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Internal Organizational Environment and Implementation of Strategic Plan in the Public Sector: A Case of Kenya Power and Lighting Company Limited

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# Internal Organizational Environment and Implementation of Strategic Plan in the Public Sector: A Case of Kenya Power and Lighting Company Limited

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#### Abstract

The Kenya Power Lighting and Company (KPLC) Limited is a dominating player in the energy sector and plays a key role in contributing to the growth of the country's economy. However, statistics on KPLC show that they have been unable to achieve their strategic objectives. The internal organizational environment consists of factors within the firm that affect the achievement of its objectives. The general objective of this study wase to evaluate the internal organizational environment on implementation of strategic plans in the public sector in Kenya, the case of KPLC. The study was guided by the following specific objectives: to determine the influence of human resource on strategic plan implementation in the public sector; to investigate influence of corporate leadership on implementation of strategic plan in public sector in Kenya; to find out the influence of organizational structure on strategic plan implementation in public sector in Kenya and to find out the influence of organizational culture on the strategic plan implementation in public sector in Kenya. The study is beneficial to the public sector, researchers and policy makers. The study was anchored on Resource Based View theory, the Institutional theory and the Contingency theory. The study used descriptive research design because it enhances systematic description that is as accurate, valid and reliable as possible regarding the responses. The study was limited to a target population of 150 staff especially the management staff of Kenya Power and Lighting Company Limited based at its headquarter. This descriptive study utilized a target population sample size of 44 respondents which represented 30% of the target population. The quantitative data was analyzed using descriptive statistics. In addition the study used multiple regression model in analyzing the data. The study established that; human resource personnel in KPLC are qualified to enhance implementation of the firm's strategic plan; that top leadership equips employees with relevant skills to enable them carry out strategic activities; KPLC



structure is flexible for making quick decisions; top management have put in place clear rules and regulations to foster implementation of plans. However, it was noted that when it comes to easily adopting to changes in environment, respondents are not able to work as a team and implement strategic plans efficiently. The recommendation of the study is that human resource managers should invest more in training and developing the skills of the staff in the firm, the top management to clearly communicate the goals, vision and direction of the organization to the employees, a research on the company's culture is also key so as to identify it and align the organization's procedures accordingly and the creativity, innovation and perception of the firm's structure to be enhanced in strategic plan implementation.

**Keywords:** human resource, corporate leadership, organizational structure, organizational culture, implementation of strategic plans, Kenya Power and Lighting Company Limited

# 1. Introduction

Strategy implementation is likely to be successful when congruence is achieved between several elements crucial to this process. Chandler (1962) points out that while structure follows strategy, there is also evidence that structure influences strategy in certain situations. Hussey (1996) explores the subject of successful strategy implementation by introducing the concept of "soft" and "hard" aspects of implementation. He argues that there are soft and hard elements which need to fit together if the strategy is to be implemented. For effective implementation of strategy, there is need for adequate leadership in the organization. This ensures that all the organizations effort is united and directed towards achievement of the organizations goals (Pearce & Robinson, 2007).

An organization's success in implementation of strategic plans depends largely on the firm's ability to effectively manage its' internal environment (Hill & Jones, 1995). McKinsey's conceptualization of internal organizational environment through the 7S's model, posits the importance of realignment of the internal elements in implementation of strategic plans and eventually improve performance of the organization (Waterman, Peters & Julien, 1980). As Kaplan (2005) suggests, the intertwinement and interdependence of the seven parameters of the model: strategy, structure, skills, staff, shared values and style is important, and thus it is valuable in examining the success and efficiency of the implementation processes. Wheelen and Hunger (2007) opine that the internal organizational environment comprises of variables that are within the organization itself and are not usually within the short-run control of top management such as; organizational structure, organizational culture, financial, physical and human resources. From a resource based view of the firm, it is of high importance to take a close look at the internal organization of a company and its resources in order to achieve superior performance and understand how competitive advantage is determined within firms (Wernerfelt, 1984). This theory forms the four-sided specific objectives of this study namely; to establish the influence of corporate leadership, human resource, organizational structure, and organizational culture on the implementation of strategic plans in KPLC.

Human resource is important in strategy implementation. Organizations successful at strategy implementation consider the human resource factor in making strategies happen.



Further, they realize that the human resource issue is really a two part story. First, consideration of human resources requires that management think about the organization's communication needs. That they articulate the strategies so that those charged with developing the corresponding action steps (tactics) fully understand the strategy they are to implement (Olson, Slater & Hult, 2005).

Logically, the implementation of strategic plan in many organizations may not survive unless it gains from thoughtful leadership. Therefore, having an effective corporate leadership may lead an organization to success in the implementation of strategic plan. Strang (2005) believe that outcomes of leadership which are production and stakeholder's satisfaction can be modified by the behavior of a leader. Based on a study conducted in the manufacturing industry by Deluga (1988), cited by Strang (2005), there is a close association between modern corporate leadership and employee satisfaction, leader effectiveness, and implementation of strategic plan.

The role of organizational leadership is of fundamental importance to the implementation of strategic plan and success of organizations. This includes many aspects like visionary, motivator, enabler, facilitator as well as mentor and coach. At the start-up stage of a business organization, the managing director or leader is responsible for the supply of the product or service, the administration, the management and the sales and marketing. In effect the business is the leader and the leader is the business. As the business grows, the leader has to concentrate on the overall strategic direction and delegate some of the operational and technical decisions to appointed staff and employees. The organizational leader has to give responsibility on the basis of trust or design control systems to monitor individual activity. The leader will now also have to employ management and staff with the necessary specialist skills. In order for the business to grow, sales revenue must increase which means that more products are manufactured or quality is improved to justify an increased unit price or product range (Breene & Nunes, 2006).

Organizational Structure is not simply an organization chart. Structure is all the people, positions, procedures, processes, culture, technology and related elements that comprise the organization. It defines how all the pieces, parts and processes work together (or don't in some cases). This structure must be totally integrated with strategy for the organization to achieve its mission and goals. Structure supports strategy. If an organization changes its strategy, it must change its structure to support the new strategy. When it doesn't, the structure acts like a bungee cord and pulls the organization back to its old strategy. Strategy follows structure. What the organization does defines the strategy. Changing strategy means changing what everyone in the organization does (Nyakeriga, 2015)

According to Littler, Wiesner and Dunford (2003), managers are needed to make quick decisions and represent a source of appeal over conflicts. Tall structures also ensure that delayering increases the number of direct reports per manager and hence significantly increases management workload and corresponding levels of stress. According to Rajan and Wulf (2006), managers partly reduce the workload by having to delegate. However, this role adjustment in itself is stressful (same responsibility but less authority or control) and many organizations increase the span of control beyond the point at which many managers are capable of coaching or leading their direct reports.

A stable culture, one that will systematically support strategy implementation, is one that fosters a culture of partnership, unity, teamwork and cooperation among employees.



Strong cultures encourage successful strategy implementation. On the contrary, weak cultures are a stumbling block to successful strategy implementation (Buul, 2010). Mehta and Krishnan (2004) argue that strong culture support shared belief in norms, practices and other virtues within the organization that help strengthen everyone to partake their jobs to promote successful strategy implementation. In weak cultures, employees have little or no pride in ownership of work. It is sloppy and there are very few values tempting people to form political groups within the organization. Such cultures provide little or no assistance to implement strategy. The challenge for an organization and its leaders, therefore, is to be able to identify, create, and sustain the type of culture that is conducive to achieve desired results.

The Kenya Power and Lighting Company Ltd is a key player in the electric power supply sub sector with the mandate to purchase bulk electricity supply, transmit, distribute and retail electricity to end use customers throughout Kenya. To provide world class power that delights and powering people for better lives. To efficiently transmit and distribute high quality electricity throughout Kenya at cost effective tariffs; to achieve the highest standards of customer service; and to ensure the company long term technical and financial viability. KPLC is committed to providing high quality customer service by efficiently transmitting and distributing high quality electricity that is safe, adequate and reliable at cost effective tariffs (KPLC, 2019).

The Board, Management and staff of KPLC are committed to effective implementation and continual improvement of the Quality Management System that complies with ISO9001:2008 in order to consistently meet its customers and other stakeholder's requirements and expectations (KPLC, 2019). To accomplish the company's targets the company has set up a 5 years Corporate Strategic Plan for the period 2018-2022 which provide the guidance where the company wishes to pursue. Nonetheless, amid the formulation and implementation of the strategic plan, the company has issues affecting the company's activities. Therefore, the organization has been compelled to seek strategies in resolving issues arising and learning in the process.

# 2. Statement of the Problem

One of the key features that accelerate the accomplishment of the national goals, Kenya Vision 2030, is the electricity subsector. Therefore, the supply of electricity highlighting sustainable, cost friendly, and consistency for the people is a key empowering agent in attainment of the Kenya Vision 2030. Kenya Power is one state organization that leads in distributing power in Kenya. Nonetheless, Elske, Kant and Ard (2014) noticed that the sector is not working great in a few regards. As indicated by the Energy Progress Report for the period 2014 to 2016 released by the World Bank (2018), power access rate in Kenya remained at 56%. Kenya Power has an objective of accomplishing access by all citizens to electricity by 2020. The strategic objectives of improving generation of power, technology, service access, satisfaction of customers and information has nevertheless not been accomplished due to poor performance.

Research has mostly been geared towards strategy implementation and organizations' performance in big organizations in the service and manufacturing sectors but inadequate studies have been done in the internal organizational environment and implementation of strategic plan in the public sector. An organization's survival is highly dependent on a



successful strategy implementation. Sustaining competitive advantage is very difficult for many firms in spite of a strong process for strategy formulation. This is because they lack effective implementation processes for these strategies.

The public sector is on transition with regard to strategic planning. The government requires strategic planning in the organizations that was not the case previously (GOK, 2015). Thus, the traditional oriented organizations had to look for ways to face upcoming dilemmas through private parties' inclusion and participation. The increase in strategic implementation failure in the public organizations has led to a focus in strategic implementation. The Kenyan public firms that are unable to manage their operations stand at seventy eight percent and this is attributed to internal inefficiency that need pragmatic restructuring (Mwema, 2015). These inconsistencies were connected to management's inflexibility, poor attitude in the workplace, misallocation of resources and incompetence in the structure.

Studies have been locally conducted in this field. Bwibo (2000) studied change in strategic management in Kenyan Non-governmental firms. Oduor (2007) looked into challenges encountered by Southern and Eastern African Trade and Development Bank in implementation of resource mobilization strategy. Gitonga (2008) researched behaviors in the work place and employees' satisfaction. Ngonze (2011) researched the elements impacting implementation of strategy at the Cooperative Bank of Kenya. Karimi (2011) studied the implementation of balance score card (BSC) as a strategy at Toyota East Africa Limited. Maragia (2011) studied the strategy implementation challenges at Mavoko Municipal Council in Kenya. Studies have been carried out in a holistic or partial perspective by local scholars instead of specifically. Moreover, this field of research has attracted an interest and more quality theories in the West. It has however not been given much focus in the Kenyan context. Furthermore, only few have concentrated on electricity sub-sector firms in spite of its strong contribution to the economy. Analysis on the effect of the internal environment on the implementation of strategic plans in the public sector is therefore understated. This research pursued the study of the effect of the internal environment on the implementation of strategic plan in the public sector in Kenya, so as to fill the study gap.

#### 3. Objectives of the Objectives

- 1. To determine the influence of human resource on the implementation of strategic plans in KPLC.
- 2. To investigate the influence of corporate leadership on the implementation of strategic plans in KPLC
- 3. To examine influence of organizational structure on the implementation of strategic plans in KPLC
- 4. To find out influence of organizational culture on the implementation of strategic plans in KPLC



#### 4. Literature Review

#### **4.1 Theoretical Framework**

#### **Resource Based View Theory**

This theory was developed by Pfeffer and Salancik (1978). The Resource-Based View (RBV) is an economic tool used to determine the strategic resources available to a firm. The fundamental principle of the RBV was that the basis for a competitive advantage of a firm lies primarily in the application of the bundle of valuable resources at the firm's disposal. To transform a short-run competitive advantage into a sustained competitive advantage, it requires that these resources be heterogeneous in nature and not perfectly mobile. Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort (Hoopes *et al.*, 2003). According to resource based theory, organizations that wish to maintain a distinctive competitive advantage need to plug gaps in resources and capabilities in the most cost effective manner to do so.

The original idea of viewing a firm as a bundle of resources can be traced back to Penrose (1959), who argues that it is the heterogeneity, not the homogeneity, of the productive services available from its resources that give each company its unique character. The view of the firm's resources heterogeneity is the basis of the RBV and was advanced by Wernerfelt (1984), suggesting that the evaluation of companies in terms of their disposable resources could lead to different insights from traditional perspectives that view competitive advantage as a rather external paradigm and argue that the alignment of a firm to its external environment is the main determining factor for a firm's profitability (Andrews, 1987; Porter, 1985).

Barney (1991) developed a framework for the identification of the properties of firm resources needed for the generation of a sustainable competitive advantage. The properties include whether resources are valuable, rare among a firm's current and potential competitors, immitable, and non-substitutable. If resources have these characteristics they can be seen as strategic assets. Subsequently, this notion has been adopted by many researchers (Amit & Schoemaker, 2010).

Peteraf (2010) expanded to include the properties of resource durability, non-tradability, and idiosyncratic nature of resources. The RBV can be depicted as an "inside out" process of strategy formulation. A central thrust is the contribution of core competencies as strategic assets, which will be the continuing source of new products and services through whatever future developments may take place in the market, which by their nature, are not known (Connor, 2002). The emphasis of the RBV approach to strategic management decision-making is on the strategic capabilities as basis for superiority of the firm rather than attempting to constantly ensure a perfect environmental fit. Resources are the specific physical, human, and organizational assets that can be used to implement value-creating strategies. Capabilities present the capacity for a team of resources to perform a task or activity (Grant, 1991). In other words, capabilities present complex bundles of accumulated knowledge and skills that are exercised through organizational processes, which enable companies to coordinate their activities and make use of their assets (Day, 1994).



According to Collis (1994), capabilities are always vulnerable to be competed away by a competitor's higher order capability amongst other limitations such as erosion or substitution. Intangible assets are central to the RBV approach to understanding competitive advantage since they cannot easily be acquired or imitated, in contrast to tangible assets. Hall (1992) identified the relevant intangible assets as know-how, product reputation, culture and networks as main contributing factors to the overall success of a firm. Thus, the asymmetric performances between heterogeneous companies are very much driven by the intangible strategic assets. Adding to this notion, Lovas and Goshal (2000) conclude that firms have to achieve a synergy between exploitation and creation of human and social capital as intangible assets in order to obtain better performances in the long run. Grant developed a practical framework for a resource-based approach to strategy consisting of the identification of resources and capabilities, their potential for achieving implementation of strategic plan. The Resource Based View (RBV) theory is therefore relevant to the study as it looks into the internal environment thus informs all the study variables.

#### **Institutional Theory**

The basic concepts and premises of the institutional theory approach provide useful guidelines for analyzing organization-environment relationships with an emphasis on the social rules, expectations, norms, and values as the sources of pressure on organizations. This theory is built on the concept of legitimacy rather than efficiency or effectiveness as the primary organizational goal (McAdam & Scott, 2004).

The environment is conceptualized as the organizational field, represented by institutions that may include regulatory structures, governmental agencies, courts, professionals, professional norms, interest groups, public opinion, laws, rules, and social values. Institutional theory assumes that an organization conforms to its environment. There are, however, some fundamental aspects of organizational environments and activities not fully addressed by institutional theory that make the approach problematic for fully understanding NGOs and their environment: the organization being dependent on external resources and the organizations ability to adapt to or even change its environment (McAdam & Scott, 2004).

Researchers such as Meyer and Rowan (1991) and DiMaggio and Powell (1983), are some of the institutional theorists who assert that the institutional environment can strongly influence the development of formal structures in an organization, often more profoundly than market pressures. Innovative structures that improve technical efficiency in early-adopting organizations are legitimized in the environment. Ultimately these innovations reach a level of legitimization where failure to adopt them is seen as "irrational and negligent" (or they become legal mandates). At this point new and existing organizations will adopt the structural form even if the form doesn't improve efficiency. This theory was relevant to this study for it analyzes the organization-environment relationship and also brought out the importance of legitimizing the Organization structure variable in achieving efficiency.



#### **Contingency Theory**

Contingency theory is the process of achieving a fit between the conditions of an environment and the design of the organization (Bess & Dee, 2008). It is an effort to determine through research which managerial practices and techniques are appropriate to different situations (Kreitner, 1992). The theory originated in the 1960's as a challenge to the traditional management approach as the best way to organize tasks in the work place. The contingency theory holds that there is no "one best way" to organize, and organizations perform best when they adapt to fit their contingencies (Bess & Dee, 2008; Hutch & Cunliffe, 2006; Donalson, 2001; Scott, 1992).

The evolving business environment compels organizations to change if they do not want to avoid loss of performance (Donaldson, 2001). Contingency theory's most valuable contribution to organizational science has been to make us aware that there are different ways to organize successfully and to begin to enumerate the possibilities and their consequences. In contrast it has been argued that the contingency theory does not attain full fit, but quasi-fit, that is a structure that only partially fits the contingencies (Donaldson, 2001). In addition, organizational managers may not always know these fit states of the theory and so cannot adequately change the organization towards it (Donaldson, 2001). The theory stresses the decision-making process by the management depending on changes in the environment. It therefore underpinned corporate leadership and corporate culture variables in the study.

#### 4.2 Empirical Review

#### Human Resource and Implementation of Strategic Plans

According to Hamid (2010), studies show that most big companies have had problems in implementing their strategies. His study identified effective factors, like: leadership, organizational structure, human resources, information systems and technology, on successful implementation of strategies in service sector. For this purpose, statistical population were randomly selected from Pasargad Bank branches in Tehran and include the branch presidents, their deputies and executives working in the bank branches as well as managers of Central Office of Pasargad Bank. Sampling was based on the simple random sampling. The questionnaire was used as the information gathering device. Reliability of questionnaire was studied by three experts and two managers of central office, and for validity measurement Cronbach's Alpha test was used. He used sign test for measuring the effects and Wilcoxon for group difference on depended variable. The findings showed that all mentioned factors affect the strategy implementation but their effects rates are different.

Muogbo (2013) in a research investigating the relationship between organizational performance and employee motivation in selected manufacturing firms in Anambra State reveals a significant relationship between the two. Some of the notable and relevant variables in the study included compensation, work environment, fringe benefits, promotion, and safety, autonomy, job embeddedness, Staff training, availability of communication, and efficient communication. In other words, it is vital to motivate employees in order to get their participation to the strategy implementation.

In another study conducted by Waseef and Iqbal (2011) in knowledge intensive firms in Peshawar of Pakistan, which attempted to explain the relationship between management



of human capital and organizational performance, it emerged that management of human capital is a source of competitive advantage. Benchmarking on higher education institutions and pharmaceutical firms, it emerges that human capital management influences organizational performance. The results of the study shed light on the importance of investing in management of human capital as a strategy for developing organizational and national competitive advantage. Furthermore, researches by Amir and Amen (2013) and McKinsey (2006) maintain that improved capabilities, knowledge, and skills of a talented workforce are undisputable sources of competitive advantage globally. Therefore human resource is vital in implementation of strategic plans.

# **Corporate Leadership and the Implementation of Strategic Plans**

Harrington (2006) investigated the moderating effects of size, manager tactics and involvement on strategy implementation in Canadian food service sector and concluded that manager's perceptions of environmental complexity and organization size directly impact involvement during strategy implementation. Schaap (2006) conducted an empirical study on the role of Senior-Level Leaders in the Nevada Gaming Industry in USA and found that frequent communication up and down the organization structure enhances strategic consensus through fostering shared attitudes and values. On the other hand, Lehner (2004) investigated strategy implementation tactics as response to organizational, strategic, and environmental imperatives among 136 upper-Austrian firms and empirically confirmed autocratic, participative and cultural implementation styles. However, all these studies were carried out in developed countries.

Transformational leadership style is particularly important in organizational performance as it surpasses transactional style in organizational success (Jonathan, 2012). Christopher, Denver, Severino, Shingirai and Tonderai (2012) opine that leadership must be vision-led, have strong communication systems, and act as role model for behavior changes, which are consistent with new strategies. Anees (2013) also found a significant relationship between leadership behaviors and overall organizational performance.

According to Jooste and Fourie (2009) in South Africa, many barriers to effective strategy implementation exist. A lack of leadership, and specifically strategic leadership, at the top of the organization 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. However, this study mainly focused on strategic leadership as a barrier to strategy implementation.

# **Organizational Structure and the Implementation of Strategic Plans**

A study by James (2014) investigated the strategy implementation processes that have a widespread adoption within most electricity distribution companies in the Sultanate of Oman. The results indicate that most managers consider coordination of activities a major challenge in strategy implementation. Indisputably, coordination requires alignment of the processes, planning, and change management for individuals tinged with the management of specific processes and tasks. In this case, the strategy-related tasks as well as non-related strategies are combined and balanced at the same time (James, 2014).



In a model developed and tested by Felipe (2012), organizational structure was conceptualized as a decision-making structure. As such, it has proved to have an effect on the number of successful organizational initiatives. The findings of the study revealed that there were predictable effects or organizational structure on a wide range of organizations. Furthermore, they also suggested that organizational structure even increases the consensus threshold required by a committee that selects projects. Consequently, there is a likelihood of a fewer commission errors, more omission errors, and few approved projects.

#### **Organizational Culture and the Implementation of Strategic Plans**

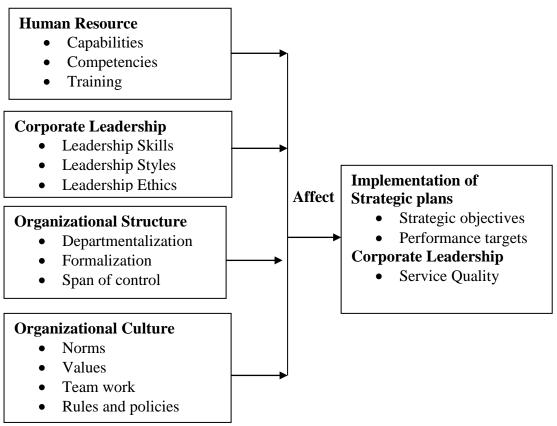
Rizwan, Yasin and Saleh (2014) considered the interactional effects of organizational culture on this relationship between knowledge management practices and effectiveness of the organization. As per the study, ad hoc culture opens space for development while various leveled societies animate impersonation. Additionally, where the pioneers are slanted to control as opposed to adaptability, there exists a bureaucratic culture. Then again, creative culture is developed through inclination of adaptability by authority. Unquestionably, bureaucratic culture completely connected struggle and decreases effects of inventive and steady culture (Rizwan et al., 2014). The study reasoned hierarchical adequacy is dictated through information the executives frameworks or practices. Furthermore favorable hierarchical culture emphatically directs learning the board rehearses. Worldwide administrators must advance learning the executives rehearses and make helpful culture to found and continue hierarchical viability.

Rajasekar (2014) in his study on variables influencing powerful system usage in a Service Industry recognized culture of an organization as a key component of strategic implementation process. The study tended to in detail the jobs of corporate correspondence (inside and outside), administration, authoritative structure, and control systems. He found that an important relationship exists between authoritative culture and strategy implementation. Aftereffects of the study demonstrated that a wide range of authoritative societies have noteworthy organization with the usage procedure, yet the degree of the way of life's impact fluctuates from the best (faction culture) to the least compelling (chain of command culture).

Ahmadi et al. (2012) consider on the connection between authoritative culture and methodology Implementation: Typologies and measurements reasoned that there is adequate proof connecting social attributes and hierarchical viability. The discoveries demonstrate that faction culture impacts essentially on strategic implementation. This result delineates the multidimensional idea of culture, making shrewd administrators mindful of the truth that they should account all parts of culture exquisitely so that to apply its beneficial capacities as they execute methodology.



# 4.3 Conceptual Framework



**Figure 1: Conceptual Framework** 

# **5. Research Methodology**

A descriptive research design was used to find the effects of the internal organizational environment on the implementation of strategic plan in the public sector at KPLC. The target population in the study comprised of 145 staff that are the management staff of Kenya Power and Lighting Company LTD based at its headquarters in Nairobi. The study used questionnaire as the research instrument to gather relevant data for the study. Descriptive statistics plus inferential statistics were used. Collected information was analyzed through the SPSS software. The regression equation that was used in testing the hypothesis of this study and its significance is as shown below:

 $Y = \beta_{0 +} \beta_1 X_{I} + \beta_2 X_{2} + \beta_3 X_{3} + \beta_4 X_{4} + \epsilon$ 

Where:

Y= Implementation of Strategic Plans

X<sub>1</sub>: Human Resource

- X<sub>2</sub>: Corporate Leadership
- X<sub>.</sub>: Organizational Structure
- X<sub>4</sub>: Organizational Culture
- $\beta_0$ : is the constant or intercept

 $\beta_i$ : are the corresponding coefficients for the respective independent variables.

 $\epsilon$ : is the error term



#### 6. Results and Discussions

The researcher administered a total of 44 questionnaires and 40 were completed and returned. This represents a response rate of 90.9% as shown in Table 4.1. This response was good enough to give the findings of the study and therefore the researcher relied on them. However in that case, after filtering and cleaning of the data, it was eventually realized that 4 questionnaires had erroneous responses and were discarded leaving the researcher with 40 well filled questionnaires that proceeded to data analysis.

#### **6.1 Descriptive Analysis**

The researcher used descriptive analysis to quantitatively summarize the data gathered from the variables under study. These variables measured are human resource, corporate leadership, organizational structure, organizational culture and implementation of strategic plan.

#### **6.1.1 Human Resource**

The researcher posed statements to examine the extent to which respondents agreed or disagreed on the human resource. The results are as summarized in Table 1.

	Mea	n	Std.	Skewr	less
			Deviation		
	Statistic	Std.	Statistic	Statistic	Std.
		Error			Error
The organization provide for proper	3.63	0.06	0.60	0.39	0.25
utilization of human resources toward					
the implementation of strategic plans					
in public sector in Kenya					
The organization allocates sufficient	3.51	0.08	0.75	0.11	0.25
human resources toward the					
implementation of strategic plans in					
public sector in Kenya	2.04	0.00	0.70	1 10	0.05
The organization monitors and audits	3.84	0.08	0.79	1.18	0.25
all the human resources allocated					
toward the implementation of					
strategic plans in public sector in					
Kenya The ergenization has well trained	4.05	0.09	0.85	1.04	0.25
The organization has well trained	4.03	0.09	0.85	1.04	0.23
human resource to support implementation of strategic plans					
The resources allocated are utilized as	3.80	0.09	0.90	0.74	0.25
per the set goals in our organization	5.80	0.09	0.90	0.74	0.23
The human resource personnel in our	3.88	0.10	0.94	0.67	0.25
organization are qualified to enhance	5.00	0.10	0.74	0.07	0.25
implementation of strategic plans					
implementation of strategic plans					

#### **Table 1: Human Resource**



KPLC provides for proper utilization of human resources toward the implementation of strategic plans in public sector in Kenya was strongly agreed with a mean of 3.63 and a standard deviation of 0.6 positively skewed. This indicated that for the KPLC to enhance the implementation of strategic plans, it should provide for proper HR use. Equally, most of the respondents agreed that KPLC allocates sufficient human resources toward the implementation of strategic plans in public sector in Kenya with a 3.51 mean and 0.75 standard deviation and positive skewness.

Moreover, most agreed that KPLC monitors and audit all the human resources allocated toward the implementation of strategic plans with 3.84mean and 0.79 standard deviation and 1.18 positive skewness. Using these statements, it can be noted that it is good for KPLC to monitor and audit all the human resources allocated toward strategic plan implementation. Many respondents agreed with 4.05 mean and 0.09 standard deviation that KPLC has well trained human resource to support implementation of strategic plans. A summarized table is shown above with the statements' results.

The finding agree with those of Amir and Amen (2013) and McKinsey (2006) which pointed out that enhanced capacities, learning, and abilities of a gifted workforce add value to the organization and give it a competitive edge. Therefore, the studies similarly conclude that human asset is key in implementation of strategic plan.

# 6.1.2 Corporate Leadership

The researcher seek to find out the extent that the respondent agreed with statements on the issues related to Corporate Leadership and the results summary is as shown in table 2.

The statement that top leadership in KPLC motivates the employees towards the implementation of strategic plans was agreed strongly with a statistic mean of 3.40 and a standard error to the mean of 0.13, a standard deviation of 1.29 as well as a statistic skewness of 0.53 with a standard error of 0.25. The standard deviation in this case was 1.29 which was not large enough, meaning the variable concentrated around the mean. The study found that the response was skewed towards the right with high concentration across the mean with a skewness of 0.53. This was an indication that top leadership in the organizations indeed motivates its employees towards the implementation of KPLC's strategic plan.

Moreover, the fact that the top leadership in the organization support employees and inspires them towards the implementation of strategic plans, the findings indicated that majority of the respondents agreed with the statement with a mean of 2.65 and a standard error of 0.11. In this case again, the standard deviation was 1.12 and a skewness of -0.03. These findings indicate that organization support employees and inspires them.

Equally, the standard deviation was not so large, an indication that the variables concentrated along the mean. About the fact that the top leadership in the organization communicates to the employees about the organizations day to day Business in relation to implementation of strategic plans, the respondents were neutral with a mean of 2.50 and a standard error of 0.12 and a standard deviation of 1.20.The finding also indicate appositive skewness of 0.14 with a standard error of 0.25. A summarized table is shown above with the rest of the statements' results.

	Mea	an	Std. Deviation	Skewi	ness
	Statistic	Std. Error	Statistic	Statistic	Std. Error
The top leadership in our organization motivate employees towards the implementation of strategic plans	3.40	0.13	1.29	0.53	0.25
The top leadership in our organization support employees and inspires them towards the implementation of strategic plans	2.65	0.11	1.12	-0.03	0.25
The top leadership in our organization communicates to the employees about the organizations day to day Business in relation to implementation of strategic plans	2.50	0.12	1.20	0.14	0.25
The top leadership in our organization upholds employee rights and transparency in relation to implementation of strategic plans	2.50	0.12	1.13	0.29	0.25
The corporate leadership in our organization is innovative and competent in helping our organization implement strategic plans	2.55	0.11	1.06	0.07	0.25
The organization equips employees with relevant skills to enable them carry out strategic activities.	3.44	0.12	1.14	0.24	0.25
The most important thing when implementing strategic plans is the top level management's commitment to the strategic direction.	3.74	0.31	0.95	0.77	0.25
Corporate management is a key factor in implementation of strategic plans since it has a pivotal role in strategic communication	3.30	0.42	1.30	0.91	0.25

# Table 2: Corporate Leadership

The statements' findings concur with those of Christopher, Denver, Severino, Shingirai and Tonderai (2012) opining that leadership must be vision-driven, have solid systems of communication, and be a good example when it comes to changes in behavior, which are



consistent and streamlined with new strategies. Anees (2013) likewise found a critical connection between leadership in an organization and performance in the organization. Thus, strategic leadership is key in strategy implementation.

#### **6.1.3 Organizational Structure**

The researcher posed statements to examine the extent to which respondents agreed or disagreed on the statements related to organizational structures and the results were summarized in table 3.

# **Table 3: Organizational Structure**

	Mea	n	Std. Deviation	Skewi	ness
	Statistic	Std. Error	Statistic	Statistic	Std. Error
The organization co-ordinate individual efforts and roles in the organization toward implementation of strategic plans	3.06	0.11	1.05	0.92	0.25
The organization has a simple layer of reporting which enhances efficiency in implementation of strategic plans	2.55	0.12	1.17	0.41	0.25
The organization has many hierarchical levels involved in decision making which influence implementation of strategic plans	3.82	0.13	1.23	0.24	0.25
The organizational allows division of tasks among the various departments to enhance implementation of strategic plans	3.00	0.12	1.22	0.04	0.25
The organization structure in our organization is flexible for quick decision making	2.63	0.11	1.11	0.37	0.25
The overall organizational structure is reviewed to accommodate new strategies, technological, economic and demographic changes	2.83	0.12	1.21	0.29	0.25
Communication concerning strategy implementation is both horizontal and vertical	2.64	0.12	1.13	0.36	0.25

Majority of the respondents agreed that KPLC co-ordinates individual efforts and roles in the company towards implementation of strategic plans. The findings indicated a mean of 3.06 with a standard error of 0.11. A standard deviation of 0.11 is minimal with an indication that the variables were very close to the mean. The same findings indicated a standard deviation of 1.05. A standard deviation indicated the extent to which the variables differed from the mean value or the measure of dispersion. A value of 1.05 indicated that values concentrated across the mean. On the same note, the findings indicated Skewness of 0.92 which indicated that values were positively skewed or towards agreement.

On the other hand, the researcher wanted to determine if the KPLC has a simple layer of reporting which enhances efficiency in implementation of strategic plans. Respondents casted doubt on the same statement and therefore were neutral with a mean of 2.55 which had a standard error of 0.12. As usual, this standard error is not large enough again with a standard deviation of 1.17 and indication that the measures surrounded the mean.



About the fact that the KPLC has many hierarchical levels involved in decision making which influence implementation of strategic plans, majority of the respondents agreed with a mean of 3.82 and a standard error of 0.13 and a standard deviation of 1.23. The finding also indicate appositive Skewness of 0.24 with a standard error of 0.25. Respondents in this case indicate that KPLC has many hierarchical levels involved in decision making which influence implementation of strategic plans. The rest of the statements have been summarized on the table above.

The findings concur with the findings of Felipe (2012) that there were unsurprising impacts or organizational structure on a wide scope of companies. A study by James (2014) also conveyed that most heads consider coordination of exercises a noteworthy test in strategic implementation. Unquestionably, coordination requires aligning planning, procedures and management of change for people tinged with the specified tasks and processes.

#### 6.1.4 Organizational Culture

The researcher posed statements to examine the extent to which respondents agreed or disagreed on the statements related to organizational culture and the results were summarized in table 4.

	Mean		Std. Deviation	Skewn	iess	
	Statistic	Std. Error	Statistic	Statistic	Std. Error	
Our organization's service charter is clearly written and focused on enhancing implementation of strategic plans	3.55	0.11	1.11	0.36	0.25	
The management style in the organization promotes job security, conformity, predictability and stability	2.52	0.11	1.11	0.72	0.25	
The values of our organization are very clear, focused and easily conceptualized toward implementation of strategic plans	2.71	0.13	1.26	0.28	0.25	
By easily adopting to changes in environment we are able to work as a team and implement strategic plans efficiently	2.41	0.09	0.89	0.29	0.25	
Having well defined structural framework makes implementation of strategic plans easier	1.66	0.10	1.00	1.25	0.25	
All employees adhere strictly to the companies rules and policies related to implementation of strategic plans	2.66	0.13	1.27	0.68	0.25	
Implementation of strategic plans is aligned with our organization culture	2.46	0.33	1.15	0.80	0.25	
Top management have put in place clear rules and regulations to foster implementation of strategic plans	2.88	0.11	1.10	0.89	0.25	

# **Table 4: Organizational Culture**

Majority of the respondents agreed that KPLC's service charter is clearly written and focused on enhancing implementation of strategic plans. This was indicated with a mean of 3.55 and a standard deviation of 1.11 which was also positively skewed. On the other



hand, the researcher wanted to know whether the management style in the organization promotes job security, conformity, predictability and stability. Respondents were neutral on this with a mean of 2.52 and a standard deviation of 1.11 with a positive skewness. This was an indication that they neither agreed nor disagreed with the statement thus creating doubt.

The findings further indicated that the values of KPLC are very clear, focused and easily conceptualized toward implementation of strategic plans. This was indicated by the majority of the respondents agreeing with the statement with a mean of 2.71 with a standard deviation of 1.26 and a positive skewness. Further, the researcher went ahead to determine whether by easily adopting to changes in environment respondents are able to work as a team and implement strategic plans efficiently. The findings indicated that majority of the respondents disagreed with the statement with a mean of 2.41 and a standard deviation of 0.89 meaning that the variables concentrated along the mean and therefore did not have a wide dispersion. The rest of the statements have been summarized on the table above.

The findings match those by Rizwan et al. (2014) which indicated that the bureaucratic culture is completely connected with conflict and reduces the impact of culture that is both supportive and innovative especially when it comes to teamwork. Likewise, Rajasekar (2014) found that an important relationship exists between organization culture and implementation of strategic plan. It also resonates with the study by Ahmadi et al. (2012) that considered the connection between authoritative culture and strategic implementation which concludes with proof linking the effectiveness in an organization with the cultural traits.

# 6.1.5 Implementation of Strategic Plan

The researcher posed the following statements to be ranked on their contribution to the implementation of strategic plan and the results were summarized in table 5.

	Mean		Std. Deviation	Skewr	ness
	Statistic	Std. Error	Statistic	Statistic	Std. Error
Timeliness of project completion	2.55	0.12	1.00	0.66	0.25
Frequency of monitoring and evaluation of projects	2.59	0.11	1.26	0.52	0.25
Accuracy of information provided to customers	3.71	0.13	1.11	0.28	0.25
Accessibility of services provided	3.89	0.09	0.89	0.29	0.25
Continuous process improvement	2.56	0.10	1.00	1.25	0.25
Effective resource utilization	3.42	0.07	1.27	0.68	0.25
Attainment of strategic objectives	2.75	0.13	1.15	0.80	0.25
Attainment of performance targets	2.68	0.12	1.10	0.75	0.25
Service Quality	3.94	0.08	1.11	0.86	0.25

#### **Table 5: Implementation of Strategic Plan**



The timeliness of project completion was ranked at 2.55 and a standard deviation of 1.0 with a positive skewness of 0.66. This indicated most of the respondents' ranked timeliness of project completeness at average. Similarly, the frequency of monitoring and evaluation is also on average at 2.59. The highly ranked statements with positive skewness from the respondents included accuracy of information provided to customers with a mean of 3.71, accessibility of services provided with a mean of 3.89, effective resource utilization with a mean of 3.42 and service quality with a mean of 3.94. The rest of the statements are summarized on the table above.

The findings are similar to Pearce and Robinson (2007) who established that for successful implementation of strategy, there is need for sufficient initiative by the firm. This will guarantee that all the organization's drivers are joined together and coordinated towards accomplishment of strategic objectives. According to Hill and Jones (1995), a firm's success in implementation of strategic plans largely depends on its capability to effectively manage its' internal environment.

#### **6.2 Correlation Analysis**

In the table 6 below, there is a positively moderate correlation between human resource, corporate leadership, organizational structure and organizational culture in the implementation of KPLC's strategic plan. Indicating an increase in the four study variables lead to the implementation of strategic plans of KPLC. The study findings are consistent with those found by Rajasekar (2014) who contended that there is significant relationships between internal organizational environment and the implementation of strategic plans but the extent of the internal organizational environment's influence varies from the most effective to the least effective internal organizational environment.

		HR	CL	OS	OC	ISP
HR	Pearson Correlation	1	.909**	.862**	.327*	.814**
	Sig. (2-tailed)		.000	.000	.015	.000
	N	40	40	40	40	40
CL	Pearson Correlation	.909**	1	.937**	.319*	.853**
	Sig. (2-tailed)	.000		.000	.018	.000
	N	40	40	40	40	40
OS	Pearson Correlation	.862**	.937**	1	.342*	.877**
	Sig. (2-tailed)	.000	.000		.011	.000
	N	40	40	40	40	40
OC	Pearson Correlation	.327*	.319*	.342*	1	562**
	Sig. (2-tailed)	.015	.018	.011		.000
	N	40	40	40	40	40
ISP	Pearson Correlation	.814**	.853**	.877**	562**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	40	40	40	40	40

#### Table 6: Correlation Analysis

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

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

HR: Human Resource

CL: Corporate Leadership

OS: Organization Structure

ISP: Implementation of Strategic Plan



#### **6.3 Regression Analysis Results**

The coefficient of determination and standard error of the model is portrayed in Table 7. The adjusted  $r^2$  was 0.858 translating 85.8% change in implementation of KPLC's strategic plan was attributed to the independent variables. This indicates that if the internal organization's independent variables are well observed, there will be significant improvement in the implementation of strategic plans.

#### **Table 7: Regression Model Parameters**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.927 <sup>a</sup>	.858	.847	.44145

Table 8 below conveys the significance of the independent variables through analysis of the source of variance, mean of variances and the sum of all the independent variables' predictive power, f value. The results indicate that the independent variables have a significant relationship with implementation of KPLC's strategic plan (p=0.000). The independent variables are also a great predictor as supported by the F statistic of 75.805.

Mo	del	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	59.092	4	14.773	75.805	.000 <sup>b</sup>
1	Residual	9.744	36	.195		
	Total	68.836	40			

 Table 8: Analysis of Variance of the Regression

 Table 9 below shows the multiple regression results

#### Table 9: Multiple Regression Coefficients

Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	.692	.033		.000	.000
Human Resource	.892	.087	.814	10.193	.002
Corporate leadership	.969	.082	.855	11.889	.001
Organizational structure	.683	.078	.877	13.312	.004
Organizational culture	.616	.124	.562	4.950	.002

ISP = 0.692 + 0.892HR + 0.969CL + 0.683OS + 0.616OC

# Where:

The dependent variable, ISP: implementation of strategic plan

**0.692**=βo (Constant term)

**0.892, 0.969, 0.683 and 0.616** = an estimate of the expected increase in implementation of strategic plan corresponding to change in the different factors affecting the implementation of strategic plan.

HR: Human Resource



CL: Corporate Leadership

**OS:** Organization Structure

**OC:** Organization Culture

Table 9 indicates that human resource positively and significantly influenced the implementation of KPLC's strategic plan. A single unit increase of human resource factor leads to 89.2% increase in implementation of strategic plans in KPLC. This implies that human resource is vital in strategic implementation. Successful organizations consider the human resource aspect seriously in making strategies take off and also in the company's communication needs.

Further, corporate leadership has a significant and a positive influence on the implementation of strategic plans in KPLC. This implies that a unit of organizational leadership factor leads to 96.9% increase in implementation of strategic plan at KPLC. Leadership plays a very important role in public sectors since it is responsible for defining strategies and designs the organization's path to be more effective and efficient in implementation of KPLC's strategic plan.

Organizational structure had a significant and positive influence on the implementation of strategic plans in KPLC. This implies that a single unit increase of organizational structure lead to 68.3% increase in implementation of strategic plans in KPLC. Formal rules and procedures lead to increased efficiency and lower administrative costs. Firms with fewer formal procedures are often referred to as organic (Olson & Slater, 2002).

Organizational Culture had significant and a positive influence on the implementation of strategic plans in KPLC given by multiple linear regression model which revealed that organizational culture is significantly and positively affect implementation of strategic plan in KPLC and thus for every unit increase in organizational culture lead to increase in the implementation of strategic plans in KPLC by 61.6%.

# 7. Conclusion

The study conclusion is that human resource influenced positively the implementation of strategic plans in KPLC. Implying that human resource is vital in strategic plan implementation. Successful organizations consider the human resource aspect in making strategies materialize.

The study conclusion is that corporate leadership has a positive and significant influence on the implementation of strategic plans in KPLC. Implying that the role of organizational leadership is of fundamental importance in strategic plan implementation and organization's success.

The study conclusion is that organizational structure had a positive and significant influence on the implementation of strategic plan in KPLC. Procedures and rules lead to improved efficiency and lower costs of administration. Organic companies encourage horizontal and vertical communication and flexible roles.

Regarding organizational culture, the study confirms that culture of the organization influence the strategic plans implementation in KPLC given by multiple linear regression model which revealed that organizational culture is significantly and positively affect strategic plans implementation in KPLC and hence for every unit increase in culture of



organizational lead to 68.3% increase in the implementation of strategic plan in Kenyan government parastatals.

#### 8. Recommendations

The recommendation of the study is that human capital, beside other organizational resources, are to be regarded exclusively as one of the core contributors in implementation of strategic plans as it was found to be positively significant. Thus, the HR managers need to invest more in individuals by training and developing their skills to broaden their knowledge and abilities to identify factors that advance implementation of strategic plans.

Corporate leadership was found to influence implementation of strategic plans in the study and it is recommended that the firm's leadership should have solid corporate leadership by persistent learning of methods that are new so as to keep up with environmental changes in ensuring employees' commitment. A participative and consultative leadership competence is key and it requires employees to be treated with trust in their abilities, respect, encouragement and listening to their views. Moreover, it is important to continually guide and train them through mistakes made. Hence, the recommendation is the top management to communicate to the employees clearly on the goals, vision and direction the organization desires to head in the future.

Organizational policies were found in the research study to be one of the main force of the implementation of strategic plans. It is therefore recommended that the firm should carry out a research on the firm's culture so as to identify it and then align its' procedures in ensuring improvement in strategic implementation. This will greatly aid the department responsible in planning to avoid any issues that might arise with regard to the firm's culture during implementation of strategic plans.

The finding brought out the importance of organizational structure in effective implementation of strategic plans in KPLC. Therefore it is recommenced that creativity, innovation, and perception in relation to organizational structure should be enhanced in the strategic plans implementation at KPLC

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