FACTORS INFLUENCING EFFECTIVE STRATEGY IMPLEMENTATION AT EAST AFRICAN BREWERIES LIMITED, KENYA

BY

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FACTORs INFLUENCING EFFECTIVE STRATEGY IMPLEMENTATION AT EAST AFRICAN BREWERIES LIMITED, KENYA

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DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed: ___________________________  Date: ______________________
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This project has been presented for examination with my approval as the appointed supervisor.

Signed: ___________________________  Date: ______________________
Dr. Jeremiah Ntaloi Koshal

Signed: ___________________________  Date: ______________________
Dean, Chandaria School of Business.
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ABSTRACT

The Purpose of this study was to examine the factors that influence effective strategy implementation at East African Breweries Limited. The study was guided by these research questions: To what extent does the organization structure influence effective strategy implementation in EABL? To what extend do leadership styles influence effective implementation of strategy within EABL? To what extent do the organization shared values influence the effective implementation of strategy within EABL?

The study adopted a descriptive research design, and further developed structured questionnaires so as to be able to collect the primary data. The target population was 22 Top-level management, 46 Middle-level management, 93 Lower-level management and 376 Permanent non-managerial employees. Stratified sampling technique was used to obtain the sample and sample size was determined using the Yamane formula to be 329 which was large enough to allow for generalization. SPSS software was used to analyze the data. The research used descriptive methods such as mean, standard deviation, percentages, tables and frequency distributions to analyze data.

Quantitative approach to research was used to conduct this study. This was applicable in enhancing the results and findings of the study. Cross-sectional descriptive research design was used to describe the relationship between the variables of the study. Probability sampling, specifically stratified random sampling, was used in this study. Questionnaires were used to collect data from the field. Frequency data analysis, correlation and Analysis of Variation (ANOVA) methods were used to analyze the data.

One of the important findings was that EABL formulates appropriate strategies that are in line with its core business and implements the strategies effectively. From the findings the degree of centralization of decision making power and for formalization were both generally found to be high which, according to most respondents, were appropriate for effective implementation. Similarly, the leadership style was found to be a very important contributor to effective strategy implementation.

The findings of the study indicated that aligning the leadership style to organization strategy was integral to effective strategy implementation. Transformational leadership style was found to be prevalent and effective in EABL. Further, organizational shared values were found to play significant roles in strategy implementation. In this study, it was determined that appropriate organizational culture is important in strategy implementation. Moreover,
reward structure as an element of the organization shared values, was found to be a significant determinant in strategy implementation. Majority of the respondents indicated that a good reward structure would motivate employees to drive the strategy implementation hence making the process effective.

The study concluded that organization structure, leadership style, and shared values had a great impact on strategy implementation. Therefore there is need for EABL to give prominence to these factors during formulation of strategy and most importantly during strategy implementation. The study therefore recommends the need to have organizations align their organization structure in a way that will not make it challenging for them to implement their strategies. The study further recommends that the organization leadership has a role to play in ensuring staff are well motivated, inspired and equipped with the organization’s vision in order to achieve the set objectives and ensure effective strategy implementation.
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DEDICATION

I dedicate this project to my parents Mr & Mrs Kinyanjui, for their unwavering guidance and support, my husband J.S. Ndegwa and my children Christian Macharia and Patricia Thogori. You have successfully made me the person I am.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

Strategy is an outline of how an organization intends to achieve its set goals. The goals are the objectives; the strategy sets out the route to that objective. Strategy is about a firm using analytical techniques to help it understand and enhance its position and leverage in the market. Effective strategies translate to optimal exploitation and utilization of organizations’ resources and capabilities while at the same time limiting threats in the external business environment (Henry, 2008). Porter and Margretta (2014), assert that competitive strategy is about being different from the competitors and standing out in the industry. It can be described as deliberately choosing a different set of activities to deliver a unique mix of value. Strategic management is no different from other aspects of organizational operations in the sense that it is deeply rooted in the traditional economic model that portrays organizational success as exclusively synonymous with economic success. Firms succeed when they cover their operational costs, improve their sales and revenues, and earn profits, and they fail when they do not. This has not changed, and is not likely to change in the foreseeable future. The financial health and performance of a firm has been and will always be among the critical success indicators (Stead & Stead, 2014).

The primary objective of strategy is to achieve a sustained competitive advantage, which in turn results to superior financial performance as reflected in revenue generated and profitability (Hill, Jones & Schilling, 2014). Sustained competitive advantage exists when competitors are unable to duplicate the benefits of the strategy over time (Barney, 2014). A company has a competitive advantage whenever it has an edge over its rivals in securing customers and defending itself against competitive forces (Powell, 2011). Competitive advantage is born out of core competencies that yield the long term benefit to the company. Porter and Margretta (2014), noted that a core competence as an area of specialized expertise that is the result of harmonizing complex streams of technology and work activity. Competitive advantage can be developed from particular resources and capabilities that a firm possesses that are not available to competitors. According to Pearce and Robinson (2011), in order for organization to achieve their goals and objectives it is necessary for them to adjust to the environment through strategy. The implementation of appropriate strategies remains one of the most difficult areas of management. Mintzberg (2015), noted...
that the plan rather than the implementation comes in far scrutiny when a strategy fails because it is less problematic to analyze.

Historically, companies have competed predominantly based on how to gain the largest share of the market space. Gamble, Strickland and Thompson (2012), advance the argument of competing for market share in the historical manner but add a new competitive frontier, the ‘Blue Ocean Strategy’, which implies seeking an uncontested market with little or no competition and dominating it. Although formulating consistent strategies remains an immense challenge for any management team, effective operationalization of the strategies is even more challenging (Hrebiniak, 2013). Nyambane (2012), further annotate successful implementation of Blue Ocean Strategies can prove to be even extremely challenging.

Firms are constantly engaged in watching what competitors are doing and thereby making it very difficult to shoot up in such an industry. A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost or deliver benefits that exceed those of competing products (Wang, Lin & Chu, 2011). Thus, a competitive advantage enables the firm to create superior value for its customers and superior profits for itself. Competition is the interaction of individuals who share a limited environment and it includes both co-operation and rivalry (Porter & Margretta, 2014). Stigler (2008), described competition in business as the process of allocating productive resources keen to the business to their most highly-valued uses and encouraging efficiency. Firm needs strategies that can give the competitive advantage over their competitors. A competitive strategy, from a business level perspective, is the achievement of competitive advantage by a business unit in its particular market (Johnson, Scholes & Wittington, 2006).

Strategic management can be said to have two main stages which are strategy formulation and strategy implementation of the major goals and initiatives that an organization is aiming at. In addition to the two stages, strategic management is considered a set of decisions and actions that result in the formulation, implementation and control of strategic plans designed to achieve an organization’s vision, mission, strategy and strategic objectives within the business environment in which it operates (Pearce & Robinson 2011). Strategy implementation is an integral component of the strategic management process and is viewed as the process that turns the formulated strategy into a series of actions and then results to ensure that the vision, mission, strategy and strategic objectives of the
organization are successfully achieved as planned (Gamble, Strickland & Thompson, 2012).

Significance of effective strategy implementation should never be overlooked because even the best formulated strategy will be of no value if it cannot be implemented successfully and effectively. Strategy implementation should be the business of every unit and stakeholder of an organization and must consequently occupy the center stage of day-to-day operations (Lewis, Goodman, Fandt & Michlistsch, 2008). The planning part of implementation of strategy includes the necessity of establishing strategies at other levels of the organization and in all parts of an organization which should have its mission and overall goals aligned with the organization’s overall mission and goals. An organization having a poorly designed strategy will thus have challenges achieving its goals. Similarly, a well-designed strategy that is poorly executed will falter (Dowling, Schmude & Knyphausen, 2010) many implementations fail because leaders underestimate the implementation challenges and as a result they fail to focus on what needs to be done. According to Speculand (2009), leaders do not have a framework to guide them through the implementation journey. In developing a high quality implementation plan, top leadership must analyze their organizations readiness for implementation and use a framework to ensure that they are taking the right actions. Most leaders assume that once you have developed the strategy, the organization is ready to implement it and that the employees will automatically take the correct actions however history shows that this is most often not the case.

For an organization to formulate a strategy and implement it successfully, it must fully be aligned with the firm’s culture. The objectives and goals must therefore be established within an organization to support and establish an organizational culture that embraces the organization’s strategy over time (Aanya, 2015). The shared values and norms, beliefs within an institution is what is known as organizational culture. It sets the foundation for strategy. Aanya further states that when culture is aligned with strategy execution and implementation, an organization is able to operate more efficiently in the market place. Culture allows organizational leaders to work both individually and as teams to develop strategic initiatives within the organization.

The turbulent environment characterized by issues such as rapid changes in technology, change in customer tastes and preferences, globalization and entry of more players in the
market makes it tough for companies to keep their competitive advantages for a longer period of time. When technologies shift for instance, competencies are destroyed and open the door for rivals to enter the market based on the new technologies. According to D’Aveni and Thomas (2009) in hyper-competition, competitors must move quickly to build new advantages and erode the advantages of their rivals. It is thus vital for organizations to ensure successful implementation of the strategy.

Brewers and alcohol distributors in East Africa are battling for control of the spirits market currently the most lucrative in the face of an onslaught from imports and counterfeits, plus a combination of other factors. Industry players say an increase in taxes, competition, drought economic growth that does not trickle down, political instability, regulatory headwinds and millennials-led dynamics are altering the alcohol industry in favor of spirits and low-end beer brands. Despite impressive economic growth in East Africa averaging six per cent in recent years, the trickledown effect has been minimal, which has impacted disposable incomes and slowed down bottled beer consumption in favor of spirits (Muchira, 2017).

From the global perspective, Rajasekar (2014), studied factors affecting effective strategy implementation in the service industry in Oman. The study determined that successful strategy implementation is integral for organizations to survive in the dynamic and competitive business environment. Impliedly, firms that are not able to maintain their competitive edge despite having robust strategies due to poor implementation process face the risk of being irrelevant in the market and even being overtaken by the competitors. Brinkschröder (2014), noted that strategy is the main course for an organization which is set at the top and is very significant for organizational existence. Managers spend a lot of time in planning but the most important part about strategy is the implementation phase.

There are various factors that must be taken into consideration when implementing strategies. These are prerequisites stem from both external and internal environment. The external environment factors include all inputs that are transformed into the finished product and include raw materials, energy and manpower. Internal factors refer to an organization’s internal installed capability and infrastructure and include assets such as machines, qualified workforce, financial strength, organization structure, and management capability. Hence, among other factors, an organization that has competent workforce is
well prepared and has good leadership in place that have a character of temperance and moderation can implement their strategies quickly and successful (Yabs, 2007).

Regionally, a research study by Akpan and Waribugu (2016), examined the impact of structure on strategy implementation among telecommunication firms in Nigeria. From the study, it was noted that centralized organization structure leads to slow pace of strategy implementation while specialization structure enhanced and hastened strategy implementation of the telecommunication firms studied. In a comparable study carried out at Ethiopian Sugar Corporation on inculcating strategy management culture, Assefa (2015), established that leadership, organizational structure, human resources, information systems and technology were the most common factors for successful implementation of strategies in the service sector.

Various factors and components have been put forward to help managers and employees to effectively implement their strategies. A fit between organizational structure and strategy is one of the areas that have been found to significantly influence and determine success in strategy implementation. Organizational structure is about the formal design and hierarchical arrangement of an organization in terms of lines of authority, communications, rights and duties of different offices, and the links between and among different departments units within an organization (Sabljynski, 2012). In investigating challenges facing strategy implementation in Mazars Kenya, Elwak (2013), established that unhealthy organizational politics, lack of employee involvement and participation during the strategy formulation phase, and lack of fit between strategy and organization structure and culture are also impediments to effective strategy implementation. Katamei, Omwono, and Wanza (2015), determined that poor organizational structure and poor ineffective and ill-timed communication proved to be major hindrances to strategy implementation in Marakwet West Constituency. Siapei (2015) and Ng’enoh (2013), accentuate that when the structure of an organization is right, then there is high likelihood that the strategy implementation process will be effective. This is because there will be clearly defined relationships among different offices as well as timely and effective communication within an organization, among other aspects of the organization structure.

Effective strategy implementation also requires alignment between human resource and the strategy being implemented. Ahamed (2015), observes that institutions with competent
employees are more likely to be successful in strategy implementation as compared to organizations with employees that lack strategy skills. Mathore (2016), accentuates that for strategy implementation to be effective as desired, it is essential to extensively train employees on strategic management and strategy implementation to equip them with the right skills and knowledge that will help them in their daily work activities that are aimed to implementing the strategy. Availability of adequate resources and optimal resource allocation has also been established as a critical factor in overcoming strategy implementation challenges (Lemarleni, Ochieng, Gakobo & Mwaura, 2017). Nkosi (2015), in a research study conducted in South Africa established that organizations with adequate material, human and financial resources and optimally allocate these resources are likely to effectively implement their strategic resources as opposed to those with inadequate resources and those that do not devise ways of maximally allocating their limited resources.

1.2 Statement of the Problem

Enhancing a sustainable competitive advantage is not automatic and is especially true in this very unpredictable and dynamic environment. Challenges from both the external and internal environment need to be managed effectively so as to keep the organization growing. According to the East African Breweries Limited’s 2016 financial report, the company remains the industry leader locally in production and sale of alcoholic drinks due to its longstanding presence in the country and the region as a whole. The company’s product portfolio includes a wide variety of brands targeting different income groups and is positioned in well-established categories such as beer as well as less developed sectors such the ready to drink sector. The company also has widespread distribution which ensures its strong coverage. However even with EABL’s market domination, local and regional, competition in the industry is steadily escalating as new entrants, both microbrewers and macro-brewers, enter the expanding market. The intensifying competition, according to Madodo (2015), has led to more customer centric approach to marketing.

Separate research studies on factors that influence strategy implementation have been conducted by Gworo (2012), and Tabo (2013), concluded that there exist a relationship between management approach adopted by an organization and successful strategy implementation. These two authors focused on banking and security industries respectively. The authors recommended further studies should be conducted on impact of management approaches on strategy implementation in other service industries. Amollo (2013), studied factors that influence effective strategy implementation at the parliamentary
service commission of Kenya and noted that resource utilization and bureaucracy in administration greatly influenced strategy implementation at the commission. The author suggested further studies should be conducted on impact of resource utilization and management structures across other sectors to establish whether the relationship still holds. Leadership is by far the most important factor influencing successful implementation of strategy in the service sector (Rajasekar, 2014).

A study by Chege (2012), determined that leadership and organization structure by far influenced implementation of strategies among petroleum firms in Kenya. The author focused on manufacturing sector. The findings further specified that availability of resources and how well they are utilized during strategy implementation influences the desired outcome. The study by Chege highlighted the need to further research on impact of leadership, organization structure and resource utilization as to how they influence strategy implementation in manufacturing sector. This study sought to fill this knowledge gap by examining the influence of organization structure, leadership styles and organization shared values on effective strategy implementation at EABL.

1.3 Purpose of the Study
The purpose of the study was to determine the factors influencing the effective strategy implementation at East African Breweries Limited (EABL).

1.4 Research Questions
The study was guided by the following research questions:
1.4.1 To what extent does the organization structure influence effective strategy implementation in EABL?
1.4.2 To what extend do leadership styles influence effective implementation of strategy within EABL?
1.4.3 To what extent do the organization shared values influence the effective implementation of strategy within EABL?

1.5 Significance of the Study
1.5.1 East African Breweries Limited
The findings of the study are expected to be of importance to the top management of East African Breweries Limited as it allows them to be in a better position to understand how
they can implement strategy in order to gain competitive advantage in the adult beverage industry.

1.5.2 Government and Policy makers
The results of the study are expected to be of significance to the government and policy makers by helping them establish future policies that can be implemented in order to create a favorable environment to support effective strategy implementation.

1.5.3 Researchers and Scholars
Other researchers and scholars in the field of management are also expected to find the outcomes of this study important to them because it will form a basis for further research. The students and academicians will be able to use this study as a basis for further discussions on the factors that influence effective strategy implementation in the alcohol beverage companies.

1.6 Scope of the Study
The study’s interest was limited to East African Breweries Limited, Kenya office. The target population scope was narrowed to senior level managers, middle level managers, line managers, and permanent employees across the major departments of the organization, namely Sales, Marketing, Finance, Production, Supply, Logistics, Information Technology, Corporate relations and Legal. The study was conducted from May 2018 to June 2018. The limited time frame of conducting this study may limit the depth of the study.

1.7 Definition of Terms
1.7.1 Strategic Management
Strategic management is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company’s objectives (Pearce & Robinson, 2007).

1.7.2 McKinsey 7-S Framework
A management framework that focuses on and analyses an organization’s design by taking into perspective 7 key elements internal to organizations in order to determine if the elements are effectively aligned to enhance realization of organizational objectives. These
seven elements are strategy, structure, systems, shared values, style, staff and skills (Ravanfar, 2015).

1.7.3 Strategy Formulation
Strategy formulation refers to the process of choosing the most appropriate course of action for the realization of organizational goals and objectives and thereby achieving the organizational vision (Cater & Pucko, 2010).

1.7.4 Strategic Plan
Strategic Plan is a guide developed by an organization to provide a road map on how it will reach goals, and set a foundation such that the entire organization understands what will happen and the outcomes (Mintzberg, 2015).

1.7.5 Strategy Implementation
According to Gamble, Strickland and Thompson (2012), Strategy implementation entails driving the decided strategy into action. It involves strategy operationalization, which is the development of the action plans and institutionalization which ensures that the strategy is internally acceptable within the organization.

1.8 Chapter Summary
This chapter of the research project introduced the research topic by describing the background of the story and building a case for the study. In the background of the study, the main variables of the study, strategy implementation and the McKinsey 7-S model, are discussed in depth examining the significance of each and as well as the challenges facing strategy implementation process. To justify the need for carrying out this study, the researcher examined existing literature and consequently identified the existing knowledge and research gap. The specific objectives are outlined and the significance of study adequately explained by identifying various parties that will benefit from the findings of the study. In this chapter, delimitations as well as the limitations of the study are explained. The chapter concludes by outlining the scope and defining key terms that will be used throughout the paper. Chapter two of this research presents the literature review based on the three research questions this paper intends to answer. Chapter four of the study presented the results and findings of the study. Chapter five of the study presented the summary, conclusions, discussion and recommendations of the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter encompasses extensive, comprehensive and in depth review of literature relevant on research questions of the study. With respect to factors that influence strategy implementation, it reviews and focuses on three of the seven facets of the McKinsey framework namely structure, style and shared values. The chapter is arranged in the order of research questions to ensure relevance to the research problem. The chapter commences by a brief overview of the McKinsey 7-S Framework. The section that follows captures detailed discussion on relationship between the three facets of the framework and effective strategy implementation, based on empirical studies and other literature. It is from the empirical reviews that the existing research gaps, which form the fifth section of the chapter, are established. The end of the chapter is marked by a summary of the entire chapter and brief introduction of chapter three.

2.2 The McKinsey 7-S Framework

The McKinsey 7-S framework is one of the comprehensive approaches that have been extensively used over the years in strategy implementation in organizations. Developed in the early 1980’s by Peterson & Waterman at McKinsey and Company, the framework is based on seven internal company factors that must be aligned together for effective strategy implementation (Baroto, Arvand & Ahmad, 2014). The framework is comprised of seven elements. The seven elements are strategy, structure, systems, style, staff, skills, and shared values. The 7-Ses of the framework are broadly categorised into two; the soft and the hard elements. The hard elements are structure, strategy and systems. These are called hard elements because they are easier to define and management can directly influence them. The soft elements on the other hand are more difficult to define, they are less specific and influenced by company´s culture (Mišanková & Kočišová, 2014).

According to this framework, strategy refers to the action an organization intends to adopt in response changes in the business environment to achieve its mission and vision. The strategy also involves explanation of the strategic plan to all stakeholders of an organization. Structure refers to the basis of specialization and co-ordination within an organization influenced primarily by strategy, size, and diversity of organization (Ravanfar, 2015). Structure also defines inferiority and superiority relations as well as horizontal
relations within the organization. Systems are the formal and informal procedures and activities carried out by organizations on a daily basis to support the strategy and structure of the organization (Alshaher, 2013). These are the definitions and characterizations of the hard elements of the framework.

Defining the soft elements, style consists of two components; organizational culture which refers to the dominant values, beliefs, and norms which develop over time and become relatively enduring features of organizational life, and leadership style which is viewed from the perspective of the actions and not words of the managers in implementing the strategy. Staff refers to the numbers and qualifications of the employees of the organization. Skills are the distinctive competencies that set an organization from the rest and give it a competitive edge over its competitors. Finally, shared values refer to the guiding concepts and fundamental ideas around which a business is built (Adwet, 2016).

2.3 Organizational Structure and Effective Strategy Implementation

Organization structure refers to the formal design and hierarchical arrangement of an organization in terms of lines of authority, communications, rights and duties of different offices in an organization (Sablynski, 2012). Ravanfar (2015), defines organization structure as the flow chart of a firm. With reference to the McKinsey framework, structure is a representation of the departments, divisions and units are organized in an organizational setup and encompass the information of who is accountable and reports to whom (Ravanfar, 2015). Organization structure remains one of the key areas in strategic management that has received considerable attention from researchers and scholars in the field of management science. A school of thought advanced by Mintzberg (2015), accentuates that there exists a two way relationship between structure and strategy. Parikh (2010), posits that organizational structure is key in creating an environment that is conducive to fostering communication and achievement of strategic objectives and goals because it provides directions as to how tasks are to be completed, channels of communication and span of control. In two separate research studies that measured relationship between organization structure and effectiveness of strategy implementation, Rajasekar (2015) and Cater and Pucko (2010) established existence of significant positive correlation between organization structure and effective strategy implementation thereby concluding that organization structure is an fundamental determinant of strategy implementation in organizations.
In a research study conducted among supermarkets in Albania, Rexhepi (2012), established that strategy implementation to be effective, organizations must have in place a proper strategy that fits with the overall organization strategy. Additionally, the structure should be flexible to allow for easy adjustments when needed. In Thailand, Naipinit, Kojchavivong, Kowittayakorn and Sakolnakorn (2014), established that successful business strategies and successful implementation of strategies were based and founded on strong and relevant organizational structures. A study conducted by Hilman and Siam (2014), examined the influence of organizational structure on strategy implementation and organizational performance in among higher educational institutions in Palestine and examined that appropriate structures are integral successful strategy implementation. The overall findings and conclusion of the study was the organizational structure was a significant influencer and determinant of strategy implementation process in the institutions of higher learning.

2.3.1 Centralization of Decision-making Power

Strategic management is gradually evolving from the traditional conventional top-down approach to a more inclusive and more encompassing process that involves the middle and lower level managers as well as other employees in organizations. The main force behind this move according to some scholars is the realization that opening up the process to more people in the organization is integral in getting new and unique ideas and also enhances commitment during implementation due to increased ownership of the document and the process (Whittington, Cailluet & Yakis-Douglas, 2011).

Centralization of decision making power is one of the elements of structure of organizations and is very central in strategic management including strategy implementation. It refers to concentration of decision-making authority in the organization (Bakonyi & Muraközy, 2016). Consequently, this element of organization structure has attracted research interest from researchers. Akpan and Waribugu (2016), studied the impact of structure on strategy implementation among telecommunication firms in Nigeria. In the study centralization and specialization formed the dimensions of organizations structure while measures of strategy implementation were budgetary program implementation and resource control implementation. The findings of the study indicated positive but insignificant correlation between budgetary program implementation and resource control implementation. Further, positive and significant relationship was established between specialization as an aspect of
organization structure and the chosen dimensions of strategy implementation. The study concluded that centralized organization structure led to effective but slow strategy implementation process while specialization enhanced the strategy implementation process in the studied firms. In a research study on influence of centralized structure on strategy implementation in the county government of Nakuru, Kenya, Atieno (2015), set out to determine the effects of centralization as a structural element on strategy implementation in the County Governments in Kenya. The study, which was conducted among 46 heads of departments and sections drawn from all government departments, established that there was an average positive significant relationship between centralization and strategy implementation. In essence, centralization was important for strategy implementation hence significant in predicting strategy implementation in county government.

Mack and Szulanski (2017), in a research study on the effects of centralization on participation and inclusion in strategy making, held that decentralization of decision making can be counterproductive with regard to strategy implementation. In a separate study conducted, Aleksić and Jelavić (2017) accentuate the significance of fit between organization structure and strategy implementation. In the study, the two authors emphasize that the decision of an organization to adopt a centralized or a decentralized structure should be aligned with the overall strategy and strategy implementation process. Essentially, the effectiveness and efficiency with which strategy will be implemented in an organization is significantly influenced by the centralization or decentralization of decision-making power within the organization. Ultimately, alignment of structure and strategy implementation affects accomplishment of organizational strategic objectives.

The right strategies are very central to the success and survival of organizations during the turbulent and unstable periods. Further, effective strategy implementation is even critical at these times. In a study on centralization of strategic decisions during the great recession among European Countries, Bakonyi and Muraközy (2016), determined that to effectively implement their strategies, organization were likely to centralize their strategic decision-making process in order to enhance their success levels. Contrary to the above findings, Munyoroku (2012), roots for a decentralized system for effective strategy implementation. The researcher advances that decentralized organization structures tend to be efficient in ensuring high levels of strategy implementation regardless of the strategic context. Nonetheless, Munyoroku concurs with other researchers that structure and strategy
implementation must be aligned in order to enhance the effectiveness and success of the structure. Consequently, organizational leaders and managers should at every opportunity ensure that clarity, relative decentralization and relative formalization of the organization structure.

2.3.2 Formalization
Andersson, Zbirenko and Medina (2014), explain formalization as the extent to which policies, procedures, job descriptions, and rules are written and explicitly articulated in an organization. It is a formal regulation within the organization that controls employees’ behaviour. With regard to formalization, organizations can either have formal (high degree of formalization) or informal (low degree of formalization) structures. Highly formalized structures have many strict written rules and regulations and include bureaucratic and professional models as their main mechanism of coordination (Janićijević, 2013). Organizations with formal structures control employee activities and behavior using written rules. Subsequently, employees have little autonomy to make their own decisions but have to refer to the written rules and procedures (Andersson et al., 2014). Adwet (2016), in a study on strategy implementation of in large supermarkets in Nairobi, emphasized that organization structure is a key driver of strategy implementation process and must be aligned to the strategy for effective strategy implementation. The implication according this study therefore is that when formulating and implementing strategies, organization structure is one of the integral areas that managers should focus on. Analogous results are noted in a study whose objective was to determine effects of organizational structure on strategy implementation among commercial banks in Kenya. In the study, structural factors were typified hierarchical levels, decision-making structure, and line-and-staff. The study concluded that these structural factors significantly influenced effectiveness of the strategy implementation process (Muriithi, 2012).

Siele and Kagiri (2017), analysed the effect of organizational structure on strategy implementation in non-governmental organizations in Kenya. The study concluded that NGOs that had formal structures that were fitting well with their strategies reported effective strategy implementation process which ultimately enhanced attainment of strategic goals and objectives. Ng’enoh (2013), also concluded that the nature and level of formality of organization structure affect effectiveness and efficiency of strategy
implementation. The implication here once again is the central role and function of formalization and organization structure in strategy implementation.

In addition to centralization and specialization, formalization is another element of structural dimension that affects communication, co-ordination and decision making, which are all central to strategy implementation in organizations. The authors further postulates the degree of formalization allows efforts and results of strategy implementation to be monitored and compared against predetermined objectives. In reviewing a number of studies, it was additionally noted that organizations, more so new ventures, that had formal structures outperformed and had experienced more effective strategy implementation as compared to firms whose structures were informal with employees having relatively undefined roles. Benefits of formalized structure encompass well-defined and shaped employee behaviour, easily and quick resolution of problems, activities are organized to the benefit of individuals and the organization, efficiency and lower administrative costs, and ability of organizations to exploit previous discoveries and innovations (Kihara, 2016). A similar finding and conclusion was were reached in a study carried out to establish the role of formality structure as a moderator in the relationship between strategy implementation and performance of manufacturing firms in Indonesia (Ibrahim, Sulaiman, Al Kahtani & Abu-Jarad, 2012). The study concluded that there was a moderating effect of formalized structure on the relationship between strategy implementation (program of budget and control of resources) and performance of the manufacturing firms measured by Return on Equity.

2.4 Leadership Styles and Effective Strategy Implementation

In organizations, both leadership and management are necessary for effective running of the organization. Management makes the vision of leaders work. According to Bargau (2015), leaders and managers can be said to have tasks that are opposite in nature. Management works towards creating order which leading to consistency, efficient operations and stability while leadership strives to deliver constructive change in the organization.

Leadership is the influencing process of leaders and followers to achieve organizational objectives through change (Achua & Lussier, 2013). According to Yukl (2013), leadership can be defined as the process of influencing others to understand and agree about what
needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. Northouse (2010), defines leadership as a process whereby an individual influences a group of individuals to achieve a common goal. Leadership is an act where one influences others towards a given direction. From another perspective, leadership is the process the leader directs, guides, and influences or controls the acts, feelings the follower (Mannix, & Wilkes, & Daly, 2013).

2.4.1 Strategic Leadership
Strategic leadership has been recognized as a major driver of effective and efficient strategy implementation. Strategic leadership is about managing change; and turbulent environment always demand more leadership (Pearce & Robinson, 2011). Hitt, Ireland, and Hoskisson (2007) define strategic leadership as the ability to visualize, foresee and maintain flexibility by the leader, in making certain others are empowered so as to create the necessary strategic changes; it involves managing through others. Capon (2008) defines strategic leadership as the ability to positively influence a people or group of people towards goals achievement. He further states that good leadership has strategic vision and is influential at implementing strategy with an aim of achieving concrete results. Doyle and Lynch (2008) are of the view that strategic leadership typically involves communicating with and listening to those inside the organization with the aim of spreading knowledge, creating and innovating new areas and solutions to problems.

Strategic leadership has been defined as one of the key pillars of effective implementation of strategy. Roles played by strategic leaders are essential in providing a plan for action and inference on how a push for change influences strategy implementation process. Effective organizational leadership and the existence of a strong organizational culture are two central elements in allowing fruitful implementation of a firm’s strategies and objectives. “Weak leadership can wreck the soundest strategy; forceful execution of even a poor plan can often bring victory” (Gamble, Strickland & Thompson, 2012). Strategic leaders develop a strategic vision and mission, sets goals and objectives, craft the strategies, execute it and then evaluate the performance (James & Grasswitz, 2005; Kaur, 2016). In analyzing interconnected leadership theories to strategy implementation, Daft (2014), investigated leadership traits and behaviors that could improve performance and satisfaction. The analysis study also considered the extent to which members of an organization contribute in harnessing the resources of an organization. It was determined
that leadership and management styles as well as involvement of employees determined how effective leaders and managers were effective in performing their leadership and management roles. The study further found that efficiency in resource mobilization, allocation, utilization and enhancement of organizational productivity depended largely on leadership styles among other factors. In keeping with Kaur, (2016), explains that an excellent leader not only inspires subordinates’ potential to enhance efficiency but also meets their requirements in the process of achieving the pivotal target of the organization.

In addition to mastering a wide range of skills, Goffee and Jones (2006), state that strategic leadership involves developing initiative by looking at barriers as challenges and opportunities. Strategic leadership should be competent in terms of skills, both technical and social, and need to continuously assess their performance and improve their skills. Pearce and Robinson (2011), note that credibility builds confidence to the investors and employee commitment. Strategic leadership should be visionary, persuasive, influential, since, according to Sharma (2007), the right vision bridges the present and the future. Moreover, strategic leadership should espouse individual and corporate integrity. Such leaders also need to encourage flexibility, the ability to adapt to and embrace changes as positive and desirable. Showing concern for other people is another trait that strategic leaders should exhibit by demonstrating genuine care for the people they lead.

2.4.2 Democratic Leadership Style

Has highlighted above, organizational leadership is about setting the direction and tone for employees to follow. It therefore follows that effective strategy implementation need to begin with alignment of employees with the formulated strategy, an undertaking that managers and leaders should get right from the onset. They must get employees to participate, understand and embrace the formulated strategy. Empirical studies show significant positive relationship between democratic leadership style and strategy implementation (Vargas & Trez, 2017). According to Ronald (2011), democratic leaders involve employees significantly in decision-making and implementation so as to for effective execution with an objective of democratically attaining commitment and ownership of decisions. Under this style of leadership, employees participate in both institutional and individual goal-setting for their own personal self-growth, learning and development. The democratic leader subsequently guarantees each employee’s success in accomplishing the set goals and objectives. Moreover, a feedback system is instituted
whereby each employee has the responsibility of informing the manager of any obstacle to successful attainment of the targets and the leader, together with the employees, work together to eliminate or overcome the hindrances. Such leaders have high performance and quality expectations of their employees and recognize that one of the sure ways of attaining the expectations is through a committed workforce.

In a research study conducted in Netherlands, Foudraine (2015), concluded that organizations that involved employees in the strategy process performed better and had more effective strategy implementation than those that did not. The subject and main objective of a study carried out in Poland was to establish the role of managers in effective strategy implementation. The study also analysed correlations between managers’ competencies and the effectiveness of the strategy implementation. It was interestingly found that with regard to strategy implementation, adequate actions taken by managers, essentially leadership styles, were of more importance than managers’ competencies Radomska (2014). In a review of the role of leadership in strategy formulation and implementation, the primary objective of the study was to investigate the perceived role of leadership regarding the strategy generation and execution processes in selected Dutch Small and Medium Sized Enterprises (SMEs). Contrary to the findings of the above empirical studies, the study conducted among Dutch SMEs concluded that styles of leadership did not have significant influence on effectiveness of both strategy generation and execution (Nijkamp, 2016).

Kalashe (2016), in a study conducted in South Africa, concluded that involvement of employees is crucial for effective strategy implementation and failure to which the implementation processes has high chances of failing. Involving employees enhance the quality of the process, increases employee commitment to the process, and allows leaders and managers to touch base with lower levels of the organization. In addition to winning the hearts of employees, the right leadership style is crucial in handling employee resistance to strategy implementation (Nodeson, Beleya, Raman, & Ramendran, 2012). In keeping with Kalashe (2016), mainly reviewed the effect of transformational and transactional leadership styles on strategy implementation and concluded that these leadership styles had significant influence on strategy implementation and that both could be used effectively simultaneously in the same context. El Khouly, AbdelDayem and Saleh (2017), researched on the impact of leadership styles on strategy implementation in the Egyptian
Pharmaceutical industry and concluded that leadership styles cannot be defined by a universal set of standards and that leadership styles are defined by the way managers handle a few categories such as how they deal with personnel and how they manage workflow. The results of the study in Egypt determined that while leadership styles effectively impacted on strategy implementation process, different leadership styles were appropriate for different contexts.

Kivasu (2015), studied leadership styles and implementation of strategy among NGOs in Nairobi County. The objectives of the study were to establish the leadership styles adopted by NGOs and to determine the influence of leadership styles on strategy implementation. The study concluded that leadership styles significantly influenced the effectiveness of strategy implementation. This was indicated by the negative effects of poor managers’ inappropriate leadership styles as well as managers’ lack of understanding of strategy implementation on the NGOs’ strategy implementation indicators. Omoro and Monayo (2016), while studying the role of strategic leadership in strategy implementation in the Geothermal Development Company (GDC) in Kenya established that as a leadership style, democratic leadership plays a very crucial role in effective strategy implementation at the GDC. Similar results and conclusions were reached by Ogal and Omanyo (2018), in a study conducted in Kisumu County to examine the influence of leadership styles on the implementation of the strategic plans in NGOs. According to the findings of a study carried out by Muema (2017), charismatic, transformational and democratic leadership styles were the most effective styles with regard to strategy implementation. Further, the study concluded that in addition to the leadership styles, leaders who encouraged creativity and inspired employees contributed significantly to effective strategy implementation.

2.5 Shared Values and Effective Strategy Implementation

Organizational shared values as an aspect of culture is another key element of the McKinsey framework and an important component of most private and public organizations. According to the framework, shared values are defined as those organizational values developed by the organizational leadership and management and communicated down to employees for adoption and espousal. These values must then be supported by the management for them to be effective and readily adopted throughout the organization. These values are should be exhibited and put into practice by all organization members.
when acting on behalf of the organization. Shared values are sometimes referred to as core values. Strong and deeply entrenched shared values of an organization create what Marcus (2012), terms as an organization’s value system. Shared organizational values can take different forms hence different organizations will value different things depending on among other factors environmental and business demands as well as the strategic goals and objectives of the organization. In this study, culture and employee reward structure approaches will be taken as elements of shared values.

Yogamalar and Anand (2016), heighten that shared values are of significance to organizations for various reasons. Creating and implementing shared values is important because these values provide guidance for organizational decision-making. Another essence of shared organizational values is that they provide ethical compass for organizational action. In the contemporary world, because organizational ethics have significant bearing on organizational performance and image, organizational leaders and managers should find it germane to create values that promote ethics both within and outside the organization. For instance, as part of their shared values, organizations should value and be committed to producing products that meet quality standards. To some organizations, these might not seem much but they can go a long way in determining the success of failure of an organization.

Shared values are also imperative in defining acceptable boundaries of employee behavior within an organization. For example, organizations should espouse policies that discourage indecent workplace behaviours such as workplace sexual harassment. Chaney and Martin (2017), observe that shared organizational values go a long way in engendering trust between the management and employees and link an organization together. Amah and Ahiauzu (2014), carried out a research study to determine the relationship between shared values and organizational effectiveness. In the study shared values were measured by coordination and integration, agreement, and core values. The findings of the study established a significant positive relationship between shared values and profitability of financial institutions in the Nigerian banking industry. The conclusion made in the research was that there is a significant positive relationship between shared values and organizational effectiveness.

2.5.1 Organizational culture
Organizational culture is defined by Ahmed and Shafiq (2014), as a system of shared assumptions, values, and beliefs of an organization that promote a unique social and psychological environment of an organization, and governs and shapes employees’ behavior in organizations. Organizational culture can vary from weak to strong depending on the degree to which the culture is accepted within the organization. Organizational culture comprises the shared set of beliefs, expectations, values, norms and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals (Jones & George, 2011). Cole (2005), advances that organizational culture is seen as shared meaning, shared understanding and shared sense making and defines it as a process of reality construction that allows people to see and understand particular events, actions, objects, utterances or situations in distinctive ways.

Culture forms when organization members accept solutions that provide an acceptable conclusion to a problem. Aanya (2013), is of the view that for effective strategy implementation to be realized, there must be an alignment and fit between the strategy and organizational culture. The culture of an organization spans throughout the organization fabric and permeates all levels and functions of an organization making it nearly impossible to see its totality in one set of interactions. Furthermore, organizational culture serves as a medium of subtle interaction between the internal and external environment of an organization and can be consequently termed as a “glue” that holds the organization and its stakeholders together and for others, the “compass” that provides direction (Tharp, 2009). Organizational culture should ideally therefore be shared by managers and employees alike (Keyton, 2005).

One of the major reasons for why strategies fail to materialize as planned is the frequent neglect of aspects of organizational culture. This implies that organizational culture can either facilitate or obstruct the possibility of implementing strategy and accomplishing change. As a facet of shared values, culture, becomes a liability if it is incongruent with the strategy. This subsequently negatively affects the strategy implementation process hence rendering the process ineffective. Additionally, deeply entrenched organizational cultures may become redundant and can be counterproductive when there are rapid changes taking place in the business environment. To be effective, managers must understand their organizational culture and match them to the business environment demands before embarking on the strategy implementation process. They should be aware of the
organizational symbols and artifacts, values and assumptions that support or constrain the strategy implementation process. Alignment of strategy and organizational culture helps to get things done faster and more effectively, with better results (Robbins, Judge & Campbell, 2010).

When implementing strategy, organization culture it influences how management will grow the business, how it will build loyal clientele and out-compete its rivals. Inculcating organizational culture leads to fundamental changes in many aspects of the organization, including organizational structure, human resource selection and deployment, job characteristics, performance measures and the reward system. It is in light of this and the challenges of strategy implementation that more research needed to be done on organizational culture and the influence it has on strategy implementation (Akinyi, 2015).

Culture therefore plays a very important role in how strategy in created, understood and implemented as it lays down the ground rules that are vital for day to day work of an organization. It fuels the spirit of championing a cause within organizations. When culture embraces strategy, execution is scalable, repeatable, and sustainable and as a result becomes a sustainable competitive advantage. Organizational culture are not easily copied from one organization to another, it takes time to build a supportive culture that ensures that organization strategies are not at risk. Culture trumps strategy because it is the only sustainable point of difference for any organization (Schein, 2010).

2.5.2 Organizational Reward Structure
Since shared values must be stated as both corporate and individuals values, the way organizations commit to remunerate and reward their employees also determine and define organizational shared values. Armstrong, Brown and Reilly (2009) contend that organizational reward structure should be convergent with overall business strategy. Somi (2017), linked organizational reward structure, employee turnover, and strategy implementation. The study, which was conducted among government-owned firms in Kenya, established a significant positive relationship between proper remuneration and reward of employees led to reduction in employee turnover which eventually translated to effective strategy implementation in these institutions. In the study conducted by Kipkorir and Ronoh (2017), employee reward system was among the objectives of the study. The results of the study indicated positive relationship between employee reward system and
effectiveness of strategy implementation. It was determined that rewarding employees adequately motivated them and they were consequently enthused to implement the organization’s strategy.

Torben (2015), contends a strategy that is at against the organization’s culture is destined for failure. He asserts that leaders need to establish a culture that supports strategy implementation by giving their employees a reason to care about customers, their colleagues and about how to do business right in a world that rewards cutting corners and compromising values. Organizations have a personality. An organization may be high-energy, laid-back, unconventional, traditional, quality-obsessed or numbers-conscious. Whatever the embraced organizational culture, strategies for getting ahead require that workforce embrace the vision. This in turn means that organizational culture must match the organization’s actions due to employees being enthusiastic about the tasks the strategy requires. If there’s an apparent mismatch, then adjustments need to be done either on the strategy or the organizational culture, the latter not being easy (Johnston, 2015). Aligning a company’s strategy with its culture reduces the disruptive nature of the change, but it is still a change. Savvy leaders ensure that culture and strategy work in collaboration for success, but in a balanced and efficient manner (Roll, 2014). Change is a necessity in private as well as public sector organizations where every organization must change with the environment otherwise, it would become irrelevant (Kariuki & Ombui, 2014).

Commitment of the top management to motivate and remunerate their employees while establishing relationships with them is essential in realization of strategic objectives and goals (Thompson & Strickland, 2003). While people are critical in strategy implementation, their level of motivation might be a driving force towards the success of the process. The basic cultural requirement to earn a living must therefore be integrated into the motivational innovations aimed at driving people towards implementation of strategies and creating operational and administrational systems which can empower strategies (Roll, 2014).

Evidently, well-articulated shared organizational values can and do make significant difference not only in an organization’s performance but also workplace lives of employees. However, there are instances where there is disconnect between a firms shared values, the written set of values, and what people actually do and this has the potential of affecting effectiveness of strategy implementation. The implication is that organizations
can have the best values on paper but espousing and implementing the same remains a wild goose chase if the employees are not made to buy-in the shared values and if the managers do not support the implementation (Eisenberg, 2004).

2.6 Chapter Summary

This literature review has focused on studies which have already been done by various scholars regarding the factors that influence effective strategy implementation in various organizations. The said studies have identified several gaps and recommendations have been made for further studies in the various aspects. The chapter provided a general discussion of the literature reviewed and this was necessary in order to see what had been done in this field and to assist in the answering the research questions. Major findings and conclusions of studies have been discussed. The next chapter will focus on the research methodology of the study and will describe the methods and procedures that will be used to carry out this study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes and explains the methodologies used during the research process. Quantitative approach to research was used to conduct this study. Cross-sectional descriptive research design was used for the study. In data collection, questionnaires were administered to the selected sample from the target population by the researcher. The target population was sub-divided into strata based on their position in the organization’s hierarchical structure.

3.2 Research Design

Rahi (2017), defined research design as the overall strategy that a researcher chooses in order to integrate the different components of the study in a coherent and logical way to ensure that the research problem is effectively addressed. Rahi goes ahead to spell out that it constitutes the blueprint for the collection, measurement, and analysis of data. Another author Roller (2014), defines research design as a blueprint and general outline that describes how, when and where data are to be collected and how the collected data will be analysed to come up with useful information.

Quantitative approach to research was used to conduct this study. This was germane in enhancing the results and findings of the study. Cross-sectional descriptive research design was used to describe the relationship between the variables of the study (Williams, 2014). Cross-sectional descriptive research design was used to describe the relationship between the variables of the study. Questionnaires were used to collect data from the field. Correlation, Analysis of Variation (ANOVA), and frequency analysis methods were be used to analyse the data.

3.3 Population and Sampling Design

3.3.1 Population

Population refers to the group of people or objects from which the sample of a research study will be drawn or the group of people or objects to whom the researcher wants the research results to apply (Saunders et al., 2009). The population should have some observable characteristics, to which the researcher intends to generalize the results of the study. The target population of this research consisted of the top, middle and lower management as well as non-managerial permanent employees of EABL. In this research,
22 top level managers, 46 middle level managers, 93 first-line managers and 376 permanent non-managerial employees were targeted.

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Target Population Characteristic</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-level management</td>
<td>22</td>
</tr>
<tr>
<td>Middle-level management</td>
<td>46</td>
</tr>
<tr>
<td>Lower-level management</td>
<td>93</td>
</tr>
<tr>
<td>Permanent non-managerial employees</td>
<td>376</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>537</strong></td>
</tr>
</tbody>
</table>

Source: *East Africa Breweries Limited (2018)*

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

Sampling frame is a rundown of all things where staff sample is drawn with the end goal of research. It has the property that the research can recognize each component and incorporate any in the sample (Saunders et al., 2009). Using primary data, the researcher acquired the number of staff within the EABL organization that formed the target population, divided this into four strata that is Top-level management, Middle-level management, Lower-level management, and Permanent non-managerial employees. An appropriate sample was obtained that formed the participant of the research and that gave evidence that allowed for generalization. Therefore, being a large population Yamane formula was used to establish appropriate sample size.

3.3.2.2 Sampling Technique

In order to draw conclusions that can be used to make generalizations, it was sensible to use a sample that is representative of the target population. Consequently, probability sampling technique was used in selecting the population sample. The rationale for using this technique was to give all the participants equal opportunity to participate in the study. Specifically, stratified random sampling was used. This involved placing the individuals into strata of the top-level management, middle-level management, lower-level management, and non-managerial employees. Individuals were then selected randomly from each stratum to answer the questionnaires.
3.3.2.3 Sample Size
Due to time, financial and resource constraints and other factors beyond the researcher’s control, it may be impractical to reach every item of the target population (Austin Research, 2014). Nonetheless, it is prudent to use an optimal sample size that is representative of the targeted population. Thus, only small samples from each stratum of the targeted were be chosen for research in order to enhance the accuracy of the results and findings of a study. The sample size for this formula was calculated using Yamane (1967) formula as follows;

\[ n = \frac{N}{1 + N(e)^2} \]

Where;
- \( n \) is the sample size
- \( N \) is the population size,
- \( e \) is the alpha level

Using the formula, the sample size for this study was;

\[ n = \frac{537}{1 + 537(0.05)^2} = 329 \]

Using the above formula, the sample size for this study will be 329 individuals, and the numbers were distributed as shown in Table 3.2

<table>
<thead>
<tr>
<th>Target Population Characteristic</th>
<th>Frequency</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-level management</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Middle-level management</td>
<td>46</td>
<td>41</td>
</tr>
<tr>
<td>Lower-level management</td>
<td>93</td>
<td>75</td>
</tr>
<tr>
<td>Permanent non-managerial employees</td>
<td>376</td>
<td>193</td>
</tr>
<tr>
<td>Total</td>
<td>537</td>
<td>329</td>
</tr>
</tbody>
</table>

3.4 Data Collection Methods
The study used data collected from primary sources. The primary sources was collected by use of a structured questionnaire which was administered to the employees manually. The questionnaires were structured according to the research questions. Questionnaires were exclusively be used to collect data from the field. The questions were accompanied by a list of possible alternatives from which respondents were required to select the answer that best described their opinion of the situations and occurrences.
The questionnaire was structured in 4 broad areas that include general information, a section on the influence of the organization structure on effective strategy implementation, a section on Leadership styles and effect on effective strategy implementation and a section on shared values and their influence on effective strategy implementation. The variables on the key objectives of the study was measured in interval scales on a five point Likert scale (1-representing strongly disagree to 5-strongly agree) to determine respondents’ agreement on the influence Organization structure, Leadership styles and Shared Values on Effective strategy implementation with EABL.

3.5 Research Procedures
Before proceeding to the field to collect data, the researcher waited for clearance by the university, United States International University (USIU-Africa) to proceed to the field to collect data. After the clearance, the researcher requested the top management of EABL to be allowed to conduct the study in the company. In collecting data, the researcher presented questionnaires to the randomly selected managers and permanent non-managerial employees of EABL. The respondents were allowed time to fill in the questionnaires appropriately and were guided in doing so when needed. The researcher ensured that all the questions in the data collection instrument were responded to. After all the questionnaires had been filled, they were collected back, and coded ready for analysis.

Validity is the degree to which results obtained from the analysis of the data actually represent the phenomenon under study. Mugenda and Mugenda (2012), notes that validity has to do with how accurate the data obtained in the study represents the variables of the study and is a true reflection of the variables. It is only then that inferences based in such data would be accurate and meaningful. To ascertain validity of the questionnaire the researcher consulted a statistician for further improvements on the instrument after which the comments and inputs were incorporated in the questionnaires before data collection. Also, the questionnaire was pilot-tested with respondents whose profiles match that of the target population. This test was carried out to identify and rectify possible short-comings in the research instrument before using them for the actual study.

Reliability ensures that there is precision with which data is collected. A test-retest technique was used to test the reliability of the instrument. According to Mugenda and
Mugenda, (2013), if identical outcomes are realized after running a number of tests, then it can be reliably concluded that the data collected is reliable. The questionnaire was administered to the test group twice within a span of one week after which the results were compared. Comparison of the results indicated that the tool was adequately reliable for data collection.

3.6 Data Analysis Methods
The coding technique was used to analyse the collected information. Using this technique, the analyst demarcated the data into segments. Each segment was labelled with a code that suggested how the associated data segments informed the research objectives. After coding, reports were prepared accordingly by summarizing the prevalence of codes, discussing similarities and differences in related codes across distinct original contexts, and comparing the relationship between one or more codes. In comparing the relationships between the independent variables and the dependent variable, cross tabulations and Pearson Correlation were used. ANOVA tests were also used to analyse the data. Data analysis was done using the Statistical Package for the Social Sciences (SPSS) Version 20 software.

In order to enhance the ease of understanding the findings of the research while at the same time preserving its quality, the researcher used tables, figures and graphs to present the data. These were then be aided by brief explanations that give more insight about the information generated. It was estimated that one week would be sufficient for this exercise.

3.7 Chapter Summary
This chapter outlines the research designs that were used in carrying out the research. The chapter present that quantitative approach to research were used to conduct this study. The target population of the research is also identified in this chapter. The data collection instrument that was used in gathering data is explained in the chapter, how it was developed and how its validity and reliability were tested. Further, ethical considerations that guided that researcher during the entire research process are outlined. The following chapter cover the outcomes of data analysis and presents these findings using table, charts and descriptions.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter covers results and analysis quantitative of the data collected from the field. The analyses of quantitative data is presented using table and corresponding analysis of the findings come alongside. Presentation of the results and findings of the data are done on the basis of the three research questions.

4.2 Response Rate and Demographic Information

The data collection process was successful as indicated by the 63.8% response rate in Table 4.1, which implies that out of the 329 questionnaires that were distributed for data collection only 225 answered questionnaires were received back. Out of the 225, only 210 were fully answered by the respondents who took part in the research survey hence the 210 questionnaires were used for data analysis.

Table 4.1: Study Response Rate

<table>
<thead>
<tr>
<th>Questionnaires Administered</th>
<th>Questionnaires Returned</th>
<th>Questionnaires used in Analysis</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>329</td>
<td>225</td>
<td>210</td>
<td>63.8%</td>
</tr>
</tbody>
</table>

4.3 Demographics and General Information

4.3.1 Management Level

Table 4.2 presents respondents’ level of management in the organization. Drawing from the table, 6% of the respondents were from the top management of the organization, 12% were middle-level management, 23% were from lower-level management, and the remaining proportion, 59% held non-managerial positions.

Table 4.2: Level of Management

<table>
<thead>
<tr>
<th>Level of Management</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Level Management</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Middle-Level Management</td>
<td>25</td>
<td>12</td>
</tr>
<tr>
<td>Lower-Level Management</td>
<td>48</td>
<td>23</td>
</tr>
<tr>
<td>Non-Managerial</td>
<td>124</td>
<td>59</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100</td>
</tr>
</tbody>
</table>
4.3.2 Duration Served in the Company
With respect to duration served in EABL, Table 4.3 indicates that at the time of the research, majority of the respondents, 34% of the respondents had served in the organization for between 1-3 years, 25% has served in EABL for over 4-6 years, 22% had been employees of EABL for more than 10 years. Those who had served between 7-9 years were 16% and the remaining 3% had served in the organization for less than 1 year.

Table 4.3: Duration of Service

<table>
<thead>
<tr>
<th>Duration</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>1-3 years</td>
<td>71</td>
<td>34</td>
</tr>
<tr>
<td>4-6 years</td>
<td>53</td>
<td>25</td>
</tr>
<tr>
<td>7-9 years</td>
<td>34</td>
<td>16</td>
</tr>
<tr>
<td>10 years and above</td>
<td>46</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.3 Level of Education
With regard to highest level of education attained by the respondents, Table 4.4 reveals that none of the respondents were doctorate graduates. Majority of the respondents, 46%, were undergraduates, 41% were holders of Graduate Degree, and 13% of them were Diploma holders.

Table 4.4: Highest Level of Education Attained

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>27</td>
<td>13</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>97</td>
<td>46</td>
</tr>
<tr>
<td>Graduate</td>
<td>86</td>
<td>41</td>
</tr>
<tr>
<td>Doctorate</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.4: Determining Whether the Organization Formulates Appropriate Strategies
With regard to the question on whether EABL formulates appropriate strategies, results in Table 4.5 indicate that 58% of the respondents agreed that the organization formulates strategies that are appropriate and in line with its business activities. Approximately 37% of the respondents strongly agreed that the firm formulates appropriate strategies while 1%
of them disagreed with the question statement. The remaining 4% of the respondents were neutral. None of the respondents strongly disagreed that EABL formulates appropriate strategies that are in line with its business operations. This implication here is that in deed EABL recognizes the significance of having in place appropriate strategies that the company intends to achieve its vision and mission. Additionally, the strategies formulated are appropriate and in line with the organizational strategic goals and objectives.

4.3.5: Effective Implementation of Formulated Strategies
With regard to effective implementation of formulated strategies by EABL, Table 4.5 indicates that 61% of the respondents were of a positive view hence agreed that formulated strategies are effectively implemented by the organization while 24% of them strongly agreed that the firm effectively implements its strategies. Out of the remaining 15%, 14% of the respondents were not sure whether or not the company effectively implements the strategies it formulates while about 1% of the respondents were of divergent opinion and disagreed with the question statement. None of the respondents strongly disagreed that EABL effectively implements the strategies it formulates.

4.3.6 Effective Strategy Implementation and Organization’s Normal Operations
In terms of whether the organization’s normal running of business deters effective strategy implementation, the findings of the study presented in Table 4.5 reveal that approximately 42% of the respondents disagreed that normal running of the firm’s business deters effective strategy implementation and 8% of them strongly disagreed with the question statement. About 25% of the respondents remained neutral with regard to this question. Of those who affirmed the question statement, 7% strongly agreed that effective strategy implementation is deterred by normal running of the organization’s normal operations while 18% of them agreed that normal running of business deters effective strategy implementation.

4.3.7 EABL’s Timing of Strategy Implementation
Timely implementation of strategies is very critical and therefore respondents were asked whether they believe the organizations effectively implements it strategies in time. With respect to this question, 58% of the respondents disagreed that EABL does not implements its formulated strategies in time. Approximately 17% of the respondents strongly disagreed with the question statement while 18% of the respondents were neutral as to whether
EABL’s strategies are implemented in time or not. About 7% of the respondents were of the view that effective strategy implementation is not done in timely manner at EABL. None of the respondents strongly disagreed with the question statement.

4.3.8 Comprehensive Implementation of Strategy

As indicated in Table 4.5, results of analysis of the question whether EABL does not at all implement the strategies it formulates show that about 59% of the respondents strongly disagreed with the question statement while about 35% of the respondents disagreed that organization’s strategies are not implemented at all. The remaining 6% of the respondents were neutral.

Table 4.5: Descriptive Statistics on Formulation and Implementation of Strategies

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization formulates appropriate strategies.</td>
<td>0%</td>
<td>1%</td>
<td>4%</td>
<td>58%</td>
<td>37%</td>
<td>210</td>
<td>4.31</td>
<td>0.592</td>
</tr>
<tr>
<td>The organization implements formulated strategies effectively.</td>
<td>0%</td>
<td>1%</td>
<td>14%</td>
<td>61%</td>
<td>24%</td>
<td>210</td>
<td>4.08</td>
<td>0.642</td>
</tr>
<tr>
<td>The organization normal running of business deters effective strategy implementation.</td>
<td>8%</td>
<td>42%</td>
<td>25%</td>
<td>18%</td>
<td>7%</td>
<td>210</td>
<td>2.74</td>
<td>1.061</td>
</tr>
<tr>
<td>The organization’s effective strategy implementation is not done in timely manner.</td>
<td>17%</td>
<td>58%</td>
<td>18%</td>
<td>7%</td>
<td>0%</td>
<td>210</td>
<td>2.15</td>
<td>0.782</td>
</tr>
<tr>
<td>The organization’s strategies are not implemented at all.</td>
<td>59%</td>
<td>35%</td>
<td>6%</td>
<td>0%</td>
<td>0%</td>
<td>210</td>
<td>1.47</td>
<td>0.613</td>
</tr>
</tbody>
</table>

4.4 Organizational Structure and Effective Strategy Implementation

4.4.1 Degree of Centralization of Decision-Making Power in EABL

Drawing from Figure 4.1, 43%, of the respondents rated the degree of centralization of EABL’s structure as high while 17% found the EABL’s structure very highly centralized. Approximately 38% were of the view that the structure is moderate, neither high nor low, and the remaining 3% of the respondents felt that the structure was lowly centralized.
4.4.2 Correlation Between Level of Management and Degree of Centralization

A Pearson Correlation test was run to determine the relationship between the level of management and respondents’ opinions on the degree of centralization of decision-making power in the firm. In line with Table 4.6, at a significance level of 0.05 ($\alpha = 0.05$), the results of the Pearson Correlation coefficient for level of management and opinions on the degree of centralization of decision-making is 0.005, which is significant ($p < 0.005$), based on 210 complete observations. This implies that there is a weak positive relation between management and respondents’ opinions on the degree of centralization of decision-making power in EABL.

Table 4.6: Correlation between Level of Management and Degree of Centralization

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Management level in the company</th>
<th>Degree of centralization of decision-making power in EABL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management level in the company</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.968</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>210</td>
</tr>
<tr>
<td>Degree of centralization of decision-making power in EABL</td>
<td>Pearson Correlation</td>
<td>.005</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.968</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>210</td>
</tr>
</tbody>
</table>

4.4.3 Degree of Structure Formalization at EABL

With reference to Figure 4.2, 38% of the respondents held the opinion that the structure of the organization was moderately formal. This is closely followed by 42% of the
respondents who were of the opinion that formalization of processes and activities in the organizations structure is high. About 17% of the study participants opined that formalization of EABL’s structure is very high. The remaining 3% of the respondents found formalization of EABL’s structure to be low.

Figure 4.2: Degree of Structure Formalization at EABL

4.4.4 Centralization of Decision-Making Power and Effective Strategy Implementation

With reference to Figure 4.3, results of the analysis on the extent to which centralization of decision-making power affect effective strategy implementation indicate that a significant proportion of the respondents, 63%, are of the view that centralization of decision-making power affects effective strategy implementation to a moderate extent. This is followed by 28% who are of the opinion that effective strategy implementation is affected to a great extent by centralization of decision-making power. 6% of the respondents opined that centralization of decision-making power affects effective strategy implementation process to a minor extent. The remaining 3% of the respondents opined that centralization of decision-making power does not affect effective strategy implementation at all.
Figure 4.3: Extent to Which Centralization of Decision-Making Power Affects Effective Strategy Implementation

4.4.5 Structure Formalization and Effective Strategy Implementation

Results of the analysis captured in Figure 4.4 indicate that while 62% of the respondents are of the view that a formal structure affects effective strategy implementation to a moderate extent, 31% are of the opinion that effective strategy implementation is affected to a great extent by formalization. Approximately 4% of the study participants were the opinion that formalization affects effective strategy implementation and the remaining 3% believe that effective strategy implementation is not affected at all by formalization of the organization’s processes and activities.
4.4.6 Variation Between Management Level and Extent to Which Formalization Affect Effectiveness of Strategy Implementation

An analysis of variation (ANOVA) test was carried out to determine whether there is a statistically significant difference between the group means of level of management and extent to which formalization affect effectiveness of strategy implementation. Deducing from of the analysis of the ANOVA test showed that within a 0.05 significance level ($\alpha = 0.05$) there is no significant differences between the groups as determined by one-way ANOVA ($F(3,67) = 1.893$, $p = .139$). This implies that irrespective of the positions and different capacities of respondents, there was no difference in opinions regarding the extent to which formalization affect effectiveness of strategy implementation.

Table 4.7: ANOVA for Relationship between Management Level and Extent to Which Formalization Affect Effectiveness of Strategy Implementation

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>5.547</td>
<td>14</td>
<td>1.849</td>
<td>1.893</td>
<td>.139</td>
</tr>
<tr>
<td>Within Groups</td>
<td>65.439</td>
<td>315</td>
<td>.977</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>70.986</td>
<td>210</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.4.7 Centralization and Effective Strategy Implementation in EABL
According to Table 4.8, slightly more than half the proportion of respondents, 51%, agreed that a centralized organizational structure is essential to enhance effective strategy implementation in EABL. Approximately 18% of the respondents strongly agreed with the question statement. About 7% of the respondents remained uncertain while an equal proportion strongly disagreed that a centralized organizational structure is essential to enhance effective strategy implementation. The remaining 17% of the respondents disagreed with the question statement.

4.4.8 Decentralization and Effective Strategy Implementation in the Organization
Table 4.8 also reveals that 23% of the respondents strongly disagreed that a decentralized organizational structure enhances effective strategy implementation process in EABL while 28% of the disagreed with the question statement. Of those who were of divergent view, 21% strongly agreed that decentralized organizational structure enhances effective strategy implementation process in EABL and a further 24% agreed that decentralized organizational structure enhances effective strategy implementation process in EABL. The remaining 4% of the respondents were neutral.

4.4.9 Formal Structure and Effective Strategy Implementation in EABL
Approximately 66% of the respondents agreed that it is imperative important for EABL to have an informal structure in order to have an effective strategy implementation process while 16% of the survey participants strongly agreed with the question statement. About 11% of the respondents were neutral. Of those who had a contrary opinion, 1% disagreed that it is imperative important for EABL to have an informal structure in order to have an effective strategy implementation process and 6% of them strongly disagreed that an informal structure is essential for effective strategy implementation in the organization.

4.4.10 Informal Structure and Effective Strategy Implementation in EABL
Results contained in Table 4.8 indicate that 27% of the respondents agreed that it is important for the organizations to have an informal structure in order to have an effective strategy implementation process while another 13% of the respondents agreed with the question statement. Of out those who had a contrary opinion, 24% of the respondents disagreed that that it is important for the organizations to have an informal structure in order
to have an effective strategy implementation process while 21% strongly disagreed with the question statement. About 15% of the respondents were neutral.

4.4.11 Relationship Between Change in EABL’s Strategy and Change in its Structure

About 47% of the respondents agreed that change in the organization’s strategy leads to change in its structure while 40% of the respondents strongly agreed with the question statement. Of the remaining 13%, 3% strongly disagreed that that change in the organization’s strategy leads to change in its structure while an equivalent proportion simply disagreed with the question statement. 7% of the respondents were not certain whether a change in the organizations strategy has a resultant effect on its structure.

Table 4.8: Descriptive Statistics on Organization Structure and Strategy Implementation

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>A centralized organizational structure is essential to enhance effective strategy implementation in EABL.</td>
<td>7%</td>
<td>17%</td>
<td>7%</td>
<td>51%</td>
<td>18%</td>
<td>210</td>
<td>3.56</td>
<td>1.165</td>
</tr>
<tr>
<td>A decentralized organizational structure enhances effective strategy implementation process in EABL.</td>
<td>23%</td>
<td>28%</td>
<td>4%</td>
<td>24%</td>
<td>21%</td>
<td>210</td>
<td>2.92</td>
<td>1.513</td>
</tr>
<tr>
<td>For EABL to effectively implement its strategies there is need for the organization to put in place a formal structure.</td>
<td>6%</td>
<td>1%</td>
<td>11%</td>
<td>66%</td>
<td>16%</td>
<td>210</td>
<td>3.85</td>
<td>0.899</td>
</tr>
<tr>
<td>It is important for the organizations to have an informal structure in order to have an effective strategy implementation process.</td>
<td>21%</td>
<td>24%</td>
<td>15%</td>
<td>27%</td>
<td>13%</td>
<td>210</td>
<td>2.87</td>
<td>1.359</td>
</tr>
<tr>
<td>Change in the organization’s strategy leads to change in structure</td>
<td>3%</td>
<td>3%</td>
<td>7%</td>
<td>47%</td>
<td>40%</td>
<td>210</td>
<td>4.18</td>
<td>0.876</td>
</tr>
</tbody>
</table>

4.4.12 Relationship Between Management Level and Essentiality of a Centralized Organization Structure in Effective Strategy Implementation

Regression analysis was carried out to determine relationship between management level in the company and essentiality of a centralized organization structure in enhancing effective implementation of strategy. Table 4.9 indicates the $R$ and $R^2$ values. The $R$ value,
which represents the simple correlation, is 0.271, thus indicating a low degree of correlation. The $R^2$ value, 0.074, indicates how much of the total variation in the dependent variable, in this case essentiality of a centralized organizations structure in enhancing effective strategy implementation, can be explained by the independent variable, in this case management level in the organization.

Table 4.10 is the ANOVA table which reports how well the regression equation predicts the dependent variable, which in this case is the essentiality of a centralized organizations structure in enhancing effective strategy implementation. The $p$ value is 0.022 which is less than 0.05, which therefore implies that the regression model predicts the dependent variable significantly well.

The Coefficients table, Table 4.11, provides information for predicting essentiality of a centralized organizations structure in enhancing effective strategy implementation from management level in the organization.

Essentiality of a centralized organizations structure = 4.521 – 0.318

Table 4.9: Regression Model Table

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Management level in the company

Table 4.10: Regression ANOVA Table

<table>
<thead>
<tr>
<th>ANOVAa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Centralized organizational structure is essential to enhance effective strategy implementation in EABL

b. Predictors: (Constant), Management level in the company
Table 4.11: Regression Coefficients Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>4.521</td>
<td>.431</td>
<td></td>
<td>10.487</td>
</tr>
<tr>
<td>Management level in the company</td>
<td>-.318</td>
<td>.136</td>
<td>-.271</td>
<td>-2.341</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Centralized organizational structure is essential to enhance effective strategy implementation in EABL

4.4.13 Analysis of Structure in Effective Strategy Implementation

Drawing from the analysis of the first research question, it is generally evident that there is positive association between organizational structure and effective strategy implementation as indicated by majority of respondents in different questions under the first research question. Majority of respondents indicated that both aspects of organizational structure, namely centralization of decision-making and formalization, affect strategy implementation in EABL. Further, the results of the analyses reveal that both facets of organizational structure affect effective decision making to a great extent as indicated by fairly majority of the respondents. There were however mixed opinions with regard to degrees of centralization and formalization and effective strategy implementation. While majority of the respondents were of the view that centralization is significant for effective strategy implementation, there was no clear opinion on whether high formalized structure were preferred to low formalized structures. Finally, results of the analysis show that the company adjusts it structure and strategy simultaneously to attain symmetry between the two.

4.5 Leadership Styles and Effective Strategy Implementation

4.5.1: Leadership and Effective Strategy Implementation

According to Figure 4.5, out of the 210 respondents who were engaged in the study, 62% were of the view that leadership affects strategy implementation to a great extent while 35% opined that effectiveness of strategy implementation is affected by leadership only to a moderate extent. Only 3% of the respondents were of the opinion that leadership does not affect strategy implementation at all.
4.5.2 Dominant Leadership Styles in EABL

Results in Table 4.12 indicate that at EABL, the most common types of leadership exhibited by the managers is transformational/strategic leadership at 59%, the next common types of leadership in the organization is democratic leadership at 20%, followed by transactional leadership style at 13%. Autocratic leadership style is at 17% and finally situational leadership is the least exhibited leadership style at 2%.

Table 4.12: Leadership Styles Mostly Exhibited By Managers of EABL

<table>
<thead>
<tr>
<th>Leadership style</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autocratic leadership</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td>Democratic leadership</td>
<td>42</td>
<td>20</td>
</tr>
<tr>
<td>Transformational/strategic leadership</td>
<td>124</td>
<td>59</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>27</td>
<td>13</td>
</tr>
<tr>
<td>Other – Situational leadership</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>210</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.5.3 Demonstration of Clear Vision by EABL’s Leadership
Analysis of the data set presented in Table 4.13 reveals that 67% of the respondents agree that the management of the organization demonstrates clear vision for the future for other employees to follow. Approximately 21% of the study participants strongly agree that there is demonstration of clear vision of the future by the management of EABL while 6% of them were uncertain. Those who are of the divergent opinion are 3% of the total respondents with 3% disagreeing that the management of the organization demonstrates clear vision for the future and an equal proportion (3%) strongly disagree with the question statement.

4.5.4 Importance of Clear Vision to Strategy Implementation
The findings of the study highlighted in Table 4.13 reveal that 23% of the respondents strongly agreed that clear demonstration of organizational vision is essential for strategy implementation in EABL. Approximately 70% of the respondents agreed that clear demonstration of organizational vision is essential for the firm’s strategy implementation. About 3% of the respondents were uncertain while an equal proportion (3%) disagreed with the question statement. Only 1% of the respondents strongly disagreed that clear demonstration of organizational vision is essential for strategy implementation in EABL.

4.5.5 Significance of Appropriate Leadership Style in Strategy Implementation
As indicated in Table 4.13, more than half, 51%, of the study participants agreed that the right leadership style if fundamental for effective strategy implementation at EABL. Out of the remaining 49% of the respondents, 35% of them strongly agreed that for strategy implementation to be effective, the managers must exhibit the right leadership style while 10% of them were uncertain on whether or not the right leadership style is essential for effective strategy implementation. The remaining 4% of the respondents strongly disagreed with the question statement.

4.5.6 Influence of Leadership Style on Strategy Implementation
Drawing from Table 4.13, 1% of the respondents strongly agreed that EABL’s managers’ leadership styles influenced strategy implementation in the firm. Approximately 37% of the study participants agreed with the question statement. Those who were neutral about managers’ leadership style in influencing strategy implementation were 55%. About 4% of
the respondents disagreed with the question statement while 3% of respondents strongly disagreed with the question statement.

4.5.7 Appropriateness of the Dominant Leadership Style
Table 4.1 reveals that 34% of the respondents strongly agreed that the leadership style they identified in question number 24 of the questionnaire was the most appropriate for strategy implementation in the organization. Roughly 51% of them agreed that the leadership style they identified most appropriate for strategy implementation. Out of the remaining 15%, the proportion of respondents who were neutral were 4% while 10% disagreed that the leadership style they identified was the most appropriate for strategy implementation in EABL. The remaining 1% of the respondents strongly disagreed.

4.5.8 Contribution of Dominant Leadership Style to Effective Strategy Implementation
From the list of various leadership styles that were presented in question number 24 of the questionnaire, 49% of the respondents agreed that the leadership style they identified as the most prevalent contributes significantly to effective strategy implementation. Approximately 37% of the study participants strongly agreed that the leadership style they identified contributes significantly to effective strategy implementation while 9% were neutral. About 4% of the respondents disagreed with the question statement and the remaining 1% of the respondents strongly disagreed with the question statement.

4.5.9 Commitment of EABL’s Top Management to Strategy Implementation
Results of the data analysis indicate that 52% of the study participants agreed that EABL’s top management is committed to the strategy implementation and inspires and motivates employees to support the process while 32% of strongly agreed that the organization’s top management is committed to the strategy implementation and inspires and motivates employees to support the process. 10% of the respondents were neutral while 4% disagreed with the question statement. The remaining 2% strongly disagreed with the question statement.

4.5.10 Analysis of Leadership Style in Effective Strategy Implementation
Similarly, results of the analysis also revealed that leadership is a critical element to effective strategy implementation. To begin with, an overwhelming majority of the
respondents, more than 90%, indicated that leadership affects effectiveness of strategy implementation in EABL and to a great extent. Transformational leadership style was the found to be the most prevalent leadership style in EABL. Equally, majority of the respondents indicated that the most prevalent leadership style was also effective in enhancing strategy implementation in the organization. This implies that transformational leadership is effective in strategy implementation at EABL. Another critical aspect of strategic management and strategy implementation is the formulation of clear vision which guides employees during strategy implementation. Also essential is the finding that the management of the organization is committed to strategy implementation and also inspires and motivates employees to support the strategy implementation process.

**Table 4.13: Descriptive Statistics on Leadership Styles and Strategy Implementation**

<table>
<thead>
<tr>
<th>Description</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization leadership demonstrates clear vision for the future.</td>
<td>3%</td>
<td>3%</td>
<td>6%</td>
<td>67%</td>
<td>21%</td>
<td>210</td>
<td>4.00</td>
<td>0.78</td>
</tr>
<tr>
<td>Demonstration of clear organizational vision is essential for strategy implementation in EABL.</td>
<td>1%</td>
<td>3%</td>
<td>3%</td>
<td>70%</td>
<td>23%</td>
<td>210</td>
<td>4.11</td>
<td>0.64</td>
</tr>
<tr>
<td>The appropriate leadership style is integral for effective implementation of strategies in EABL.</td>
<td>4%</td>
<td>0%</td>
<td>10%</td>
<td>51%</td>
<td>35%</td>
<td>210</td>
<td>4.13</td>
<td>0.86</td>
</tr>
<tr>
<td>The managers’ leadership style influences strategy implementation in EABL.</td>
<td>3%</td>
<td>4%</td>
<td>55%</td>
<td>37%</td>
<td>1%</td>
<td>210</td>
<td>3.29</td>
<td>0.67</td>
</tr>
<tr>
<td>The leadership style identified in question 24 above is appropriate for effectiveness of strategy implementation in EABL.</td>
<td>1%</td>
<td>10%</td>
<td>4%</td>
<td>51%</td>
<td>34%</td>
<td>210</td>
<td>4.07</td>
<td>0.91</td>
</tr>
<tr>
<td>The leadership style identified in question 24 above significantly contributes to effective strategy implementation in EABL.</td>
<td>1%</td>
<td>4%</td>
<td>9%</td>
<td>49%</td>
<td>37%</td>
<td>210</td>
<td>4.17</td>
<td>0.79</td>
</tr>
<tr>
<td>EABL’s top management is committed to the strategy implementation and inspires and motivates employees to support the process.</td>
<td>2%</td>
<td>4%</td>
<td>10%</td>
<td>52%</td>
<td>32%</td>
<td>210</td>
<td>4.08</td>
<td>0.84</td>
</tr>
</tbody>
</table>
4.6 Shared Values and Effective Strategy Implementation

4.6.1 Culture and Effective Strategy Implementation

With regard to the extent to which EABL’s organizational culture affects effective strategy implementation, Figure 4.6 indicates that 48% of the respondents indicated that the culture affects, to a moderate extent, effective strategy implementation while 42% were of the opinion that the organization’s culture affects to a great extent the strategy implementation process. Only 10% of study participants indicated that EABL’s organizational culture affects effective strategy implementation to a minor extent.

![Figure 4.6: Extent to Which Culture Affects Effective Strategy Implementation](image)

4.6.2 Reward Structure and Effective Strategy Implementation

Figure 4.7 indicates that 49% of the respondents were of the view that EABL’s reward structure affects effective strategy implementation to a great extent. This was followed by 38% of the respondents who were of the opinion that effective strategy implementation was affected to a moderate extent by the organization’s reward structure. Approximately 13% of the 210 respondents opined that strategy implementation was only affected to a minor extent by the firms reward structure.
4.6.3 Appropriate Shared Values and Effective Strategy Implementation

Results of the analysis in Table 4.14 also show that 65% of the respondents agreed that appropriate shared values are essential for effective strategy implementation in this organization. About 28% of the respondents strongly agreed that appropriate shared values are essential for effective strategy implementation in this organization while 4% of the respondents remained neutral. Of those who had contrary view, 2% disagreed with the question statement while 1% strongly disagreed with it.

4.6.4 Influence of Shared Values on strategy implementation in EABL

Table 4.14, indicates that 46% of the respondents agreed that EABL’s shared values significantly influence strategy implementation in the organization while 38% of them strongly agreed with the question statement. Approximately 14% of the respondents were neutral, 1% strongly disagreed and an equal proportion (1%) agreed that the company’s shared values significantly influence strategy implementation in the organization.

4.6.5 EABL’s Culture in Supporting Effective Strategy Implementation

In response to the question on whether the company’s culture supports effective strategy implementation, Table 4.14 shows that 74% of the respondents agreed that the
organization’s culture supports effective strategy implementation while 15% strongly agreed with the question statement. Approximately 7% of the respondents were neutral while 3% of them disagreed that the company’s culture supports effective strategy implementation. The remaining 1% of the respondents strongly disagreed with the question statement.

4.6.6 Contribution of EABL’s Culture to Effective Strategy Implementation
According to results in Table 4.14, 69% of the respondents agreed that EABL’s culture has contributed positively to effective strategy implementation while 18% of the respondents strongly agreed with the question statement. Approximately 7% of the respondents disagreed with the question statement. Out of the remaining 6% of the respondents, 3% strongly disagreed that EABL’s culture has contributed positively to effective strategy implementation while an equal proportion (3%) expressed uncertainty.

4.6.7 Effect of Consistency Between EABL’s and Employees’ Values on Strategy Implementation
With regard to the question on whether successful strategy implementation is achieved if there is consistency between the values of its employee and the organization, Table 4.14 indicates that one half (50%) of the respondents were strongly in agreement with the question statement and another 32% of them agreed that successful strategy implementation is achieved if there is consistency between the values of its employee and the organization. Approximately 13% of the respondents expressed uncertainty with regard to this question, about 4% disagreeing with the question statement and 1% expressing strong disagreement with the question statement.

4.6.8 Relationship Between Cultural Alignment and Effective Strategy Implementation
When asked whether there is lack of alignment between EABL’s culture and effective strategy implementation, Table 4.14 indicates that 51% of the respondents strongly disagreed that there is misfit between the company’s culture and effective strategy implementation while 28% of them disagreed with the question statement. A total of 12% of the respondents were of a contrary opinion with 8% agreeing that there exists lack of alignment between the culture and effective strategy implementation within the
organization while 5% of the study participants strongly agreed with the question statement. Around 8% of the respondents were neutral.

### 4.6.9: Alignment Between Reward Structure and Effective Strategy Implementation

With regard to alignment between EABL’s reward structure and strategy, results of the analysis in Table 4.14 reveals that 71% of the respondents disagreed that EABL’s reward structure is aligned with the organization’s strategy and 23% of them strongly disagreed that EABL’s reward structure is aligned with the organization’s strategy. Out of the remaining 6% of the respondents, 1% were uncertain whether or not the firm’s reward structure is aligned with the organization’s strategy, 3% agreed that the organization’s reward structure is aligned with the organization’s strategy, and 2% strongly agreed with the question statement.

### 4.6.10: Role of Reward Structure in Effective Strategy Implementation

As per Table 4.14, 54% of the respondents agreed that reward structure plays a positive key role in effective strategy implementation and another 23% of them strongly agreed that EABL’s reward structure plays a positive key role in effective strategy implementation. Of those who were of opposing view, 3% strongly disagreed that the reward structure plays a positive key role in effective strategy implementation and an equivalent proportion (3%) simply disagreed with the question statement. Those who were uncertain about the role of reward structure in effective strategy implementation were 17% of the respondents.

### Table 4.14: Descriptive Statistics on Organizational Shared Values and Strategy Implementation

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriate shared values are essential for effective strategy implementation in this organization.</td>
<td>1%</td>
<td>2%</td>
<td>4%</td>
<td>65%</td>
<td>28%</td>
<td>210</td>
<td>4.17</td>
<td>0.64</td>
</tr>
<tr>
<td>EABL’s shared values significantly influence strategy implementation in the organization.</td>
<td>1%</td>
<td>1%</td>
<td>14%</td>
<td>46%</td>
<td>38%</td>
<td>210</td>
<td>4.19</td>
<td>0.75</td>
</tr>
<tr>
<td>EABL has a culture that supports effective strategy implementation.</td>
<td>1%</td>
<td>3%</td>
<td>7%</td>
<td>74%</td>
<td>15%</td>
<td>210</td>
<td>3.99</td>
<td>0.62</td>
</tr>
</tbody>
</table>
The organizational culture of EABL has contributed positively to effective strategy implementation. Successful strategy implementation is achieved if there is consistency between EABL’s values and those of its employees. There is a lack of alignment between the culture and effective strategy implementation within the organization. The reward structure is aligned with the organization’s strategy. EABL’s reward structure plays a key role in determining the firms’ effective strategy implementation.

**4.6.11: Relationship Between Academic Qualification and Views on Role of Reward Structure in Effective Strategy Implementation**

A Pearson correlation test was also conducted to determine the relationship between highest level of academic qualification and opinion on whether reward structure plays a positive key role in effective strategy implementation. The results of this test indicated that there was a weak negative association (Pearson Correlation = -0.265) between highest level of academic qualification and opinion on whether reward structure plays a positive key role in effective strategy implementation.

**Table 4.15: Correlation Between Highest Level of Academic Qualification and Role of Reward Structure in Effective Strategy Implementation**

<table>
<thead>
<tr>
<th></th>
<th>EABL’s reward structure plays a positive key role in effective strategy implementation</th>
<th>What is your highest level of academic qualification?</th>
</tr>
</thead>
<tbody>
<tr>
<td>EABL’s reward structure plays a positive key role in effective strategy implementation</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>210</td>
</tr>
<tr>
<td>What is your highest level of academic qualification?</td>
<td>Pearson Correlation</td>
<td>-.265</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.063</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>210</td>
</tr>
</tbody>
</table>
4.6.12: Analysis of Shared Values in Effective Strategy Implementation

Generally, as measured by culture and reward structure in this study, organizational shared values was also found to have fairly essential bearing on effective strategy implementation in EABL. A fairly considerable proportion of the respondents indicated that organizational culture of EABL affect effective strategy implementation a great extent while a slightly more respondents were of the view that culture affects effective strategy implementation to a moderate extent. Nonetheless, analysis of the data reveals that organizational culture of EABL supports effective strategy implementation as indicated by majority of the respondents. Also important is the revelation that alignment between organizational culture and strategy is very essential to the strategy implementation process.

There were divergent views regarding EABL’s culture and reward structure. Regarding the organization’s culture some respondents expressed the opinion that the culture of the company is characterized by a combination of market and hierarchy with more inclination towards market. Other respondents considered the culture of the organization as one that is open and informal where everyone is expected to have their own values and express their own diversity. Team work and dynamism in the work environment which encourage creative thinking were other descriptions of the company’s culture. With regard to the reward structure, participants were of the view that it is well defined and competitive yet others were of the contrary view and described it as not equal and not competitive. Still, other respondents were of the opinion that the reward structure was linked to employee performance and this aspect of the structure was clear and apparent to all employees. As an aspect of organizational culture, the reward structure was found to significantly affect strategy implementation process in EABL as indicated by a fair majority of the respondents. Correspondingly, share values were found to be critical effective strategy implementation process.

4.7 Chapter Summary

This chapter presented quantitative analyses of the data collected from the field. The main findings of the study are that leadership, organizational structure and organizational culture are essential during strategy implementation. For ease of reference and understanding, results of the various analyses and test were presented in tables, bar graphs and pie charts.
Quantitative data was presented through narration at the end of each subsection. The next chapter presents a discussion of the findings of the study, conclusions drawn from the findings and recommendations based on these findings as well as recommendations on related areas where further research studies can be conducted.
CHAPTER FIVE
5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter covers discussion, interpretation and summary of the findings of this study based on the three research questions of the study. First, discussions of the findings of the study are presented. Subsequently, summary of the findings of the study is made. Finally, conclusion and recommendations for future research further study is covered.

5.2 Summary
The purpose of this study was to identify the factors influencing effective strategy implementation at East African Breweries Limited, Kenya. The study was guided by the following research questions: To what extent does the organization structure influence effective strategy implementation in EABL? To what extend do leadership styles influence effective implementation of strategy within EABL? To what extent do the organization shared values influence the effective implementation of strategy within EABL?

A Quantitative approach to research was used to conduct this study. Cross-sectional descriptive research design was used for the study. The target population of the study were top, middle and lower management as well as non-managerial permanent employees of EABL at the headquarters in Nairobi. A total of 537 individuals were targeted in the study. The population was broken down into strata based on their position in the organization’s hierarchical structure and sample population drawn from each stratum. Data from the field was collected using structured questionnaires based on the three research questions. Prior to data collection, the data collection instrument was pre-tested to determine its validity and reliability. Data was analysed using SPSS Version 20 and the results of the data analysis were presented using tables, graphs, pie charts and descriptions.

The findings of the research study indicated that all the three factors, namely organizational structure, leadership styles and shared values are all important factors and determinants of effective strategy implementation. Based on the two aspects of organization structure that were covered in this study, the findings indicated that employees agreed that a centralization of decision making structure was integral to effective strategy implementation process in EABL. At the same time, it was determined that a formal, as opposed to an informal structure, was appropriate for effective strategy implementation.
With regard to leadership styles, it was established that right leadership style is fundamental for effective strategy implementation and was key in ensuring a clear demonstration of the organizations vision and hence influencing effective strategy implementation. According to the study, the employees felt that the leadership style played a key role in inspiring and motivating the employees to commit towards the strategy implementation process.

Finally, regarding organizational shared values, it was determined that shared values as a whole fairly affects strategy implementation process. However, there are aspects of shared values such as reward structure and culture that are very essential for effective strategy implementation. From the findings there was clear indication that respondents agreed that successful strategy implementation is achieved if there is consistency between EABL’s values and those of its employees.

5.3 Discussion

5.3.1 Organizational Structure and Effective Strategy Implementation

The first research question sought to identify the effect of organization structure on effective strategy implementation. Formulating strategies is not enough, good strategies are just but means to the desired end, which is realization of the organizational strategic goals and objectives. Consequently, in addition to other critical factors, effective strategy implementation requires effective organizational structure, and an effective structure is one that is responsive to the needs of the organization as well as the various requirements of the strategy being implemented. As determined in the study, harmony between structure and strategy is essential to effective strategy implementation. This finding is consistent with that of Aleksić and Jelavić (2017), who heighten the significance of fit between organization structure and strategy implementation. Developing such structures requires that managers identify organizational functions that are key to successful strategy implementation and realization of the strategic goals and objectives. The functions then form the main organizational building blocks around which strategy and organizational structure is built around for effective strategy implementation.

Decision-making is critical to strategy implementation and eventual realization of strategic goals and objective. Organizational structure is important for decision making and
consensus building. Subsequently, the structure of the organization should be one that enhances optimal decision making. In determining the structure of the organization with regard to decision making authority, top level managers, therefore, need to determine how much decision making authority they need to delegate to their juniors and to other employees. Does the strategy implementation process require centralization or decentralization of decision making authority? The findings of this study indicate that for EABL centralized decision making authority is essential for effective strategy implementation in the company. This finding is coherent with that of Bakonyi and Muraközy (2016), which determined that organizations with centralized decision-making structures were highly likely to have effective strategy implementation. Similarly, Mack and Szulanski (2017), who determined that decentralization of decision making can be counterproductive with regard to strategy implementation. This finding was however inconsistent with that of Munyoroku (2012), who is of the view that delegating decision making power to lower organizational levels is critical for successful strategy implementation.

Formalization can be described as the degree to which an organization is dependent on rules and procedures in its work and decision making processes. Presence of many rules and procedures reflects a high degree of formalization. According to Janićijević (2013), highly formalized structures have many strict written regulations, policies, rules, procedures, job descriptions, and other documents specify actions to be taken under or not to be taken under given set of circumstances. Such strict rules, in the 21st century business world, tend to be counterproductive. This could so explain the sharply varied opinions of the respondents which led to the finding that there was no clear majority of individuals who were of the view that formalization of process and activities contributes positively to effective implementation of strategies.

As pointed out by Munyoroku (2012), effective implementation of strategy requires a clearly defined level of formalization in an organization’s structure. However, it is not cast on stone that the level formalization must be absolute, lying on either extreme side of the equilibrium position. In some instances, when none of the extreme sides is favourable, the management can decide to settle on equilibrium position. As is the case in the findings of this study, given the divided views and opinions, the structure that would suit EABL is one that is relatively formalized. Inferentially, there shouldn’t be numerous rules, regulations
and procedures cast on stone to be followed within the organization. Conversely, employees should not be given the free will and allowed all the freedom to do as they please within the organization with regard to strategy implementation and other processes and activities that indirectly touch on strategy implementation. Impliedly, employees should be allowed some room for flexibility when executing their duties because this will allow them to apply creativity and make appropriate decision based on the contexts in which they are operating.

5.3.2 Leadership Styles and Effective Strategy Implementation

The McKinsey 7S model emphasizes that the right leadership styles are equally integral in strategy implementation. Significance of leadership styles is reflected in the findings of this study where almost 99% of the respondents were of the view that leadership styles affect strategy implementation in EABL (63% expressed the view that leadership affects effectiveness of strategy implementation to a great extent, and 35% were of the view that leadership affects effectiveness of strategy implementation to a moderate extent). Additionally, as indicated in the findings of this study, successful strategy implementation depends on managers’ leadership skills and abilities to work with and through others.

The findings of this study indicated that transformational/strategic leadership (59%) was the most exhibited by the managers of EABL. The prevalence and popularity of this leadership style among respondents can be explained by the view that transformational leadership framework is effective in creating effecting working relationships between employees and the management which is key in strategy implementation. Transformational leaders also influence positively the behaviours and actions of employees thereby positively influencing their attitudes and beliefs. Setting the trend and influencing employees positively towards implementation of strategies and attainment of strategic goals and objectives. The significance of positive influence is explained by Chuang (2013), who hold that excellent leadership does not only encompass inspiration of followers to achieve pivotal organizational goals but also involves meeting their requirements and thus motivating them.

At the same time, the view among over 85% of the respondents (51% agreed and 35% strongly agreed) was that the right leadership style was key for effective strategy implementation. Majority of the respondents (over 85% cumulatively) also indicated that
leadership styles most exhibited by the managers was also the opposite one for effective strategy implementation. These findings are congruent with that of Daft (2014), who determined that the right leadership styles determined to a significant extent managers’ abilities to lead implementation of strategies in their organizations. The finding of this study is also in line with that of Chuang (2013), who accentuated that excellent leadership is about employing the right leadership styles in the prevailing conditions and environment for effective implementation of strategy and realization of strategic goals and objectives.

Other leadership styles also identified to be exercised by other managers. For instance, some respondents identified democratic leadership styles as being practiced by some managers in the organization. In light of this, Foudraine (2015), explained that democratic leadership, which is characterized by inclusion and involvement of employee in decision-making, contributed significantly to effective strategy implementation. Nonetheless, consistent with the assertion held by Daft (2014), the overarching point that came out from the findings of the study is that application of the right leadership style is critical to effective strategy implementation.

In addition to leadership styles, Sharma (2007), heightened that being able to inspire employees to believe in and buy the vision of an organization is very central to strategy implementation. The findings of this study are in agreement with the position held by Sharma (2007). Cumulatively, over 85% of the respondents were positive that EABL’s leadership demonstrates clear vision for the future. Further, more than 90% of the respondents opined that clear demonstration of organizational vision is essential for strategy implementation in EABL. In essence, managers must also be able to translate the organization’s strategic vision into concrete steps that enhance strategy implementation. Also important is their ability to effectively motivate their employees is an essential determinant of effective strategy implementation with respect to leadership.

5.3.3 Shared Values and Effective Strategy Implementation

At the core of effective strategy implementation is a well built and well sustained organizational culture that facilitates and accelerates change within the organization. This is because organizational culture, a central feature of organizational shared values, sets the tone and foundation for effective strategy implementation. As demonstrated by the findings of this study (over 85% cumulatively) and in agreement with Yogamalar and Anand (2016),
shared values are essential for effective strategy implementation in this organization. Chaney and Martin (2017), also emphasized the importance of ensuring that shared values of an organization are matched with organizational strategy to optimize chances of effective and successful implementation of strategy. The findings of this study are also supported by that of Amah and Ahiauzu (2014), who established existence of significant positive relationship between shared values and strategy implementation towards realization of organizational strategic goals and objectives.

Consistent with the findings and conclusion reached by Akinyi (2015), for organizational strategy to be developed and implemented successfully, it must be aligned with the organizational culture. This was the view expressed by over 75% of the respondents in this study who believed that organizational culture of EABL has contributed positively to effective strategy implementation. This finding is upheld by that of Robbins et al. (2010), which stated that failure to incorporate organizational culture in strategy formulation and implementation is one of the main reasons why strategies fail. Robbins et al. (2010), in a book on organizational behaviour, which covers organizational culture, stated that alignment of strategy and organizational culture helps to get things done faster and more effectively, with better results. Thus, effort must be made by managers to establish and support an organizational culture that embraces the company’s strategy over time.

As a facet of organizational shared values, appropriate reward systems are essential in strategy implementation as indicated in the findings of this study. As demonstrated by more than 75% of the respondents cumulatively, reward structure plays a positive key role in effective strategy implementation. This is line with the findings of the study carried out by Somi (2017), who determined that there is significant positive relationship between proper remuneration and reward of employees led to reduction in employee turnover which eventually translated to effective strategy implementation. Similarly, Kipkorir and Ronoh (2017), established that rewarding employees adequately motivated them and they were consequently enthused to implement the organization’s strategy. Results of the study revealed that while some of the employees were of the view that the reward structure is fair and based on employee performance, some of them were of a contrary view. To eliminate or even completely minimize such cases, it is essential that the company puts in place a rewards structure that is objective and fair to all employees. Appropriate reward structures
that employees are satisfied with is imperative in motivating employees to commit to the strategy implementation process.

Generally, as the findings of this study indicate, and in line with findings of most of the empirical studies, organizational shared values, which encompass behaviors, cultures, and norms are central to effective strategy implementation. Successful strategy implementation also depends on cultivating germane organizational that supports the implementation process. From the onset, the core aspects of an organizational culture must be ones that support strategy implementation.

5.4 Conclusions

5.4.1 Organizational Structure and Effective Strategy Implementation

Drawing from the findings, this study concludes that as captured in the McKinsey 7S framework, organizational culture plays a significant role in effective strategy implementation. Additionally, with reference to the two aspects of structure that were reviewed in this study, the study concludes that decision making-power in organizations should be centralized to enhance the effectiveness of the strategy implementation process. The study further concludes that organizations should have a balance between a formal and an informal structure so that the rules and policies in place are neither too strict nor too soft to have negative effect on strategy implementation.

5.4.2 Leadership Styles and Effective Strategy Implementation

Based on the findings the study concludes that the right leadership style is integral for the strategy implementation process to be effective. Because no single style is exclusively the best, managers adopt a limited number of styles that fit the formulated strategy and which will be effective during the entire process of strategy implementation.

5.4.3 Shared Values and Effective Strategy Implementation

Finally the study concludes that, as captured in the McKinsey 7S model which was the basis of the research questions of this study, organizational shared values play an essential role in strategy implementation. The shared values form part of the foundation as well as the pillars on which effective strategy implementation takes place. Different aspect of organizational shared values must therefore be strengthened and aligned with the overall organizational strategy so that effective strategy implementation is realized.

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5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1: Organizational Structure and Effective Strategy Implementation
Generally, the study recommends that whenever EABL is developing a strategy, it should be ensured that there is symmetry between the strategy being developed and structure of the organization. Essentially, where need be, the management should review and implement a structure that will support the organizations goal and to fit with the strategy being formulated. Conversely, certain aspects of the strategy being formulated could be tweaked and aligned to the existing strategy in instances where complete overhaul of the existing strategy will significantly upset the operations of the organization. Further, strategy implementation process should take into perspective the organizations strategy in order to optimal realization of the strategic goals and objectives.

5.5.1.2: Leadership Styles and Effective Strategy Implementation
It is recommended that irrespective of the level of management they are in, should adopt the right leadership styles as accentuated in the McKinsey 7S model so that the process of strategy implementation is effective for realization of strategic goals and objectives. This is because some managers and organizational leaders fail to match leadership styles with the organization strategy as well as other organizational environmental factors hence compromising the strategy implementation process.

5.5.1.3: Shared Values and Effective Strategy Implementation
Finally, with regard to the shared values, recommendation is made to the effect that the shared values such as organizational culture and reward structure, among other facets of shared values, should be aligned with organizational strategies for the same reason that in some instances, there are mismatches between the shared values and strategies which eventually impact negatively on strategy implementation.

5.5.2 Recommendations for Further Research
The study looked at the factors that influence effective strategy implementation with East African Breweries Limited. The study focused on three elements of the McKinsey 7S, Structure, Styles and Shared Values. There is need to conduct other studies that should focus on other elements of the McKinsey 7S that is, strategy, systems, skills and staff and
their effect on effective strategy implementation. A similar study should also be carried out in other organizations in an attempt to compare the findings.
REFERENCES


Doyle, N. and Lynch, P. Understanding the affect narcissistic leadership has on middle management: an exploratory case study analysis. Irish Academy of Management Conference Proceedings. 15 September 2008


Tharp, B. M. (2009). Defining “culture” and “organizational culture”: from anthropology to the office.


Dear Respondent,

I am a graduate student pursuing Masters of Business Administration (MBA). I am currently undertaking a research on “Factors influencing effective strategy implementation at East African Breweries limited”. This is a requirement in partial fulfillment of my MBA degree at United State International University Africa (USIU). This study seeks to determine the determinants of successful strategy implementation in EABL. This is an Academic research and confidentiality shall strictly be adhered to, the information you provide will at no instance be used for any other purpose other than for this research project. All responses will be analysed in an aggregate manner and no individual identification of responses will be compiled or reported. Kindly spare a few minutes to complete the questionnaire attached fully, honestly and objectively.

**SECTION A: General Information**

1. What level of management are you in this company?
   A. Top level management [ ]
   B. Middle-level management [ ]
   C. Lower-level management [ ]
   D. Non-managerial position [ ]

2. How long have you served in organization?
   Less than one year [ ]
   A. 1-3 years [ ]
   B. 4-6 years [ ]
   C. 7-9 years [ ]
   D. 10 years and above [ ]

3. What is your highest level of academic qualification?
   A. Diploma [ ]
   B. Undergraduate [ ]
   C. Graduate [ ]
   D. Doctorate [ ]
   E. Other [ ] (please specify) _____________________________________________
4. The organization formulates appropriate strategies
   Strongly Agree [ ] Agree [ ] Neutral [ ] Disagree [ ] Strongly Disagree [ ]
5. The organization implements formulated strategies effectively
   Strongly Agree [ ] Agree [ ] Neutral [ ] Disagree [ ] Strongly Disagree [ ]
6. The organization normal running of business deters effective strategy implementation
   Strongly Agree [ ] Agree [ ] Neutral [ ] Disagree [ ] Strongly Disagree [ ]
7. The organization’s effective strategy implementation is not done in timely manner
   Strongly Agree [ ] Agree [ ] Neutral [ ] Disagree [ ] Strongly Disagree [ ]
8. The organization’s strategies are not implemented at all
   Strongly Agree [ ] Agree [ ] Neutral [ ] Disagree [ ] Strongly Disagree [ ]

SECTION B: Organizational Structure and Effective Strategy Implementation

9. How would you rate the degree of centralization of decision-making power in EABL?
   A. Very low [ ]
   B. Low [ ]
   C. Moderate [ ]
   D. High [ ]
   E. Very high [ ]

10. How would you rate the degree of formalization in EABL?
    A. Very low [ ]
    B. Low [ ]
    C. Moderate [ ]
    D. High [ ]
    E. Very high [ ]

11. In your view, to what extent does centralization of decision-making power affect
    effectiveness of strategy implementation in EABL?
    A. Not at all [ ]
    B. To a minor extent [ ]
    C. To a moderate extent [ ]
    D. To a great extent [ ]

12. In your view, to what extent does formalization affect effectiveness of the strategy
    implementation in EABL?
    A. Not at all [ ]
    B. To a minor extent [ ]
    C. To a moderate extent [ ]
D. To a great extent [ ]

Using a scale of 1 – 5, Tick (✓) the appropriate answer that best describes your opinion for each of the statements below. 1. Strongly Disagree 2. Disagree 3. Uncertain 4. Agree 5. Strongly Agree.

**SECTION C: Leadership Styles and Effective Strategy Implementation**

18. To what extent do you think leadership affects effectiveness of strategy implementation in EABL?
   A. Not at all [ ]
   B. To a minor extent [ ]
   C. To a moderate extent [ ]
   D. To a great extent [ ]

19. In your opinion, which of the following leadership styles is mostly exhibited by managers of this company? *(Tick only one option)*
   A. Autocratic leadership [ ]
   B. Democratic leadership [ ]
   C. Transformational/Strategic leadership [ ]
   D. Transactional leadership [ ]
   E. Other (Please specify) ______________________________________________________________
Using a scale of 1 – 5, Tick (✓) the appropriate answer that best describes your opinion for each of the statements below. 1. Strongly Disagree 2. Disagree 3. Uncertain 4. Agree 5. Strongly Agree.

### Styles and Effective Strategy Implementation

|----------------------|-------------|--------------|----------|------------------|

20. The organization leadership demonstrates clear vision for the future

21. Clear demonstration of organizational vision is essential for strategy implementation in EABL

22. The appropriate leadership style is integral for effective implementation of strategies in EABL.

23. The leadership style influences strategy implementation in EABL.

24. The leadership style identified in question 24 above is appropriate for effectiveness of strategy implementation in EABL.

25. The leadership style identified in question 24 above significantly contributes to effective strategy implementation in EABL.

26. EABL’s top management is committed to the strategy implementation and inspires and motivates employees to support the process

### SECTION D: Shared Values and Effective Strategy Implementation

27. In your view, to what extent does organizational culture of EABL affect effective strategy implementation? (Tick only one option)
   A. Not at all [ ]
   B. To a minor extent [ ]
   C. To a moderate extent [ ]
   D. To a great extent [ ]

28. In your opinion, to what extent does EABL’s reward structure affect effective strategy implementation? (Tick only one option)
   A. Not at all [ ]
   B. To a minor extent [ ]
C. To a moderate extent [ ]
D. To a great extent [ ]

Using a scale of 1 – 5, Tick (✓) the appropriate answer that best describes your opinion for each of the statements below. 1. **Strongly Disagree** 2. **Disagree** 3. **Uncertain** 4. **Agree** 5. **Strongly Agree**

### 5. Shared Values and Effective Strategy Implementation

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
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<td>29. Appropriate shared values are essential for effective strategy</td>
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<td>implementation in this organization.</td>
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<td>30. EABL’s shared values significantly influence strategy</td>
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<td>31. EABL has a culture that supports effective strategy</td>
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<td>32. The organizational culture of EABL has contributed</td>
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<td>positively to effective strategy implementation.</td>
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<td>33. Successful strategy implementation is achieved if there is</td>
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<td>consistency between EABL’s values and those of its employees.</td>
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<td>34. There is a lack of alignment between the culture and effective</td>
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<td>35. The reward structure is aligned with the organization’s strategy</td>
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<td>36. EABL’s reward structure plays a key role in determining the</td>
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