INFLUENCE OF STRATEGIC LEADERSHIP IN STRATEGY IMPLEMENTATION IN COMMERCIAL BANKS: A CASE STUDY OF KENYA COMMERCIAL BANK

BY

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UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

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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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STUDENT'S DECLARATION

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

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This project report has been presented for examination with my approval as the appointed supervisor.

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Dean Chandaria School of Business
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DEDICATION

This work is dedicated to my loving family and friends. They are all my inspiration and mentors. May God richly bless and keep you all.
ABSTRACT

The objective of the study was to investigate the perceived role of strategic leadership in strategy implementation in Commercial Banks in Kenya. The study aimed at establishing how setting long term direction affects strategy implementation in commercial banks in Kenya, determining how informed decision making affects strategy implementation in commercial banks in Kenya and examining the effect of monitoring activities in strategy implementation of commercial banks in Kenya.

The study adopted a descriptive research method to gather, analyze, interpret and present information for this research. The descriptive research design helped in focusing at the strength of relationship between strategic leadership and strategy implementation in commercial banks in Kenya. Questionnaires were used to gather relevant information from the respondents. The study focused on 106 managers of Kenya Commercial Bank Group based in Nairobi. Probability sampling technique was used to determine the sample size and collect data from the sample. In data analysis and presentation, the study adopted a descriptive and inferential statistics. Tables were used in data presentation.

The study established how setting long term direction affects strategy implementation. It was found that financial capability of the firm is considered while setting long term goals. There is an effective reporting process to reinforce team goals. The study found that leaders set objectives of the company and that in the long term process, the human resource planning needs are addressed. The study reveals that when the organization set long term direction, the company is more customer-focused due to effective goals set. The study established that in an organization, leaders develop strategic vision, develop strategies and set goals of the company.

The study determined how informed decision making affects strategy implementation. The study found that the organization used informed decision to exploit revenue opportunities to boost top line results. Due to this well informed decision, business strategies are linked to the market competitors to drive value for the organization. The study found that there is timely reporting to aid in measuring the performance of the processes at the organization and that the organization relies on business intelligence to reduce operational costs. The study also found that there is accurate reporting to aid in measuring the performance of the processes at the organization and this has lead the organization to adopt board tools and
governance workflow to make decision. This has also enhanced evidence based decision making at the organization.

The study examined the effect of monitoring activities in strategy implementation. The study found that the company has an effective evaluation program. The company’s strategy is aligned to its activities and projects. It was found out that the company takes action on its strategy by evaluating their work. From the study, it was established that company evaluation is an ongoing process of learning. The study also found that the company has a monitoring system to collect data. The study established that the company’s strategy is aligned to its activities and projects and that review is an ongoing process of continuous improvement. The study found out that the company has a reliable record-keeping system to provide information to the process of implementation.

The study concludes that the financial capability of the firm is considered while setting long term goals hence effective reporting processes reinforce team goals. Leaders develop the strategic vision, set goals of the company and also set objectives of the company. From the study it was concluded that informed decision making enhances strategy implementation process. The study also concludes that the company’s strategy is aligned to its activities and projects. The company takes action on its strategy by evaluating their work. The study recommends the management of banks and other organizations to enhance financial capability of their firms as it is considered while setting long term goals. The management should link business strategies to the market and competitors to drive value. The study also recommends the organizations to align their strategies to their activities and projects.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

Strategic leadership in the management structures of organisations has been identified as one of the possible barriers to the effective implementation of strategy. Subsequently, strategic leadership is also widely regarded as one of the key drivers of strategy implementation (Barend, 2016). Therefore, from a business perspective it is the identification, development, and use of organisational leadership which is critical to organisational performance (Redmond, 2016). Strategic leadership is defined as the managerial ability to empower others through anticipation, envisioning and maintaining flexibility to create strategic changes where necessary (Hoskisson, Hitt, Ireland and Harrison, 2012). Thinking strategically and differently is necessary for modern leaders when it comes to their role, capabilities and how to improve themselves in order to lead their organization to longterm success (Thompson, Strickland & Gamble, 2010). Dinwoodie, Quinn and McGuire (2014) indicates that, through leadership strategy, the potential of individuals and groups is unleashed throughout an organization and assists an organization achieve success.

According to Center for Creative Leadership (2004), leading strategically involves the discovery of key things in an organization that can do well and also create the conditions that are required for the discovery. These requires organizations to understand the learning process of strategy where strategic leadership takes up the role of driving organizations to become continual learning engines. Mapetere, Mavhiki, Nyamwanza, Sikomwe and Mhonde (2012) indicate that, crafted strategies in organizations have to be effectively implemented in any given organization by strategic leaders who must be aware of the need to strategically plan the future of their organizations. Strategic leaders are rare. They are a synergistic amalgamation of what is best about both the Visionary Leader and the Managerial Leader. They can balance the more short term financial and operational requirements of an organisation with the longer term strategic prospects that may become available. Strategic leaders integrate the vision, creativity and innovation necessary for long term success with the operational focus and understanding that preserves organisational
stability. The Strategic Leader is able to bond or connect with the people around them and is results oriented (Rowe, 2001).

Figure 1: The Three Leadership Styles in the Senior Management Team


Thinking strategically and differently is necessary for modern leaders when it comes to their role, capabilities and how to improve themselves inorder to lead their organization to long term success (Thompson, Strickland and Gamble, 2010). Dinwoodie, Quinn and McGuire (2014) indicates that, through leadership strategy, the potential of individuals and groups is unleashed throughout an organization and assists an organization achieve success. However, most leadership efforts of senior executives in organizations are not connected to strategy process. This creates a disconnect that prevents organizations from enacting and identifying wise strategies.

Leaders in organizations are faced with tremendous pressures and forced to make short term numbers to make immediate wins. As a result these leaders have adopted operational leadership which has been seen as a lack of focus where leaders have been seen to run in various directions. Although leaders are able to solve short term targets, solving functional problems seen to be far reaching and complex may make leaders feel paralyzed and unsure (Beath, 2010). Leaders are then forced to move from operational leadership and adopt strategic leadership.
Strategic leadership is a key driver to an organization’s success to strategy implementation according to Hitt, Ireland and Hoskisson (2013) which is broadly recognized as one of the main drivers of effective strategic execution where strategic leaders play an important role in promoting competitive advantage of an organization over long term (Marriott, Du Plessis, Manichith and Sukumaran 2014). This type of leadership has been seen to assist organizations deal with the global economy (Zoogah, 2011). Center for Creative Leadership (2004) points out strategic leaders as leaders that develop and discover strategies and grip it in a continuing state of formulation, implementation, reassessment and revision. This leaders do not however come easily in organizations and according to Forbes, only 10 percent of leaders exhibit strategic skills which is an inadequate number considering the demands of organizations today (Beatty, 2010). Beatty points out that strategic skills are not only required in time of growth but also in difficult times in an organization when resources are tight to ensure that resources in organization are focused in the right areas (Beatty, 2010).

Daft (2011) indicate that the selection of the top leader of an organization is determined by the success and competitive advantage of the organization. strategic and top leaders have the responsibility of understanding their organization environment considering what may happen in their next years. This is because strategic leaders are key people that look forward to a set of direction for the future pushing their employees to move in the same direction (Marriott et al. 2014). However, strategic leaders have encountered problems of strategic planning in the area of strategy implementation. Implementing a strategy has proven to be more difficult than formulating a consistent strategy which has been seen to be fairly easy (Hrebiniak, 2006). To deal with these challenges in strategy implementation backing it up with effective leadership is very important (Allio, 2005). Dinwoodie (2013) adds that identifying and focusing on leadership challenges of an organization is facing, is key in leading strategically.

According to Pearce and Robinson (2005), Strategy implementation is part of strategic management which also includes strategy formulation and control of plans. Strategic management is viewed as a set of decisions and actions designed to achieve an organization’s mission, vision, strategy and strategic objectives within the business environment they operate. Thompson and Strickland (2003) adds that strategy implementation is seen as a key part of the strategy management as it is viewed as the
process that turns a formulated strategy into actions ensuring the vision and mission of the organization is achieved as planned. This is also backed up by Yang, Sun, Martin and Eppler (2008) who indicate that strategy implementation as the most significant management challenge that most corporations.

Speculand (2014) states that strategy implementation provides a competitive advantage for organizations and it is essential for them to bridge their current strategy implementation gaps. Strategy gaps are missing steps seen to exist in most organizations. Strategy gaps are seen as a threat to the future performance of organizations seen to impact to the efficiency and effectiveness of senior executives and their management team (Hamel and Prahalad, 2003). Oracle is one organization that adopted a program called leading to win that supported its leaders to implement strategy bridging their strategy implementation gaps. The program focused on the leaders learning the skills of collaboration and implementing strategy and the leaders were able to execute their strategies well after the training. (Speculand, 2014).

Banking leaders require the right leadership style like strategic leadership to be able to guide their organization sustainable competitive advantage, above average profitability and financial performance (Alabduljader, 2012; Cherian and Farouq, 2013). This is necessary due to the new challenges faced by banks daily and especially with the most recent global financial crisis (McConnell, 2013). Marriott et. al., (2014) indicate that the banking sector in Laos a country in South East Asia, strategic leadership plays a crucial role in the provision of superior business performance. Competition among banks increased with the creation of incentives by the government in support of domestic and foreign investors to run businesses in Laos. This was to ensure that the economy of Laos is maintained at 8 percent and above for sustained growth. The incentives encouraged new entities to establish in Laos especially in the banking sector leading to increase in competition among local and foreign commercial banks in the industry.

In Kenya, the banking industry is governed by the companies act, the Banking Act, the Central Bank of Kenya Act and the various guidelines issued by the Central Bank of Kenya (CBK). The sector was liberalized in 1995 and exchange controls lifted. CBK which falls under the Ministry for Finance is responsible for formulating and implementing monetary policy and fostering the liquidity, solvency and proper functioning of the financial system (Mucharia, 2013). Mucharia (2013) indicate that, Chase Bank was incorporated in Kenya
in 1996. It is a private bank and focuses its businesses to SME market (Mucharia, 2013). The bank established partnerships with the aim of building capacity for entrepreneurs and increasing their knowledge in book keeping. The Bank has established partnerships with the aim of capacity building for entrepreneurs and increasing their knowledge in book keeping. The bank focuses on delivering unique banking experience which is modelled around a one stop financial solutions product offering to satisfy their customers under one roof. The bank also provides excellent service through product diversification creation relationship and expansion of their services by expanding their branches. Chase bank presents a good case study for this research due to strategies being formulated from time to time as the bank grows. This forms the basis for this research.

1.2 Statement of the Problem

Research has shown that implementing a strategy is far more difficult than forming a strategy (Allio 2005). Strategic leadership is widely recognized as one of the key drivers of effective strategy implementation (Bossidy, Charan, & Burck, 2002) and indeed has been identified as one of the major barriers to effect implementation of strategy if it lacks among top leadership of an organization (Kaplan & Norton, 2004). Organizational performance is determined by the choice of strategy and the manner of its execution, which in turn is determined to a great extent by the nature of leadership and more so the strategic leadership of an organization (Arooj Azhar, 2012). Without effective strategic leadership, the capability of a company to achieve or sustain a competitive advantage therefore superior performance is greatly constrained (Elenkov, Judge, & Wright, 2005).

In a study done in South Africa on the influence of Strategic Leadership on strategy implementation, Lear (2016) used the ratio 85/60 respondents (leadership/employee) to provide insights on perception of leadership on strategy implementation. The findings of the study was that, determining a strategic direction for the orgaization is the strategic leadership action that is preceived to play the most important role in effective strategy implementation. According to Barend (2016) strategic leadership positively contributes to the effective implementation of strategy in organisations in south Africa. Effective strategic implementation requires strategic leadership (Hrebiniak 2006; Collins 2001; Pearce and Robinson 2005; Norton and Kaplan 2004). According to Hrebiniak (2006); Norton and Kaplan (2004) lack of strategic leadership among top management in an organization has been identified by various authors as a major barrier to effective strategy implementation.
High failure rate of strategy implementation efforts is well documented, and many barriers to effective strategy implementation do exist. A lack of leadership, and specifically strategic leadership, at the top of the organisation has been identified as one of the major barriers to effective strategy implementation. In turn, strategic leadership is also viewed as a key driver to effective strategy implementation (Jooste and Fourie, 2009). The high failure rate of strategy implementation initiatives is a cause for great concern in organizations. This study seeks to investigate strategy implementation barriers by examining the role that strategic leadership plays in strategy implementation at Chase Bank Kenya Ltd.

1.3 General Objective

The general objective of this study was to investigate the perceived influence of strategic leadership in strategy implementation in Commercial Banks in Kenya.

1.4 Specific Objectives

1.4.1 To establish how setting long term direction affect strategy implementation in commercial banks in Kenya.

1.4.2 To determine how informed decision making affect strategy implementation in commercial banks in Kenya.

1.4.3 To examine the effect of monitoring activities in strategy implementation of commercial banks in Kenya.

1.5 Significance of the Study

1.5.1 Academicians & Researchers
This research contributed to the knowledge on the role of strategic leadership in strategy implementation as a basis for future research. The study can be used as point of reference by future researchers and scholars to further their studies on related areas highlighted in this research.

1.5.2 Government

The study will enlighten the government on the needs of the banking industry for continuous growth and development of the economy. Governments will understand the requirements of commercial banks putting in place policies and funds to further the growth of the banking industry.

1.5.3 Banking Industry
This study informs the management of KCB Group on the role that strategic leadership plays in strategy implementation. It will help KCB Group mold their leaders into strategic ones for the success of strategy implementation. This will provide a framework for consultants and strategy practitioners in the banking industry on effective strategy implementation highlighting the role of strategic leadership as critical factors for a successful strategy implementation as well as providing them with information on the common pitfalls to avoid in this process.

1.6 Scope of the Study

This study focused on the role of strategic leadership in strategy implementation at KCB Group. The study will be focused on the management of this bank at their main headquarters and branches in Nairobi. This research will be carried out in seven months between September 2015 and March 2016.

1.7 Definition of Terms

1.7.1 Strategic Leadership

This is the ability of leaders to empower others to create strategic change through anticipating, envisioning and maintaining flexibility (Hitt, Ireland and Hoskisson, 2007).

1.7.2 Strategy Implementation

This is the process of changing plans into action assignments ensuring that they are executed in a manner that completes the stated objective of a given firm (Mapetere, et.al., 2012).

1.7.3 Strategic Direction

This is the process of a course of action that leads to the achievement of the goals of the organization (Ireland and Hitt, 2005).

1.7.4 Strategic Monitoring

This entails observing and checking the progress or quality of something over a systematic period of time giving the progress of the project (Sharma, 2012).
1.8 Chapter Summary

This chapter gives a background of the research topic under study, identifying the problem that this research is sort to address, the objectives guiding this study, significance of the study, the scope of the study and definition of terms. This paves way to chapter two that will discuss the literature review of the role of strategic leaders in bridging strategy implementation gaps in the banking sector guided by the specific objectives highlighted in Chapter one, Chapter two, and Chapter three.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature on the influence of strategy leadership in strategy implementation in commercial banks based on the specific objectives of this research. The specific objectives include; determining the effect of setting long term direction of commercial banks; to establish the effect of informed decision making in strategy implementation of commercial banks and to examine the effect of monitoring activities in strategy implementation of commercial banks. A chapter summary is presented at the end of his section.

2.2 Long Term Direction on Strategy Implementation

Goals are a statement of direction or what the organization or subunit of the organization (e.g. a function or department) wishes to do. Goals state the end toward which effort is directed. They are usually a reflection of an organizational (or subunit) problem or of a desire to capture an opportunity to improve or advance the organization. They should be specific, measurable, achievable/attainable, relevant and time bound (SMART) (Reichard, 2016). Goal setting is one of the most prominent and basic tools used by both individuals and organizations to assist in setting the direction and accomplishments. Successful organizations set both mid-term and long-term goals not only for sales, products and service development but also for improving quality, reducing errors, becoming more customer-focused and building better internal and public relations (flexstudy, 2016).

2.2.1 Long Term Goals and Employees

Long term direction that an organization adopts should be vibrant enough in addressing human resources planning needs. These may include one or more human resources topics such as; changes in work design and/or organization; recruitment and planned demographic changes; changes in classification and pay, etc.; or employee development, education and training (California State Department of Finance, [CSDF] 2016). According to Sullivan (2016), long term goals and directions of strategic leaders should consider certain functions in the HR department. Hiring and retaining employees with self-motivation and exceptional capabilities is probably the most impactful factor in workforce and team productivity. This
helps senior managers and the HR to attract employees that are innovators, high performing continuous learners and those that are agile. According to Thomas, (2016), corporate strategies represent the organization's long-term direction. Issues addressed as part of corporate strategic planning include questions of diversification, acquisition, divestment, and formulation of business ventures. Corporate strategies that deal with plans for the entire organization and change relatively infrequently, with most remaining in place for five or more years (Thomas, 2016).

According to Sullivan (2016) long term goals necessitate having effective metrics and reporting processes to reinforce both team and individual goals. The metrics provide feedback, focus and result in continuous improvement over the years when a strategy is in place or is being implemented. The metrics for each goal and performance is tied to monetary rewards reinforcing on the message and what is important. In ensuring focus and consistent performance, individual and team monetary rewards, coupled with nonmonetary excitement factors play a major role (Domingo, 2016).

2.2.2 Long Term Goals and Capital Structure/ Financial Decisions

A firm’s capital structure refers, generally, to the mix of its financial liabilities (Rocca, Rocca, & Gerace, 2008). La Rocca et al., further state that debt and equity are the two major classes of liabilities, with debtholders and shareholders representing the two types of investors in the firm. For the banks, this category is expanded to include depositors (customers). In the real world, strategic (long term decisions) may affect a firm value differently (Myers & Majluf, 1984). Strategy and finance are gravitating towards each other each day. It is essential to match strategy and investment plans with financing requirements, complementing external source of finance to strategies for corporate development. A good pair-up of strategy and finance dimensions can be tantamount to a competitive weapon. The interaction between financing and real decisions creates a situation in which high or low debt can compromise a firm’s ability to take advantage of strategic options or long term direction (La Rocca 2008).

Long term goals or corporate direction driven decisions have to carefully consider financial capability of the firm because according to La Rocca et al., (2008) a firm entering the market has a more vulnerable financial structure than does an incumbent. An incumbent with deep pockets can engage in predatory practices, such as a price war or increasing its
output, to exhaust the entrant financially and drive it out of the market either temporarily or permanently. Visionary organizations use low debt levels as a strategic instrument to signal their solvency and toughness to the market, thus deterring any predatory action and risk of aggressive behavior by rivals. Strategic planning and budgeting are integral components of good management. The strategic plan charts direction, while the budget provides resources to implement the plan. A strategic plan neither grounded in fiscal reality nor linked to the budget would amount to wishful thinking. Alternatively, resource allocation without strategic thinking would be shortsighted and unresponsive to future conditions (CSDF 2016).

2.2.3 The Effect of Long Term Goals on Information Technology

According to the African Development Bank Group, their IT strategic goals for the years 2013-2015 revolved around; aligning the IT delivery capacity along the Bank’s long term strategy, enabling organizational effectiveness through efficient use of IT systems, providing an effective support to the decentralization strategy, maintaining financial soundness and business continuity, achieving lower total cost of ownership even while building capacity via “economies of skills”(African Development Bank Group, 2016). The changes that new technologies have brought to banking are enormous in their impact on officers, employees, and customers of banks. Advances in technology are allowing for delivery of banking products and services more conveniently and effectively than ever before thus creating new bases of competition (Myers & Majluf, 1984). Rapid access to critical information and the ability to act quickly and effectively will distinguish the successful banks of the future. The bank gains a vital competitive advantage by having a direct marketing and accountable customer service environment and new, streamlined business processes.

The advantages accruing from information technology are three-directional to the customer, to the bank and to the employee (Alabduljader, 2012; Cherian and Farouq, 2013). Banks are aware of customer's need for new services and plan to make them available. IT has increased the level of competition and forced them to integrate the new technologies in order to satisfy their customers (Ernst and Young, 2016). They have already developed and implemented a certain number of solutions. self-inquiry facility is one of the solutions which allows for logging into specified self-inquiry terminals at the branch to inquire and view the transactions in the account. Another one is telebanking which is a 24-hour service
through which inquiries regarding balances and transactions in the account can be made over the phone. Furthermore, electronic banking is advantage to bank and consumers that enables the bank to provide corporate or high value customers with a Graphical User Interface software on a PC, to inquire about their financial transactions and accounts, cash transfers, cheque book issue and inquiry on rates without visiting the bank. Moreover, LC text and details on bills can be sent by the customer, and the bank can download the same. The technology used to provide this service is called electronic data interchange.

2.2.4 Effect of Communication Throughout the Organization

The chances of an organization being successful are dependent on a competitive business strategy and strategic plan when the plan and the strategy are clearly communicated to employees. Employees become more motivated and remain focused when the strategic direction of the organization is communicated to them (Sullivan, 2016). Aligned behavior and commitment is also possible when corporate values are measured and rewarded. Every team and business unit in the organization is required to understand their role and managers and leaders develop a clear communicated purpose that is convincing and makes employees feel important (Thomson, 2016). Leaders in the organization must understand that employees are likely to be committed to the purpose of their team or unit when they are involved in creating it.

According to Sullivan (2016), lack of focus, a low level of “engagement” and commitment resulting in an unclear mission hamper strides of achieving a mission. This can frustrate employees and make them feel unimportant due to poor communication resulting out of this. This leads to wasted efforts, increased error rates and low productivity within an organization. Feedback mechanisms and communication need to be developed with the involvement of employees ensuring that they fit the needs of the employees and the manager.

2.3 Informed Decision Making on Strategy Implementation

Strategic decisions are long-term in their impact. They affect and shape the direction of the whole business and are generally made by senior managers (Business Case Studies, 2016). However, strategic business decisions are often made with incomplete information about the true picture of risk and opportunity across the whole organization (Sword Active Risk Manager [SARM], 2016). Traditional approaches to decision-making focus on ad hoc
reporting and financial statement line items. These approaches typically exclude key external and operational drivers, limiting a company’s ability to make fully informed decisions (Ernst and Young, 2016).

Companies use business intelligence to extract crucial facts from a vast amount of unstructured data and transform them into actionable information that enables companies to make informed strategic decisions, improving operational efficiency and business productivity (Lyoob, 2012). Companies need to take a more incorporating approach that implements driver analytics and uses the analytics to mathematically link business strategies with the market, competitor, operational and financial forces driving value and, by extension, good decision-making. This leads to the improvement of performance management capabilities driving profitable growth within a company (Ernst and Young, 2016). One term that stresses the need to make more informed decisions using all these sources is “evidence-based decision-making.” Evidence-based decision-making is a term that is being used across many professions which are trying to apply research and evaluation to the decision-making of clients (Serve Centre, 2016).

### 2.3.1 Crucial Information is Easily Accessed and Time Saved

Business intelligence ensures stronger Return on Investment (ROI) as companies can significantly reduce costs, enhance revenue, improve margin, drive cost avoidance and much more. Also, informed decision making ensures qualitative ROI such as improvements in business and process efficiency, employee productivity, better strategic decision making, customer satisfaction and much more. Companies relying on business intelligence can reduce operational costs due to improved operational efficiency and optimized business processes. Business intelligence provides crucial information to companies, improving their ability to make quick decisions and generating a competitive advantage (Lyoob, 2012).

Leaders who use driver analytics as part of a complete performance management transformation can improve both their strategic and operational insights and by extension, their decision-making. When the drivers behind decision-making adopt institutional knowledge, there is an opportunity for everyone to evaluate and absorb what’s driving the business. This shared understanding of drivers improves the quality of decision-making across the organization (Conger, 2010). Once consumer products companies grasp the
power of driver-based performance management, they uncover the insights they need to make better strategic decisions, transform their operations and propel profitable growth (Ernst and Young, 2016). Likewise, internal information dissemination is equally important for strategy implementation. When members of the organization are at par in terms of information that they should ordinarily have, it makes delegation and wholesome involvement easier. Employees must have the authority, responsibility, and tools necessary to impact relevant measures; otherwise, they may resist involvement and ownership. Sage (2016) states that it’s easier to avoid pitfalls when they’re clearly identified and organization structure should be supportive of management effectiveness, appropriate lines of authority, and have clear, open lines of communication with employees.

2.3.3 Accurate Measurement of Performance

Reporting based on accurate and timely information helps companies measure the performance of their processes. Business Intelligence helps companies make informed decisions on strategic issues by providing crucial information on current and historical performance of the company along with future trends, expected demands and customer behavior. Business Intelligence teams ensure that the company receives real-time advanced reports to ensure that the company can efficiently utilize the information at hand to better manage the business (Lyoob, 2012). Performance management is a key factor in getting the whole organisation aligned and mobilised to reach higher heights and work collaboratively together to deliver results (Storey & Holti, 2013). Chapman (2016) states that increasingly performance management is being done by effective IT systems. He states that elements of an effective performance system include; a good communication strategy, measuring performance in real time, must offer an integrated project management capability, and must acknowledge and enable emotional contracting with all staff, which is exceptionally vital for linking or aligning individual commitment and activity to the attainment of organizational plans.

In addition better informed decisions, especially regarding how the organization interacts with all stakeholders leads to good governance. Corporate governance is essentially the composition of relationships within an organization which help guide and establish its overall strategy and performance. Good governance is a vital component within a successful corporation and ultimately plays a pivotal role in the ability to maintain solid economic growth. It also enables the Board to make informed decisions (Thomson Reuters,
According to SARM (2016), an organization can streamline its knowledge gaps by doing risk convergence. Risk convergence is the process of integrating different risk domains within the business model which have traditionally been handled separately. These are areas such as strategic and reputational risk, health and safety, major project risk and business opportunity identification. Risk convergence help streamline risk management processes, making them more effective, efficient, and consistent. It also brings all risk and opportunity information together to provide the basis for better informed strategic decision making (Bekefi, Epstein, & Yuthas, 2008). Business Intelligence by way of risk assessment can assist an organization to document revised governance processes, in turn updating charters for existing committees and communicating where the scope may have changed or responsibilities have moved to new bodies (Hohnen & Potts, 2007).

### 2.3.2 Revenue Maximization and Sales Optimization

The effect of informed decision making in an organization is by being able to exploit revenue opportunities, stop revenue leakage and boost its top line results (Michael, 2015). Executives can identify revenue opportunities, marketing teams can precisely target customers with the right products, and sales teams can confidently decide the right price to offer for maximizing revenue (Pure Systems, 2016). Businesses can easily leverage their revenue opportunities with informed strategic decision-making support and actionable marketing and sales optimization. Businesses can move from the experience-based marketing and sales to a more sophisticated level of science-based decision making. They can gain additional revenue by using a variety of strategies, from scientifically targeting customers, through to price fine-tuning during sales (Lyoob, 2012). According to Hinterhuber and Liozu (2012), marketing managers can calculate campaign cost and performance (ROI), and optimize their tactics through predictive analytics. Salespeople can identify the optimal sales price that maximizes revenue for specific products or services, as well as the probability of the customer accepting the optimal price, or any other price or discount the salesperson wants to offer. By combining the power of analytics and optimization, the accessibility of mobile, the flexibility of the cloud and its cost-
effectiveness, informed decisions are invaluable to revenue maximization. Revenue maximization grants the organization the ability to build a war chest for aggressive strategic manoeuvres.

Informed decision making assists the organization develop a clear map to address overlaps and gaps in the mandates and scope of the existing risk functions and systems. For example, the development of a responsibilities and reporting matrix can also show how each existing risk function supports the organization’s strategic objectives. From this overlaps, duplications and redundancies become clearly visible. (Business Case Studies, 2016). This leads to proper diagnosis and prognosis of events within the organization therefore good morale among employees. A strategic leader realizes this and positively exploits it for mutual benefit of employees and employer (Lyoob, 2012). Chapman (2016) concurs that real leadership is required to compete effectively and deliver growth. People look at leaders to bring meaning, to make sense of the seemingly unquenchable demand for results and the need for individuals to find purpose and value. Leadership is the common thread which runs through the entire process of translating strategy into results (implementation) and is the key to engaging the hearts and minds of people. Whether a leader is distilling strategy to achieve clarity of intent, engaging people to drive the strategy into action process or performance management the resulting actions of effective leadership make the difference

2.4 Monitoring Activities on Strategy Implementation

Monitoring is an ongoing analysis of whether planned results are being achieved, so that timely corrective action can be taken (Bennis, 2009). Data on specified indicators are systematically collected to inform management and the main stakeholders on progress in achieving results and in using allocated funds. Inputs, activities, outputs, outcomes and impacts of services are regularly analyzed according to an established monitoring framework (Schmidt & Laycook, 2016). The most important aspects of strategic leadership are shared values and a clear vision, both of which enable and allow employees to make decisions with minimal formal monitoring or control mechanisms (Rowe & Nejad, 2009).

However, CSDF (2016) state that a critical component of the strategic management cycle is the monitoring and reporting of progress in achieving strategic goals. Organizations are therefore encouraged to develop monitoring and reporting systems that collect data continuously and report annually, at the very minimum. Monitoring and evaluation is all
about learning from what an organization is doing and how it is doing it, and taking action to adjust its strategy accordingly (Kusek & Rist, 2004). Regular monitoring and evaluation help an organization to assess how well it is doing against the set objectives and to ensure appropriate use of time and other resources (Sustainable Development, 2016).

More often than not the organization ends up changing its direction somewhat as it proceeds through the coming years. Changes in the plan result from changes in the organization’s external environment and/or client needs result in different organizational goals and changes in the availability of resources to carry out the original plan, etc. (Volunteer Now, 2016) The most important aspect of deviating from the plan is knowing why the organization feels the need of deviating from the plan, i.e., having a solid understanding of what’s going on (McNamara, 2016). Monitoring of the strategy still happens even with this dynamism.

The performance information from the organization’s strategic plan provides a foundation for reporting progress to the board and shareholders and general public if it is a publicly listed organization. Monitoring and reporting are critical elements of the execution of a strategy. Long-term sustainability is achieved when the pillars of financial sustainability, financial vulnerability and financial flexibility are balanced and this can only be done through monitoring activities in strategy implementation (United States Department of Housing and Urban Development, 2016). Monitoring mostly involves keeping track of what is going on. By undertaking this regularly, a special Management Committee has the opportunity to adjust the project to ensure that the activities, results and strategy are properly aligned. The organization further states that evaluation and review should be an ongoing process of learning, continual improvement and development. The key to evaluating is knowing what is to be measured. A Management Committee cannot monitor and evaluate the organisation and its activities effectively without clear advance planning of what they want to do and to achieve (Volunteer Now, 2016).

The frequency of reviews depends on the nature of the organization and the environment in which it's operating. Organizations experiencing rapid change from inside and/or outside the organization may want to monitor implementation of the plan at least on a monthly basis. Boards of directors should see status of implementation at least on a quarterly basis. Chief executives should see status at least on a monthly basis (McNamara, 2016). Monitoring provides a descriptive snapshot of what is happening at a given point in time.
It is a regular, ongoing management activity which, through reliable record-keeping, provides information to managers on a regular basis. Evaluation provides greater in-depth analysis on whether a policy, plan or programme has achieved its desired goals (Meusel, et al., 2008).

A key determinant of greater board effectiveness in the area of strategy is the set of metrics. The board selects to monitor a company’s performance and health with the goal of identifying a manageable number of metrics that strike a balance among different areas of the business that are directly linked to value creating activities. In addition to the standard financial metrics, key indicators should cover operations, organizational issues the state of the company’s product markets and its position within them including the quality of customer relationships, and the nature of relationships with external parties, such as suppliers and regulators (Schmitz, 2012). Monitoring is not an “event” that occurs at the end of a management cycle, but rather is an ongoing process that helps decision-makers to better understand the effectiveness of the action or system. An effective monitoring and evaluation programme requires collecting and analyzing important data on a periodic basis throughout the management cycle of a project. This process often involves collecting baseline data on existing conditions, reporting on progress toward environmental/sustainability improvements, making connections between actions and intended outcomes, and making mid-course changes in program design (Union of the Baltic Cities Commission on Environment [UBCCE], 2016). According to SevOne (2016), six steps can help an organization create the fundamental building blocks of an effective performance monitoring strategy. They are Collect, Baseline, Alert, Report, Analyze and Share.

2.4.1 Collection of data Baseline Establishment

For accurate data collection an organization must have to collect both quantitative and qualitative data when performing strategy monitoring (SevOne, 2016). According to the (Union of the Baltic Cities Commission on Environment (2016) Quantitative data is information that can be counted and measured. Mechanisms for collecting quantitative
organizational data are usually programme-specific, such as financial information, manufacturing output etc. Qualitative data is a more difficult measurement of programme success. It includes assessments of problems encountered, stakeholder satisfaction, and unanticipated benefits. Qualitative data can give a real understanding of the actual impact the organization’s actions is making on people’s lives. It is usually collected through instruments such as surveys and personal interviews. In order to have a better understanding of the successes and challenges, it is advisable to collect both types of data (SevOne, 2016). Union of the Baltic Cities Commission on Environment (2016) states that, performance monitoring strategy ordinarily starts with information or data collection. If it can’t be monitored then measuring it can become a problem.

This basically refers to establishing a baseline with a historical point of performance as the benchmark for future performance. This however has to be carefully agreed upon so that the organization does not set its sights on underperformance or very high performance that cannot be replicated therefore demoralising all concerned parties. (SevOne, 2016). Once a baseline has been established, any anomaly either positive or negative gets flagged and raised to the attention of the relevant parties for discussion and action. Depending on the nature of work or field of industry the organization may be in, these alert systems may be real time or after the fact. Real time alerts may be in highly sensitive or automated industries e.g. manufacturing, air travel, financial anti-fraud departments etc (SevOne, 2016).

2.4.2 Report Writing and Data Sharing

Reports can be received as automated general reports or specifically requested reports in a form that is acceptable and in line with the policy of the organization. The closer these reports are to real time scenario the better as this will inform the accuracy of such reports hence their usefulness (SevOne, 2016). Data analysis and visualization may take a number of unique forms. At the end of the day, an organization looks for actionable insight that allows it to detect and avoid performance events before they impact end users or customers, fine tune infrastructure to make the most of current resources and make more informed decisions about the impact the infrastructure has on the business. Depending on the level of automation of reports, many organizations struggle with performance analysis because their platform fails to provide dashboards and reports that can present disparate data sources in a single view. This makes correlation and looking for cause and effect scenarios complicated.
Providing data for the sake of data is not a productive strategy. The most important lesson to keep in mind when it comes to sharing performance data is knowing the audience the data is intended for. According to a World Bank Report, the Board of an organizations plays a critical role in reviewing progress and assuring that strategies are changed or adjusted as appropriate; staff should carry out the documentation required to generate ongoing data for this continuous review, as well as carrying out periodic monitoring and making reports to the Board. If the organization has a planning and evaluation unit, then this unit should play an ongoing role in monitoring progress towards goals and objectives, and analyzing reasons for shortfalls in accomplishments (World Bank, 2016).

2.5 Chapter Summary

This chapter reviews literature on the influence of strategic leadership in strategy implementation. The first section of the chapter discusses literature on the effect of setting long term direction in strategy implementation of an organization; the second section evaluates literature on the effects of informed decision making in strategy implementation of an organization and the third section discusses the effect of monitoring activities in strategy implementation of an organization. A discussion of the research methodology used in this research is presented in the next chapter.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

The Research methodology used in this research is discussed in this chapter elaborating the research design, population, sampling design, data collection methods, research procedures and data analysis methods. The chapter concludes with a chapter summary.

3.2 Research Design

Research design refers to the overall strategy that is chosen to integrate the different components of the study in a coherent and logical way, thereby, ensuring that one may effectively address the research problem constitutes a framework for collecting, measuring and analyzing data. In this research, descriptive research design was adopted. This design attempts to define a subject through collecting data and tabulating frequencies of research variables. It answers questions such as who, what, when, where or how much. This constitutes a plan for the gathering, estimating and examining information. This examination received distinct exploration plan which is an experimental technique that includes watching and portraying the conduct of a subject without impacting it any way. Graphic exploration outline endeavors to portray a subject, through accumulation of information and the arrangement of frequencies on examination resources and the examination uncovers who, what, when, where or how much (Sekaran & Bougie, 2010). Descriptive design was selected because it contributes to high response quality and low refusal rates. It is a design that is also less time consuming which is fit for this study (Cooper & Schindler, 2008).

The study was guided by three independent variables including how setting long term direction affect strategy implementation in commercial banks in Kenya, determining how informed decision making affect strategy implementation in commercial banks in Kenya and To examine the effect of monitoring activities in strategy implementation of commercial banks in Kenya. The independent variables investigated the perceived role of strategic leadership in strategy implementation in Commercial Banks in Kenya.
3.3 Population and Sampling Design

3.3.1 Population

Cooper and Schindler (2008). Describes a population is an aggregate group of elements where references are made. This study focused on 10 KCB Group branches in Nairobi including its head office out of the 54 branches targeting 10 managers in the branches and 16 managers from the head office which totals the target population to 106 managers of KCB Group. The research was focused on 10 branches since they had more line managers than the other branches in Nairobi that had only 3 managers in each branch. In each branch there were top managers selected, middle managers, and lower level managers. This target population provided sufficient information regarding the role of strategic leaders in strategy implementation.

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

This is a list of elements from which a sample is drawn from referring to a correct list of population members. In this research the sampling frame comprises of all managers of KCB Group branches selected in Nairobi. This list was obtained from the human resource office at KCB Group head office in Nairobi and ensured that the list of managers in the branches was current, complete and relevant for the attainment of the study objectives.

3.3.2.2 Sampling Technique

Sampling technique is the name or other identification of the specific process by which the entities of the sample have been selected (Malhotra, 2011). This research adopted non probability sampling technique which does not rely on chance for selection procedures but is specific on the individuals to be selected for the research (Malhotra, 2011). The researcher adopted judgemental sampling design to obtain sample elements for this research. The elements comprised of top, middle and lower management at the 10 KCB Group branches in Nairobi.

3.3.2.3 Sample Size

Dessel (2013) defines a Sample size as a statistical determination of a suitable group to collect data from which can be generalized to represent an entire target population. To obtain the minimum population sample for this study, the research conducted a census which is deemed to be free from error and provides 100 percent surety and representative
of the population (Fluid Surveys Team, 2014). Census was the best approach for this research since the number of managers at the branches are few thus census is the most appropriate for this research. The research was conducted on 10 KCB Group Branches in Nairobi inclusive of its head office. The sample size was derived from all managers at the branches and the managers located at the head offices totalling to 126 managers as indicated in the table below;

**Table 3.1: Sample Size Distribution**

<table>
<thead>
<tr>
<th>Level of Management</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>17</td>
</tr>
<tr>
<td>Middle Management</td>
<td>49</td>
</tr>
<tr>
<td>Lower Management</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total Sample</strong></td>
<td><strong>106</strong></td>
</tr>
</tbody>
</table>

KCB Group branches selected have 10 line managers in the branches. This includes the branch manager, operations who fall under top management; cash manager, assistant operations and credit manager who fall under middle management and lower level managers include relationship manager, Corporate, business, retail and customer care managers. The bank’s head office in Nairobi located on Moi Avenue has more managers heading various departments totaling to 16 managers at the head office including; top, middle and lower level management which influences the choice of more managers identified for this research from the head office.

### 3.4 Data Collection Methods

Data Collection is an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes through a process of gathering and measuring information on variables of interest. Primary and secondary data was used in this research. Primary data was collected using questionnaires established as an important data collection tool (Malhotra, 2011). Primary data is argued to provide an effective and efficient way of gathering information and short period of time. Secondary data was collected from journals books and the internet and was used to give an analysis of what other authors have to say about the research topic under study. This analysis was presented in chapter two of this study. The questionnaires entailed open ended questions that present an understanding of new ideas from respondents and close ended questions that restricts respondents to certain categories in their responses.
3.5 Research Procedures

Research procedure is the method for measuring variables and collecting data to test hypothesis. Permission to carry out this research was sought from the human resource of KCB Group at their head office in Nairobi using an official letter from USIU-Africa research office seeking their authority to collect data. Upon approval the researcher went ahead to carry out a pilot study to test the questionnaire on two respondents from the bank who were not part of the final data collection process. The pilot study was directed towards measuring the accuracy, completeness, precision and clarity of questionnaires.

Amendments were made on the questionnaires and on an agreed date and time with communication of the human resource manager at KCB Group who was instrumental in communicating to the targeted respondents on taking part in the research. This was to assure the respondents of confidentiality of information obtained. The questionnaires were distributed to the respondents with the assistance of a research assistant. In ensuring high response rate the respondents were reminded via email and telephone.

3.6 Data Analysis Methods

To discover useful information, suggest, conclude and support decision making is the goal achieved through analysis of data involving a process of inspection, cleaning, transforming and modelling data. In this research this analysis involved quantitative and qualitative data analysis methods. According to Hoepfl (2015) quantitative research seeks insight through a more flexible and less structured approach while Qualitative technique refers to a research that is produced by findings not arrived at by means of means of quantification or statistical procedures. Descriptive statistics such mean, coefficient of variation and standard deviation were used in this chapter to analyse data. The research also applied inferential statistics including regression, correlation and cross tabulation. The analysis was done on Statistical Package for Social Sciences (SPSS) software and used tables to give an understanding of the research findings at a glance.

3.7 Chapter Summary

This chapter discusses the research methodology that was used in this study to gather information and answer the specific objectives stated in the first chapter. The research design was descriptive in nature and the target population comprised of 106 managers from
10 KCB Group Branches in Nairobi. Questionnaires were used to collect information for this research and coded and entered into SPSS for analysis. Interpretation of the analysis was then presented in chapter four.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

The analysis and findings of this research based on the specific objectives are presented in this chapter. The response rate and demographic information of the respondents is presented in the first and section respectively. The third section deals with setting long term direction affect strategy implementation in commercial banks in Kenya. The fourth section is on how informed decision making affect strategy implementation in commercial banks in Kenya. The fifth section is on the effect of monitoring activities in strategy implementation of commercial banks in Kenya and the final section is the summary of the whole chapter.

4.2 Response Rate

A response rate is the total number of respondents or individuals participated in a study and it is presented in the form of percentage. This study had a sample size of 106 managers working with Kenya Commercial Bank, Nairobi region.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Sample Size</th>
<th>DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>Participated</td>
<td>72</td>
</tr>
<tr>
<td>Non-participated</td>
<td>34</td>
</tr>
<tr>
<td><strong>Total Sample</strong></td>
<td><strong>106</strong></td>
</tr>
</tbody>
</table>

The study in Table 4.1 represents the response rate of the study. From the study, it is clear that 68 percent of the respondents took part in the study while 32 percent did not participate in the study. The study, therefore, implies that the response rate was good to be used.
4.3 Background Information

4.3.1 Gender of Respondents

Table 4.2: Gender of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>39</td>
<td>54.2</td>
</tr>
<tr>
<td>Female</td>
<td>33</td>
<td>45.8</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.2 shows the gender representation of the study. From the table, it is clearly shown that 45.8 percent of the population in the Kenya Commercial Bank limited is female while 54.2 percent is male.

The study implies that majority of the population in management of Kenya Commercial Bank are males. More men are likely to take leadership roles at commercial banks hence women need to be inspired more to compete with men for leadership positions.

4.3.2 Age of Respondents

Table 4.3: Age of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30 years</td>
<td>25</td>
<td>34.7</td>
</tr>
<tr>
<td>31-45 years</td>
<td>26</td>
<td>36.1</td>
</tr>
<tr>
<td>46-60 years</td>
<td>20</td>
<td>27.8</td>
</tr>
<tr>
<td>Above 60 years</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

To show the age representation of the population in management of Commercial Bank of Kenya, Table 4.3 was used. The table indicates that 34.7 percent represents individuals who are between 20 to 30 years of age while those who are between 31 to 45 years are represented by 36.1 percent. The study also shows that 27.8 percent of respondents are between 46 and 60 years of age. Those who are above 60 years are represented by 1.4 percent.

The implication of the study is that majority of the management population working at Commercial Bank of Kenya are between 31 to 45 years of age. People at this age feel a sense of job security and they have more job responsibilities hence they are less likely to leave the organization.
4.3.3 Level of Education of Respondents

Table 4.4: Level of Education of Respondents

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>23</td>
<td>31.9</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>25</td>
<td>34.7</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>23</td>
<td>31.9</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>98.6</td>
</tr>
<tr>
<td>Missing</td>
<td>0</td>
<td>1.4</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The level of education of the population working at Kenya Commercial Bank represented in Table 4.4. The study categorized the level of education from diploma level, degree level, to master level. From the table, 31.9 percent of the respondents had diploma education, 34.7 percent had degree level of education, and 31.9 percent had masters level. The study also shows that 1.4 percent of the respondents did not indicate their level of education.

The findings from the study mean that managers are highly educated and that is why they are able to make informed decision. The highly educated managers are very critical to an organization as effective strategy implementation requires individuals who can easily make informed decision.

4.3.4 Working Experience of Respondents

Table 4.5: Working Experience of Respondents

<table>
<thead>
<tr>
<th>Age bracket</th>
<th>Work Experience</th>
<th>2 – 5 years</th>
<th>6 – 10 years</th>
<th>11 – 15 years</th>
<th>16-20 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td></td>
<td>10</td>
<td>8</td>
<td>7</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40.0%</td>
<td>32.0%</td>
<td>28.0%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>31-45</td>
<td></td>
<td>1</td>
<td>8</td>
<td>13</td>
<td>4</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.8%</td>
<td>30.8%</td>
<td>50.0%</td>
<td>15.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td>46-60</td>
<td></td>
<td>0</td>
<td>10</td>
<td>4</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.0%</td>
<td>50.0%</td>
<td>20.0%</td>
<td>30.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Above 61</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>11</td>
<td>26</td>
<td>25</td>
<td>10</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15.3%</td>
<td>36.1%</td>
<td>34.7%</td>
<td>13.9%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 4.5 is a cross-tabulation revealing the relationship between year of experience at Kenya Commercial Bank and age bracket of respondents. From the table, 40 percent of management employees of 20 to 30 years of age have a work experience of 2 to 5 years, 32
percent age has a work experience of 6 to 10 years and 28 percent has work experience of 11 to 15 years. The table also shows that 3.8 percent of managers of age bracket 31 to 45 years have 2 to 5 years of working experience, 30.8 percent has 6 to 10 years working experience, 50 percent has 11 to 15 years working experience, and 14.4 percent has 16 to 20 years working experience.

The table still reveals that 50 percent of managers with 46 to 50 years of age have a working experience of 6 to 10 years, 20 percent has a working experience of 11 to 15 years, and 30 percent has a working experience of 16 to 20 years. For respondents with above 61 years of age, 100 percent has a working experience of 11 to 15 years.

The study implies that majority of the respondents (36.1 percent) have a work experience of 6 to 10 years. This is because most employees would like to work in a particular organization or industry for a limited number of years before changing to a new organization or industry for new experience.

4.3.5 Cadre of Respondents

Table 4.6: Management Position of Respondents

<table>
<thead>
<tr>
<th>GENDER</th>
<th>Position within your organization</th>
<th>Top level Manager</th>
<th>Middle level Manager</th>
<th>Lower level Manager</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>Female</td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13 (33.3%)</td>
<td>0 (0.0%)</td>
<td>3 (7.7%)</td>
<td>39 (100.0%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>23 (59.0%)</td>
<td>9 (27.3%)</td>
<td>24 (72.7%)</td>
<td>33 (100.0%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>72 (100.0%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>18.1%</td>
<td>44.4%</td>
<td>37.5%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

From the study, Table 4.6 depicts the relationship between the gender of respondents and position within the organization. The table shows that 33.3 percent of male respondents are on top management, 59 percent are on middle level management and 7.7 percent are on lower level management. The study also reveals that 27.3 percent of female respondents are in middle management, and 72.7 percent of the respondents are in lower level management.

The implication of the study is that more men are in top positions while more women are in lower positions. More men easily take risks than their female counterpart hence that is
why they are more ambitious to lead. Also because of the cultural implications, the society believes that men were born leaders and not women.

4.4 Setting Long Term Direction on Strategy Implementation

The aim of the study was to investigate the perceived role of strategic leadership in strategy implementation in Commercial Banks in Kenya. The study sought information from financial capability, effectiveness, reporting process, leadership, human resource, goals, and objectives among others. The study used standard deviation (S.D) to rank the significance of the variables.

The study sought to establish how setting long term direction affects strategy implementation in commercial banks in Kenya. Standard deviation was the statistical tool that was used to rank the significance of the long term direction in strategy implementation in Kenya Commercial Bank starting from the highest significant to the lowest significant factors. The lower the value of standard deviation the higher the significance and vice versa.

<table>
<thead>
<tr>
<th>Table 4.7: Long-Term Direction and Strategy Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean</strong></td>
</tr>
<tr>
<td>Financial capability of the firm is considered while setting long term goals</td>
</tr>
<tr>
<td>There is an effective reporting processes to reinforce team goals</td>
</tr>
<tr>
<td>Leaders set objectives of the company</td>
</tr>
<tr>
<td>The human resource planning needs are addressed</td>
</tr>
<tr>
<td>There is use of debt levels to signal solvency of the bank in the market</td>
</tr>
<tr>
<td>The company is more customer focused due to effective goals set</td>
</tr>
<tr>
<td>Leaders develop strategies in an organization</td>
</tr>
<tr>
<td>The IT Strategy is aligned to the long-term strategy of the company</td>
</tr>
<tr>
<td>Leaders develop the strategic vision</td>
</tr>
<tr>
<td>Leaders set goals of the company</td>
</tr>
</tbody>
</table>

The study in Table 4.7 reveals that financial capability of the firm is considered while setting long term goals. When the mean range is analyzed on the likert scale it provides a mean range of 3.958-4.778. The mean range shows that long term direction has a big impact on strategy implementation. The standard deviation range is from 0.419-0.985 and this shows little to no variation from the mean.
4.4.1 Model Summary of Long-Term Direction and Strategy Implementation

Table 4.8: Model Summary of Long-Term Direction and Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.544a</td>
<td>.296</td>
<td>.286</td>
<td>.41121</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Long term Direction

When predicting the value of a variable based on the value of another variable, a model summary is used. The variable being predicted in this case is called the dependent variable. The variable being used to predict the other variable's value is called the independent variable.

Table 4.8 depicts the model summary of the study. The model summary provides information about the regression line’s ability to account for the total variation in the dependent variable. From the table, the value of $R^2$ is 0.296, which means that 29.6 percent of the total variance in strategy implementation has been explained by variability in long-term direction.

4.4.2 Annova of Long-Term Direction and Strategy Implementation

Analysis of Variance (ANNOVA) is a statistical method used to test differences between two or more means.

Table 4.9: Annova of Long-Term Direction and Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>4.983</td>
<td>1</td>
<td>4.983</td>
<td>29.471</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>11.837</td>
<td>70</td>
<td>.169</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>16.820</td>
<td>71</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation
b. Predictors: (Constant), Long-term Direction

The regression model, as indicated in Table 4.9 predicted the outcome variable significantly well. This is shown at the "Regression" row and at the Sig. column. This indicates the statistical significance of the regression model that is applied. For this case, $P$ is 0.000 which is less than 0.01 and indicates that; overall, the model applied is significantly good enough in predicting the outcome variable.

4.4.3 Coefficients Variation of Long-Term Direction and Strategy Implementation
Table 4.10: Coefficients Variation of Long-Term Direction & Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>1.207</td>
<td>.562</td>
<td>2.146</td>
<td>.035</td>
</tr>
<tr>
<td>Long-term Direction</td>
<td>.702</td>
<td>.129</td>
<td>.544</td>
<td>5.429</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation

Table 4.10 shows the coefficients that provided the information on the predictor variable. The coefficients provided the information necessary to predict strategy implementation basing on long-term direction.

From the table, standardized beta coefficient is 0.544 and is significant at 0.000. It means that a unit change in the long term direction causes a change of 0.544 of change in strategy implementation. The study shows that long term direction has a positive impact on strategy implementation.

4.5 Informed Decision Making on Strategy Implementation

Table 4.11: Decision Making

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization exploits revenue opportunities to boost top line results</td>
<td>4.236</td>
<td>0.517</td>
</tr>
<tr>
<td>Business strategies are linked to the market, competitors to drive value</td>
<td>4.722</td>
<td>0.676</td>
</tr>
<tr>
<td>There is timely reporting to aid in measuring the performance of the processes at the organization</td>
<td>3.986</td>
<td>0.593</td>
</tr>
<tr>
<td>The organization relies on business intelligence to reduce operational costs</td>
<td>4.472</td>
<td>0.712</td>
</tr>
<tr>
<td>There is accurate reporting to aid in measuring the performance of the processes at the organization</td>
<td>3.944</td>
<td>0.785</td>
</tr>
<tr>
<td>The organization has adopted board tools, governance workflow to make decisions</td>
<td>4.069</td>
<td>0.909</td>
</tr>
<tr>
<td>Business strategies are linked to operational forces to drive value</td>
<td>4.111</td>
<td>0.943</td>
</tr>
<tr>
<td>There is evidence based decision making at the organization</td>
<td>3.972</td>
<td>0.919</td>
</tr>
<tr>
<td>The Organization has adopted board tools, strategic analysis to make decisions</td>
<td>3.764</td>
<td>0.986</td>
</tr>
</tbody>
</table>

Table 4.11 shows how informed decision making helps in strategy implementation in Kenya Commercial Bank. From the table, the study confirms that the organization exploits revenue opportunities to boost top line results.
Table 4.11 provides a mean range of 3.764 – 4.722. The mean range reveals that informed decision making highly affect strategy implementation. On the other hand, standard deviation range is from 0.517 – 0.986. This also shows that strategy implementation is highly affected by informed decision making.

4.5.1 Model Summary of Informed Decision Making and Strategy Implementation

Table 4.12: Model Summary of Informed Decision Making and Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.530a</td>
<td>.281</td>
<td>.271</td>
<td>.41554</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Informed Decision Making

From Table 4.12, the value of $R^2$ is 0.281, which means that 28.1 percent of the total variance in strategy implementation has been explained by variability in informed decision making.

4.5.2 Annova of Informed Decision Making and Strategy Implementation

Table 4.13: Annova of Informed Decision Making and Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>4.733</td>
<td>27.408</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>70</td>
<td>.173</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>71</td>
<td>16.820</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation
b. Predictors: (Constant), Informed Decision Making

Table 4.13 indicates the statistical significance of the regression model that is applied. For this case, $P$ is 0.000 which is less than 0.01 and indicates that; overall, the model applied is significantly good enough in predicting the outcome variable.

4.5.3 Coefficients Variation of Informed Decision Making and Strategy Implementation

Table 4.14: Coefficients Variation of Informed Decision Making & Strategy Implementation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.396</td>
<td>.357</td>
<td>6.705</td>
</tr>
<tr>
<td></td>
<td>Informed Decision Making</td>
<td>.450</td>
<td>.086</td>
<td>.530</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation
The dependent variable is strategy implementation and independent variable is the informed decision making. According to the above result, the standardized beta coefficient is 0.530 and is significant at 0.000. This means that when informed decision making changes by a unit, strategy implementation changes by 0.530. There is high significant relationship between informed decision making and strategy implementation.

4.6 Effect of Monitoring Activities on Strategy Implementation

Table 4.15: Monitoring Activities

<table>
<thead>
<tr>
<th>The company has a monitoring system to collect data</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company’s strategy is aligned to its activities and projects</td>
<td>4.24</td>
<td>.517</td>
</tr>
<tr>
<td>Review is an ongoing process of continuous improvement</td>
<td>4.10</td>
<td>.675</td>
</tr>
<tr>
<td>The company has an effective monitoring program</td>
<td>4.43</td>
<td>.499</td>
</tr>
<tr>
<td>The company has a reliable record-keeping system to provide information to managers</td>
<td>4.38</td>
<td>.568</td>
</tr>
<tr>
<td>The company takes action on its strategy by evaluating their work</td>
<td>4.39</td>
<td>.491</td>
</tr>
<tr>
<td>The company has a reporting system to report data</td>
<td>3.97</td>
<td>.530</td>
</tr>
</tbody>
</table>

The study aimed at examining the effect of monitoring activities in strategy implementation of commercial banks in Kenya. The study sought information from company strategy, evaluation, and monitoring among others.

From the table above, the mean range of 3.97 – 4.46 is depicted. From this mean range, it is learned that monitoring activities during strategy implementation highly affect the implementation process. The standard deviation range varies from 0.491 – 0.675. The range variation means that monitoring activities is very important as it highly impact on strategy implementation.

4.6.1 Model Summary of Monitoring Activities and Strategy Implementation

When predicting the value of a variable based on the value of another variable, a model summary is used. The variable being predicted in this case is called the dependent variable. The variable being used to predict the other variable's value is called the independent variable.
Table 4.16: Model Summary of Monitoring Activities and Strategy Implementation

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.447a</td>
<td>.200</td>
<td>.189</td>
<td>.43842</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Monitoring Activities

From Table 4.16, the value of $R^2$ is 0.200, which means that 20.0 percent of the total variance in strategy implementation has been explained by variability in monitoring activities.

4.6.2 Anova of Monitoring Activities and Strategy Implementation

Table 4.17: Anova of Monitoring Activities and Strategy Implementation

<table>
<thead>
<tr>
<th>ANOVAa</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>3.365</td>
<td>17.505</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Residual</td>
<td>70</td>
<td>.192</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>16.820</td>
<td>71</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation

b. Predictors: (Constant), Monitoring Activities

The regression model, as indicated in Table 4.17 predicted the outcome variable significantly well. This is shown at the "Regression" row and at the Sig. column. This indicates the statistical significance of the regression model that is applied. For this case, $P$ is 0.000 which is less than 0.01 and indicates that; overall, the model applied is significantly good enough in predicting the outcome variable.

4.6.2.1 Coefficient of Variation of Monitoring Activities and Strategy Implementation

Table 4.18: Coefficient of Variation of Monitoring Activities & Strategy Implementation

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.597</td>
<td>.636</td>
<td></td>
<td>.014</td>
</tr>
<tr>
<td></td>
<td>Monitoring</td>
<td>.622</td>
<td>.149</td>
<td>.447</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Strategy Implementation
Table 4.18 provides the information on each predictor variable. This provided with the information necessary to predict how strategic leadership can enhance strategy implementation in Kenya Commercial Bank.

Standardized beta coefficient is 0.447 and is significant at 0.000. It means that a unit changes in the activity monitoring causes a change of 0.447 of change in strategy implementation. The study shows that activity monitoring has a positive impact on strategy implementation.

4.7 Chapter Summary

This chapter has provided the results and findings with respect to the data given out by the respondents from Kenya Commercial Bank. The chapter provided analysis on the response rate, background information, company’s long term direction, informed decision making and monitoring activities in strategy implementation in Kenya Commercial Bank. The next chapter provides the summary, discussions, conclusions and recommendations.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section presents the discussion, conclusion and recommendation of the study. The chapter presents the summary of the study in the first part of the chapter followed by a discussion, a conclusion and recommendations of this study.

5.2 Summary

The purpose of the study was to investigate the perceived role of strategic leadership in strategy implementation in Commercial Banks in Kenya. The study aimed at establishing how setting long term direction affect strategy implementation in commercial banks in Kenya, determining how informed decision making affect strategy implementation in commercial banks in Kenya and examining the effect of monitoring activities in strategy implementation of commercial banks in Kenya.

To gather, analyze, interpret and present information for this study, descriptive research design was adopted. The descriptive research design helped in focusing at the strength of relationship between strategic leadership and strategy implementation in commercial banks in Kenya. Relevant information was obtained from the respondents using questionnaires. The study focused on 106 managers of Kenya Commercial Bank based in Nairobi. Probability sampling technique was used to determine the sample size and collect data from the sample. In data analysis and presentation, this research adopted inferential and descriptive statistics. Tables were used in data presentation.

The study established how setting long term direction affects strategy implementation. It was found that financial capability of the firm is considered while setting long term goals. There is an effective reporting process to reinforce team goals. The study found that leaders set objectives of the company and that in the long term process; the human resource planning needs are addressed. The study reveals that when the organization set long term direction, the company is more customer-focused due to effective goals set. The study established that in an organization, leaders develop strategic vision, develop strategies and set goals of the company.
The study determined how informed decision making affects strategy implementation. The study found that the organization used informed decision to exploit revenue opportunities to boost top line results. Due to this well informed decision, business strategies are linked to the market competitors to drive value for the organization. The study found that there is timely reporting to aid in measuring the performance of the processes at the organization and that the organization relies on business intelligence to reduce operational costs. The study also found that there is accurate reporting to aid in measuring the performance of the processes at the organization and this has lead the organization to adopt board tools and governance workflow to make decision. This has also enhanced evidence based decision making at the organization.

The study examined the effect of monitoring activities in strategy implementation. The study found that the company has an effective evaluation program. The company’s strategy is aligned to its activities and projects. It was found out that the company takes action on its strategy by evaluating their work. From the study, it was examined that company evaluation is an ongoing process of learning. The study also found that the company has a monitoring system to collect data. The study established that the company’s strategy is aligned to its activities and projects and that review is an ongoing process of continuous improvement. The study examined that the company has a reliable record-keeping system to provide information to managers.

5.3 Discussion

5.3.1 Setting Long Term Direction Affect Strategy Implementation

The study analyzed the effect of long term goals on strategy implementation. The study found that financial capability of the firm is considered while setting long term goals. La Rocca (2008) support the findings of this study. He found in his study that strategy and finance are gravitating towards each other each day. It is essential to match strategy and investment plans with financing requirements, complementing external source of finance to strategies for corporate development. Myers and Majluf (1984) on the other hand assert that good pair-up of strategy and finance dimensions can be tantamount to a competitive weapon. The interaction between financing and real decisions creates a situation in which high or low debt can compromise a firm’s ability to take advantage of strategic options or long term direction. Findings from a research done by African Development Bank Group (2016) support this argument by asserting that long term goals or corporate direction driven
decisions have to carefully consider financial capability of the firm because a firm entering the market has a more vulnerable financial structure than does an incumbent.

The study found that in Kenya Commercial Bank Group, there is an effective reporting process to reinforce team goals. Sullivan (2016) confirms that long term goals necessitate having effective metrics and reporting processes to reinforce both team and individual goals. Domingo (2016) asserted that, this processes provide focus by giving feedback that lead to continuous improvement of whatever is measured and reported over the years guaranteeing that the strategy is in place or is being implemented. In ensuring focus and consistent performance La Rocca (2008) on the other hand adds that, team and individual monetary rewards together with nonmonetary excitement play a big role.

The study showed that leaders set objectives of the company. This is by leaders and managers in the organization developing a clear purpose that is compelling making the members of the organization feel important (Thomson, 2016). Conger (2010) on the other hand found that leaders who use driver analytics as part of a complete performance management transformation can improve both their strategic and operational insights and by extension, their decision-making. When the drivers behind decision-making adopt institutional knowledge, there is an opportunity for everyone to evaluate and absorb what’s driving the business. Marriott (2014) found that strategic leaders play an important role in promoting competitive advantage of an organization over long term.

From the study, it is well demonstrated that during long term direction, human resource planning needs are addressed. Sullivan (2016) support the study by asserting that long term direction that an organization adopts should be vibrant enough in addressing human resources planning needs. Flexstudy (2016) believe that long term goals and directions of strategic leaders should consider certain functions in the Human Resource department, like hiring and retaining employees which is probably most impactful factor in workforce and team productivity. The HR and senior managers can attract, hire, develop and retain employees who are high performing, innovators, agile and continuous learners (Thomas, 2016)

From the study it is found that due to long term planning, the company is more customer-focused and this is because of effective goals set. Flexstudy (2016) argues that goal setting is one of the most prominent and basic tools used by both individuals and organizations to
assist in setting the direction and accomplishments. Successful organizations set both mid-term and long-term goals not only for sales, products and service development but also for improving quality, reducing errors, becoming more customer-focused and building better internal and public relations. According to Lyoob (2012), informed decision making ensures qualitative return on investment (ROI) such as improvements in business and process efficiency, employee productivity, better strategic decision making, customer satisfaction and much more. Companies relying on business intelligence can reduce operational costs due to improved operational efficiency and optimized business processes. Business intelligence provides crucial information to companies, improving their ability to make quick decisions and generating a competitive advantage.

5.3.2 Informed Decision Making and Strategy Implementation

The study found that the organization exploits revenue opportunities to boost top line results. Michael (2015) found in his study that executives can identify revenue opportunities, marketing teams can precisely target customers with the right products, and sales teams can confidently decide the right price to offer for maximizing revenue. Hinterhuber and Liozu (2012) affirm that marketing managers can calculate campaign cost and performance and optimize their tactics through predictive analytics. Lyoob (2012) asserts that revenue maximization grants the organization the ability to build a war chest for aggressive strategic maneuvers.

From the study, it is found that business strategies are linked to the market, competitors to drive value. Ernst and Young (2016) assert for companies to improve their performance management capabilities and drive profitable growth, they need to take a more encompassing approach that not only implements driver analytics. Serve Centre (2016) affirms that evidence-based decision-making is one term that stresses the need to make more informed decisions using all the sources.

From the study, it is confirmed that the organization relies on business intelligence to reduce operational costs. To support the study, Lyoob (2012) affirms that companies use business intelligence to extract crucial facts from a vast amount of unstructured data and transform them into actionable information that enables companies to make informed strategic decisions, improving operational efficiency and business productivity. Lyoob believes that business intelligence ensures stronger return on investment as companies can
significantly reduce costs, enhance revenue, improve margin, and drive cost avoidance and much more. The study confirms that business intelligence helps companies make informed decisions on strategic issues by providing crucial information on current and historical performance of the company along with future trends, expected demands and customer behaviour.

The study reveals that there is timely reporting to aid in measuring the performance of the processes at the organization. Storey and Holti (2013) confirm that reporting based on accurate and timely information helps companies measure the performance of their processes. Storey and Holti assert that performance management is a key factor in getting the whole organisation aligned and mobilised to reach higher heights and work collaboratively together to deliver results. Chapman (2016) states that increasingly performance management is being done by effective IT systems. He states that elements of an effective performance system include; a good communication strategy, measuring performance in real time, must offer an integrated project management capability, and must acknowledge and enable emotional contracting with all staff, which is exceptionally vital for linking or aligning individual commitment and activity to the attainment of organizational plans. The study found that accurate reporting aid in measuring the performance of the processes at the organization.

From the study, it is confirmed that the organization adopted board tools and governance workflow to make informed decisions. Thomson (2016) confirms that to ensure that decisions are made on an informed basis organizations require board tools, governance workflow and strategic analysis to accomplish this task. In addition Bekefi, et al. (2008) found that better informed decisions, especially regarding how the organization interacts with all stakeholders leads to good governance. Corporate governance is essentially the composition of relationships within an organization which help guide and establish its overall strategy and performance.

The study found that the organization focuses on traditional approaches. According to Ernst and Young (2016), this approach focuses on ad hoc reporting and financial statement line items. These approaches typically exclude key external and operational drivers, limiting a company’s ability to make fully informed decisions.
5.3.3 Monitoring Activities and Strategy Implementation

The study confirms that the company’s strategy is aligned to its activities and projects. Schmidt and Laycook (2016) affirm that inputs, activities, outputs, outcomes and impacts of services are regularly analyzed according to an established monitoring framework. Meusel, et al. (2008) found that Long-term sustainability is achieved when the pillars of financial sustainability, financial vulnerability and financial flexibility are balanced and this can only be done through monitoring activities in strategy implementation. The study found that Monitoring mostly involves keeping track of what is going on. By undertaking this regularly, a special Management Committee has the opportunity to adjust the project to ensure that the activities, results and strategy are properly aligned.

The study found that the company takes action on its strategy by evaluating their work. McNamara (2016) in his study found that evaluation and review should be an ongoing process of learning, continual improvement and development. The key to evaluating is knowing what is to be measured. A Management Committee cannot monitor and evaluate the organisation and its activities effectively without clear advance planning of what they want to do and to achieve. The findings of the study by Barend (2016) states that determining a strategic direction for the organization is the strategic leadership action that is perceived to play the most important role in effective strategy implementation. Barend affirms that strategic leadership positively contributes to the effective implementation of strategy in organisations.

The study found that evaluation is an ongoing process of learning. Bennis (2009) confirms that monitoring is an ongoing analysis of whether planned results are being achieved, so that timely corrective action can be taken. Schmitz (2012) found that monitoring is not an event that occurs at the end of a management cycle, but rather is an ongoing process that helps decision-makers to better understand the effectiveness of the action or system. An effective monitoring and evaluation programme requires collecting and analyzing important data on a periodic basis throughout the management cycle of a project. Meusel, et al., (2008) on the other hand assert that monitoring provides a descriptive snapshot of what is happening at a given point in time. It is a regular, ongoing management activity which, through reliable record-keeping, provides information to managers on a regular basis. Evaluation provides greater in-depth analysis on whether a policy, plan or programme has achieved its desired goals.
From the study, it was confirmed that a key determinant of greater board effectiveness in the area of strategy is the set of metrics. Schmitz (2012) found that the board selects to monitor a company’s performance and health identifying manageable number of metrics to strike a balance in different areas of business that are linked to activities that create value. Key indicator should also cover operations such as the consistency and quality of key value creating processes; organizationl issues including the ability of the organization to retain and motivate employees and the company’s profundity of talent; the position of the company in their market depending on the state of their products and custmer relationships and lastly the relationship f the company with external parties such as regulators and suppliers.

The study revealed that a critical component of the strategic management cycle is the monitoring and reporting of progress in achieving strategic goals. Kusek and Rist (2004) found that organizations are encouraged to develop monitoring and reporting systems that collect data continuously and report annually, at the very minimum. Monitoring and evaluation is all about learning from what an organization is doing and how it is doing it, and taking action to adjust its strategy accordingly. Sustainable Development, (2016) revealed that regular monitoring and evaluation help an organization to assess how well it is doing against the set objectives and to ensure appropriate use of time and other resources.

5.4 Conclusions

5.4.1 Setting Long Term Direction Affect Strategy Implementation

The study concludes that the financial capability of the firm is considered while setting long term goals hence effective reporting processes reinforce team goals. Leaders develop the strategic vision, set goals of the company and also set objectives of the company. The study found that when an organization is good strategic vision, goals and objectives, the human resource planning needs are addressed. The study also concludes that leaders develop strategies in an organization. Due to latter, there is use of debt levels to signal solvency of the bank in the market. The study found that the company is more customer focused due to effective goals set. The study concludes that the foundation of a good company is when the Information Technology Strategies are aligned to the long-term strategy of the company.

5.4.2 Informed Decision Making and Strategy Implementation
From the study it was concluded that informed decision making enhances strategy implementation process. The study concludes that the organization exploits revenue opportunities to boost top line results. Due to this, business strategies are linked to the market and competitors to drive value. The study also concludes that there is accurate and timely reporting to aid in measuring the performance of the processes at the organization. The organization relies on business intelligence to reduce operational costs hence business strategies are linked to operational forces to drive value. The study concludes that the organization has adopted board tools and governance workflow to make decisions hence there is evidence based decision making at the organization. The Organization has also adopted board tools and strategic analysis to make decisions.

5.4.3 Monitoring Activities and Strategy Implementation

The study concludes that the company’s strategy is aligned to its activities and projects. The company takes action on its strategy by evaluating their work which a continuous process of learning. The study also concludes that the company has an effective evaluation program. The study found that the company has a monitoring system to collect data hence the company takes action on its strategy by evaluating their work. From the study, it is concluded that the company’s strategy is aligned to its activities and projects. The company has a reliable record-keeping system to provide information to managers and that review is an ongoing process of continuous improvement. The study also concludes that the company takes action on its strategy by evaluating their work.

5.5 Recommendations

5.5.1 Recommendation for Improvement

5.5.1.1 Setting Long Term Direction Affect Strategy Implementation

The study recommends the management of banks and other organizations to enhance financial capability of their firms as it is considered while setting long term goals. The study found that an effective reporting processes reinforce team goal hence it recommends its adoption in organizations. Leaders are recommended to develop achievable strategic vision, set good goals and objectives of the company as it helps organizations to focus on long term directions during strategy implementation. Leaders develop strategies in an organization that helps address human resource planning needs. The study also found that there is use of debt levels to signal solvency of the bank in the market hence the study
recommends companies to be more customer focused due to effective goals set. The study also recommends the use of debt levels to signal solvency of the bank in the market and that the IT Strategy is aligned to the long-term strategy of the company.

5.5.1.2 Informed Decision Making and Strategy Implementation

The study found that the organization exploits revenue opportunities to boost top line results. Due to this, the study recommends the management to link business strategies to the market and competitors to drive value. The study also found out that there is accurate and timely reporting to aid in measuring the performance of the processes at the organization. The study recommends organizations to rely on business intelligence to reduce operational costs. The study also recommends organizations to adopt board tools, governance workflow and strategic analysis to make informed decisions. From the study, businesses are recommended to link their strategies to their operational forces to drive value. The study found that there is evidence based decision making at the organization.

5.5.1.3 Monitoring Activities and Strategy Implementation

The study recommends the organizations to align their strategies to their activities and projects. The company should take action on its strategy by evaluating their work. Evaluation was found to be an ongoing process of learning. The study recommends the company to adopt an effective monitoring program. The study found that effective monitoring system should help in collecting relevant data. The company should take action on its strategy by evaluating their work. The company should have a reliable record-keeping system to provide information to managers. The study recommends the company to have an effective evaluation program and reporting system. A company’s reporting system helps to report data. Reporting determines level of development.
5.5.2 Recommendation for Further Research

The study aimed at investigating the perceived role of strategic leadership in strategic leadership in strategy implementation in commercial banks in Kenya.

The study was only carried on one commercial bank (Kenya Commercial Bank). Further researches should investigate the perceived role of strategic leadership in strategy implementation in more commercial banks in Kenya and compare the relationships.

Future scholars should assess critical management factors that enhance strategy implementation in organizations.
REFERENCES

http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-
Documents/Information%20Technology%20Strategy%202013-2015%20-
%20Revised.pdf


APPENDICES
APPENDIX 1: LETTER OF INTRODUCTION

ABBA ABASHE
UNITED STATES INTERNATIONAL UNIVERSITY AFRICA
P.O>BOX 14634, 00800.
NAIROBI

Dear Sir/Madam;
RE: RESEARCH DATA COLLECTION ON THE INFLUENCE OF STRATEGIC LEADERSHIP IN STRATEGY IMPLEMENTATION IN COMMERCIAL BANKS

I am a student taking a Master’s degree in Business Administration-(MBA) Strategic Management at United States International University-Africa. As partial fulfillment of my MBA degree, I am conducting a research on The Influence of Strategic Leadership in Strategy implementation in Commercial Banks.

Your organization was selected as a good case study for this research to provide ample information for this research. The results of this study will provide commercial banks in Kenya with data on the influence of strategic leadership in strategy implementation.

I request your participation in this research by responding to the questionnaire to the best of your knowledge. Kindly note that any information given through this questionnaire is confidential and only used for the purpose of this study. Your assistance and response is much appreciated.

Regards;

Abba Abashe
Contact: +254720536079
Email: abba_07@hotmail.co.uk
APPENDIX 11: STUDY QUESTIONNAIRE

Section I: General information

Kindly tick (√) where applicable.

1. Gender
   [ ] Male
   [ ] Female

2. Age bracket
   [ ] 20 – 30
   [ ] 31 – 45
   [ ] 46 – 60
   [ ] above 61

3. Your level of education:
   [ ] Diploma
   [ ] Bachelor’s Degree
   [ ] Master’s Degree
   [ ] Doctorate Degree

4. Position within the organization:
   [ ] Top level Manager
   [ ] Middle level Manager
   [ ] Lower level Manager

5. Work experience
   [ ] Less than 1 year
   [ ] 2 – 5 years
   [ ] 6 – 10 years
   [ ] 11 – 15 years
   [ ] 16 – 20 years
   [ ] Above 21 years
Section II: Long Term Direction

Kindly tick the extent to which you agree with the following statements on long term direction by using a scale of 1 to 5.

(1) STRONGLY DISAGREE, (2) DISAGREE, (3) DO NOT KNOW, (4) AGREE, (5) STRONGLY AGREE.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Do not Know</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Leaders develop the strategic vision</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>2. Leaders set goals of the company</td>
<td>1</td>
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<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Leaders set objectives of the company</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>4. Leaders develop strategies in an organization</td>
<td>1</td>
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</tr>
<tr>
<td>5. The company is more customer focused due to effective goals set</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>6. The human resource planning needs are addressed</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>7. Financial capability of the firm is considered while setting long term goals</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>8. There is use of debt levels to signal solvency of the bank in the market</td>
<td>1</td>
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</tr>
<tr>
<td>9. There is an effective reporting processes to reinforce team goals</td>
<td>1</td>
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</tr>
<tr>
<td>10. The IT Strategy is aligned to the long-term strategy of the company</td>
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</tbody>
</table>
Section III: Informed Decisions

Please indicate the extent to which you agree with the following statements on informed decisions by using a scale of 1 to 5.

(1) STRONGLY DISAGREE, (2) DISAGREE, (3) DO NOT KNOW, (4) AGREE, (5) STRONGLY AGREE.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Do not Know</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The organization relies on business intelligence to reduce operational costs</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>2. The organization focuses on traditional approaches</td>
<td>1</td>
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<td>5</td>
</tr>
<tr>
<td>3. Business strategies are linked to the market, competitors to drive value</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<td>5</td>
</tr>
<tr>
<td>4. Business strategies are linked to operational forces to drive value</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>5. There is evidence based decision making at the organization</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>6. The organization has adopted board tools, governance workflow to make decisions</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>7. The organization exploits revenue opportunities to boost top line results</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>8. There is accurate reporting to aid in measuring the performance of the processes at the organization</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>9. The Organization has adopted board tools, strategic analysis to make decisions</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>10. There is timely reporting to aid in measuring the performance of the processes at the organization</td>
<td>1</td>
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</table>
Section IV: Monitoring Activities

Please indicate the extent to which you agree with the following statements on monitoring activities by using a scale of 1 to 5.

(1) STRONGLY DISAGREE, (2) DISAGREE, (3) DO NOT KNOW, (4) AGREE, (5) STRONGLY AGREE.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Do not Know</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The company has a monitoring system to collect data</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. The company’s strategy is aligned to its activities and projects</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>3. Review is an ongoing process of continuous improvement</td>
<td>1</td>
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<tr>
<td>4. The company has an effective monitoring programme</td>
<td>1</td>
<td>2</td>
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<tr>
<td>5. The company has a reliable record-keeping system to provide information to managers</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>6. The company takes action on its strategy by evaluating their work</td>
<td>1</td>
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</tr>
<tr>
<td>7. The company has a reporting system to report data</td>
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<tr>
<td>8. Evaluation is an ongoing process of learning</td>
<td>1</td>
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<td>9. The company has an effective evaluation programme</td>
<td>1</td>
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</tr>
<tr>
<td>10. Reporting determines level of development</td>
<td>1</td>
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</table>
Section V: Strategy Implementation

Please indicate the extent to which you agree with the following statements on strategy implementation using a scale of 1 to 5.

(1) STRONGLY DISAGREE, (2) DISAGREE, (3) DO NOT KNOW, (4) AGREE, (5) STRONGLY AGREE.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Do not Know</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The company plans to improve programs to align with corporate-level goals</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>2. Company resources are planned accordingly.</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>3. There is a control system to in place to equip managers with feedback from employees</td>
<td>1</td>
<td>2</td>
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<tr>
<td>4. The company develops a management style that is supportive of organizational culture</td>
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<tr>
<td>5. There is a control system in place to equip managers with motivational incentives</td>
<td>1</td>
<td>2</td>
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<tr>
<td>6. There is effective communication of the strategy execution process</td>
<td>1</td>
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</tr>
<tr>
<td>7. The company has established organizational systems</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8. Company resources are allocated accordingly</td>
<td>1</td>
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<td>5</td>
</tr>
<tr>
<td>9. The company plans to change programmes to align with corporate level goals</td>
<td>1</td>
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<td>5</td>
</tr>
<tr>
<td>10. There is communication between all levels of management</td>
<td>1</td>
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<td>3</td>
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</tr>
</tbody>
</table>

THANK YOU FOR YOUR TIME!!!