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Strategy Implementation and Financial Performance of Finance Institutions in Kenya: A Case of Shelter Afrique

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Abstract

Firms operate in a turbulent and dynamic business environment characterized by fast-paced and constant changes that calls for new strategies. Organizational financial performance defines the competitiveness, economic interests of the company's management, potentials of the business and reliability of the present or future contractors. Financial performance analysis identifies an organization's weaknesses and strengths, and this contributes to the management, shareholders and the public. This study was guided by three main objectives; to determine how organizational culture affects financial performance, to assess the role leadership plays in enhancing financial performance and to establish the effect of resources on financial performance in Shelter Afrique, the Pan-African Housing Finance Institution headquartered in Nairobi, Kenya. A theoretical review, empirical review, critical review of literature, knowledge and the conceptual framework was also provided. A census was conducted on 55 employees of Shelter Afrique based at the Head Office. The findings indicated that strategy implementation had a significant positive effect on the financial performance of Shelter Afrique. Aspects on resources, leadership and organizational culture enhance an organization's competitive advantage thus improving its financial performance. The study also recommended that management needs to set high performance systems to enable employees to achieve their strategic goals thus enhancing the overall performance of the organization.

Keywords: *Leadership, Resources, Culture, Financial Performance*

1.0 Introduction

1.1 Background to the Problem

According to Johnson and Scholes (1997), strategy implementation is the process through which a chosen strategy is put into action. How the strategy is implemented matters in determining organizational financial performance. Organizations exist to deliver specific results and outcomes aligned in the strategic plan. Barney (1991) defines financial performance as the ability of the organization to achieve the designed outcomes and objectives aligned in the strategy. According to Richard (2009), organizational financial performance is measured by looking at the profits, return on investment and return on assets. It endorses a process perspective where focus is on the internal process of quantifying the efficiency and the effectiveness of strategic action with a set of metrics

1.1.1 Concept of Strategy Implementation

Pina, Torres, & Yetano A (2011) define strategy as a way or plan chosen to bring about a sought-after future, such as achievement of a goal or resolution to a problem. They further indicate that a strategy requires a combined process of both action and decision making which guide an organization from what it is to what it becomes as it has future implications of present decisions as opposed to identification of problems and their causes. Candy et al (2011), define strategy as the art and science of planning and marshalling resources for their most efficient and effective use. They further elaborate this by indicating that strategy is concerned with how results or outcomes should be, rather than achieving those outcomes as products or outputs. Organizations must adjust their strategy in response to changing market conditions, fresh competitor moves, advancing technology, shifting buyer needs and preferences, mounting evidence that the current strategy is not working well and poor performance.

1.2 Research Objectives

This study is guided by the following objectives;

i. To establish the effect of resources on financial performance.
ii. To determine how organizational culture affects financial performance
iii. To assess the role leadership plays in enhancing financial performance.

1.3 Research Questions

i. What is the effect of resources on financial performance?
ii. How does organizational culture affect financial performance?
iii. What is the role of leadership in enhancing financial performance?

1.5 Significance of the Study

Theoretically, the study will go a long way to enhance the existing body of knowledge on strategy implementation and its effect on organizational financial performance. Through studying resource based view in the context of the case under study, it helps to identify the influence of capabilities and unique resources on the effective implementation of strategies. Through contingency theory, it will assess the effect of the internal and external environment on strategy implementation and best way to align the organization to achieve ultimate financial performance after the strategy has been implemented. It will further bring out the effects of external resources of effective strategy implementation and how this affects the organizational financial performance. The study will be useful to government agencies and policy makers in finding out the cases of slow implementation of strategic plans and provide recommendations for possible solutions. It will further evaluate cases of failure of implementation of strategic plans. A study on the relationship between strategy implementation and organizational financial performance will help these institutions formulate appropriate strategies for implementation.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

Theories explain the reality and the reality of organizations' financial performance is explained by various theories and the theories to be discussed will explain financial performance from the impact of strategy implementation. These theories are; The Resource-Based View Theory, Contingency Theory, Expectancy Theory, Robert E. Quinn and Kim S. Cameron's Culture Typology.

2.1.1 The Resource-Based View Theory

The Resource-Based View (RBV) supports strategy implementation and financial performance and it argues that firms can outperform others if they can develop valuable resources or capabilities, which cannot be easily imitated or substituted by its competitors (Kraaijenbrink, Spender, & Groen, 2009). It emphasizes the firm's resources as the fundamental determinants of financial performance and competitive advantages. This theory adopts two assumptions in analyzing competitive advantage sources. First, this model assumes that organizations within an industry or within a given strategic group may be diverse with respect to the resources that they can control. Second, this theory assumes that resource heterogeneity can persist over time because resources that have been used to implement the firm's strategies are not mobile across firms. According to Barney (1991), a firm resource must be valuable, substitutable, rare and imperfectly imitable.

2.1.2 Contingency Theory

This theory was postulated by House (1996) who indicated that the contingency approach to management is solely based on the premise that there is no specific way of planning, managing, organizing, leading and controlling an organization. The management's approach used by an organization must be tailored to that specific circumstance being faced by the organization. According to Lutans (2011) for a strategic leader to be successful and enhance the financial performance of the company, it is a subset of several contingencies in variables like subordinate, task and group. The success of a strategic leader highly depends on how the leader manages the demands imposed by a specific situation while ensuring it enhances the financial performance of the organization.

This theory states that managers make managerial decisions based on the situation at hand rather than a "one size fits all" method. A strategic leader takes suitable actions based on aspects which are most important to the current situation. This is also supported by Morgan (2007) who argues that leaders should be accommodative and flexible to the changing needs of their people. A strategic leader should utilize their leadership approach in ensuring successful strategy implementation and enhanced financial performance. Management should ensure that there is a clear plan on a strategy which will be implemented in terms of the assignment, roles and reporting relationships between the employees and the leaders and that the designed action plan should conform to the needs of the customers.

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2.1.3 Kim S. Cameron and Robert E. Quinn Culture Typology

Robert E. Quinn and Kim S. Cameron developed a model of Competing Values that corresponds with four types of organizational culture. They developed an Organizational Culture Assessment Instrument (OCAI) to assess organizational culture. This theory is significant for this study because organizational culture plays a role in determining financial performance. A focus on organizational culture is increasingly becoming a major component of every organization's daily functioning because performance depends on the culture of the organization. Cameron and Quinn (2011) identified four types of culture; clan culture, hierarchy culture, market culture and adhocracy culture.

The main value drivers of market culture and its impact on financial performance are profitability and market share whereby the organization should be united by a common goal to succeed and beat other firms (Cameron & Quinn, 2011). The adhocracy culture is based on creativity and energy. Employees are encouraged to take up risks. The core values of this culture are based on agility and change. Strategy implementation takes place in a changing environment and emphasis is on the management and employees to adapt to the changing environment.

2.1.4 Expectancy Theory

Expectancy theory is used to explain a more complex relationship of individual commitment or motivation to peruse a strategy implementation where a correlation of the middle manager goals and the organization goals is one important affecting variable. The authors introduce a model that express the function of motivation, where the level of motivation is the sum of three factors: An individual's perception that their actions would lead to success, that their actions would lead to an outcome and the attractiveness on the perceived outcome is dependent on self-interest. All these factors are results of individuals subjective coding of available data, and that result is a picture of the identity of that individual. Most importantly, (Judge & Stahl, 1995) state that "in addition, this perspective argues that behavior can be predicted from attitudes and perceptions.

2.2 Empirical Review

Samaitan (2014) did a study on the impact of leadership on organizational financial performance in Commercial Banks in Kenya. Census survey sampling technique was adopted and a structured questionnaire administered on respondents was used to gather the relevant primary data. Findings showed both positive and negative correlation between leadership style and the firm's financial performance. It also found that leadership style behaviors predict organizational financial performance. The study's recommendations were that six leadership styles behaviors should be employed by the Bank's Management for it to perform better in a competitive environment and to enhance its financial performance.

Oluoch (2013) did a study on the influence of human resources management practices on organizational performance at the College of Humanities and Social Sciences at the University of Nairobi in Kenya. The purpose of the study was to examine if indeed the human resources impacted the overall performance of the college of humanities and social sciences. The study was coupled by two main objectives; to assess the extent to which selection and recruitment influenced the performance and to assess how the reward system as a best practice influenced performance. It adopted a descriptive survey design and the target population of the study comprised of 54 administrators. The findings of the study showed that the best human resources management practices positively influence organizational performance. The study recommended that further research should be done on how employees at the college of humanities and social sciences as the main resource of the organization enhance the university's overall financial performance.

Njiru (2014) sought to study the effect of organizational structure on financial performance of Commercial State Corporations in Kenya. The study used both structured and unstructured questionnaires to collect data and both quantitative and qualitative data was analyzed. The regression results revealed a positive relationship between return on assets and organizational structure. The conclusion from the study findings was that organization structure positively affect financial performance and management should develop a structure that fully supports the organization's strategy since it influences the financial performance of the organization. The study recommended that structure formalization, organizational size, structure centralization and structure complexity should be considered when management is developing its structure. The Board Members composition should also be carefully chosen as they shape the organization's strategic direction.

3.0 Research Design and Methodology

This chapter outlines the research methodologies which will be used in the study. It includes research design, target population, description of research instruments, description of the sample and sampling procedures, description of the data collection procedures and description of data analysis procedures.

3.1 Research Design

A research design provides the outline of how the data will be collected, the instruments to be employed for collecting the data, how the instruments will be used and the intended means of analyzing the collected data. It is an overall strategy that ensures that the research problem is effectively addressed. The study will use an exploratory research design as it will seek to establish the relationship among the key study variables namely strategy implementation and financial performance. An exploratory research design is conducted for a research problem that has a few studies for reference and as such, this research will be conducted to determine the nature of how strategy implementation affects financial performance. This study will adopt an in house survey in Shelter Afrique. A survey will be used because it is the most convenient data gathering method that provides statistically significant results and because it will gather diverse ideas from different people located in one company at the same time.

3.2 Data Analysis

A relation study will be delivered using regression analysis regressing the factors of strategy implementation against the factors of financial performance. By using regression analysis, the study will find out which aspect of culture is related to financial performance. Organizational culture factors will be regressed to performance. Regression of the aspect of resources and leadership to financial performance will also be done. It is also of interest to combine them and explain out of organizational culture, resources and leadership which aspect is more significant to enhance financial performance of Shelter Afrique. This will also guide the recommendations at the end of the study.

3.3 Description of Research Instruments

Research instruments are measurement tools which are designed to obtain data on a topic of interest from research subjects. According to Massey (2003), a research instrument must be reliable and valid. A questionnaire will be used as a research instrument to examine three aspects of strategy implementation that affect the financial performance of Shelter Afrique. The questionnaire will therefore be structured into three sections; organizational culture, leadership and resources. The questionnaire will consist of well-organized series of questions on the elements of organizational culture, leadership and resources.

3.4 Regression Analysis

Regression analysis was used in the study. This section presents the regression results on the extent to which leadership, resources and organizational culture affect financial performance. Below are the results from the questionnaire distributed to the employees of Shelter Afrique.

4.0 RESULTS AND FINDINGS

4.1 Organizational Culture and Financial Performance

The first objective of the study was to determine how organizational culture affects financial performance. Respondents answered ten statements concerned with organizational culture and how this aspect of strategy implementation affects performance.

Table 1: Organizational Culture and Financial Performance

	Employee Accountability	Rewards System	Communication of Strategic Goals	Staff Training	Team Work	Decentralized decision making	Proper alignment of goals and objectives	Conversant Employee	Constructive Feedback	Work Organization
Strongly Disagree	2.4%	2.4%		4.8%	2.4%	2.4%	2.4%	4.8%		2.4%
Disagree	4.8%	16.7%	2.4%	4.8%	9.5%	14.3%	2.4%	7.1%	11.9%	4.8%
Neutral	2.4%	7.1%	9.5%	4.8%	11.9%	16.7%	14.3%	19.0%	7.1%	7.1%
Agree	50.0%	31.0%	31.0%	45.2%	42.9%	31.0%	40.5%	40.5%	35.7%	31.0%
Strongly Agree	40.5%	42.9%	57.1%	40.5%	33.3%	35.7%	40.5%	28.6%	45.2%	54.8%
Mean	4.21	3.95%	4.43%	4.12	3.95	3.83	4.14	3.81	4.14	4.31
Std. Deviation	0.898	1.188%	0.770%	1.041	1.035	1.146	0.926	1.087	1.002	0.975

Source: Survey Data 2018

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From the results, it is evident that Shelter Afrique employees have a feedback mechanism in place for both performance appraisals and for the new strategy being implemented. Flexibility is another aspect of effective communication whereby adjustments when necessary can be conducted. This is in line with the expectancy theory discussed in Chapter two that indicates that management is solely based on the premise that there is no specific way of planning, organizing or controlling an organization. Flexibility and the ability to tailor the management's approach to the specific circumstance being faced by the organization enhances the overall performance of the organization.

4.2 Resources and Financial Performance

The second objective of the study was to determine how resources affects financial performance. Resources are paramount for any organization's enhanced financial performance and insufficient resources deter an organization from achieving the set goals and objectives. Respondents answered ten statements concerned with resources and how this aspect of strategy implementation affects performance.

Table 2: Resources and Financial Performance

	Sufficient and Experienced human resources	Corporate responsibility	Training of Employees	Sufficient Funds	Partnerships	Pricing Strategy	Internal Communication Channels	Enhanced Products and Services	Customer Satisfaction Programs	High Performance Work Systems
Strongly Disagree		2.4%		2.4%	2.4%					
Disagree	2.4%	4.8%	2.4%	4.8%	2.4%		7.1%	4.8%	4.8%	
Neutral	9.5%	21.4%	9.5%	14.3%	14.3%	7.1%	14.3%	16.7%	9.5%	11.9%
Agree	40.5%	31.0%	40.5%	35.7%	35.7%	35.7%	26.2%	19.0%	26.2%	19.0%
Strongly Agree	47.6%	40.5%	47.6%	42.9%	45.2%	57.1%	52.4%	59.5%	59.5%	69.0%
Mean	4.33	4.02	4.12	4.19	4.50	4.24	4.19	4.33	4.40	4.57
Std. Deviation	.754	1.024	.993	0.943	0.634	0.958	1.042	0.928	0.857	.703

Aybas (2016) indicated the importance of setting high performance systems and how doing this enhances the competitive advantage of the organization in today's competitive market and business environment. High performance work systems entail a group of separate but interconnected practices; training, performance appraisal, reward system, motivation and compensation. All these are designed to enhance employee effectiveness and ability to achieve a strategy's goals and objectives. Shelter Afrique a pan-African finance institution created to exclusively support the development of housing in its strategy greatly envisions the need to ensure job satisfaction, empowerment of employees and organizational commitment to meet its financial targets. Building a positive work environment influences performance as well and the issue of organizational culture which was one of the objectives of the study is seen to greatly tie with high performance work systems in a bid to enhance the financial performance of the organization.

4.3 Leadership and Financial Performance

The third objective was to study the role that leadership plays in enhancing financial performance. Ensuring effective leadership is key to improving an organization's financial performance. This is achieved by creating strong improvement priorities which align with an organization's strategy, improving project execution and implementing a leadership management system for sustained development. Respondents answered ten statements concerned with leadership and how this aspect of strategy implementation affects performance.

Table 3: Leadership and Financial Performance

	Flexibility	Supervisors' Leading Abilities	Leadership Style	Board of Director's Function	Decentralized Decision Making	Proper and Effective Delegation	Evaluation measures	Incentive Schemes	Clear and Detailed Strategy	Inter-personal Relations
Strongly Disagree	2.4%	4.8%	16.6%	14.3%	19.0%	7.1%		2.4%	2.4	2.4%
Disagree	14.3%	11.9%	7.1%	21.4%	16.7%	16.7%	19.0%	16.7%	7.1%	7.1%
Neutral	11.9%	9.5%	16.7%	11.9%	14.3%	4.8%	7.1%	11.9%	9.5%	21.4%
Agree	45.2%	47.6%	16.7%	31.0%	23.8%	47.6%	52.4%	42.9%	50.0%	35.7%
Strongly Agree	26.2%	26.2%	42.9%	21.4%	26.2%	23.8%	21.4%	26.2%	31.0%	33.3%
Mean	3.79	3.79	3.62	3.24	3.21	3.64	3.76	3.74	4.00	3.90
Std. Deviation	1.071	1.116	1.513	1.394	1.490	1.226	1.008	1.106	0.963	1.031

From the results above, it appears that the role of the board of directors in supporting the implementation of the strategy, decentralized decision making and evaluation measures to assess the performance of the new strategy was least linked to enhancement of financial performance of Shelter Afrique. The employees however averagely linked to financial performance; the existence of employee incentive schemes to motivate and reward staff, excellent inter-personal relations between supervisors and subordinates and the ability of supervisors to guide the subordinates to achieve the set objectives.

The aspect of leadership that employees highly linked to financial performance is the strategy being clear and detailed enough that staff can understand their new roles and how they relate back to the overall strategy. It appears the new strategy has been thoroughly communicated by management. The mean of the responses was 4.00 which means that the respondents agreed with the statement while the standard deviation was 0.963 which indicates that there was not much deviation in the responses given by the respondents

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4.4 Regression Analysis

Regression analysis was used in the study. This section presents the regression results on the extent to which leadership, resources and organizational culture affect financial performance. These independent variables; resources, organizational culture and leadership and the results are presented below in the table 4, 5 and 6 below;

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542[a]	.293	.236	174.81109
a. Predictors: (Constant), Leadership, Resource and Culture				

The R value (multiple correlation coefficients) of 54.2 % indicates that there is a relationship between the independent variables and the dependent variable. The R square (coefficient determination) value of 29.3% of the variance in the dependent variable is explained by the independent variables in the model of the variability in financial performance accounted for by the explanatory variable in the organization while the remaining percentage would be attributed to the random fluctuation on other unspecified variables (i.e stochastic error term. Themodel was significant as $p<0.05$.

Table 5: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	469305.915	3	156435.305	35.119	.005[b]
1	Residual	1130679.987	37	30558.919		
	Total	1599985.902	40			
a. Dependent Variable: Profit Projections Total						
b. Predictors: (Constant), Organizational Culture, Leadership and Resources						

Source: Research Data, 2018

Table 6 shows the results of the ANOVA test which revealed that the combined independent variables (organizational culture, leadership and resources) have significant effect on the financial performance of Shelter Afrique. This can be explained by the high F value of 35.119 and low P value (0.05) which is less than 5% level of significance. Further examination of the coefficients yielded data as shown in Table 4.8 below which presents the beta coefficients of all independent variables versus the dependent variable.

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Table 6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.942	.645		2.011	.052
	Leadership	.490	.644	.517	3.428	.002
	Resources	.043	.044	.355	2.098	.043
	Culture	.882	.375	.232	1.280	.208

Source: Research Data, 2018

The regression equation will be;

Y=2.011 + 3.428X + 2.098X + 1.280X

The regression model is written as:

Where;

Financial Performance

Leadership

Resources

Organizational culture

From the regression results above, the study can conclude that leadership, resources and organizational culture affect the financial performance of Shelter Afrique. The findings also show that taking all the independent variables (resources, leadership and organizational culture) at zero, a unit increase in leadership will lead to an increase of 3.428 in the financial performance of Shelter Afrique, a unit increase in resources will lead to an increase of 2.098 in the financial performance of Shelter Afrique and a unit increase in organizational culture will lead to an increase of 1.280 in the financial performance of Shelter Afrique. This therefore infers that all the variables tested: organizational culture, leadership and resources have positive relationship with financial performance. The findings show that all the variables tested are statistically significant with p-values less than 0.05.

5.0 Summary, Conclusions and Recommendations

5 .1 Introduction

Various writers have argued that effective strategy implementation enhances the financial performance of an organization. This study examined strategy implementation and financial performance of Shelter Afrique. The previous chapter presented the findings and the discussion of the study findings. This chapter will present the summary of the study findings, conclusions and the study recommendations.

5.2 Summary of Findings

5.2.1 Organizational Culture and Financial Performance

The first objective of the study was to determine how organizational culture affects financial performance. Results revealed that there is a positive relationship between organizational culture and financial performance. The study findings showed results that open communication, decentralized decision-making processes, rewards systems, employee accountability, alignment of goals and objectives across the departments and team work enhances the company's financial performance.

Other findings revealed that respondents generally agreed with different elements of organizational culture and their influence on the financial performance of the organization. On the relationship between the independent variables organizational culture and the dependent variable financial performance, the findings from the regression analysis showed that financial performance was positively associated with the organizational culture.

5.2.2 Resources and Financial Performance

The second objective of the study was to investigate the effect of resources on the financial performance of the organization. Regarding the influence of resources on financial performance, it was found that majority of the respondents agreed that resources being a significant aspect during strategy implementation has a direct impact on the financial performance of an organization. A mean of 3.487 was obtained from the elements of resources tested. This was an indication that the respondents generally agreed that resources enhance financial performance.

5.2.3 Leadership and Financial Performance

The third objective of the study was to determine the role that leadership plays in enhancing financial performance. On the effect of leadership on financial performance, the study found that majority of the respondents generally agreed that effective leadership style impacts financial performance of an organization. From the regression analysis and questionnaires collected, leadership stood out to be the main aspect that enhances financial performance. It was also generally agreed that setting evaluation measures to assess the performance of the new strategy is necessary for enhanced financial performance. The results further showed that decision making is decentralized, and the Board of Directors provide sufficient support for the implementation of strategic initiatives aimed at enhancing financial performance of the organization. Further results revealed that clear incentive schemes to motivate and reward staff impact the financial performance of the organization in that employees are motivated to achieve the set strategic goals and objectives of the organization.

A mean of 4.08 was obtained from the elements of resources tested. This was an indication that the respondents strongly agreed that leadership had a major influence on financial performance. The findings from the regression analysis revealed that 58.8% of the variations on financial performance can be explained by leadership, organizational culture and resources. The remaining 41.2% can be explained by other variables of strategy implementation which were not studied. This was an indication that the variables studied were strong predictors of organizational financial performance within Shelter Afrique.

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5.3 Conclusions

Based on the study findings, the study concluded that organizational culture affects financial performance at Shelter Afrique. This has been evidenced by the fact that elements of organizational culture such as communication, team work, decision making, alignment of goals and objectives across all departments, employee accountability and commitment, employees being conversant with the new strategy's objectives, priorities, long-term vision and values of the organization and rewards' system affect the financial performance of the organization.

The study also concludes that resources enhance the financial performance at Shelter Afrique. This has been evidenced by the fact that the provision of sufficient and experienced human resources to support the implementation of the new strategy ensures that skilled personnel are tasked with the implementation of the strategy thus enhancing financial performance. The provision of sufficient funds to support the implementation process and ensuring the pricing strategy matches the availability of resources enhances the financial performance of the organization.

The study finally concludes that there was a strong relation between the independent variables (leadership, organizational culture and resources) and the dependent variable (financial performance) as the independent variable explained up 58.8% of the variation on the dependent variable. The study also concludes that leadership plays a role in enhancing financial performance at Shelter Afrique. This has been shown by the positive relationship between leadership aspects such as decentralized decision making, leadership style, strategy evaluation measures, clear inter-personal relationships between supervisors and subordinates, sufficient support from the Board of Directors and detailed incentive schemes impact the financial performance of the organization.

5.4 Policy Recommendations of the Study

The study recommendations are in line with the objectives, findings and conclusions of the study. The following recommendations were made based on the study findings:

5.4.1 Leadership and Financial Performance

The study recommends that Shelter Afrique should put more emphasis on leadership aimed at enhancing financial performance. This can be realized by the ability of the new management on board to inspire the entire team, manage the available resources and commitment to team building towards achieving the set strategic goals and objectives geared at enhancing the financial performance of the organization. Top management should navigate organizations through unthinkable environmental turbulence, motivate employees and steer resources towards the achievement of various organization objectives. Top management should also pay attention to the needs of all the subordinates and provide sufficient opportunities for their growth and promotion to personality development, training and rewarding.

5.4.2 Organizational Culture and Financial Performance

The study recommends that Shelter Afrique should improve its organizational culture for it to provide a suitable basis for the implementation of the strategy. For a new strategy within an organization to be implemented successfully, it must align itself with the organizational culture. The culture should embrace the new strategy over time for the strategic goals and objectives to be met. Organizational culture should be conducive to unify members within the organization and to help create a set of common rules and norms within an organization that employees follow. The top management should therefore implement strategies that result into growth and that will eventually enhance the financial performance of the organization.

5.4.3 Resources and Financial Performance

The study finally recommends that the management should optimize the human resources and understand the importance of each employee in achieving the goals of the organization. Motivation of employees is of paramount importance in achieving the strategic goals and objectives.

5.5 Recommendations for further Research

This study sought to evaluate the effect of strategy implementation on the financial performance of Shelter Afrique a Pan African Housing Finance Institution headquartered in Nairobi, Kenya. Although similar studies have been carried out elsewhere specifically on other industries, this study also doubled up as a replication however with the main focus being on Shelter Afrique. The study developed a conceptual framework underpinning future research work on the effect of strategy implementation on financial performance of Shelter Afrique. The study focused only on three variables under strategy implementation; organizational culture, resources and leadership. The study therefore recommends that future researchers could consider introducing different other variables that fall under strategy implementation to assess their effect on financial performance in other housing institutions in the country and specifically include more variables both qualitative and quantitative in the studies to arrive at a more comprehensive conclusion on this area of study.

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