECTION B: COMMITMENT OF TOP MANAGEMENT

5. To what extent does the level of commitment of top management affect the strategic implementation in your organization?
   Very great extent [ ]
   Great extent [ ]
   Moderate extent [ ]
   Less extent [ ]
   Not at all [ ]
6. What is your level of agreement with the following statements that relate to the effect of level of commitment of top management on the strategic implementation? Use a scale of 1-5 where 1= strongly agree and 5= strongly disagree.

7. | Effect of level of commitment of top management on the strategic implementation | 1 | 2 | 3 | 4 | 5 |
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>The top management’s commitment to the strategic direction itself is the most important factor.</td>
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<tr>
<td>The top managers usually demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.</td>
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<tr>
<td>Lack of top management backing is the main inhibiting factor</td>
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<tr>
<td>Department heads do not give their subordinates support</td>
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SECTION C: COMMUNICATION IN STRATEGY IMPLEMENTATION

8. Is communication a key success factor within strategy implementation at your organization

   Yes          [ ]
   No           [ ]

9. To what extent does communication process affect strategy implementation in your organization?

   Very great extent  [ ]
   Great extent       [ ]
   Moderate extent    [ ]
   Less extent        [ ]
   Not at all         [ ]

10. To what extent do you agree with the following statements that relate to communication process in strategy implementation in your organization? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.
SECTION D: CO-ORDINATION OF ACTIVITIES

11. Does coordination of activities affect strategy implementation in your organization?
Yes [ ]
No [ ]

12. What is the extent to which coordination of activities affect strategy implementation in your organization?
Very great extent [ ]
Great extent [ ]
Moderate extent [ ]
Less extent [ ]
Not at all [ ]

13. What is your level of agreement with the following statements that relate to coordination of activities and its effect on strategy implementation? Use a scale of 1-5 where 1= strongly agree and 5 = strongly disagree.

<table>
<thead>
<tr>
<th>Communicate in strategy implementation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communicating with employees is frequently delayed until changes have already crystallized</td>
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<tr>
<td>The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy</td>
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<tr>
<td>Information about organizational developments at all levels is usually disseminated</td>
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<tr>
<td>An integrated communications plan was developed at the organization to enhance strategy implementation</td>
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</tbody>
</table>
There is adequate coordination of activities

Strategic control systems providing a mechanism for keeping today's actions in congruence with tomorrow's goals exist

There exists some coordination problems

Key tasks are well defined and information systems are adequate in strategy implementation

SECTION E: ORGANIZATIONAL CULTURE

14. In your opinion, does organizational culture affect strategy implementation?
Yes [ ]
No [ ]

15. To what extent do the following facets of organization culture affect strategy implementation?

<table>
<thead>
<tr>
<th>Facet</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of understanding of strategy implementation</td>
<td></td>
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<tr>
<td>Customers and staff not fully appreciating the strategy</td>
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<tr>
<td>Ignoring the day-to-day business imperatives.</td>
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<tr>
<td>Managers are free to make decisions</td>
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</tr>
</tbody>
</table>

16. The challenges of successful implementation results from lack of cultivation of strong cultural values to meet the changing organizational needs” to what extent do you agree with the statement?

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]
# APPENDIX II: WORK PLAN

## TIME IN WEEKS

<table>
<thead>
<tr>
<th>Activities</th>
<th>APRIL</th>
<th>MAY</th>
<th>JUNE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter One</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Chapter Two</td>
<td></td>
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<td></td>
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<tr>
<td>Chapter Three</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Pretest questions</td>
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<td></td>
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<tr>
<td>Proposal draft</td>
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<td></td>
<td></td>
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<tr>
<td>Data collection</td>
<td></td>
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<tr>
<td>Data analysis</td>
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<td></td>
<td></td>
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<tr>
<td>Report writing</td>
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<td></td>
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<tr>
<td>Final project draft</td>
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<td></td>
<td></td>
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<tr>
<td>Defense</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
### APPENDIX III: BUDGET

<table>
<thead>
<tr>
<th>ITEM</th>
<th>COST (Kshs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two rims of printing papers</td>
<td>1,100</td>
</tr>
<tr>
<td>Writing Pens</td>
<td>200</td>
</tr>
<tr>
<td>Typesetting printing of proposal and Final project</td>
<td>6,000</td>
</tr>
<tr>
<td>Typesetting and printing of questionnaires</td>
<td>2,500</td>
</tr>
<tr>
<td>Traveling</td>
<td>4,300</td>
</tr>
<tr>
<td>Meals &amp; Drinks</td>
<td>4,800</td>
</tr>
<tr>
<td>Internet Services</td>
<td>4,500</td>
</tr>
<tr>
<td>Binding of report</td>
<td>2,500</td>
</tr>
<tr>
<td><strong>Total Amount</strong></td>
<td><strong>25,900</strong></td>
</tr>
</tbody>
</table>