INTERNAL FACTORS INFLUENCING THE IMPLEMENTATION OF STRATEGIC PLANS: A CASE STUDY OF KENYA ELECTRICITY GENERATING COMPANY LIMITED

BY
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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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BY

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A Research Project Report submitted to the Chandaria School of Business in Partial Fulfilment of the Requirement for the Degree of Masters in Business Administration (MBA)

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SUMMER 2018
STUDENT’S DECLARATION

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

Signed___________________                                     Date____________________

William Omusi (634556)

The research project has been presented for examination with my approval as the appointed supervisor

Signed___________________                                     Date____________________

Dr. Joseph Ngugi Kamau

Signed___________________                                     Date____________________

Dean, Chandaria School of Business
DEDICATION

This research project is dedicated to family, who have been my rock and source of inspiration, by continuously urging me to pursue my dreams.
ACKNOWLEDGEMENT

My sincere appreciation goes to my family members for the support and to Prof. Joseph Ngugi Kamau, my supervisor – I am grateful for the support and guidance.
ABSTRACT

The purpose of this study is to determine the influence of internal factors on the Implementation of Strategic Plans in organizations for the case of Kenya Electricity Generating Company (KenGen). The research was guided by the following research questions: How does organizational structure influence implementation of strategic plans in organizations? How does human resource influence implementation of strategic plans in organizations? How does leadership influence implementation of strategic plans in organizations? These three questions formed the research context.

The descriptive research design was appropriate in this study since its purpose was to examine the impact of leadership style and organization structure on strategy implementation in the hospitality industry in Kenya through a case study. The population of study comprised of all KenGen employees; top-level managers, middle-level managers, and lower-level managers. Stratified random sampling was used in the study where employees were stratified based on their departments. The sample size was one hundred and thirty and the response rate was one hundred giving seventy seven percent as adequate for the study. Self-administered questionnaire was the main data collection tool used in the study. As for the analysis, both descriptive and inferential analysis was conducted.

On objective one, the EFA and CFA was positive with developed factors on OS. However, on SEM, the path coefficient for the relationship between OS and SI patterns in KenGen was not developed since OS did not fit on the SEM model. The research concluded OS does not influence SI at KenGen. For objective two the EFA and CFA was positive with model fit. Further, the SEM analysis shows the path coefficient for the relationship between HR and SI in KenGen was positive and significant at the 0.05 level (β=0.215, T-value =2.783, p<0.05). The positive relationship indicates that one unit increase in access to HR will result in 0.215 increase in SI at KenGen. The last objective, the EFA and CFA was positive with model fit. Further, the SEM analysis shows the path coefficient for the relationship between LF and SI in KenGen was negative but significant at the 0.05 level (β=-.454, T-value =7.426, p<0.05). The negative relationship indicates that one unit increase in access to LF will result in 0.454 decrease in SI at KenGen.
On OS, research output recommends high level re-structure and re-evaluation of the organization structure to ensure it supports the strategy implementation at KenGen. On HR, the research recommends different players to build the HR structure to fully support the strategy implementation. The HR manager and high level management needs to review the employment structure to ensure it is in line with the strategy for ease of strategy implementation. The last objective on LF, the research recommends further review and evaluation of the leadership role and their operations. This should lead to capacity building and implementation of other strategy to ensure leaders play positive role and enhance SI positively and not negatively. Further, there is need for employees to be involved in communication; bottom up and up to bottom freely to ensure SI is influenced positively across different sectors of leadership.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

An organization is a system of consciously coordinated activities or efforts of two or more persons. Rishi pal (2014) defines an organization as the framework for organizing formal relationships of authority, responsibility and accountability. Organizations are therefore formed by groups of people with the purpose of achieving effects that one person cannot achieve individually (Tran & Tian, 2013). Further an organization can be defined as collection of individuals with specific clear goals, objectives and activities. This elaboration implies formal planning, division of labour and leadership. Organizations can also be thought as social entities that are goal directed, deliberately structured activity systems with a permeable boundary. To sum this up an organization is an efficient and orderly approach to task.

Dessler (2013) defines strategy as the entity’s long-term plan that determine how to balance its internal strengths and weaknesses with its external opportunities and threats to maintain a competitive advantage. Strategic implementations on the other hand is the process that turns strategies and plans into actions in order to accomplish strategic objectives and goals. Strategy should always be associated with the bigger picture of development concept which explains the plans or objectives and the ways of attaining them (Kaleta 2013). Further any choice strategically made by an organisation, translate why a company exist, shows it vision for the near and further future and it also illustrates the company’s products and their plans.

Strategy literature claims that between 50% and 80% of strategy implementation efforts fail. Kaleta (2013) noted that different authors stated that 70 to 80 percent of strategies created are not implemented at all. Kaplan also noted that around 95% of good strategies will not suffice as major mistakes are done during the application stage. Further Hit, Ireland, and Hoskison (2013), contend that strategy execution is commonly the most complicated and time-consuming part of strategic management, while strategy formulation is primarily an intellectual and creative act involving analysis and synthesis.
Hill, Jones, and Schillings (2013) found that most executives in organizations spend a great deal of time, energy, and money in formulating a strategy, but do not provide sufficient input to implement it properly, hence a need for balance. Thus, it is paramount to know and study in detail the properties of an efficacious strategy implementation.

According to Hussey (2013) the implementation of strategies was a key driver of the emergence of strategic management in late 20th century. Strategic planning provides a superior performance than the haphazard adaptive approach. It also provides a wholesome framework for all other types of planning. Strategy clarifies the decisions concerning the organizations position and origin, its ability to utilise its competitive strategy and chance of it succeeding in the market (Gierszewska, Olszewska, & Skonieczny 2013). The strategy team should match the activities of the organization to its environment and also its resource capabilities.

Slash dash and trial ways may prove to work or effective in the short run and may be short lived since its an outcome of trial and error or simply by chance. For an organization to have a long-lasting success and functionality in the ever-changing environment, the goals and priorities should be envisaged and reflected in its strategy. Strategy basically explains the following in an enterprise, objectives, performance standards applicable to structures, processes, task and the required behaviour. Ability to decompose or simplify the strategy is what defines the strategy implementation efficiency (Gębczyńska, 2016)

Strategic planning has therefore been used in organizations and produced success results in organizations. However, majority of large organizations have problems with strategy implementation. The literature supports the view that unlike strategy formulation, strategy implementation cannot be achieved by top management alone; it requires the collaboration of everyone inside the organization and, on many occasions, parties outside the organization. While formulating a strategy is normally a top-down endeavour, implementing it requires simultaneous top down, bottom-up, and across efforts Performance (Hill, Jones, & Schillings, 2013). The goal of organizations includes employee and management performance goals, productivity goals, profitability goals, innovation goals, market share goal and social responsibility goals. Organisations are not limited to what they achieve but how they are able to meet these objectives.
According to Ng’ang’a and Ombui (2013) in a business entity many stakeholders must be involved in the strategic management process. Apart from the interests of the shareholders, suppliers’ employees, they also need to account for the interest of customers, governments’ agencies, donors and the community. All interested party in an organization (Stakeholders) want to influence a certain decision thus all these stakeholders must jointly be brought to table by the management for them to understand the processes and increase everyone’s satisfaction (Ng’ang’a & Ombui, 2013).

Organizations’ in a bid to maximize satisfaction, may ask, where are we? Where are planning to go and how do we make plans to get there? These are important questions to ask in light of changing circumstances. These questions ought to force organizations to evaluate the conditions in their operating environment, examine competitive pressures, carry out SWOT analysis and identify strategic issues. Thus, requiring a need for development and implantation of strategic plans that are capable of moving organizations to their desires future state (Ombui & Ng’ang’a, 2013). While formulating an innovative and unique strategy is key and critical to sufficiently lead an organization to success in today’s business (Oman, 2014) argues that ensuring that the strategy works is equally important. Organisations should pay close attention to the implementations of strategic plans to identify and rectify challenges that result in failure. Indeed, good strategic management is a function of people actively considering strategy as they make day-to-day decisions in an ever-changing world (Oman, 2014).

It is a directive from the Kenyan government that all public organisations that is parastatals develop plans that are strategic in nature as a means of ensuring better results and efficiency management in operations. This plan provides a route regarding targeted resource and implementation of the programs. Planning effectiveness is one factor that clearly stands out as a key factor to the success of any organization. For organizations to achieve its chosen targets with the available resources at hand, it must have a well-articulated Strategic plan. The planning process entails choosing a purpose and then deciding on ways, methods, techniques, time frames, procedures, resource allocations and all that is required to achieve the said purpose. The fundamental role is planning to envisage the future by proper projecting targets. Plans encompasses specific goals, guidelines, achievable targets and the timelines of achieving them. These targets can be expressed without ambiguity and tracked for reviewing purposes (Ndegwa, 2014).
The structure/association of an enterprise has vital implications on the performance management system. The main aim of an organizational structure which is hierarchal is basically to achieve one common goal. The subordination and collective responsibility of these entities help in achieving this same goal. These structures determine the ways in which firm will run (Harrison, 2013). Organizational structure provides a platform where allocation of responsibilities for various purposes and processes to different strategic business units branches, individuals and workgroups. Individuals in an organization are supposed to know their roles and responsibility and these is enhanced by the performance management systems. The roles and responsibilities are mapped and profiled in accordance to the organization structure with tasks that require to be completed in order to attain the set goals. The similar tasks and responsibilities allocated to employees should be considered when reviewing their individual performance (Rishipal, 2014). Equally the employees have to be equally compensated too for their different responsibilities.

Creating and Implementing a good and effective compensation system is a critical Human resources activity which has a major impact on the attainment of performance management system of any firm to deliver on its mandate and mission. A compensation system is a paramount tool in managing the employees and failure to remunerate the staff for their individual and collective contributions can often take the direction of dissatisfaction which will be manifested in different forms for example go slows, industrial strikes or suing of the employer among others. This will have a ripple effect on the firm in terms of loss, productivity, turnover among others.

Leadership is a vital factor for any strategic implementation process to be successful in any performance management system (Gitau, 2013). This is paramount especially in developing nations where most firms lack proper and effective leadership (Rishipal, 2014). Effectively, such organizations emphasis is on empowerment and motivation of employees. Leadership and management are two distinct things which for a better performance management system implementation are fully required (Harrison, 2013). A manager is required to be leaders and leaders are required to be managers. If this is not so, then employees become disgruntled. Management that is contemporary has a school of thought that where us managers do things right, leaders do the right thing.
Managers usually combine other resources and Human resources to attain goals and objectives where us leaders normally solve challenges creatively (Harrison, 2013).

Scholars have concluded that effective leadership style is portrayed as a source of sustained competitive advantage and management development. Leadership well-structured helps organizations to achieve its current objectives in a more efficient and effective way by interlinking job performance to the rewards and by making sure that employees have the necessary resources required to get the job properly done. Comparison was done on leadership style and leadership performance management in both schools and enterprises and it showed a positive correlation with organisational performance management (Rishipal, 2014). In essence leadership performance is similar to organization performance management. Leadership style of the administrative supervisors has a great impact on the organizational performance (Rishipal, 2014).

Kenya Electricity Generating Company (KenGen), is a producer of electricity in Kenya. It was incorporated on 1 February 1954 under the Companies Act (Chapter 486 of the Laws of Kenya) as Kenya Power Company (KPC) to construct the transmission line between Tororo in Uganda and Kenya and as well as to develop geothermal and other generating facilities in the Kenya (KenGen, 2015). Since its formation, Kenya Power Company retailed electricity in substance at cost to Kenya Power under a management contract. Energy reforms in the sector in 1996 lead to the management of KPC officially separate from Kenya Power and was later renamed KenGen in January 1997. In 2006, KenGen was listed on the Nairobi Securities Exchange through an Initial Public Offer after the Government of Kenya sold 30% of its stake in the company. The company owns thirty-one (31) power generating plants with a combined installed capacity of 1,617MW from different generation modes comprising of hydro, thermal, geothermal and wind technologies (KenGen, 2015). It operates in a very liberalised power generation environment and sells all electric power generated in bulk to one buyer that is Kenya Power, who then distributes it to consumers (KenGen, 2015).

As at end of January 2017, the Company had a work force of 2,530 staff with a wealth of experience in various fields. This workforce is essential as the Company seeks to maintain leadership in the electric energy sub-sector in Kenya and Eastern Africa Region at large. To ensure effective business success, the Company
efficiently generates competitively priced electric energy using state of the art technology, skilled and motivated human resource. This success is pegged on engrained core values of integrity, team spirit, professionalism and safety culture. The Company is further propelled by the Good-to-Great (G2G) transformation strategy of moving from a “Good Company” to a “Great Company” through the creation of sustainable value from “One Generation” to the “Next Generation” (KenGen, 2015). Under this strategic direction, KenGen has entered a new phase of scaling up geothermal development which is evident in the Company’s investment and achievements during the fiscal years.

1.2 Statement of Problem

All strategies require to be first designed and then implemented (Gębczyńska, 2016). Strategy implementation is said to be translating the articulation of the chosen strategy into specific organizational actions in order to achieve strategic long term and short-term goals and objectives. A key aspect of implementing strategy is the need to institutionalize that strategy so that it permeates daily decisions and actions in a manner consistent with long term strategic success (Gębczyńska, 2016). “Strategic plans provide a model for decisions concerning the enterprise’s position and identity, its capacity to make use of its strengths and the probability of succeeding in the market” (Gierszewska et al., 2013). Ideally these plans should provide route in regard to resource targeting and program implementation. Although formulation of a strategies is a difficult task for any management team, executing and making the strategy work is even more difficult.

According to Hussey (2013), while 80% of firms have the right strategies, only 14% have managed to implement them well. It is important for organization to strike balance between strategy formulation and implementation. This is because a well-formulated strategy is meaningless if it is not implemented well and at the same time over consideration in the implementation process might result in formulating uncompetitive strategies that in the end may be a waste of time and resources. Strategies rarely fail in the boardroom, unfortunately, most leaders fail. They do not fail in the formulation of strategy, but in its implementation (Brandt & Edinger, 2015).

While Mintzberg (2014) believes that the strategic planning models of the 1960s and 1970s ultimately failed because they did not distinguish between strategic planning and
strategic thinking. Miller found in his research that the victories and strengths of companies can often be the cause of their future strategic failure. In Kenya, organizations’ have realized the importance of managing the internal factors that will in turn affect the implementation of their strategies. The same relationship has created basis of this study.

1.3 Purpose of the Study

The purpose of this study was to determine the influence of internal factors on the Implementation of Strategic Plans in organizations.

1.4 Research Questions

1.4.1 How does organizational structure influence implementation of strategic plans in organizations?

1.4.2 How does leadership influence implementation of strategic plans in organization?

1.4.3 How does human resource influence implementation of strategic plans in organizations?

1.5 Importance of the Study

The results of this study was of importance to various stakeholders including KenGen and employees working in the organization, policy makers, researchers and academicians.

1.5.1 KenGen

KenGen as an organization can identify the various factors that affect their strategy implementations plans and come up with well formulated mitigation measures to assist them overcome such effects.

1.5.2 Employees

Employers in Kenya can benefit by making recruitment process more open to emotionally intelligent people who will endeavor to steer organizations towards achieving their objectives. They will be in a position to ensure that new hires undergo EI tests in the recruitment process and the existing staff will be put on performance improvement plans to help them achieve the socially acceptable level of emotional intelligence.
1.5.3 Individual Researchers

This study enables other individual researchers to identify shortcomings in the current research and proceed to carry out reach in the identified areas.

1.5.4 Academicians

The study contributes to the existing literature work regarding the effect of internal factors in implementation of strategies. It will also pave way for more research to the subject in Kenya, and Africa at large.

1.6 Scope of the Study

This research was limited to determining the influence of internal factors on the Implementation of Strategic Plans in organizations with reference to Kenya Electricity Generating Company. The research will be carried out at Kenya Electricity Generating Company headquarters, Kolobot Road, Nairobi. The study will target the senior level management, middle level management and the lower level employees. The study was conducted between the months of December 2017 to March 2018.

1.7 Definition of Terms

1.7.1 Implementation

According to Thompson and Strickland (2014) implementing strategy is the connecting loop between formulating and control.

1.7.2 Strategic plans

Strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it (Bryson, 2013). It provides a systematic process for gathering information about the big picture and using it to establish a long-term direction and then translate that direction into specific goals, objectives, and actions.

1.7.3 Organization structure

Organizations structure are the formal pattern of interactions and coordination designed by management to link the tasks and patterns of individuals and groups in achieving
organizational goals. Ndegwah (2014) defines Organization structure as the system of task, reporting, and authority relationships within which the work of the organization is done.

1.7.4 Resources

Tavitiyaman, Zhang, and Qu (2013) defined resources as all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by the firm that enable the firm to conceive of and implement strategies. Resources can be categorized as physical resources, human resource, and financial resources.

1.7.5 Resource Allocation

Resource allocation entails balancing competing requirements and priorities to determine the most effective direction in order to maximize the effective use of limited resources (Olsen & Jorgensen, 2015).

1.7.6 Organization structure

This is a system that is used to define a hierarchy within an organization that identifies each job, its function and where it reports to within the organization. This structure enables the organization in obtaining its goals to allow future growth (Huczynski, Buchanan, & Huczynski, 2013).

1.8 Chapter Summary

This chapter highlights the background of the study on the internal factors that affect the implementation of strategic plans in organizations. The research questions under review are the effect of organization structure on implementation of strategies, the effect of leadership in implementation of strategies and the effect of human resource on implementation of strategic plans. The chapter also highlights the purpose, the justification and the scope of the study. Chapter two will present the literature review related to the purpose of the study, which is to find out the effects of internal factors in implementation of strategic plans.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This chapter gives an in-depth discussion of the arguments that have been advanced in the past on the meaning of strategic plans, implementation of strategies and the factors that limit successful implementation of these plans.

2.2 Organizational Structure Influence on Implementation of Strategic Plans in Organizations

Organizational structure influences on implementation of strategic plans in organizations the structure of an organization illustrates the form of an organization. Every organization has a unique and distinct structure that portrays its current image, reporting relationship and internal politics (Kiptoo & Mwirigi, 2014). In one sense, structure is the arrangement of duties for the work to be done. In another sense, structure is the architecture of business competence, leadership, talent, functional relationships and arrangement (Tran & Tian, 2013). Further organizational structure is defined as the division of labour, shape, job duties and responsibilities; distribution of powers and decision-making procedures in an organization.

Muhando, (2015) “Structure is the design of organizations through which the enterprises are administered, including lines of authority and data flow through the lines.” Thus it specifies roles, procedures, governance mechanism and decision making processes. Organization structure must be congruent with the strategy thus implying, there must be a ‘fit’ between them. Leaders must consider whether the organizational structure facilitates the free flow of information; co-ordination, and the cooperation between management and other functional areas (Kiptoo & Mwirigi, 2014). Structure informs “who does what”, and “levels of accountability”. This distinctly indicate that organizational structure is a fundamental factor when looking at how strategic planning can be implemented in organizations. Structures play a major role in delivering the expected results and without proper structures then strategic planning might not see the light in some organization (Kiptoo & Mwirigi, 2014). The organization structure that will translate in most effective strategy implementation must be developed, taking into account the size of the business, diversification of the product range, rate of change in
the environment and the need for information (Muhando, 2015). The developed organization structure must be practical and acceptable and must follow the business strategy in order to make it possible to achieve the goals (Kiptoo & Mwirigi, 2014). “Very little empirical evidence exists on what part of the organizational structure matters and what is its main channel of influence exits in organization. Different structures that exits in organizations impact differently on the overall performances of the company”. To successfully implement organizations business model and strategies, consideration of organizational design, the process of selecting the right combination of organizational structure, control systems, and culture is of utmost importance. Companies must monitor and oversee the organizational design process to achieve superior profitability (Hill, Jones, & Schillings, 2013). Most companies are configured in terms of four basic elements of organizational culture. These are namely; span of control, centralization, formalization and departmentalization. The most necessary elements to describe the shape of an organization are its breadth and depth (Hill, Jones, and Schillings, 2013). The depth defines the number of hierarchical layers or management levels that lay between the top management and operational employees. The breadth could be measured by the control span, that is, the number of a supervisor’s direct reports or subordinates. The span of control can be calculated at each hierarchical layer, but it can also be averaged across the levels of an organization. Obviously, there exists an inverse affiliation between depth and breadth, given to an organization’s size (Hill, Jones, and Schillings, 2013).

### 2.2.1 Types of organization structures

According to Galbraith (2014) the structure of an organization is about the distribution of power and authority across a hierarchy. Organizations have hierarchical forms such as functional organization, customer business unit, channel organization, geographical, organization hybrid structure and matrix structure. Galbraith (2014) further states the importance of functional hierarchy in two folds which are Decisions are made in order to coordinate the behaviour of a large number of people who would otherwise not make timely decisions on their own and secondly it is a path of escalation to resolve dispute among people and offer direction for an organization.
2.2.2 Vertical Organizational Structure

This is a categorized organizational structure where the supervisors or managers transmit instructions and any other information from the top to bottom of a firm (Ashkenas, Ulrich, Jick, & Kerr, 2015). This structure is characterized by nominal communication or flow of feedback from side to side or from bottom up (Atalay, Hortaçsu & Syverson, 2014). This structure defines a chain of authority that trickles down from the headquarters to the lowest level business units or the lowest level employee, through a sequence of intermediate layers that implements the management’s directives at a more disaggregated level (Cokins, 2017). The allocation of tasks and power to the management of the intermediate layers in the organization influences both capability and incentive of the managers and of the management to supervise them considering that each manager has a singular role to execute within the organization (Byars, 2014).

Vertical structures are highly valuable in certain areas, such as in the production facilities or in areas where standardization and effectiveness of the processes are of a grave importance. The level of speciality is important since most people in the management team are delegated with tasks that match or mirror their qualification and expertise (Nabwire, 2014). The Staff or employees of various firms have a diverse and special competency that can influence the incentives within the upward chain of the organization (Hitt, Ireland, & Hoskisson, 2014). For example, the mere fact that managers or supervisors may have similar capabilities enhances the “congruence” which ought to be replicated in higher delegation and upgraded cooperation (Byars, 2014).

Where one party or persons have access to greater material or information than others is called information (Cassar, Ittner, & Cavalluzzo, 2015). Little informational asymmetry may be of great support in the decision-making process as well as in generating more information and providing more expertise (Graham, Harvey, & Puri, 2015). However, varied qualifications may make it tougher to achieve the expected coordination since each team may focus on their fundamental competencies and ignore the managements, which may harshly affect the organization. It is vital then that all areas in organizations work collaboratively for the prosperity of the organization since any polemics may cause disintegration within its functions (Boin, Stern, & Sundelius,
2016). Any functional business ought to have its structure in an organized manner to ensure efficient and effective operations with the aim of realizing the set goals and objectives in the organization.

The organizational charts in organizations guarantees that the functions of a business align with the objectives. This means that the organizational structures will unmistakably demonstrate the status of the business together with the values that it upholds in the industry or sector it operates in (Byars, 2014). Therefore, before engaging in any long term or short-term business deal with an organization or getting into a new contract in an organization, it is always important to comprehend their organizational structure, which assists one to have an actual picture of such an organization. In summary, it is attestable that organizational structure identifies how the roles, powers, duties, and controls are synchronized within the various levels of management. This will entirely depend on the organization’s strategies and objectives that the organization envisaged to use in delivering the anticipated results (Ahmadi et al., 2012).

2.2.3 Decentralized Organizational Structure

This is a structure in which the decision-making responsibilities are left in the hands of employees (Graham, Harvey, & Puri, 2015). The top management oversees and monitor the operations, but employees have the power to make decisions whenever the need arises without necessarily consulting. The exclusive part of management is the provision of attainable goals and strategies to be implemented, but personnel or teams have the autonomy to act in any way that will result in effective and efficient productive or positive results. In this kind of structure, decision-making power is bestowed on various departmental heads with diverse levels of independences regarding procedures, processes, and implementation of different tasks and accomplishments (Wagner III & Hollenbeck, 2014). In contrast, within a centralized structure, the top management oversees the entire decision-making and has overall control of all every departments. Therefore, organizational structures are major factors of the success of strategic planning. Structures should support the strategic planning besides assisting in monitoring, implementing and evaluating the organizational performance (Blomme, Sok, & Tromp, 2013).
Additional gain derived from a decentralized structure is the empowerment of employees (Lee, Kozlenkova, & Palmatier, 2015). Employees are among the most important group of stakeholders in any organization since they fully take part in the implementation process. They engage very often with customers and hence, have a clear knowledge of what is expected at any given time. Empowering them to make decisions as they go about performing their daily duties and responsibilities is one of the more superior ways to enhance a higher level of growth and boost morale. With such a strategy, the success of a firm is enhanced due to elimination or minimization of some problems such as delays or missing some important deals (Baligh, 2014). This structure also relieves the huge burden placed on the top management or departmental leaders which is another advantage.

Employees become more responsible and accountable by ensuring that they work towards the intended goals and objectives when they have the power to make decisions on their own. This eliminates the need for up close supervision and hence, relieving the huge burden and supervisor costs. Decision-making is also faster with the centralized organizational structure and as a result, the organization can save valuable time and limited funds by minimizing arguments from the various departments. It takes minimal time for an employee to decide on what to do in dealing with a specific customer than when the matter should be taken to the top management first (Luoh, Tsaur, & Tang, 2014).

It is critical to note that there are some shortcomings associated with decentralised type of structure. Firstly, it magnifies coordination problem among teams; when every employee has the authority to decide on their own, it becomes difficult for them to work as a team (Maguire, 2013). Each employee tends to show off their superiority or dominance and hence a tough challenge to the top management. Decentralization may not apply to all organizations or in some situations. For instance, when the organization is focused on achieving a specific objective or goal under some defined budget, allowing employees to make decisions on their own can alter or inflate the budget. Employees may follow ways or techniques, which are not cost effective, and hence inflate the overall expenditure which in turn makes it hard for the organization to work within or below the defined budget (Johnston & Marshall, 2016).
Employees may incur an extra cost as they make decisions on their own via the decentralized structure as it increases administrative expenses since new methods, techniques can be applied every day. For instance, an employee may progress to pen down a deal with a customer before taking the matter to the top management who may deem it pricey than the management would allow if involved (Baligh, 2014). This decentralized structure also crafts room for self-centred attitudes by employees. This self-centred attitude is ideally where the employees are at discretion to make and influence decisions, which are at times skewed towards self-satisfaction and gratification. The self-centred attitude may attract high losses and hence, failure and in turn downfall of the organization. Employees may also abuse the authorities given to them by working in their own interests instead of working towards achieving the organizational goals and objectives. However, a decentralized leadership style has been confirmed to be among the most effective leadership styles for most growing organizations (Johnston & Marshall, 2016).

2.2.4 Functional Organizational Structure

In the functional organizational structure model, people or employees are grouped according to the organizational purpose (Johnston & Marshall, 2016). Every group or sub groups is intended to attain a particular purpose in meeting the organization’s overall objectives and goals. In this structure, the organization comprises of various departments such as the marketing, finance, production, procurement and many others. Each and every departments is tasked with specific duties, which collectively works towards attaining the overall goals and objectives. However, this functional structure is mostly used for a small business where the various departments can rely on the level of training and experience of workers.

However, this functional type of organizational structure has some weaknesses that can hamper the organization from realising exemplary results (Baligh, 2014). One of the major shortcomings is poor communication and coordination among the various departments. For example, the organization’s boundaries can restrict communication and coordination such that it becomes a challenge for the various departments to work in sync (Puranam, Alexy, & Reitzig, 2014). Furthermore, management control is not tranquil with this type of organizational structure as each department tends to work towards showing their own superiority or dominance and hence, management cannot
control them easily. For instance, the finance manager may want to set definite goals and objectives to help them accomplish funds well while management may not be involved in formulating these objectives and hence, bringing contradictions in managing the organizational objectives and goals (Hoffmann, 2013).

This functional structure is possibly the most common model in numerous organizations. It groups and divides the staff and employees based on their specific administrative functions (Maguire, 2013). In such a case, managers or supervisors from each department report to one head for example the vice president or director who is responsible for controlling all the organizational units within the entire firm. The benefit of this structural type is that the expertise separates the functions and on the flip side, the main challenge is when some different functional units turn into silos or become autonomous and start working independently and fail to support the other group members within the administration assuming that every area of operations should consider its own roles and responsibility (Galbraith, 2014).

2.2.5. Divisional Organizational Structure

This structure is more often than not made up of a number of parallel teams, which focus on a single service or product line (Lin, 2014). This specific type of organizational structure is mostly used in large companies. It is also noted that management in such organizations is not easy and it is quite a challenge to meet the needs of all individuals such as customers, employees, and other stakeholders or interested parties (Crane & Matten, 2016). Rishipal (2014) states that though divisional structured organizations focus on autonomous division, they may not always imply decentralized decision making. Thus, they often sparks intra-unit infighting and generates ‘cow-boy mentality. Therefore, this divisional structure enables such organizations to ensure suitable management. This structure ensures objectives and goals are to be met more specifically and rapidly. It curtails both delays and lack of satisfactions that arise from overwhelmed responsibilities. With this structure, obligations and responsibilities are allocated to different entities depending on their level of experience and expertise. Work or management functions are allocated or assigned to various groups of people and hence, making it easy to track all the activities regardless of the organizational size (Hoffmann, 2013).
However, it is also paramount to note that this divisional organizational structure poses some challenges in communication within an organization given that the various teams may not be working cohesively together. For instance, employees can be divided into various categories, which make it hard for them to work as one team, and hence, making it an uphill task to attain the set goals and objectives (McDonald & Wilson, 2016). In addition, managing the various units or groups is very costly as compared to dealing with the whole firm as one. With this organizational structure, the firm may be compelled to employ more individuals than they should have. For instance, each of the groups must have an assigned leader. This occurs when the organization comes up with numerous departmental leaders such as marketing manager, sales manager, production manager, hospitality manager, inventory manager, dispatch manager among many other leaders. All these leaders or supervisors will draw some good remuneration or packages and hence, increase the overall organizations expenditure. With this structure, the various departments may engage in competition and most probably breed office politics and infighting (Iqbal & Hashmi, 2015). More so, each department may want to show how hardworking or superior they are. Such competition may result in failure of some or many departments and hence, affecting the overall organization’s performance and ability to attain the set goals.

2.2.5. Matrix Organizational Structure

This is an organizational structure where there are multiple of managers to report too. Ideally, it implies that organization’s employees are accountable to at least more than one supervisor (Guadalupe, Li, & Wulf, 2013). This Matrix structure is quite complex but it highly aids in the achievement of definitive goal, which is attaining higher productivity and efficiency. The structure is often used in organizations that have various diversified product lines and services. This structure makes the organization more flexible as well breaks the day to day monotony (Goetsch & Davis, 2014). Matrix organizational structure is very crucial in both vertical and horizontal reporting levels.

The staff may be among the functional group serving in some different teams such as a group that supports the development of new products or services in an organization. This matrix organizational structure may involve various members of staff of different groups working as a team towards developing a new product line (Maguire, 2013). The advantage of matrix organizational structure is that the workers or rather the employees
have responsibilities for both their departments and also the organizational projects and developments. On the other hand, Galbraith (2013) argues that a challenge is posed whenever different managers give the workers different directions, and at the same time they need to make their work responsibilities a priority thus juggling the two becomes a challenge.

This structure combines both divisional and functional structure characteristics. This structure is also widely used in large organizations such as the multinational companies and corporations (Lee, Kozlenkova, & Palmatier, 2015). With this Matrix structure, employees or workers are grouped in various teams according to the organizational purpose where every group focuses on the achievement of an explicit purpose in meeting the overall objective and goal and, at the same time, roles and responsibilities are allocated to different individuals depending on their experience and expertise levels. The management of the organization can have complication from this type of organizational structure. For instance, each of the different teams will have both the unit manager as well as a divisional manager. The varying leadership position can pose a challenge in implementing of the set goals and objectives (Maguire, 2013). The employees get confused on whose orders or instruction to adhere to. Consequently, competition for power and office politics between the unit and divisional leaders will arise. The consequences can be regarded as power struggle given that most of the company areas or regions will have dual management working at the same level, covering similar managerial territories.

2.2.6 Product Organizational Structure

Another type of structure commonly used is the product organizational model. In this structure, a business’s production and sales efforts are grouped based on a detailed line of goods and services (Goetsch & Davis, 2014). This product structure is majorly preferred where there is a wide array of product lines with specialized expertise required to make and as well as distribute them. Each cluster of products falls under a specific reporting structure of a director or supervisor whereby, that person who has the control over that area directs and led every activity associated with a particular line of products (Galbraith, 2013). For example, if a director oversees a department that prepares vegetables in a hotel, then he or she is responsible for all activities that pertains vegetable products. The value of adopting this type of structure is the ability to organize
products categorically and creating completely isolated operational functions from the other lines of production within the administration (Blindenbach, Driessen, & Ende, 2014).

2.2.7 Customer Organizational Structure

Multiple firms consider the type and class of customers in order to organize themselves. This approach is very critical in guaranteeing that the company is able to meet the specific consumer expectations and enhance high customer satisfaction based on this structural type (Galbraith, 2013). The firm may go on a fact-finding mission on the type of services that best suit the needs and wants of its consumers and ensure that such consumers or customers are contented with their service production in all spheres. The advantage of using this kind of structure is that each and every customer is satisfied with the kind of services he or she gets as the company specializes on individual customer’s needs. Nevertheless, in most cases, it is practically infeasible to meet all the customers’ expectations because of the time and resource constraints leading to ignored customer needs.

2.2.8 Geographic Organizational Structure

Geographic structure is where a firm is organized in several geographical units which can be International, national and or regional in nature and as such all units report to a common central headquarter which is in charge of administering basic functions like marketing, planning or financing (Ashkenas et al., 2015). This structure when well implemented or adhered to better supports the logistical consumer needs and the differences in geographical customer demands. The geographically organized structure may report up to a central manager who oversees the area.

Multinational companies (those companies that operate overseas) adopt this kind of geographic structure. Organizational structure evaluation is paramount in every organization in determining the operational requirements and ensuring that customer gets what they demand in this ever-changing competitive market. If a firm adopts a structure that suits its operations precisely well, then its staff have an oversight of the ways in which the organization operates and how the command hierarchy is (Galbraith, 2013). With a well-defined organizational structure, with good communication
processes, and workflows, ensures that there is an effective and efficient resource management. These resources include money, time and people.

### 2.2.9 Effect of Organizational Structure on Strategy Implementation

The vital elements of any strategy implementation process are business processes and organizational units (Simon, Fischbach, & Schoder, 2014). “While formulating the recommended activities in the scope of strategy implementation, one should assume that the corporate strategy should be reflected in both the functional and the process-oriented system, and therefore decomposition of strategic goals should only concern the objectives of departments and of processes, and then should be coordinated on the level of position-specific objectives” (Gębczyńska, 2015). Thus Organizational structure helps to determine the power relationships among the associates of organization, and hence influences the behaviour of individuals, groups and divisions or departments within the organizations.

### 2.3 How Does Leadership Influence Implementation of Strategic Plans in Organization

This chapter reviews existing literature in relation to the impact of leadership style on strategy implementation. The review will be guided by the question how does leadership style influence the strategy implementation?

#### 2.3.1 Leadership Styles

According to Espy (2012), leadership style refers to the way a leader provides directions, implements plans and motivates people. It entails not only influencing the performance of an organization but also triggering and boosting the morale of the employees, their productivity, and influencing the decision-making process and metrics. Blomstrom (2013) defines leadership style as the pattern of a leader relating with subordinates. In particular, it entails how a leader directs and controls how the subordinates conduct their respective assignments as well as how she/he enables them to produce goods and services at the required standards. It comprises the manner in which instructions are relayed as well as the approaches and techniques used by the leader in motivating the employees and ascertaining that the instructions are not just executed but well executed (Johnston & Marshall, 2016).
There exists a difference between leadership and management. Management concentration on promoting stability and empowering the firm to run smoothly, while on the other hand, the role of leadership is to stimulate, promote and manage initiatives to do with the long-term change (Draft, 2014). The role of a leader is to provide opportunities, inspire, and motivate the staff in order to have their support while making important long-term strategic decisions (Shao, Feng, & Hu, 2016).

2.3.2 Approaches to Leadership

Leadership theories more often than not emphasize leaders’ traits, behaviour (what a leader truly does), the power effect approach (the extent and nature of power and how it is applied), the situation and/or a combination of the two (Espy, 2012). Leadership theories applied during the early days were universal in nature, in that they were applicable in almost all types of conditions, whereas the emergence of the contingency theories of leadership suggests that certain aspects of leadership apply to some circumstances but not in others. Numerous theories concerning leadership style have concentrated mainly on authoritarian styles against democratic ones and people orientation versus task orientation (Lehner, 2014). The behavioural approach theory examines the type of leadership behaviour, which stimulates the performance, morale or enthusiasm of the staff.

There is a model in leadership called path-goal model of leader effectiveness which is also referred to as a path-goal theory. This theory of leadership was put forth by Mr. Robert House back in 1971. According to his theory, the behaviour or performance of a leader is conditioned or habituated on the satisfaction, motivation and performance of his/her subordinates (Girma, 2016). The consequence of this is that a leader impacts and influences the performance of his or her subordinate by determining the behaviours (paths) that will result in desired rewards or outcomes (Fahed & Morin, 2012). In addition, Situational Leadership Model looks at the preparedness or preparedness of the followers to achieve a certain specific task. According to Fielder’s theory, a leader is predisposed to a given set of leadership behaviours. A leader may be either be relationship oriented or task oriented. A relationship-oriented leader focuses on people and creates a positive social interaction while Task-oriented leader is a directive, structure situational; sets a time limit and develops task assignments. (Williams, 2015).
2.3.3 Types of Leadership Styles

The level of performance in any organization is determined by the type of leadership it employs. Organizations operations are extremely influenced by its leaders. Leaders are responsible for setting goals, objectives, and strategies. They take part and influence making decisions such as recruitment and selection, promotions, setting targets among other critical issues. Success of an organization signifies good leadership while failure of an organization signifies very poor leadership. There are several leadership styles espoused by organizations. These include transformational and transactional leadership, democratic and autocratic leadership style and servant and charismatic leadership among others (Perera, Adeniyi, & Ginige, 2016). The type of leadership style espoused will determine how individuals will behave and how the organization will perform in general.

The manner in which leaders provide directions, plans implementation, and motivate different people is termed as leadership style. In every organization, leadership style is crucial and different for the management strategies. It has been argued that different leadership styles are best suited for different business settings or organizations and the choice of such leadership style depends on the culture and organizational goals (Sekaran & Bougie, 2013). It should therefore be noted and emphasized that the type of leadership style chosen by any organization must be very flexible to fit its requirements. Furthermore, learning diverse leadership styles is a prerequisite for selecting the style depending on the state in which the leadership is exercised with the followers’ participation (Byars, 2014). Some of the leadership styles are to be discussed.

2.3.3 Transformational and Transactional Leadership

Transformational leadership is where leaders and subordinates help one another grow to higher levels of motivation and morality (Kalshoven, Den Hartog, & De Hoogh, 2013). This style is used by organizations that does not majorly rely on its leader but relies on every individual including the lowest level employee for input. Leaders can listen and borrow concepts from their juniors while the same happens to the employees (Perera, Adeniyi, & Ginige, 2016). It’s a vice versa relationship. It emphasizes on building teams, motivating staff and join forces with them at different organization positions to bring about change for the better.
This kind of leaders always intend to manage their organizations daily operations and taking it to the next performance and success level. They are able to achieve this by setting goals and tying them to incentives that push their juniors to greater levels of performance and thus, the leaders offer an opportunity for individual and professional growth for each and every employee (Perera, Adeniyi, & Ginige, 2016). The leaders are mostly concerned about the followers’ needs to use an exceptional form of influence and assist the followers in reaching their fullest potential while they put their abilities to work (Tomkins & Simpson, 2015).

This type of leadership style reduces the rate of employees’ turnover. Employees are able to be retained for the longer term by leaders who embrace this kind of leadership. Most if not all employees like working in a free environment where they are free to offer their views and ideas, therefore, no one will easily leave or change their jobs and hence the rate of turnover will be decreased, and which minimizes expenditure associated with hiring (Cameron, DeGraff, & Thakor, 2014). According to Perera, Adeniyi, and Ginige, (2016), this type of leadership style enables employees to realize and make use of their full potential. As a result, employees become more productive in performing the assigned duties and responsibilities and hence contributing to the attainment of the set goals and objectives for the organization. Transformational leaders are able to detect the existing needs and requirements of the organization as well as those of the potential employees (Salagean, 2014). In addition, they are able to identify the weaknesses of a certain employees and use them to build them up. They also ensure that the employees use their strengths for effectively. As a result, transformative leaders are said to be the most successful ones, especially in large and multinational organizations (Thompson & Strickland, 2014).

In contrast, transactional leadership style is mostly concerned with the maintenance of the normal operations’ flow. It is concerned with the basic process of management such as planning, organizing, directing, coordinating and staffing. Transactional leadership style focuses on management to perform their task, roles and responsibilities (Salagean, 2014). Most scholars describe it as “keeping the ship afloat.” The transactional leader uses a punitive control and incentives in motivating employees to perform to their best they can. Transactional leaders focus on organization, supervision, and group performance. Their main concern is about the day-to-day control of the workers (Armstrong & Taylor, 2014). These leaders, therefore, lead strategically in their
different positions aimed at achieving particular company’s set goals and objectives while ensuring employees’ satisfaction.

This kind of leadership discourages creativity since the management is tasked with making all critical decisions leaving no room for employees to contribute concerning thoughts and ideas (which may have greater input) and having them nod to everything as directed by their leaders. This denies staff a chance to be involved in major issues and thus the organization does not promote innovation, teamwork and creativity amongst the employees (Thompson & Strickland, 2014). More often than not it is the staff who possess sufficient knowledge and information concerning the client’s need and wants. They know areas of improvement since they are the ones who interact and spend most of the time on the ground with clients. However, the transaction leadership style does not favour this. In addition to this, it does not encourage accountability amongst employees (Chemers, 2014).

Under the transactional leadership style, all the basic and important decisions are left in the hands of management and employees are rendered less accountable and as a result, are discouraged by the failure of management to identify their efforts. Their topmost focus becomes the tasks as directed by the management thereby becoming deprived of the freedom and desire to go an out of their way beyond the roles as directed by their supervisors. This type of leadership encourages employees to achieve minimum results instead of working their level best (Iqbal & Hashmi, 2015).

### 2.3.4 Autocratic and Democratic Leadership Style

Micromanagers are termed as autocrats as they have a compelling need to control every activity within their jurisdiction. Autocratic leadership also known as authoritarian leadership, involves very high control and little or minimal group input. The antithesis of the autocrat is the delegating manager who prefers a style of hands-off management and tends to delegate authority and accountability to other staff. In situations where quick decision making is required, autocratic leadership would be most ideal. This type of leadership is often used in small or upcoming enterprise where decision-making is always fast. (Salagean, 2014).

Autocratic leaders do not experience stress caused by relying on outsiders to oversee the assigned tasks but they are totally dependent on themselves in performing the daily
responsibilities and tasks. This leadership style does not entail many levels of leadership in the organization (Salagean, 2014). Autocratic leaders can manage a wide array of responsibility. The opposite is true for Democratic leaders as they tend to engage in participative decision-making processes.

Bhatti, Maitlo, and Shaik (2012) conducted a study on how autocratic and democratic leadership styles impacts on job satisfaction. They sampled out teachers from both private and public schools in one of the cities in the US. Their findings suggested that as much as a democratic leader makes the ultimate decision, such a leader often welcomes other team members to make contributions in the decision-making process. This participation by team members increased job satisfaction as well as create a humble environment for skill development. They associated such benefits to the fact that employees who form the team feel in control of their destiny and are thus motivated to exert more effort and zeal in their duties not only for financial reward. The study further noted that there is a likelihood of slowing down the pace of doing things due to consultation. The study concluded that this leadership style is more plausible whenever quality has priority over speed.

2.3.5 Charismatic and Servant Leadership

Charismatic leadership style is the leadership style whereby a leader is gifted with unique and exceptional qualities. It is perspective based on the follower perceptions (Blomstrom, 2013). Charismatic leaders tend to deal with the emerging or current social and political issues in an organization and possess some extraordinary abilities such as a high self-confidence, clear vision, and act as change agents. Thompson & Strickland (2014) suggest that some of the charismatic leadership traits are articulation goals, image building, serving as role models, arousing motives, and displaying confidence. The leaders tend to utilize communication strategies to connect and relate with their followers emotionally, psychologically, physically, and intellectually.

Servant leadership is where a leadership trait where a leader is able to put the needs of him followers first (Iravo, Ongori, & Munene, 2013). Its tries to explain how the leaders treat and react to their subordinates. The Servant leadership uniqueness is altruism because it is, in most cases, the central processor component. Servant leadership behaviours include putting followers first, behaving in an ethical manner, emotional
healing, assisting followers to grow and succeed, empowerment, conceptualization, and lastly, creating value for the community (Klein, 2014).

2.3.6 Effect of Leadership Style on Strategy Implementation

Chege, Wachira, and Mwenda (2015) conducted a study to analyze how leadership style affects implementation of strategic plans among Small and Medium Enterprises (SMEs). The study focused on the effect of three leadership styles on the implementation of strategic plans in SMEs. These leadership styles were autocratic, democratic and laissez faire. Quantitative primary data was collected using both open and closed ended questionnaires on 354 SMEs selected by stratified random sampling from 4531 SMEs in Nairobi, Kenya. Multivariate regression results revealed that the highest effect on strategy implementation came from autocratic leadership, followed by Democratic leadership and finally laissez faire. This study recommended for organizations to adopt all the three leadership styles if they have to maximize on the implementation of strategic plans.

A study was also done analysing how the leadership styles of the head teachers influence the performance of school pupils in Murang’a County in Kenya. It used autocratic leadership style as one of the variables of interest. Punishment, supervision, task oriented, and commands were used as proxies for the autocratic style of leadership. The findings of this study indicated that autocratic leadership had the least influence on performance (Murigi, 2013). Another study was done to evaluate how leadership styles affect the performance of organizations. The key variables for their study were transactional and transformation leadership styles as well as laissez faire leadership style. It was deduced that there is an insignificant correlation between laissez faire leadership and organizational performance (Koech & Namusunge, 2012). Informed by the study findings, the researcher recommended that management discard laissez faire leadership style. In this regard, supervisors were advised and encouraged to increase their involvement in guiding their subordinates. In addition, supervisors should take an active role in the implementation process of effective reward and system of recognition.

2.4 How Does Human Resources Influence Implementation of Strategic Plans in Organizations

Policies and strategies relating to individual management are implemented through the management function of human resource management (Bolman & Deal, 2012). Key
elements for the success of businesses in strategy implementation are human resource factors and human resource practitioners are best placed to pioneer the realization of such factors in strategy implementation (Bolman & Deal, 2012). Human resource practices include employee recruitment and selection, training and development, orientation, performance appraisal, compensation and work environment.

2.4.1 Recruitment and Selection

Gully, Phillips, and Kim (2014) indicates that, a company engaged in strategy implementation requires different types and numbers of employees who are Knowledgeable and well informed in the current economy sought through employee recruitment and selection and are seen as the primary factors of production (Gully, Phillips, and Kim, 2014). Ahmadi et al., (2012) indicates that recruitment and selection is the process of attracting and selecting people to serve in an organization in various capacities. Townley (2014) defines the process of recruitment and selection as searching for and obtaining potential job applicant in sufficient numbers and quality for the organization to select the most appropriate people to fill the job needs. This process is a priority in organizations for them to acquire employees with exceptional skills, knowledge, experience and attitude (Brindusoiu, 2013). According to Cummins (2015) it is also the most expensive part of human resource but still an essential component of any organization where the right people are appointed and trained to produce good results.

Recruitment process is the beginning of good or bad services in both publicly and privately organizations. If an organization does poor recruitment, they are faced with long-term negative effects including; high training and development costs to minimize poor performance, disciplinary issues, absenteeism, disputes, poor service delivery to customers, high turnover and low productivity which impacts on staff morale. The organization is also not able to implement their strategies and their competitive edge and market share is also lost (Chukwu & Igwe, 2012). Dessler (2011) emphasise that, it is important in the recruitment and selection process to acquire employees with multidimensional skills and knowledge infusing organizational capacity and competitiveness. In reference to the above study, it is very clear that recruitment and selection is not just a human resource factor and an administrative function, but a
strategic process aimed at contributing to the achievement of organizational objectives (Townley, 2014).

2.4.2 Training and Development

Training and development is a key human resource management practice that is necessary for organizations while implementing new strategies (Niazi, 2011). Employees must be trained to become productive employees and to integrate well in their organizations. Niazi (2011) states that training and development is a process of transferring knowledge, skills and abilities (KSA) that are required to perform specific tasks in an organization making this process strategic. Research illustrates that in order to meet both the current and future challenges of organizations, training and development takes up quite a big role of learning actions which involves training of the employees for their present and future tasks and more so, knowledge sharing to improve their businesses. Training is referred to as a method that is used to provide new employees with skills needed to perform their duties and development refers to broadening the horizon of the employees. Development activities that help an individual make positive contributions in an organization are referred as training and development focuses on factors of maintaining and expanding the performance of individuals in an organization (Ivancevich, 2012).

Training and development also puts a lot of emphases on career development expanding individual, group and organizational efficiency/effectiveness. In strategy implementation, a comprehensive training and development program help deliberate on the necessary knowledge, skills and attitudes that assist to achieve organizational goals and also create competitive advantage (Peteraf, 2013). Niazi (2012) indicates that training and development contributes to increase in productivity and quality of work in any organization and especially development reduces staff turnover rate and absenteeism thus helping in improving motivation among the employees. She again points out that to stay ahead of any competition, organizations must incorporate innovation and reinvention which is possible if training encompasses a wide range of learning actions. Training then should become part of the organizations-wide strategy and it should also be linked to business goals and organizational performance.
2.4.3 Orientation

Towards execution of proper strategies in organizations, orientation is considered as a key component to assist in the execution of the employee’s roles (Shehzad & Akhtar, 2012). Orientation is the process of conveying information to new employees about the expectation of their jobs and assisting them adapt to the stresses of transition to new jobs (Gomez et al., 2011). Orientation is conducted in informal brief introductions or lengthy formal courses to introduce new employees to the organization. This introduction is done on the rules and regulation of the organization, hierarchical structure and the expectation of the organization (Shehzad & Akhtar, 2012). Orientation program also communicates the relevant human resource management policies such as pay procedures, work hours, benefits; review the specific duties and responsibilities of the new member’s job. Proper orientation of strategies formulated to all employees ensures a great success in strategy implementation.

2.4.4 Performance Appraisal

This is the evaluation of the current and past performance of employees based on the performance standards with the view to improve performance (Dessler, 2013). The appraisal can be used to reward employees whose performance is better than others. It evaluates the work of employees and motivates them to improve their future performance providing an opportunity to the employees to identify the skills they need in order to progress within their organization activities. Using the performance appraisal of all employees the management of the organization is able to identify their exemplary employees to spearhead strategy implementation in the organization. According to Shehzad and Akhtar (2012), employees must have a say in developing the performance appraisal system. Involving employees in developing the performance appraisal system leads to favourable reactions to the process and increases trust for top management. The same involvement of employees in the strategy implementation process leads to favourable reactions of the process and increases acceptance of the process in the organization (Shehzad & Akhtar, 2012).

2.4.5 Work Environment

Shehzad and Akhtar (2012) indicates that working conditions of an organization need to be conducive to improve on the performance of an organization. The conditions are
conducive when the organization provides employees with a safe healthy environment which indicate that safety and health are important concerns for organizations today. Shehzad & Akhtar (2012) indicates that job or employment security plays a major role in harmonizing the interests of the employer and employees in a long-term mutual commitment relationship like the strategy implementation process and particularly important in the human resource management context.

2.4.6 Compensation

Armstrong (2010) defines reward management as the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization. It deals with the design, implementation, and maintenance of reward practices that are geared towards improvement of organizational, team and individual performance. According to Armstrong (2010) designing and implementing an effective compensation system is critical to human resources and development activity in managing people. While it may be difficult to say exactly how much a reward system can influence an organization, the creative use of reward plan can work to maximize human resource productivity and contribute significantly to the achievement of human resource and organizational objectives. Employee reward systems refer to programs which are set up by a company in order to reward performance and motivate employees on individual and/or group levels. These rewards are normally considered separate from salary but may be monetary in nature or otherwise have a cost to the company. While previously considered the domain of private companies, public institutions have also begun employing them as a tool to lure top employees in a competitive job market as well as to increase employee performance (Armstrong, 2010).

2.4.6.1 Designing and Implementing of Effective Reward System

Designing and implementing an effective reward system is a critical Human resources activity which influences the attainment of performance targets and effectiveness of an organization to deliver on its mission and mandate. A reward system is a very important tool in managing the human capital and failure to compensate the staff for their collective and individual efforts often leads to dissatisfaction manifested in various forms for example industrial strikes, go slows or the so called wild cat strikes and grievances against the employer (Armstrong, 2010). This affects productivity and
leads to loses in terms of lost man hours, high staff turnover and loss of profits or revenue.

Reward management refers to formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization. It deals with the design, implementation of organizational, team and individual performance. According to Armstrong and Stephens (2005), the term reward is used interchangeably with the term compensation. They both however mean the same thing. Designing and implementing an effective compensation system is critical to Human resources and Development Activity in managing people. While it may be difficult to say exactly how much a reward system can influence an organization, the creative use of reward plan can work to maximize HR productivity and contribute significantly to the achievement of HR and organizational objectives (Armstrong, 2010).

According to Armstrong (2010) most employees regard pay and other monetary rewards such as allowances as significant motivating factors. However, non-monetary factors such as job security, career prospects, and working conditions, are also very relevant. Improved monetary rewards are regarded as the most important motivational factor by staff across all types of organizations in most countries. This is not surprising because the public services here have experienced significant drops in pay over the last thirty years - despite some recent improvements. It needs to be conceptualized that indeed a systemic reality exists in the developing countries. This is with regards to the fact that public service incentives are weak. This is because in most developing countries for instance the wages are too low and pay scales that at best are barely sufficient to live on. This makes public organizations less competitive as compared with the private sector. According to Armstrong and Stephens (2005), reward systems therefore have arguably been at the centre stage as far as the performance of these organizations is concerned.

According to Kreitner et al., (2009) employee reward systems provide coverage of how people are rewarded in line with their value to an organization. As already outlined above, it entails both financial and non-financial rewards and embraces the strategies, policies, structures and processes used to develop and maintain reward systems. In this regard therefore, it showcases various ways in which people are valued
and how they can make a considerable impact on the effectiveness of the organization and is at the heart of the employment relationship.

The main aim of employee reward policies and practices goes a long way in helping to attract, retain and motivate high-quality people. According to Armstrong (2010) if an organization does not get it right as far as the objectives of a reward system are concerned, then it is obvious that such an incidence can have a significant negative effect on the motivation, commitment and morale of employees. This is mainly because the personnel and development professionals who are always involved frequently in reward issues, will have a rough time trying to put pieces together, whether they are generalists or specialize in people resourcing, learning and development or employee relations. Armstrong (2010) avows that an integrated approach to human resource management means that all these aspects have to be considered together so that a mutually reinforcing and interrelated set of personnel policies and practices can be developed. Reward systems comprise of intrinsic, extrinsic and monetary rewards (Armstrong, 2010).

2.5 Chapter Summary

The reviewed literature has provided an in-depth analysis of the various factors that influence the implementation of the strategic plans in KenGen. The extensive literature that exists covers the significance of the organizational structure, leadership styles and human resources in the implementation of a strategic plan as some of these factors. As noted in the discussion, a successful leadership style combined with a congruent structure is considered significant for the organization to maintain a competitive edge. The research methodology that will be used in the study will be discussed in chapter three that follows.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides an overview of the methods and procedures that will be used to conduct the study. There is a discussion of the research design, target population, sampling design which includes the sampling frame, sampling technique, and finally the data analysis methods that was employed in the study.

3.2 Research Design

Sultan and Yin (2013) defines research design can be as the overall strategy chosen by the researcher to integrate various components of the study in a manner that is coherent and logical to facilitate effective attainment of research objectives. Research design is the blueprint used during data collection, the measurement of the data and finally its analysis. It can also be taken to be the plan and structure of investigation required to obtain answers to the specific research questions and assist the researcher in the allocation of the limited resources by posing crucial choices in methodology (Sekaran & Bougie, 2016). Creswell (2014) categories research design into three alternative strands. The quantitative method includes experimental and non-experimental research; the qualitative method includes case studies, narrative research, grounded theories, phenomenology, and ethnographies; finally, the mixed methods include explanatory sequential and convergent, exploratory sequential and transformative, multiphase or embedded strands.

Qualitative researchers seldom aim at gaining an understanding of opinions, motivation and underlying reasons due to its exploratory nature. This also helps in developing ideas or hypothesis that would guide potential quantitative research (Creswell, 2014). One advantage of qualitative research design is that it involves the collection of powerful data, which proves to be more compelling, due to the distinct absence of limitation to particular questions which allows the interviewer to redirect the course of the interview. On the other hand, this research design often relies on data collected from few cases or respondents (Taylor, Bogdan, & DeVault, 2015). Quantitative research is capable of quantifying the problem being investigated by generating data in numerical form or data that can be transformed into forms viable to be subjected to statistical analysis.
Quantitative research makes use of numeric data hence reducing chances of misinterpretation. This research has the ability to quantify attitudes, behaviours, and opinions (Creswell, 2014). The results obtained from the sample can be taken to be a representation of the entire population unlike in qualitative research where generalization is not plausible but rather only replication of similar research is what is often recommended. Researchers carrying out quantitative research need to have good statistical knowledge and large sample size to reduce estimation errors and in order to make a generalization of results more sensible (Taylor, Bogdan, & DeVault, 2015). Mixed research design integrates both qualitative and quantitative approaches, thereby making the results more representative of the entire population. Saunders and Lewis, (2012) state that descriptive studies give a clear picture of the phenomenon a researcher wishes to collect data from. However, data collected in descriptive studies requires researchers to draw conclusions from the data collected through data evaluation and synthesis skills. This study adopted the use of descriptive research design.

According to Sekaran and Bougie (2013), a descriptive research design helps the researcher to understand the characteristics of a group in a given situation, think systematically about aspects in a given situation, offer ideas for further probe and research and finally help make certain simple decisions. The descriptive research design was appropriate in this study since its purpose was to examine the impact of leadership style and organization structure on strategy implementation in the hospitality industry in Kenya through a case study.

3.3 Population and Sampling Design

3.3.1 Population

Sekaran and Bougie (2013), define the target population as a well-defined collection of individuals or objects known to have similar characteristics. A population is an accurately defined body of people or objects under consideration for statistical purposes (Sekaran & Bougie, 2013). The target population used in this study were the employees of KenGen comprising the top-level managers, middle-level managers, and lower-level managers, generally referred to as management and supervisory staff.
3.3.2 Sampling Design

3.3.2.1 Sampling Frame
A sample, according to Bell (2014) is a subset of the population which represents the characteristics of the population or a portion of the population selected for analysis. Reasons for sampling are that it saves on resources (time, money) and workload. It also gives results with known accuracy that can be calculated mathematically. According to Cooper and Schindler (2014) a sampling frame comprises of the list of elements from which the sample is drawn from and is closely connected to the population. They go on to write that a sampling frame should be a complete and correct list of the members of the population. The sampling frame for this study was all the KenGen employees in leadership position.

3.3.2.2 Sampling Technique
Survey and stratification was adopted in this study. Survey is a method where the larger population is involved in the study without sampling and is used where the total population is few and can be accessed. Also, it is normally used where the population is heterogeneous within a geographical area (Saunders & Lewis, 2016). Cooper and Schindler (2014) explain that stratified sampling increases the statistical efficiency of a sample, provide adequate data for analysing various subpopulations and enable different research methodologies to be employed on different strata. Stratified sampling involves segregating elements into mutually exclusive subpopulations (Cooper & Schindler, 2014). Non-probability sampling is a type of sampling technique where specific situations, individuals, or events are deliberately selected since they have the most important information required for data collection that cannot be obtained from other sources. In this study, all the employees at KenGen in leadership position were involved in the study. Further, the leadership position was subdivided based on job group. Survey and stratification method was used since the number of respondents were few.

3.3.2.3 Sample Size
Cooper and Schindler (2014) define a sample as a portion of the target population carefully selected to exemplify that population. The size of the sample should be a function of the variation in the population parameters under study and researchers
must precisely estimate it. A good sample size should be a representation of the population and doesn’t necessarily have some proportional relationship to the size of the population from which it is drawn. In this study, the sample size was all the employees in manager, senior and other officers job groups as indicated on table 3.1.

The study population sample is arrived at based on Yamane’s Formula (Yamane, 1967):

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

Where

\[ n = \text{sample size}, \ N = \text{population size}, \ 1 = \text{constant and } e^2 = \text{estimated standard error}, \] which is 5% for 95% confidence level

\[ n = \frac{193}{1 + 193(0.05^2)} = 130 \]

Therefore by using the formula above with a margin of error of 5 percent at a 95 percent confidence level, the calculation from a total population of 193 management staff yielded a sample size of 130. Table 3.1 below provides an explanation on how the sample of the respondents was arrived at.

**Table 3.1 Sample Size Distribution**

<table>
<thead>
<tr>
<th>Leadership Position</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Officers</td>
<td>30</td>
</tr>
<tr>
<td>Managers</td>
<td>40</td>
</tr>
<tr>
<td>Other Officers</td>
<td>60</td>
</tr>
<tr>
<td>Total</td>
<td>130</td>
</tr>
</tbody>
</table>

**3.4 Data Collection**

The choice of a tool and instrument to be used for data collection depends mainly on the attributes of the subjects, research topic, problem question, objectives, design, expected data and results (Saunders & Townsend, 2012). According to Saunders and Townsend (2012) there are different methods that can be used by researchers to collect
data. The main source of data for this study will be primary sources which mean that primary data will be used. In this study, structured questionnaires that were designed under the guidance of the research questions used to collect data. The questionnaire had introductory remarks that gave an outline of the purpose of the study and a promise to maintain the anonymity of the respondents. The questionnaires were divided into five sections with the first of capturing demographic information and the remaining sections designed to achieve the research objectives. The second section of the questionnaire focused on the organizational structure, the third was on the leadership style while the fourth and fifth focused on human resources and strategic plans implementation respectively.

3.5 Research Procedures

This study used original data which is often referred to as primary data. According to Quinlan (2012) the primary source provides original or first-hand information or evidence and are considered the first evidence of a phenomenon being observed and recorded. The researcher will issue introductory letters before obtaining permission from KenGen to do the study. After the permission to collect data had been granted, the researcher went ahead to seek the consent of the management to interview the targeted population. Thereafter, data was collected by the drop and pick method where questionnaires was administered to respondents on duty and collected at a later date.

3.6 Data Analysis

Data was analysed after its collection to generate more information. Prior to undertaking the data analysis, the type of data, data input format, impact of data coding on subsequent analysis, requirements to weight cases and techniques used to check integrity of the data need to be considered (Saunders & Lewis, 2016). Descriptive statistics such coefficient of variation, standard deviation and mean was used in this chapter to analyse data. The research applied both descriptive and inferential statistics. The analysis was done on Statistical Package for Social Sciences (SPSS) software and use tables to give an understanding of the research findings at a glance. Presentation of data was done using various statistical tools such as bar graphs, pie charts and tables to summaries various groups of data only where it provided successful interpretation of the findings.
3.7 Chapter Summary

The research methodology was covered in this chapter. This included a discussion on the sample size, research design, study population, sampling technique and data collection methods, research procedures and data analysis methods. The study findings and results are being presented in chapter four that follows.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

The purpose of this study was to determine the influence of internal factors on the Implementation of Strategic Plans in organizations. The research findings based on the data analysis collected are presented in this chapter. The presentation is based on thematic outline of the descriptive and inferential analysis.

4.2 Response Rate

Table 4.1 indicates the response rate. Out of one hundred and thirty questionnaires distributed to the respondents randomly, one hundred were returned and filled bringing the response rate to seventy seven percent which was adequate for the analysis.

Table 4.1 Response Rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responded</td>
<td>100</td>
<td>77</td>
</tr>
<tr>
<td>Not Responded</td>
<td>30</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>130</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3 Demographic Characteristics

The demographics covered in the study were: gender, age, highest level of education, duration of working at KenGen, the job group and lastly, the marital status. The presentation were as follow.

4.3.1 Gender

Respondents were asked to indicate their gender. The female respondents were more than the male respondents as indicated on figure 4.1; 59% were female and 41% were male.
Figure 4.1 Gender of Respondents

4.3.2 Age of the Respondents

The respondents indicated their age based on the categories provided. As shows on table 4.2, majority of the respondents aged 46-50 years at 27.1%, followed by those aged 31-35 years at 22%, 31-35 years at 22%, 51 and above at 16.9%, 41-45 years at 15.3%, below 30 years at 10.2% and lastly, 36-40 years at 8.50%.

Figure 4.2 Age of Respondent

4.3.3 Education Level

The respondents were asked to indicate their level of education. As indicated on figure 4.3, half of the respondents’ population (50.8%) were university degree holders,
followed by those were graduates/master’s degree holders at 28.8%, diploma holders were 18.6% and lastly one had only secondary school certificate.

Figure 4.3 Education Level

4.3.4 Marital Status

Another demographic information asked was the marital status of the respondents’. The result presented on figure 4.4 shows 78.6% were married, 19.6% were single and only 1.8% were divorced.

Figure 4.4 Marital Status
4.3.5 Duration of Working at KenGen

The respondents were asked to indicate the duration they had worked at KenGen. On categories of 3 years, those indicated they had worked for more than 12 years were 34.5%, followed by those who had worked for 6 to 8 years at 22.4%, 3 to 5 years were 20.7%, 9 to 11 years were 17.2% and the least group had worked for less than 2 years at 5.2%. Figure 4.5 shows this output.

![Figure 4.5 Duration of Working at KenGen](image)

4.3.6 Job Group

The job group was the last demographic information sought. The findings as presented on figure 4.6 shows 41.7% of the respondents’ were managers/Chief, 40.0% were Officer/Others categories and 18.3% were senior officers. This shows majority were managers at KenGen.

![Figure 4.6 Job Group](image)
4.4. Descriptive Statistics of Variables

Based on each of the study objectives, the descriptive statistics focused on the distribution of the three independent variables and one dependent variable. The independent variables were the organizational structure (OS), the leadership factors (LF) and lastly, the human resource (HR). While the dependent variable was Strategy implementation (SI). Both mean, median and standard deviation were the main descriptive analysis conducted.

4.4.1 Organization Structure (OS)

OS was the first independent variable measured on the five likert scale; Where 1 = Strongly disagreed, 2 = Disagreed, 3 = Neutral, 4 = Agreed, 5 = Strongly Agreed, the mean of the response are as indicated on table 4.2. There was no item ranked as ‘Strongly Agreed’ with mean of 5. The items ranked as ‘agreed’ with mean of 4 for OS were; ‘Structural stability allows organizations to consistently manage daily work routines’ (\(M=4.13, SD = .724\)), ‘In my opinion the organization structure affects the implementation of strategic plans in KenGen’ (\(M=4.3, SD = .696\)), ‘The organization has adopted board tools, governance workflows to make decisions’ (\(M=3.9, SD = .706\)), ‘Functional structure allows for strong task focus through emphasis on specialization and efficiency’ (\(M=3.81, SD = .572\)), ‘Functional structure allows for strong task focus through an emphasis on specialization and efficiency’ (\(M=3.77, SD = .598\)), ‘Strategic Business Units should be centralized at the corporate office’ (\(M=3.76, SD = .989\)), ‘Structural flexibility provides the opportunity to allocate resources to activities that will shape the competitive advantages of the firm’ (\(M=3.72, SD = .87\)), ‘KenGen organization structures allows free flow of information’ (\(M=3.62, SD = .783\)), ‘KenGen has fully embraced fully core values of team work’ (\(M=3.644, SD = .713\)), and ‘There is accurate reporting aid in measuring the performance of the processes of the organization’ (\(M=3.55, SD = .769\)). There was only one item which was ranked as neutral with mean of 3; ‘There is a large power distance between management and the rest of the staff’ (\(M=3.45, SD = .964\)). Table 4.2 shows this finding.
Table 4.2 Organization Structure

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Mean</th>
<th>Median</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>OS1</td>
<td>Structural stability allows organizations to consistently manage daily work routines</td>
<td>4.1333</td>
<td>4</td>
<td>0.72408</td>
</tr>
<tr>
<td>OS2</td>
<td>KenGen organization structures allows free flow of information</td>
<td>3.6167</td>
<td>3.5</td>
<td>0.78312</td>
</tr>
<tr>
<td>OS3</td>
<td>Functional structure allows for strong task focus through emphasis on specialization and efficiency</td>
<td>3.8136</td>
<td>4</td>
<td>0.57159</td>
</tr>
<tr>
<td>OS4</td>
<td>There is a large power distance between management and the rest of the staff</td>
<td>3.45</td>
<td>4</td>
<td>0.96419</td>
</tr>
<tr>
<td>OS5</td>
<td>KenGen has fully embraced fully core values of team work.</td>
<td>3.6441</td>
<td>4</td>
<td>0.71348</td>
</tr>
<tr>
<td>OS6</td>
<td>The organization has adopted board tools, governance workflows to make decisions</td>
<td>3.9</td>
<td>4</td>
<td>0.70591</td>
</tr>
<tr>
<td>OS7</td>
<td>There is accurate reporting aid in measuring the performance of the processes of the organization</td>
<td>3.55</td>
<td>4</td>
<td>0.76856</td>
</tr>
<tr>
<td>OS8</td>
<td>Structural flexibility provides the opportunity to allocate resources to activities that will shape the competitive advantages of the firm.</td>
<td>3.7167</td>
<td>4</td>
<td>0.86537</td>
</tr>
<tr>
<td>OS9</td>
<td>Functional structure allows for strong task focus through an emphasis on specialization and efficiency.</td>
<td>3.7719</td>
<td>4</td>
<td>0.59814</td>
</tr>
<tr>
<td>OS10</td>
<td>Strategic Business Units should be centralized at the corporate office</td>
<td>3.7627</td>
<td>4</td>
<td>0.98854</td>
</tr>
<tr>
<td>OS11</td>
<td>In my opinion the organization structure affects the implementation of strategic plans in KenGen</td>
<td>4.3</td>
<td>4</td>
<td>0.69624</td>
</tr>
</tbody>
</table>

4.4.2 Leadership Factors (LF)

LF was the second independent variable measured on the five likert scale; Where 1 = Strongly disagreed, 2 = Disagreed, 3 = Neutral, 4 = Agreed, 5 = Strongly Agreed, the mean of the response are as indicated on table 4.3. There was only one item ranked as ‘Strongly Agreed’ with mean of 5 ‘The company management clearly understands the strategic plan’ ($M= 4.48, SD = .624$).

All other items were ranked as ‘agreed’ with mean of 4 for LF as follow: ‘Communication between management, supervisors and subordinates is free flowing’
‘Opinions, feedback and creativity on best practices are encouraged’ \( (M= 3.80, \ SD = .610) \), ‘Supervisors delegate assignments and tasks’ \( (M= 3.93, \ SD = .785) \), ‘There is free communication between supervisors and subordinates regarding a strategy execution process’ \( (M= 3.65, \ SD = .840) \), ‘Performance review is an ongoing process of continuous improvement’ \( (M= 4.02, \ SD = .431) \), ‘There is a control system in place to equip managers with feedback from employees’ \( (M= 3.65, \ SD = .799) \), ‘The leadership culture of senior managers has a significant effect on decision-making’ \( (M= 3.98, \ SD = .854) \) and lastly ‘KenGen has fully embraced the core values of communication’ \( (M= 3.82, \ SD = .854) \). Table 4.3 shows the output.

<table>
<thead>
<tr>
<th>Table 4.3 Leadership Factors (LF)</th>
<th>Mean</th>
<th>Median</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>LF1</td>
<td>4.4833</td>
<td>5.0000</td>
<td>.62414</td>
</tr>
<tr>
<td>LF2</td>
<td>3.7000</td>
<td>4.0000</td>
<td>.61891</td>
</tr>
<tr>
<td>LF3</td>
<td>3.7966</td>
<td>4.0000</td>
<td>.60968</td>
</tr>
<tr>
<td>LF4</td>
<td>3.9322</td>
<td>4.0000</td>
<td>.78487</td>
</tr>
<tr>
<td>LF5</td>
<td>3.6500</td>
<td>4.0000</td>
<td>.84020</td>
</tr>
<tr>
<td>LF6</td>
<td>4.0167</td>
<td>4.0000</td>
<td>.43146</td>
</tr>
<tr>
<td>LF7</td>
<td>3.6500</td>
<td>4.0000</td>
<td>.79883</td>
</tr>
<tr>
<td>LF8</td>
<td>3.9833</td>
<td>4.0000</td>
<td>.85354</td>
</tr>
<tr>
<td>LF9</td>
<td>3.8167</td>
<td>4.0000</td>
<td>.85354</td>
</tr>
</tbody>
</table>

**4.4.3 Human Resource (HR)**

HR was the third independent variable measured on the five likert scale; Where 1 = Strongly disagreed, 2 = Disagreed, 3 = Neutral, 4 = Agreed, 5 = Strongly Agreed, the mean of the response are as indicated on table 4.4. There was no item ranked as ‘Strongly Agreed’ with mean of 5. Items ranked as ‘agreed’ with mean of 5 for HR were
as follow: ‘The organization is able to select employees who are knowledgeable for the tasks assigned’ \((M=3.68, \text{SD} = .854)\), ‘The organization has a favourable compensation and benefits package’ \((M=4.12, \text{SD} = .739)\), ‘The working conditions of employees at the organization are conducive’ \((M=4.08, \text{SD} = .696)\), ‘Employees feel secure in their jobs which leads to their cooperation in strategy implementation of the organization’ \((M=4.08, \text{SD} = .696)\), ‘The environmental factors such as politics and the job market affect recruitment and selection at the organization’ \((M=4.08, \text{SD} = .829)\), ‘Employees are trained on the knowledge, skills and abilities required to perform tasks in the organization’ \((M=3.85, \text{SD} = .659)\) and ‘Training and development enhances employee performance at the organization’ \((M=4.133, \text{SD} = .724)\). ‘There is an opportunity to put into practice what employees are trained on after a training and development programme’ \((M=3.77, \text{SD} = .698)\), ‘Information is conveyed to new employees on the expectation of their jobs including the human resource policies of the organization’ \((M=3.967, \text{SD} = .688)\), ‘New strategies formulated in the organization are communicated to new employees’ \((M=3.83, \text{SD} = .746)\), ‘Employees are evaluated on their current and past performance standards with the view to improve their performance’ \((M=3.867, \text{SD} = .770)\), and ‘Through the performance appraisal, the skills required by employees are identified and action taken by the management on instilling the skills to their employees through training’ \((M=3.60, \text{SD} = .887)\).

The item ranked as ‘agreed’ with mean of 4 but higher standard deviation of more than 1 were; ‘Employees are rewarded as a result of performing tasks assigned to them which motivates them to perform better’ \((M=3.700, \text{SD} = 1.013)\). while items ranked as ‘neutral’ with mean of 3 were; ‘The organization uses the competency model while hiring which results in transparency in the recruitment and selection process’ \((M=3.22, \text{SD} = .761)\), and ‘Employees are involved in developing the performance appraisal system of the organization’ \((M=3.47, \text{SD} = 1.032)\) as presented on table 4.4.
### Table 4.4 Human Resource

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR1</td>
<td>The organization is able to select employees who are knowledgeable for the tasks assigned</td>
<td>3.6833</td>
<td>4.0000</td>
<td>.85354</td>
</tr>
<tr>
<td>HR2</td>
<td>The environmental factors such as politics and the job market affect recruitment and selection at the organization</td>
<td>4.0833</td>
<td>4.0000</td>
<td>.82937</td>
</tr>
<tr>
<td>HR3</td>
<td>The organization uses the competency model while hiring which results in transparency in the recruitment and selection process.</td>
<td>3.2167</td>
<td>3.0000</td>
<td>.76117</td>
</tr>
<tr>
<td>HR4</td>
<td>Employees are trained on the knowledge, skills and abilities required to perform tasks in the organization</td>
<td>3.8500</td>
<td>4.0000</td>
<td>.65935</td>
</tr>
<tr>
<td>HR5</td>
<td>Training and development enhances employee performance at the organization</td>
<td>4.1333</td>
<td>4.0000</td>
<td>.72408</td>
</tr>
<tr>
<td>HR6</td>
<td>There is an opportunity to put into practice what employees are trained on after a training and development programme</td>
<td>3.7667</td>
<td>4.0000</td>
<td>.69786</td>
</tr>
<tr>
<td>HR7</td>
<td>Information is conveyed to new employees on the expectation of their jobs including the human resource policies of the organization</td>
<td>3.9667</td>
<td>4.0000</td>
<td>.68807</td>
</tr>
<tr>
<td>HR8</td>
<td>New strategies formulated in the organization are communicated to new employees</td>
<td>3.8305</td>
<td>4.0000</td>
<td>.74631</td>
</tr>
<tr>
<td>HR9</td>
<td>Employees are evaluated on their current and past performance standards with the view to improve their performance.</td>
<td>3.8667</td>
<td>4.0000</td>
<td>.76947</td>
</tr>
<tr>
<td>HR10</td>
<td>Through the performance appraisal, the skills required by employees are identified and action taken by the management on instilling the skills to their employees through training</td>
<td>3.6000</td>
<td>4.0000</td>
<td>.88681</td>
</tr>
<tr>
<td>HR11</td>
<td>Employees are involved in developing the performance appraisal system of the organization</td>
<td>3.4667</td>
<td>4.0000</td>
<td>1.0328</td>
</tr>
<tr>
<td>HR12</td>
<td>Employees are rewarded as a result of performing tasks assigned to them which motivates them to perform better.</td>
<td>3.7000</td>
<td>4.0000</td>
<td>1.01347</td>
</tr>
<tr>
<td>HR13</td>
<td>The organization has a favourable compensation and benefits package</td>
<td>4.1167</td>
<td>4.0000</td>
<td>.73857</td>
</tr>
<tr>
<td>HR14</td>
<td>The working conditions of employees at the organization are conducive.</td>
<td>4.0833</td>
<td>4.0000</td>
<td>.69603</td>
</tr>
<tr>
<td>HR15</td>
<td>Employees feel secure in their jobs which leads to their cooperation in strategy implementation of the organization</td>
<td>4.0833</td>
<td>4.0000</td>
<td>.69603</td>
</tr>
</tbody>
</table>
4.4.4 Strategy Implementation (SI)

SI was the dependent variable and was measured on the five likert scale; Where 1 = Strongly disagreed, 2 = Disagreed, 3 = Neutral, 4 = Agreed, 5 = Strongly Agreed, the mean of the response are as indicated on table 4.5. There was no item ranked as ‘Strongly Agreed’ with mean of 5.

Items ranked as ‘agreed’ with mean of 4 for the SI were as follow: ‘The organizations’ management team clearly understand the strategic plan and implementation process’ \((M= 4.42, SD = .671)\), ‘A proper strategy-structure alignment is a necessary prerequisite to the successful implementation of new business strategies’ \((M= 4.288, SD = .589)\), ‘Opinions, feedback and creativity on best practices are encouraged’ \((M= 4.167, SD = .668)\), ‘Strategic consensus acts as a shared understanding to a strategic directive between individuals or groups within an organization’ \((M= 3.98, SD = .651)\), ‘There is free communication between supervisors and subordinates regarding a strategy execution process’ \((M= 3.65, SD = .709)\), ‘Performance review is an ongoing process of continuous improvement’ \((M= 4.02, SD = .650)\), ‘The leadership culture of senior managers has a significant effect on decision-making’ \((M= 3.89, SD = .77)\), and ‘The company’s strategy is aligned to its activities and projects’ \((M= 4.167, SD = .693)\). Only one item was ranked as neutral with mean of 3 ‘There is a control system in place to equip managers with feedback from employees’ \((M= 3.42, SD = .932)\).
Table 4.5 Strategy Implementation

<table>
<thead>
<tr>
<th>S#</th>
<th>Description</th>
<th>Mean</th>
<th>Median</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>SI1</td>
<td>The organizations’ management team clearly understand the strategic plan and implementation process.</td>
<td>4.4167</td>
<td>5.0000</td>
<td>.67124</td>
</tr>
<tr>
<td>SI2</td>
<td>A proper strategy-structure alignment is a necessary prerequisite to the successful implementation of new business strategies.</td>
<td>4.2881</td>
<td>4.0000</td>
<td>.58871</td>
</tr>
<tr>
<td>SI3</td>
<td>Opinions, feedback and creativity on best practices are encouraged.</td>
<td>4.1667</td>
<td>4.0000</td>
<td>.66808</td>
</tr>
<tr>
<td>SI4</td>
<td>Strategic consensus acts as a shared understanding to a strategic directive between individuals or groups within an organization</td>
<td>3.9833</td>
<td>4.0000</td>
<td>.65073</td>
</tr>
<tr>
<td>SI5</td>
<td>There is free communication between supervisors and subordinates regarding a strategy execution process.</td>
<td>3.6500</td>
<td>4.0000</td>
<td>.70890</td>
</tr>
<tr>
<td>SI6</td>
<td>Performance review is an ongoing process of continuous improvement</td>
<td>4.0167</td>
<td>4.0000</td>
<td>.65073</td>
</tr>
<tr>
<td>SI7</td>
<td>There is a control system in place to equip managers with feedback from employees</td>
<td>3.4237</td>
<td>4.0000</td>
<td>.93225</td>
</tr>
<tr>
<td>SI8</td>
<td>The leadership culture of senior managers has a significant effect on decision-making.</td>
<td>3.8966</td>
<td>4.0000</td>
<td>.76525</td>
</tr>
<tr>
<td>SI9</td>
<td>The company’s strategy is aligned to its activities and projects.</td>
<td>4.1667</td>
<td>4.0000</td>
<td>.69298</td>
</tr>
</tbody>
</table>

4.5 Inferential Analysis

Different tests were conducted on the inferential analysis. This includes but not limited to exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structure equation model (SEM). Several statistical assumption tests were also conducted including normality test, validity test, reliability test and multi-collinearity tests.

4.5.1 Exploratory Factor Analysis

Exploratory factor analysis was conducted to develop related factors to be used in the analysis. The Kaiser Meyer-Olin Measure (KMO) of Sampling Adequacy, Bartlett’s Test of Sphericity and communalities tests were used to determine the sampling adequacy of the data. The KMO measurement are between 0 and 1, the closer to one the better for the sampling adequacy. From the table 4.6, the KMO test was .734 which is above 0.50 hence acceptable degree of sampling adequacy. Bartlett’s test of
Sphericity show a Chi-Square of 630.408 with significant p<0.05 indicating the items were significant.

**Table 4.6 KMO and Bartlett's Test**

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .734 |
| Approx. Chi-Square | 630.408 |
| Bartlett's Test of Sphericity | 153 |
| Df | 408 |
| Sig. | .000 |

**4.5.2 Total Variance Explained**

The second table on EFA shows the total variance explained by the factor. As indicated on table 4.7, four components were extracted with Eigen values of more than 1. The four factors accounted for 68.449% of the variability in the study.

**Table 4.7 Total Variance Explained**

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
<th>Rotation Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>% of Variance</td>
<td>Cumulative Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>Total</td>
<td>% of Variance</td>
<td>Cumulative Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>1</td>
<td>6.900</td>
<td>38.333</td>
<td>38.333</td>
</tr>
<tr>
<td></td>
<td>6.900</td>
<td>38.333</td>
<td>38.333</td>
</tr>
<tr>
<td>2</td>
<td>3.027</td>
<td>16.815</td>
<td>55.148</td>
</tr>
<tr>
<td></td>
<td>3.027</td>
<td>16.815</td>
<td>55.148</td>
</tr>
<tr>
<td>3</td>
<td>1.293</td>
<td>7.184</td>
<td>62.332</td>
</tr>
<tr>
<td></td>
<td>1.293</td>
<td>7.184</td>
<td>62.332</td>
</tr>
<tr>
<td>4</td>
<td>1.101</td>
<td>6.118</td>
<td>68.449</td>
</tr>
<tr>
<td></td>
<td>1.101</td>
<td>6.118</td>
<td>68.449</td>
</tr>
<tr>
<td>5</td>
<td>.992</td>
<td>5.512</td>
<td>73.961</td>
</tr>
<tr>
<td>6</td>
<td>.732</td>
<td>4.065</td>
<td>78.026</td>
</tr>
<tr>
<td>7</td>
<td>.684</td>
<td>3.803</td>
<td>81.829</td>
</tr>
<tr>
<td>8</td>
<td>.659</td>
<td>3.664</td>
<td>85.493</td>
</tr>
<tr>
<td>9</td>
<td>.572</td>
<td>3.179</td>
<td>88.671</td>
</tr>
<tr>
<td>10</td>
<td>.461</td>
<td>2.560</td>
<td>91.231</td>
</tr>
<tr>
<td>11</td>
<td>.358</td>
<td>1.990</td>
<td>93.221</td>
</tr>
<tr>
<td>12</td>
<td>.291</td>
<td>1.614</td>
<td>94.835</td>
</tr>
<tr>
<td>13</td>
<td>.251</td>
<td>1.396</td>
<td>96.232</td>
</tr>
<tr>
<td>14</td>
<td>.223</td>
<td>1.239</td>
<td>97.470</td>
</tr>
<tr>
<td>15</td>
<td>.164</td>
<td>.910</td>
<td>98.380</td>
</tr>
<tr>
<td>16</td>
<td>.125</td>
<td>.694</td>
<td>99.074</td>
</tr>
<tr>
<td>17</td>
<td>.097</td>
<td>.540</td>
<td>99.614</td>
</tr>
<tr>
<td>18</td>
<td>.069</td>
<td>.386</td>
<td>100.000</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.
4.5.3 Pattern Matrix

From the total variance explained table, pattern matrix was developed based on the common factors. Further, the communality measures of each of the variable on the pattern was presented on table 4.8. All the values for communalities were above 0.5 demonstrating acceptable factorability for all items. Similarly, for the factor loading, all the factors were above 0.5 indicating a stronger factor loading on each factor. Extraction Method used was Principal Component Analysis (PCA) and Rotation Method was Promax with Kaiser Normalization. The loading were; human resource (HR), leadership factors (LF), Organization structure (OS) and Strategy Implementation.

Table 4.8 Communalities and Pattern Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>HR</th>
<th>LF</th>
<th>OS</th>
<th>SI</th>
<th>Communalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR10</td>
<td>.879</td>
<td></td>
<td></td>
<td></td>
<td>.832</td>
</tr>
<tr>
<td>HR4</td>
<td>.870</td>
<td></td>
<td></td>
<td></td>
<td>.607</td>
</tr>
<tr>
<td>HR6</td>
<td>.688</td>
<td></td>
<td></td>
<td></td>
<td>.616</td>
</tr>
<tr>
<td>HR11</td>
<td>.636</td>
<td></td>
<td></td>
<td></td>
<td>.609</td>
</tr>
<tr>
<td>OS7</td>
<td>.593</td>
<td></td>
<td></td>
<td></td>
<td>.540</td>
</tr>
<tr>
<td>LF9</td>
<td>.510</td>
<td>.831</td>
<td></td>
<td></td>
<td>.573</td>
</tr>
<tr>
<td>OS8</td>
<td></td>
<td></td>
<td>.716</td>
<td></td>
<td>.717</td>
</tr>
<tr>
<td>LF5</td>
<td></td>
<td>.716</td>
<td></td>
<td></td>
<td>.768</td>
</tr>
<tr>
<td>LF3</td>
<td></td>
<td>.709</td>
<td></td>
<td></td>
<td>.750</td>
</tr>
<tr>
<td>LF2</td>
<td></td>
<td>.663</td>
<td></td>
<td></td>
<td>.604</td>
</tr>
<tr>
<td>OS5</td>
<td></td>
<td></td>
<td>.788</td>
<td></td>
<td>.788</td>
</tr>
<tr>
<td>OS3</td>
<td></td>
<td></td>
<td>.767</td>
<td></td>
<td>.674</td>
</tr>
<tr>
<td>HR12</td>
<td></td>
<td></td>
<td>.743</td>
<td></td>
<td>.799</td>
</tr>
<tr>
<td>OS9</td>
<td></td>
<td></td>
<td>.669</td>
<td>.833</td>
<td>.605</td>
</tr>
<tr>
<td>SI2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.761</td>
</tr>
<tr>
<td>SI9</td>
<td></td>
<td></td>
<td></td>
<td>.784</td>
<td>.656</td>
</tr>
<tr>
<td>SI1</td>
<td></td>
<td></td>
<td></td>
<td>.781</td>
<td>.759</td>
</tr>
<tr>
<td>SI3</td>
<td></td>
<td></td>
<td></td>
<td>.612</td>
<td>.662</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
Rotation Method: Promax with Kaiser Normalization.
a. Rotation converged in 10 iterations.

4.5.4 Confirmatory Factor Analysis.

Confirmatory factor analysis (CFA) was run to test different statistical assumption including the factor loading, reliability, validity and strength of the structure. IBM AMOS version 24 was used and the output was as indicated on figure 4.7.
Figure 4.7 Confirmatory Factor Analysis Model for Study Variables
4.5.5 CFA Model Output

Table 4.9 presents the model fit statistics for the CFA based on the study variables. The fit statistics were within the required range therefore the CFA model fit the data adequately. Further tests were conducted from CFA.

<table>
<thead>
<tr>
<th>Measure</th>
<th>CMIN</th>
<th>DF</th>
<th>CMIN/DF</th>
<th>CFI</th>
<th>RMSEA</th>
<th>PCLOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimate</td>
<td>106.960</td>
<td>71</td>
<td>1.506</td>
<td>0.908</td>
<td>0.076</td>
<td>0.069</td>
</tr>
<tr>
<td>Threshold</td>
<td>--</td>
<td>--</td>
<td>&gt;0.90</td>
<td>&lt;0.08</td>
<td>&gt;0.05</td>
<td></td>
</tr>
<tr>
<td>Interpretation</td>
<td>--</td>
<td>--</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Excellent</td>
<td></td>
</tr>
</tbody>
</table>

4.5.6 Construct Reliability

Reliability was tested using the Cronbach’s alpha tests. As indicated on table 4.10, all the tests were above .7 (rounded off) indicating that all the variables in the study were reliable. Further, the items removed from each factor are shown with the number of variables retained for the analysis.

<table>
<thead>
<tr>
<th>Number of item</th>
<th>Cronbach’s alpha</th>
<th>Item removed</th>
</tr>
</thead>
<tbody>
<tr>
<td>OS</td>
<td>7</td>
<td>0.790</td>
</tr>
<tr>
<td>LF</td>
<td>6</td>
<td>0.783</td>
</tr>
<tr>
<td>HR</td>
<td>12</td>
<td>0.824</td>
</tr>
<tr>
<td>SI</td>
<td>9</td>
<td>0.675</td>
</tr>
</tbody>
</table>

4.5.7 Correlation Coefficient.

Table 4.11 indicates the correlation coefficients. The SI was negatively and significantly related to OS (r = -.363, p<0.001) and to LF (r = -.332, p<0.05). However, SI was not significantly correlated with HR (r = -0.066, p>.005 (0.615).
Table 4.11: Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>SI</th>
<th>HR</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OS</td>
<td>Pearson Correlation</td>
<td>-.363**</td>
<td>Sig. (2-tailed)</td>
<td>.004</td>
</tr>
<tr>
<td>LF</td>
<td>Pearson Correlation</td>
<td>-.332**</td>
<td>Sig. (2-tailed)</td>
<td>.009</td>
</tr>
<tr>
<td>SI</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
</tbody>
</table>

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

b. Listwise N=58

4.6 Structural Equation Model (SEM)

From the CFA, SEM was developed based and presented on the following figure 4.8
4.6.1 Model Fits for Structural Equation Model

In order to determine the adequacy of the SEM model, model fit measure was taken as presented on table 4.12. The fit statistics indices were lower than the required range for the model to fit the data adequately.

**Table 4.12: Model Fits for Structural Equation Model**

<table>
<thead>
<tr>
<th>Measure</th>
<th>CMIN</th>
<th>DF</th>
<th>CMIN/DF</th>
<th>CFI</th>
<th>SRMR</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Estimate</strong></td>
<td>167.561</td>
<td>98</td>
<td>1.710</td>
<td>0.785</td>
<td>0.262</td>
<td>0.052</td>
</tr>
<tr>
<td><strong>Threshold</strong></td>
<td>--</td>
<td>--</td>
<td>Between 1 and 3</td>
<td>&gt;0.95</td>
<td>&lt;0.08</td>
<td>&lt;0.06</td>
</tr>
<tr>
<td><strong>Interpretation</strong></td>
<td>--</td>
<td>--</td>
<td>Excellent</td>
<td>Poor</td>
<td>Poor</td>
<td>Good</td>
</tr>
</tbody>
</table>

**Figure 4.8: Structural Model for the Relationship of the Study Variables**
Further analysis was conducted to understand the model. Standardized Residual Covariances (Group number 1 - Default model) showed a significant difference on measure of variables. For a good model, the standardized residual covariance measure is normally distributed; with standard deviation (SD) between -2 to 2 absolute values. As indicated on table 4.13, the SD of HR12 and OS3 values were higher than -2 or +2 hence excluded from the model.

Table 4.13 Standardized Residual Covariances (Group Number 1 – Default Model)

<table>
<thead>
<tr>
<th></th>
<th>SI1</th>
<th>SI9</th>
<th>SI2</th>
<th>OS9</th>
<th>HR12</th>
<th>OS3</th>
<th>LF2</th>
<th>LF3</th>
<th>LF5</th>
</tr>
</thead>
<tbody>
<tr>
<td>SI1</td>
<td>-0.53</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SI9</td>
<td>-0.48</td>
<td>-0.426</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SI2</td>
<td>-0.568</td>
<td>-0.699</td>
<td>-0.474</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OS9</td>
<td>-0.268</td>
<td>-0.88</td>
<td>-1.592</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR12</td>
<td>0.673</td>
<td>-0.249</td>
<td>-0.828</td>
<td>-0.029</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OS3</td>
<td>-0.335</td>
<td>-1.05</td>
<td>-0.51</td>
<td>-0.121</td>
<td>0.074</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LF2</td>
<td>0.301</td>
<td>0.26</td>
<td>-0.248</td>
<td>2.979</td>
<td>2.408</td>
<td>2.336</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LF3</td>
<td>1.058</td>
<td>1.369</td>
<td>0.524</td>
<td>2.742</td>
<td>3.792</td>
<td>4.199</td>
<td>0.593</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>LF5</td>
<td>0.454</td>
<td>0.576</td>
<td>-0.447</td>
<td>2.001</td>
<td>3.624</td>
<td>3.172</td>
<td>-0.015</td>
<td>-0.097</td>
<td>0</td>
</tr>
<tr>
<td>OS8</td>
<td>0.245</td>
<td>0.222</td>
<td>0.259</td>
<td>2.945</td>
<td>3.696</td>
<td>3.289</td>
<td>-0.588</td>
<td>0.524</td>
<td>0.036</td>
</tr>
<tr>
<td>OS7</td>
<td>-2.045</td>
<td>-1.358</td>
<td>-2.803</td>
<td>2.046</td>
<td>3.66</td>
<td>2.528</td>
<td>1.889</td>
<td>3.08</td>
<td>3.74</td>
</tr>
<tr>
<td>HR6</td>
<td>-0.823</td>
<td>-1.062</td>
<td>-1.551</td>
<td>1.088</td>
<td>3.645</td>
<td>1.359</td>
<td>2.351</td>
<td>2.424</td>
<td>3.353</td>
</tr>
<tr>
<td>HR10</td>
<td>-1.735</td>
<td>-1.521</td>
<td>-2.789</td>
<td>2.202</td>
<td>4.027</td>
<td>1.834</td>
<td>2.799</td>
<td>3.065</td>
<td>3.599</td>
</tr>
</tbody>
</table>

4.6.2 Adjusted Model Fits for Structural Equation Model

After the removal of the HR12 and OS3, the revised SEM model was as shown on figure 4.9.
4.6.3 Model Fits for Structural Model

Table 4.14 presents the model fit measurement statistics for the overall structural model based on the revised study variables. The fit statistics indices were within the satisfactory range therefore the structural model fit the data adequately hence the improved model was fit for the study.

**Table 4.14 Model Fits for Structural Equation Model**

<table>
<thead>
<tr>
<th>Measure</th>
<th>CMIN</th>
<th>DF</th>
<th>CMIN/DF</th>
<th>IFI</th>
<th>CFI</th>
<th>RMSEA</th>
<th>PCLOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimate</td>
<td>61.771</td>
<td>42</td>
<td>1.471</td>
<td>0.937</td>
<td>0.934</td>
<td>0.079</td>
<td>0.103</td>
</tr>
<tr>
<td>Threshold</td>
<td>--</td>
<td>--</td>
<td>Between</td>
<td>&gt;0.90</td>
<td>&gt;0.90</td>
<td>&lt;0.08</td>
<td>&gt;0.05</td>
</tr>
<tr>
<td>Interpretation</td>
<td>--</td>
<td>--</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

**Figure 4.9: Revised Structural Model for the Relationship of the Study Variables**
4.7 Regression Weights

4.7.1 Influence of Organizational Structure on Strategy Implementation at KenGen.
The path coefficient for the relationship between OS and SI patterns in KenGen was not developed since OS did not fit SEM model. This indicates OS does not influence SI at KenGen.

4.7.2 Influence of Human Resource on Strategy Implementation at KenGen.
The path coefficient for the relationship between HR and SI in KenGen was positive and significant at the 0.05 level (β =0.215, T-value =2.783, p<0.05) as indicated on table 4.15 and figure 4.10. The positive relationship indicates that one unit increase in access to HR will result in 0.215 increase in SI at KenGen.

4.7.3 Influence of Leadership Factors on Strategy Implementation at KenGen.
The path coefficient for the relationship between LF and SI in KenGen was negative but significant at the 0.05 level (β =-.454, T-value =7.426, p<0.05) as indicated on table 4.15 and figure 4.10. The negative relationship indicates that one unit increase in access to LF will result in 0.454 decrease in SI at KenGen.

<table>
<thead>
<tr>
<th>Path</th>
<th>unstandardized estimate</th>
<th>Standardized estimate</th>
<th>Standard Error</th>
<th>T value</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>SI</td>
<td>&lt;--- LF</td>
<td>-0.454</td>
<td>-0.575</td>
<td>0.116</td>
<td>7.426</td>
</tr>
<tr>
<td>SI</td>
<td>&lt;--- HR</td>
<td>0.215</td>
<td>0.308</td>
<td>0.096</td>
<td>2.783</td>
</tr>
<tr>
<td>SI</td>
<td>&lt;--- OS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.8 Predictive Relevance of the Model
The relevance of the model was accessed by the R² which shows the degree at which the independent variable affects the dependent variable. From 4.10, the R² was 0.220 indicating that HR and LF can account for 22.0% of the variance in SI in KenGen while other factors account for 78.0%.
4.9 Chapter Summary

The study looks at the research findings from the data collected. It outlines the
demographic information of the respondents and the research findings of each objective.
The study employed the EFA, CFA ad SEM to answer the research objectives. The first
objective findings was – OS does not influence the SI at KenGen. Objective two found
out HR positively influence SI at KenGen while the last objective found out LF
influence the SI at KenGen negatively. The next chapter is the last chapter of the project
and looks at the discussion, conclusion and recommendation of the research findings.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction

This is the last chapter of this study. It sub-sections outlines the summary of the study, discussion of the results of findings, conclusion and recommendations. The discussion is based on the literature review outlined on chapter two of the study while conclusion and recommendation are based on the research findings.

5.2 Summary of the Study

The purpose of this study was to determine the influence of internal factors on the implementation of Strategic Plans in organizations. This was guided by three research questions as follow: How does organizational structure influence implementation of strategic plans in organizations? How does leadership influence implementation of strategic plans in organization? And lastly, how does human resource influence implementation of strategic plans in organizations? This research was set out as significant to KenGen management as practitioner and decision makers on strategic plan implementation, to strategic plan scholars and individual researchers on the area of strategy. The descriptive research design was appropriate in this study since its purpose was to examine the impact of leadership style and organization structure on strategy implementation in the hospitality industry in Kenya through a case study.

The population of study comprised of all KenGen employees; top-level managers, middle-level managers, and lower-level managers. Stratified random sampling was used in the study where employees were stratified based on their departments. The sample size was one hundred and thirty and the response rate was one hundred giving seventy seven percent as adequate for the study. Self-administered questionnaire was the main data collection tool used in the study. As for the analysis, both descriptive and inferential analysis was conducted.

On objective one, the descriptive statistics found out there was no item ranked as ‘Strongly Agreed’ with mean of 5. The items ranked as ‘agreed’ with mean of 4 for OS were; ‘Structural stability allows organizations to consistently manage daily work routines’ ($M=4.13$, $SD=.724$), ‘In my opinion the organization structure affects the implementation of strategic plans in KenGen’ ($M=4.3$, $SD=.696$), ‘The organization
has adopted board tools, governance workflows to make decisions’ \((M = 3.9, SD = .706)\), ‘Functional structure allows for strong task focus through emphasis on specialization and efficiency’ \((M = 3.81, SD = .572)\), ‘Functional structure allows for strong task focus through an emphasis on specialization and efficiency’ \((M = 3.77, SD = .598)\), ‘Strategic Business Units should be centralized at the corporate office’ \((M = 3.76, SD = .989)\), ‘Structural flexibility provides the opportunity to allocate resources to activities that will shape the competitive advantages of the firm’ \((M = 3.72, SD = .87)\), ‘KenGen organization structures allows free flow of information’ \((M = 3.62, SD = .783)\), ‘KenGen has fully embraced fully core values of team work’ \((M = 3.644, SD = .713)\), and ‘There is accurate reporting aid in measuring the performance of the processes of the organization’ \((M = 3.55, SD = .769)\).

There was only one item which was ranked as neutral with mean of 3; ‘There is a large power distance between management and the rest of the staff’ \((M = 3.45, SD = .964)\). For the inferential statistics, the EFA and CFA was positive with developed factors on OS. However, on SEM, the path coefficient for the relationship between OS and SI patterns in KenGen was not developed since OS did not fit on the SEM model. The research concluded OS does not influence SI at KenGen.

For objective two, there was no item ranked as ‘Strongly Agreed’ with mean of 5. Items ranked as ‘agreed’ with mean of 5 for HR were as follow: ‘The organization is able to select employees who are knowledgeable for the tasks assigned’ \((M = 3.68, SD = .854)\), ‘The organization has a favourable compensation and benefits package’ \((M = 4.12, SD = .739)\), ‘The working conditions of employees at the organization are conducive’ \((M = 4.08, SD = .696)\), ‘Employees feel secure in their jobs which leads to their cooperation in strategy implementation of the organization’ \((M = 4.08, SD = .696)\), ‘The environmental factors such as politics and the job market affect recruitment and selection at the organization’ \((M = 4.08, SD = .829)\), ‘Employees are trained on the knowledge, skills and abilities required to perform tasks in the organization’ \((M = 3.85, SD = .659)\) and ‘Training and development enhances employee performance at the organization’ \((M = 4.133, SD = .724)\). ‘There is an opportunity to put into practice what employees are trained on after a training and development programme’ \((M = 3.77, SD = .698)\), ‘Information is conveyed to new employees on the expectation of their jobs including the human resource policies of the organization’ \((M = 3.967, SD = .688)\), ‘New strategies formulated in the organization are communicated to new employees’
‘Employees are evaluated on their current and past performance standards with the view to improve their performance’ \((M = 3.83, SD = .746)\), and ‘Through the performance appraisal, the skills required by employees are identified and action taken by the management on instilling the skills to their employees through training’ \((M = 3.60, SD = .887)\).

The item ranked as ‘agreed’ with mean of 4 but higher standard deviation of more than 1 were; ‘Employees are rewarded as a result of performing tasks assigned to them which motivates them to perform better’ \((M = 3.700, SD = 1.013)\), while items ranked as ‘neutral’ with mean of 3 were; ‘The organization uses the competency model while hiring which results in transparency in the recruitment and selection process’ \((M = 3.22, SD = .761)\), and ‘Employees are involved in developing the performance appraisal system of the organization’ \((M = 3.47, SD = 1.032)\). On the inferential statistics, the EFA and CFA was positive with model fit. Further, the SEM analysis shows the path coefficient for the relationship between HR and SI in KenGen was positive and significant at the 0.05 level \((\beta = 0.215, T\text{-value} = 2.783, p<0.05)\). The positive relationship indicates that one unit increase in access to HR will result in 0.215 increase in SI at KenGen.

The last objective, there was only one item ranked as ‘Strongly Agreed’ with mean of 5 ‘The company management clearly understands the strategic plan’ \((M = 4.48, SD = .624)\). All other items on LF were ranked as ‘agreed’ with mean of 4 for LF as follow: ‘Communication between management, supervisors and subordinates is free flowing’ \((M = 3.7, SD = .619)\), ‘Opinions, feedback and creativity on best practices are encouraged’ \((M = 3.80, SD = .610)\), ‘Supervisors delegate assignments and tasks’ \((M = 3.93, SD = .785)\), ‘There is free communication between supervisors and subordinates regarding a strategy execution process’ \((M = 3.65, SD = .840)\), ‘Performance review is an ongoing process of continuous improvement’ \((M = 4.02, SD = .431)\), ‘There is a control system in place to equip managers with feedback from employees’ \((M = 3.65, SD = .799)\), ‘The leadership culture of senior managers has a significant effect on decision-making’ \((M = 3.98, SD = .854)\) and lastly ‘KenGen has fully embraced the core values of communication’ \((M = 3.82, SD = .854)\). On the inferential statistics, the EFA and CFA was positive with model fit. Further, the SEM analysis shows the path coefficient for the relationship between LF and SI in KenGen was negative but significant at the 0.05 level \((\beta = -0.454, T\text{-value} = 7.426, p<0.05)\). The negative
relationship indicates that one unit increase in access to LF will result in 0.454 decrease in SI at KenGen.

5.3. Discussion of the Results

5.3.1. Influence of Organizational Structure on Strategy Implementation at KenGen.

For the inferential statistics, EFA and CFA conducted showed a positive model with OS. However, on SEM, the path coefficient for the relationship between OS and SI patterns in KenGen was not developed since OS did not fit on the SEM model and was dropped. This showed OS does not fit on the SEM model hence it does not influence SI at KenGen. Contrary to many researchers output, the organizational structure influences the implementation of strategic plans in most organizations. However, every organization has a unique and distinct structure that portrays its current image, reporting relationship and internal politics (Kiptoo & Mwirigi, 2014) which could be functional or non-functional. Perhaps the definition also informs its not a guarantee that OS influences the SI; Tran and Tian (2013) defines OS as the arrangement of duties for the work to be done.

In another sense, structure is the architecture of business competence, leadership, talent, functional relationships and arrangement. Further organizational structure is defined as the division of labour, shape, job duties and responsibilities; distribution of powers and decision-making procedures in an organization (Kiptoo & Mwirigi, 2014). This distinctly indicate that organizational structure is a fundamental factor when looking at how strategic planning can be implemented in organizations and can affect the implementation either positively or negatively based on the performance of duty or implementation of the structure.

According to Muhando (2015), the organization structure that will translate in most effective strategy implementation must be developed, taking into account the size of the business, diversification of the product range, rate of change in the environment and the need for information. Companies must also be monitor and oversee the organizational design process to achieve superior profitability (Hill, Jones, & Schilling, 2013). Hill, Jones, and Schilling (2013) further states most companies are configured in terms of
four basic elements of organizational culture; span of control, centralization, formalization and departmentalization which if not aligned can cause failure on SI.

According to Galbraith (2014) the structure of an organization is about the distribution of power and authority across a hierarchy. This informs the importance of functional hierarchy in two folds which are Decisions are made in order to coordinate the behaviour of a large number of people who would otherwise not make timely decisions on their own and secondly it is a path of escalation to resolve dispute among people and offer direction for an organization. On the other hand, on the vertical organizational structure, the supervisors or managers transmit instructions and any other information from the top to bottom of a firm (Ashkenas et al., 2015). The discussion of the OS based on the level of hierarchy also can influence or fail to influence the implementation of the SI based on the activeness of the structure. Such is achieved through a sequence of intermediate layers that implements the management’s directives at a more disaggregated level (Cokins, 2017). Byars (2014) also affirms this; the allocation of tasks and power to the management of the intermediate layers in the organization influences both capability and incentive of the managers and of the management to supervise them considering that each manager has a singular role to execute within the organization which if not performed has no impact on the SI to be implemented.

The organizational charts in organizations guarantees that the functions of a business align with the objectives. This means that the organizational structures will unmistakably demonstrate the status of the business together with the values that it upholds in the industry or sector it operates in (Byars, 2014). However, the structure alone is not enough. The action of the managers is key for the success of the SI. The exclusive part of management is the provision of attainable goals and strategies to be implemented, but personnel or teams have the autonomy to act in any way that will result in effective and efficient productive or positive results. However, the structures should support the strategic planning besides assisting in monitoring, implementing and evaluating the organizational performance (Blomme, Sok, & Tromp, 2013). Despite the type of structure in place, the actualization of the personnel in the structure is what is of importance and it informs the success of the implementation of the SI. This seems not to be the case at KenGen; the structure on itself is not actively implemented hence does not affect SI.
5.3.2. Influence of Human Resource on Strategy Implementation at KenGen.

From the inferential statistics results, the EFA and CFA conducted was positive with significant model fit. The path coefficient based on the SEM analysis shows the relationship between HR and SI in KenGen was positive and significant at the 0.05 level ($\beta=0.215$, T-value =2.783, p<0.05). The positive relationship indicates that one unit increase in access to HR will result in 0.215 increase in SI at KenGen. Further, the $R^2$ was found to be 0.77 indicating that HR can account for 77% of the variance in SI at KenGen hence HR is an important factor in SI implementation at KenGen.

HR has been defined differently including as the heart of the organization that control the organization functions. Human resource practices include employee recruitment and selection, training and development, orientation, performance appraisal, compensation and benefits and work environment. Such key elements for the success of businesses in strategy implementation are human resource factors and human resource practioners are best placed to pioneer the realization of such factors in strategy implementation (Ali, 2013). Olian & Rynes (2014) indicates that, a company engaged in strategy implementation requires different types and numbers of employees who are Knowledgeable and well informed in the current economy sought through employee recruitment and selection and are seen as the primary factors of production (DeCenzo & Robbins, 2012; Ahmadi, Salamzadeh, Daraei, & Akbari, 2012). Its this process and procedure of selection of the competent employee informs the success of the SI in the organization.

Recruitment process is the beginning of good or bad services in both publicly and privately organizations. If an organization does poor recruitment, they are faced with long-term negative effects including; high training and development costs to minimize poor performance, disciplinary issues, absenteeism, disputes, poor service delivery to customers, high turnover and low productivity which impacts on staff morale. The organization is also not able to implement their strategies and their competitive edge and market share is also lost (Chukwu & Igwe, 2012). It is very clear that recruitment and selection is not just a human resource factor and an administrative function but a strategic process aimed at contributing to the achievement of organizational objectives (Public Service Commission, 2015).
HR also include the policies and strategies relating to individual management are implemented through the management function of human resource management (Omolo, Oginda, & Oso, 2012). According to Cummins (2015) it is also the most expensive part of human resource but still an essential component of any organization where the right people are appointed and trained to produce good results. Training and development is a key human resource management practice that is necessary for organizations while implementing new strategies (Niazi, 2011). Employees must be trained to become productive employees and to integrate well in their organizations.

Research illustrates that in order to meet both the current and future challenges of organizations, training and development takes up quite a big role of learning actions which involves training of the employees for their present and future tasks and more so, knowledge sharing to improve their businesses and the implementation of the SI. In strategy implementation, a comprehensive training and development program help deliberate on the necessary knowledge, skills and attitudes that assist to achieve organizational goals and also create competitive advantage (Peteraf, 2013). With this knowledge achieved and the competency attained, training then should become part of the organizations-wide strategy and it should also be linked to business goals and organizational performance.

Towards execution of proper strategies in organizations, orientation is considered as a key component to assist in the execution of the employee’s roles (Shehzad & Akhtar, 2012). This introduction is done on the rules and regulation of the organization, hierarchical structure and the expectation of the organization (Shehzad & Akhtar, 2012). Orientation program also communicates the relevant human resource management policies such as pay procedures, work hours, benefits; review the specific duties and responsibilities of the new member’s job. Proper orientation of strategies formulated to all employees ensures a great success in strategy implementation. Performance approval which evaluates employee helps to reward employees whose performance is better than others. It evaluates the work of employees and motivates them to improve their future performance providing an opportunity to the employees to identify the skills they need in order to progress within their organization activities. Using the performance appraisal of all employees the management of the organization is able to identify their exemplary employees to spearhead strategy implementation in the organization. This role of HR
from recruitment, policy implementation, appraisal, work environment forms the ground for the success of the SI implementation in organization.

5.3.3. Influence of Leadership Factors on Strategy Implementation at KenGen

The inferential statistics result shows the EFA and CFA was positive with significant model fit. Further, the SEM analysis shows the path coefficient for the relationship between LF and SI in KenGen was negative but significant at the 0.05 level (β = -0.454, T-value = 7.426, p<0.05). The negative relationship indicates that one unit increase in access to LF will result in 0.454 decrease in SI at KenGen. The R² for LF was found to be 0.61 indicating that LF can account for 61% of the variance in SI at KenGen hence LF is an important factor in SI implementation at KenGen.

This study found out the OS has no influence on the SI. According to Draft (2014), there exist a difference between leadership and management. Management concentration on the OS to ensure the stability and empowering the firm to run smoothly, while on the other hand, the role of leadership is to stimulate, promote and manage initiatives to do with the long-term change (Draft, 2014). The role of a leader is to provide opportunities, inspire, and motivate the staff in order to have their support while making important long-term strategic decisions (Shao, Feng & Hu, 2016). According to Espy (2012), leadership style refers to the way a leader provides directions, implements plans and motivates people. It entails not only influencing the performance of an organization but also triggering and boosting the morale of the employees, their productivity, and influencing the decision-making process and metrics. In particular, it entails how a leader directs and controls how the subordinates conduct their respective assignments as well as how she/he enables them to produce goods and services at the required standards. Such entails the day to day operation which informs the SI implementation in an organization.

Leadership theories more often than not emphasize leaders’ traits, behaviour (what a leader truly does), the power effect approach (the extent and nature of power and how it is applied), the situation and/or a combination of the two (Espy, 2012). However, despite the theory used, the common aspect is, the level at which leaders impacts and influences the performance of his or her subordinate by determining the behaviours (paths) that will result in desired rewards or outcomes (Griffin & Moorhead, 2012). This
depicts a leader as either relationship oriented or task oriented. A relationship-oriented leader focuses on people and creates a positive social interaction while Task-oriented leader is a directive, structure situational; sets a time limit and develops task assignments (Williams, 2015).

The type of leadership style matters on the performance but the bottom line is the performance which is based on the organization SI. The manner in which leaders provide directions, plans implementation, and motivate different people is termed as leadership style. In every organization, leadership style is crucial and different for the management strategies. It has been argued that different leadership styles are best suited for different business settings or organizations and the choice of such leadership style depends on the culture and organizational goals (Sekaran & Bougie, 2013). It should therefore be noted and emphasized that the type of leadership style chosen by any organization must be very flexible to fit its requirements. Furthermore, learning diverse leadership styles is a prerequisite for selecting the style depending on the state in which the leadership is exercised with the followers’ participation (Byars, 2014). Hence leaders are key elements on SI.

Chege, Wachira and Mwenda (2015) conducted a study to analyse how leadership style affects implementation of strategic plans among Small and Medium Enterprises (SMEs). The multivariate regression results revealed that the highest effect on strategy implementation came from autocratic leadership, followed by Democratic leadership and finally laissez faire. This study recommended for organizations to adopt all the three leadership styles if they have to maximize on the implementation of strategic plans. Another study was done to evaluate how leadership styles affect the performance of organization. The study found out leaders were the determinant of success of the organization and recommended the supervisors to be encouraged to increase their involvement in guiding their subordinates. In addition, supervisors should take an active role in the implementation process of effective reward and system of recognition. These researches among others shows the active role of leaders in their organizations despite the leadership style hence leaders are key factors in the implementation of the strategy in organizations.
5.4. Conclusions

5.4.1. Influence of Organizational Structure on Strategy Implementation at KenGen.

The research findings based on SEM shows the path coefficient for the relationship between OS and SI patterns in KenGen was not developed since OS did not fit on the SEM model and was dropped. The study concludes the OS does not fit the SEM model hence it is not an important factor that influence SI at KenGen.

5.4.2. Influence of Human Resource on Strategy Implementation at KenGen.

The inferential statistics results showed a positive model fit on EFA and CFA. The path coefficient based on the SEM analysis showed the relationship between HR and SI in KenGen was positive and significant with a unit increment of HR affecting SI implementation at KenGen significantly. Further, the adjusted $R^2$ showed HR can account for 77% of the variance in SI at KenGen. This leads to the conclusion that HR is an important factor in the SI at KenGen.

5.4.3. Influence of Leadership factors on Strategy Implementation at KenGen.

The inferential statistics result had a significant and model fit for EFA and CFA models. The path coefficient based on the SEM analysis on LF and SI in KenGen showed the direction was negative but significant. The negative relationship indicates that one unit increase in access to LF results to decrease of SI at KenGen. Further, the adjusted $R^2$ showed LF can account for 61% of the variance in SI at KenGen. This leads to the conclusion that LF is an important factor in SI at KenGen though it affects the SI negatively.

5.5 Recommendations

5.5.1. Suggestions for Improvement

5.5.1.1 Influence of Organizational Structure on Strategy Implementation at KenGen

The study concluded that OS does not fit the SEM model hence it is not an important factor that influence SI at KenGen. Different researchers have expounded on the
importance of organization structure for the success of the organization including the implementation of the strategies. This research output recommends high level re-structure and re-evaluation of the organization structure to ensure it supports the strategy implementation at KenGen.

5.5.1.2 Influence of Human Resource on Strategy Implementation at KenGen

The study concluded that HR is an important factor in the SI at KenGen. Different players needs to build the HR structure to fully support the strategy implementation. Policy needs to be developed on how the employees needs to support strategy implementation at their job evaluation. For practice, the HR manager and high-level management needs to review the employment structure to ensure its in line with the strategy for ease of strategy implementation.

5.5.1.3 Influence of Leadership Factors on Strategy Implementation at KenGen

The LF is an important factor in SI at KenGen though it currently affects the SI in a negative way. The research recommends further review and evaluation of the leadership role and their operations. This should lead to capacity building and implementation of other strategy to ensure leaders play positive role and enhance SI positively and not negatively. Further, there is need for employees to be involved in communication; bottom up and up to bottom freely to ensure SI is influenced positively across different sectors of leadership.

5.5.2. Suggestions for Further Research

The research found leadership affects the strategy implementation negatively and organization structure does not affect the strategy implementation. There is need for more research on this that will include but not limited to detailed in-depth interview for understanding of the phenomena that leads to these findings. On the sample size, future research should also sample the general employee (lower cadre) as feedback mechanism to the leaders. Future research should also compare these strategy with other energy development agencies such as KPLC, GDC and KENTRACO.
REFERENCES


Perera, S., Babatunde, S., Adeniyi, O., & Ginige, K. (2016). Community stakeholder perspective on construction industry-related needs and skills for enhancing disaster resilience.


APPENDIX I: INTRODUCTION LETTER

William Omusi
P.O Box 74634 - 00100
Nairobi, Kenya

Kenya Electricity Generating Company
P.O Box 47936 - 00100,
Nairobi, Kenya

Dear Sir/ Madam,

RE: REQUEST FOR PERMISSION TO COLLECT DATA

I am a Student pursuing a Master’s degree at the United States International University (USIU). I wish to conduct a research entitled “Internal Factors Influencing the Implementation of Strategic Plans: A Case Study of Kenya Electricity Generating Company Limited” as part of the degree requirement.

A questionnaire has been designed and will be used to gather relevant information to address the research objectives of the study.

I wish to seek your permission to be allowed access to your members of staff who will be selected randomly and issued with a questionnaire.

Your grant of permission to conduct the study in your company will be highly appreciated. I wish to guarantee you that all information will be treated with utmost confidentiality and high ethical standards will be observed.

Your acceptance will be highly appreciated.

Yours Sincerely,

William Omusi
APPENDIX II: QUESTIONNAIRE

SECTION A: BACKGROUND INFORMATION

1. Gender
   Male [ ]
   Female [ ]

2. Age
   Below 30 [ ]
   31-35 [ ]
   36-40 [ ]
   41-45 [ ]
   46-50 [ ]
   51 and above [ ]

3. Highest level of education:
   Secondary [ ]
   Diploma [ ]
   University [ ]
   Masters [ ]

4. How long have you worked with KenGen:
   Less than 2 years [ ]
   3 to 5 years [ ]
   6 to 8 years [ ]
   9 to 11 years [ ]
   More than 12 years [ ]

5. Job group:
   Director [ ]
   Manager/Chief [ ]
   Senior Officer [ ]
   Other [ ]

6. Marital Status:
   Married [ ]
   Single [ ]
   Divorced [ ]

SECTION B: ORGANISATION STRUCTURES ON STRATEGIC IMPLEMENTATION

Kindly indicate the extent to which the following organizational factors affect strategic implementation in your organization. Please (√) tick appropriately on a scale of 1-5. Where 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>OS1</td>
<td>Structural stability allows organizations to consistently manage daily work routines</td>
</tr>
<tr>
<td>OS2</td>
<td>KenGen organization structures allows free flow of information</td>
</tr>
<tr>
<td>OS3</td>
<td>Functional structure allows for strong task focus through emphasis on specialization and efficiency</td>
</tr>
<tr>
<td>OS4</td>
<td>There is a large power distance between management and the rest of the</td>
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</table>
KenGen has fully embraced fully core values of team work.

The organization has adopted board tools, governance workflows to make decisions.

There is accurate reporting aid in measuring the performance of the processes of the organization

Structural flexibility provides the opportunity to allocate resources to activities that will shape the competitive advantages of the firm.

The organization has adopted board tools, governance workflows to make decisions.

There is accurate reporting aid in measuring the performance of the processes of the organization

Structural flexibility provides the opportunity to allocate resources to activities that will shape the competitive advantages of the firm.

Functional structure allows for strong task focus through an emphasis on specialization and efficiency.

Strategic Business Units should be centralized at the corporate office

In my opinion the organization structure affects the implementation of strategic plans in KenGen

7. Please give recommendations on any other organizational structure factors you think may affect implementation of strategic plans in an organization.

______________________________________________

______________________________________________

______________________________________________

SECTION C: LEADERSHIP FACTORS ON STRATEGY IMPLEMENTATION

Kindly indicate the extent to which the following leadership factors affect strategic implementation in your organization. Please (✓) tick appropriately on a scale of 1-5. Where 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree

<table>
<thead>
<tr>
<th>LF1 The company management clearly understands the strategic plan.</th>
<th>1 2 3 4 5</th>
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<tbody>
<tr>
<td>LF2 Communication between management, supervisors and subordinates is free flowing.</td>
<td>1 2 3 4 5</td>
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<td>LF3 Opinions, feedback and creativity on best practices are encouraged.</td>
<td>1 2 3 4 5</td>
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<tr>
<td>LF4 Supervisors delegate assignments and tasks.</td>
<td>1 2 3 4 5</td>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LF5</td>
<td>There is free communication between supervisors and subordinates regarding a strategy execution process.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4 5</td>
</tr>
<tr>
<td>LF6</td>
<td>Performance review is an ongoing process of continuous improvement</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4 5</td>
</tr>
<tr>
<td>LF7</td>
<td>There is a control system in place to equip managers with feedback from employees</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4 5</td>
</tr>
<tr>
<td>LF8</td>
<td>The leadership culture of senior managers has a significant effect on decision-making.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4 5</td>
</tr>
<tr>
<td>LF9</td>
<td>KenGen has fully embraced the core values of communication.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4 5</td>
</tr>
</tbody>
</table>

8. Please give recommendations on any other leadership affects the implementation of strategic plans within KenGen

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**SECTION D: HUMAN RESOURCE FACTORS ON STRATEGY IMPLEMENTATION**

Kindly indicate the extent to which the following human resource factors affect strategic implementation in your organization. Please (✓) tick appropriately on a scale of 1-5. *Where 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree*

| HF1 | The organization is able to select employees who are knowledgeable for the tasks assigned | 1 | 2 | 3 | 4 5 |
| HF2 | The environmental factors such as politics and the job market affect recruitment and selection at the organization | 1 | 2 | 3 | 4 5 |
| HF3 | The organization uses the competency model while hiring which results in transparency in the recruitment and selection process. | 1 | 2 | 3 | 4 5 |
| HF4 | Employees are trained on the knowledge, skills and abilities required to perform tasks in the organization | 1 | 2 | 3 | 4 5 |
| HF5 | Training and development enhances employee performance at the Organization | 1 | 2 | 3 | 4 5 |
| HF6 | There is an opportunity to put into practice what employees are |  |  |  |  |  |
trained on after a training and development programme

| HF7 | Information is conveyed to new employees on the expectation of their jobs including the human resource policies of the organization | 1 2 3 4 5 |
| HF8 | New strategies formulated in the organization are communicated to new employees | 1 2 3 4 5 |
| HF9 | Employees are evaluated on their current and past performance standards with the view to improve their performance. | 1 2 3 4 5 |
| HF10 | Through the performance appraisal, the skills required by employees are identified and action taken by the management on instilling the skills to their employees through training | 1 2 3 4 5 |
| HF11 | Employees are involved in developing the performance appraisal system of the organization | 1 2 3 4 5 |
| HF12 | Employees are rewarded as a result of performing tasks assigned to them which motivates them to perform better. | 1 2 3 4 5 |
| HF13 | The organization has a favourable compensation and benefits Package | 1 2 3 4 5 |
| HF14 | The working conditions of employees at the organization are conducive. | 1 2 3 4 5 |
| HF15 | Employees feel secure in their jobs which leads to their cooperation in strategy implementation of the organization | 1 2 3 4 5 |

Please give recommendations on any other human resource factor you think may affect implementation of strategic plans in an organization.

_________________________________________________________________________________

SECTION E: STRATEGY IMPLEMENTATION

Kindly indicate the extent to which the following factors affect strategic implementation in your organization. Please (✓) tick appropriately on a scale of 1-5. Where 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree
The organizations’ management team clearly understand the strategic plan and implementation process.

A proper strategy-structure alignment is a necessary prerequisite to the successful implementation of new business strategies.

Opinions, feedback and creativity on best practices are encouraged.

Strategic consensus acts as a shared understanding to a strategic directive between individuals or groups within an organization.

There is free communication between supervisors and subordinates regarding a strategy execution process.

Performance review is an ongoing process of continuous improvement.

There is a control system in place to equip managers with feedback from employees.

The leadership culture of senior managers has a significant effect on decision-making.

The company’s strategy is aligned to its activities and projects.

10. Please give recommendations on any other factor you think may affect implementation of strategic plans in an organization.