FACTORS AFFECTING STRATEGY IMPLEMENTATION IN SOCIAL SECURITY ORGANIZATIONS IN KENYA: A CASE OF THE NATIONAL SOCIAL SECURITY FUND

BY

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REG NO: D53/KPU/14635/2009

A Research Project submitted to the Department of Business Administration, school of Business in partial fulfillment of requirement for the Degree of Master of Business Administration of Kenyatta University.

MAY, 2012
Declaration

I declare that this project is my original work and has not been submitted to any other university or institution of higher learning for examination purposes. The project is a result of my own effort and all sources of information have been duly acknowledged. The project should not be reproduced in part or wholly without my consent or that of Kenyatta University.

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Dedication

I dedicate this work to my family for their moral support, their constant encouragement and demonstrating great concern during my study.
Acknowledgement

I wish to thank The Almighty God for giving me a gift of life to write this work. I wish to express my gratitude to my supervisors Ms Anne Muchemi and Mr James Kilika for their professional guidance in research methodology and motivation that enabled me compile this project. I also extend gratitude to my classmates whose presence offered me the psychological motivation and need to learn.
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Abstract

The current study is an assessment of the factors affecting strategy implementation in social security institutions. A case study of NSSF was taken. Strategy implementation is an enigma in many companies. The problem is illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies. The institutions objectives are somehow dissipated as the strategy moves into implementation and the initial momentum is lost before the expected benefits are realized. The objective of the current study is therefore to establish whether organizational structure, culture, leadership, resources and politics are affecting strategy implementation. The population of the study was 1660 employees of NSSF. Sampling targeted 10.4 percent of the total population of employees. Stratified random sampling was used to select the 173 employees from three strata namely, top management, middle management and unionisable employees.

The study adopted a descriptive case study research design. Data was analyzed by the use of descriptive statistics and inferential analysis. Specifically, means, frequencies and percentages were used. Factor Analysis and Correlation analysis was used to extract the relevant factors and their relationship with strategy implementation. The findings were presented in tables, figures and graphs.

Findings indicated that the organization leadership at NSSF is not effective and this may have led to poor strategy implementation. The culture at NSSF was not conducive for strategy implementation and this may have led to poor strategy implementation. The organization structure at NSSF was inconsistent with strategy implementation and this may have led to poor strategy implementation. The management of organization resources at NSSF is not effective and this may have led to poor strategy implementation. The organization politics at NSSF are not conducive for strategy implementation and this may have contributed to the poor implementation of strategy.

The study suggests that the study should be replicated in the private sector institutions that deal with retirement savings. This would yield results for comparison between private and public institutions.
Acronyms

NSSF: National Social Security Fund
OP: Organization Politics
RBV: Resource based View
ROI: Return on Investment
SBU: Strategic Business Unit
SPSS: Statistical Package for Social Sciences
HR: Human Resource
Definition of Operation terms

Strategy:
It is the match between an organization’s resources and skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish.

Strategy implementation:
It as an iterative process of implementing strategies, policies, programs and action plans that allows a firm to utilize its resources to take advantage of opportunities in the competitive environment.

Strategic management:
It consists of the analysis, decisions, and actions an organization undertakes in order to create and sustain competitive advantages.
CHAPTER ONE
INTRODUCTION

1.1 Background of the study

Strategy, a fundamental management tool in any organization is a multi-dimensional concept that various authors have defined in different ways. It is the match between an organization’s resources and skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish (Thompson, 2003). It is meant to provide guidance and direction for the activities of the organization. Since strategic decisions influence the way organizations respond to their environment, it is very important for a firm to make strategic decisions and define strategy in terms of its function to the environment. The purpose of strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment (Pearce and Robinson, 2007).

Strategy implementation involves organization of the firm's resources and motivation of the staff to achieve objectives (Ramesh, 2011). The environmental conditions facing many firms have changed rapidly (Machuki and Aosa, 2011). Today's global competitive environment is complex, dynamic, and largely unpredictable (Acur and Englyst, 2006). To deal with this unprecedented level of change, a lot of thinking has gone into the issue of how strategies are best formulated. The assessment of strategy formulation processes becomes crucial for practitioners and researchers alike in order to conduct and evaluate different formulation processes (Olson et al. 2005).

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work, that is, implementing it throughout the organization is even more difficult (Hrebiniak, 2006). A myriad of factors can potentially affect the process by which strategic plans are turned into organizational action. Unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic (Noble, 1999b). It is thus not surprising that, after a comprehensive strategy or single strategic decision has been
formulated, significant difficulties usually arise during the subsequent implementation process.

1.1.2 Profile of NSSF

Social security refers to the field of social welfare concerned with social protection, or protection against socially recognized needs, including poverty, old age, disability and unemployment. The Universal Declaration of Human Rights of 1948 recognizes social security as a basic right and at article 22 thereof, provides that: Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

The National Social Security Fund (NSSF) was established in 1965 by an Act of Parliament (CAP 258 of the Laws of Kenya) in order to administer a provident fund scheme for all workers in Kenya. Initially the fund operated as a government department under the Ministry of Labour but as its membership grew and its operations became complex, the NSSF Act was amended in 1987 to transform it into an autonomous State Corporation. Since 1988, the Fund has been operating under a Board of Trustees, which is constituted by representatives of 3 key stakeholders: the government, workers, and employers.

In recent years NSSF has embarked on an ambitious reform programme intended to convert it from a National Provident Fund Scheme to a Social Insurance Pension Scheme. As a converted scheme, the new NSSF will operate as a mandatory National Social Insurance Pension Scheme, serving as workers 1st pillar of social protection. Everyone with an income (except those excluded by national and international law) should be registered as a contributing member. Sadly, NSSF’s history has been marred by scandals and ill-conceived investment policies. Indeed, some regrettable investment decisions were made by the Fund in the early and mid 1990s. However, in recent times, aggressive reform policies have been implemented to prevent the errors of the past from recurring.

NSSF’s operations are now conducted in an atmosphere of transparency, accountability, and with a renewed commitment to efficient delivery of social security services in Kenya.
Membership has grown steadily over the years and by the end of 2007, the Fund had a cumulative registered membership of about 3 million. The average current membership accounts range from 900,000 to 1.2 million. Today, NSSF continues to work on enhancing its organizational performance and improving the quality of services it provides to its members.

However, despite the renewed commitment to efficient delivery of social security services in Kenya the NSSF has not achieved majority of the objectives outlined in strategic plan 2009-2014. The following strategic themes are outlined in strategic plan 2009-2014: a) business growth, b) customer service and corporate image, c) investment return, d) process and procedure, e) risk management, f) human resource, g) corporate governance.

For instance, while one of the objectives of the NSSF under the business growth theme is to increase the membership coverage from 1.03 million to 3 million by the year 2014, only 1.2 million membership coverage has been achieved. This indicates a huge negative variance of 1.8 million members. The strategic objective of increasing annual contribution collections from 5.5 billion to 14 billion by the end of year 2013-2014 may not be realized given the current trend. Furthermore the strategic objective to reduce claim processing time from 14 days to 7 days by the end of year 2013-2014 may also not be met. This is because accounts for all members has not been updated and records have not been digitized. The strategic plan to increase the risk adjusted return on members fund from 6% to 11% per annum by the end of strategy period may not be realized because the NSSF has not reviewed and implemented an investment policy. It has also failed to undertake cost benefit analyses for its projects. Though it has engaged professional fund managers, they are yet to issue monitoring reports. Prudent accounting for revenue has also not been done.

1.2 Statement of the problem
Strategy implementation is an enigma in many companies. The problem is illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies (Raps and Kauffman, 2005). Not only does the failure or collapse of the organization due to strategy failure impacts negatively to the owners, it also have negative ramifications to the other stakeholders such as employees, suppliers, government and civic community. Despite a lot
of efforts and resources being channeled to strategic planning, majority of strategic documents produced by public institutions like NSSF always end up collecting dust on the shelves. This implies that, strategic implementation still remains a challenge for NSSF. This is evidenced by the failure of the NSSF to achieve its core strategic objectives outlined in the strategic plan. For instance, while one of the objectives of the NSSF under the business growth theme is to increase the membership coverage from 1.03 million to 3 million by the year 2014, only 1.2 million membership coverage has been achieved up to date. This indicates a huge negative variance of 1.8 million members. The strategic objective of increasing annual contribution collections from 5.5 billion to 14 billion by the end of year 2013-2014 may also not be realized given the current trend. Furthermore, the strategic objective to reduce claim processing time from 14 days to 7 days by the end of year 2013-2014 may also not be met. This is because accounts for all members have not been updated, and records have not been digitized. The strategic objective to increase the risk adjusted return on members fund from 6% to 11% per annum by the end of strategy period may not be achieved.

The area of strategic implementation has attracted a lot of scholarly attention. For instance, Harrington (2006) investigated the moderating effects of size, manager tactics and involvement on strategy implementation in Canadian food service sector. Schaap (2006) conducted an empirical study on the role of senior-level leaders in strategy implementation the Nevada Gaming Industry in USA. However, all these studies were carried out in developed countries.

Locally, Bolo et al (2010) investigated the challenges facing the implementation of differentiation strategies in the sugar industry in Kenya. Aosa(1992) conducted an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. In another study Awino, (2001) investigated the effectiveness and problems of strategy implementation of financing Higher Education in Kenya. Finally, Kiruthi, (2001) investigated the State of Strategic Management Practices in Non-Profit Making Organizations, the case of Public Membership Clubs in Nairobi. While the reviewed studies compare well to the current study, none of the studies concentrated on
public institutions in Kenya. In addition, the researcher is not aware of any study that has assessed the factors that affect strategy implementation at NSSF. Therefore, the study notes this knowledge gap and attempts to bridge this gap.

1.3 Objectives

1.3.1 General Objective
The general objective was to evaluate the factors affecting strategy implementation in social security organizations taking a case study of NSSF.

1.3.2 Specific objectives
The researcher was guided by the following specific objectives:

i. To determine how organization culture has affected strategy implementation in NSSF

ii. To examine how organization structure has affected strategy implementation in NSSF

iii. To determine how organization leadership has affected strategy implementation in NSSF

iv. To determine how organization resources has affected strategy implementation in NSSF

v. To examine how organization politics has affected strategy implementation in NSSF

1.4 Research Questions
The researcher was guided by the following specific questions:

i. What is the effect of organization culture on strategy implementation in NSSF?

ii. What is the effect of organization structure on implementation of strategy in NSSF?

iii. What is the effect of organization leadership on strategy implementation in NSSF?

iv. What is the effect of organization resources on implementation of strategy in NSSF?

v. What is the effect of organization politics on strategy implementation in NSSF?
1.5 Significance of the study
The study will be of significance to:

- **NSSF**
The study may be of use to the Fund management. Specifically, the management committee in charge of strategy implementation may use the findings of this study to understand the factors affecting strategy implementation at NSSF.

- **Government**
The study findings may be of use to the ministry of planning and Vision 2030. The ministry may be interested to know the factors that are affecting strategy implementation at NSSF since NSSF is crucial in the achievement of Vision 2030.

- **Private Sector**
Strategic planners in the private sectors may use this study to explore opportunities that arise out of the factors that affect NSSF in strategy implementation.

- **Academic use**
Students of strategic management may find this study useful as it may provide additional literature review. Researchers may use the current study to update their knowledge on the area of strategy implementation.

1.6 Scope
The study covered the factors affecting strategy implementation. From a contextual stand point, the study focused on social security institutions taking a case study of NSSF. This is because NSSF is the only statutory provident Fund in Kenya thus representative of what could be affecting other social security organizations.

1.7 Limitation of the study
The study faced the limitation of uncooperative respondents. The respondents were suspicious of the researcher and due to the fear of victimization, they were unwilling to volunteer information. To address this limitation the researcher presented an introduction letter from the university and also assured the respondents that the data will be of confidential use.
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction
The chapter discusses the concept of strategy as well as the concept of strategy implementation. The chapter also discusses frameworks that explain the factors affecting strategy implementation as well as the empirical studies that have been done on the area both in the private as well as the public sector. A conceptual framework is then developed from a review of existing studies.

2.1 The Concept of Strategy
The term ‘strategy’ proliferates in discussions of business. Scholars and consultants have provided myriad models and frameworks for analyzing strategic choice (Hambrick and Fredrickson, 2001). The key issue that should unite all discussion of strategy is a clear sense of an organization’s objectives and a sense of how it will achieve these objectives. It is also important that the organization has a clear sense of its distinctiveness. According to Porter (1985), strategy is about achieving competitive advantage through being different, that is, delivering a unique value added to the customer, having a clear and enactable view of how to position yourself uniquely in your industry. According to Johnson and Scholes (1998), business strategy is the direction and scope of an organization over the long-term; which achieves advantages for the organization through its configuration of resources through a challenging involvement to meet the needs of markets and to fulfill stakeholders’ expectations. Thompson, (1993) also defines Strategy as the match between an organization’s resources and skills and the environmental opportunities as well as the risks it faces and the purposes it wishes to accomplish.

Since strategic decisions influence the way organizations respond to their environment, it is very important for a firm to manage strategic decisions and hence the importance of strategic management (Pearce and Robinson, 2007).

According to Dess, Lumpkin and Taylor (2005), Strategic management consists of the analysis, decisions, and actions an organization undertakes in order to create and sustain
competitive advantages. Dess et al (2005), argue that this definition captures two main elements that go to the heart of the field of strategic management. First, the strategic management of an organization entails three ongoing processes: analysis, decisions, and actions. That is, strategic management is concerned with the analysis of strategic goals (vision, mission, and strategic objectives) along with the analysis of the internal and external environment of the organization.

Strategic management is, hence, both a skill and an art. Good strategic management requires both clear thought and sound judgment. Strategic management is the formal and structured process by which an organization establishes a position of strategic leadership. Strategy development is a multidimensional process that must involve rational analysis and intuition, experience, and emotion. But, whether strategy formulation is formal or informal, whether strategies are deliberate or emergent, there can be little doubt as to the importance of systematic analysis as a vital input into the strategy process. Without analysis, the process of strategy formulation, particularly at the senior management level, is likely to be chaotic with no basis for comparing and evaluating alternatives. Moreover, critical decisions become susceptible to the whims and preferences of individual managers, to contemporary fads, and to wishful thinking (Hill and Jones, 2001).

Historically, numerous researchers in strategic management bestowed great significance to the strategic formulation process and considered strategy implementation as a mere by-product or invariable consequence of planning (Wind and Robertson, 1983). Fortunately, insights in this area have been made recently which temper our knowledge of developing strategy with the reality of executing that which is crafted (Olson et al., 2005). However, as strategy implementation is both a multifaceted and complex organizational process, it is only by taking a broad view that a wide span of potentially valuable insights is generated.

2.2 Strategy Implementation

Research emphasizing strategy implementation is classified by Bourgeois and Brodwin (2004) as part of a first wave of studies proposing structural views as important facilitators for strategy implementation success. Beyond the preoccupation of many authors with firm
structure, a second wave of investigations advocated interpersonal processes and issues as crucial to any marketing strategy implementation effort (Noble and Mokwa, 1999). Conflicting empirical results founded upon contrasting theoretical premises indicate that strategy implementation is a complex phenomenon. In recent years organizations have sought to create greater organizational flexibility in responding to environmental turbulence by moving away from hierarchical structures to more modular forms.

Responsibility, resources and power in firms has been the subject of decentralization and delayering. Given an intensifying competitive environment, it is regularly asserted that the critical determinant in the success and, doubtlessly, the survival of the firm is the successful implementation of marketing strategies. The role and tasks of those employees charged with strategy implementation duties, the mid-level managers, in these new restructured organizations is under scrutiny.

The fatal problem with strategy implementation is the de facto success rate of intended strategies. In research studies it is as low at 10 percent (Judson, 1991). Despite this abysmal record, strategy implementation does not seem to be a popular topic at all. In fact, some managers mistake implementation as a strategic afterthought and a pure top-down-approach. Instead, management spends most of its attention on strategy formulation.

A company’s organizational structure maps out roles and responsibilities along with reporting relationships. It refers to the shape, division of labor, job duties and responsibilities, the distribution of power and division-making procedures within the company, which influences the types of strategy used by an organization (Okumu, 2003). It is a formal framework by which jobs tasks are divided, grouped and coordinated. Organizational structure is a major priority in implementing a carefully formulated strategy. It helps people pull together in their activities that promote effective strategy implementation. The structure of an organization should be compatible either for the structure or the strategy itself (Koske, 2003). However, Mintzberg and Quinn (1991), argue that the central problem in structuring today is not the one on which mot organization
designers will spend their time by dividing of tasks. It is one of emphasis on how to make the whole thing work.

2.3 Factors affecting Strategy Implementation

Factors affecting the strategy implementation process of a strategy are an important area of research because even the best strategy would be ineffective if not implemented successfully. Despite the fact that factors affecting the success of strategy implementation have not been widely investigated, there are some issues that have surfaced in many studies (Muthuiya, 2004).

2.3.1 Organization Resources.

The resource-based view (RBV) seeks to explore the internal resources of an organization and how these can be leveraged to gain a competitive advantage. An analysis of an organization’s resources can include its financial, physical, human, intellectual and reputational resources. In the deployment of these resources, it is also important to understand the core competences of an organization. Porter’s (1985) value chain concept is an important part of this process.

David (1997) argues that allocating resources to particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors commonly prohibit effective resource allocation. These include overprotection of resources, too great emphasis on short-term financial criteria, organizational policies, vague strategy targets, reluctance to take risks, and lack of sufficient knowledge. Also, established organizations may experience changes in the business environment that can make a large part of their resource base redundant, resources which may be unable to free sufficient funds to invest in the new resources that are needed and their cost base will be too high (Johnson and Scholes, 2002).

Changes do not implement themselves and it is only people that make them happen (Bryson, 2005). Selecting people for the key positions by putting a strong management team with the right personal chemistry and mix of skills is one of the first strategy implementation steps (Thompson and Strickland, 1997). They point out that assembling a capable team is one of the cornerstones of the organization-building task. Strategy implementation must determine
the kind of core management team they need to execute the strategy and then find the right people to fill each slot. Staffing issues can involve new people with skills (Hunger and Wheelen, 2005). Bryson (2005) observes that people’s intellect creativity, skills, experience and commitment are necessary towards effective implementation. However selecting able people for key positions remains a challenge to many organizations.

Muell and Shani (2008) asserts that one of the inhibitors of strategy execution is the lack of resources; resources are either inadequate or unavailable when needed. In South Africa, inadequate or insufficient human resources contribute significantly to an organization challenge of successfully implementing strategies. Due to the skills shortage, it is not only difficult to recruit the right talent but also to retain the right talent. High executive turnover sees too many key managers depart before a strategy is fully executed. Chimhanzi & Morgan (2005) findings indicate that firms devoting attention to the alignment of marketing and human resources are able to realize significantly greater successes in their strategy implementation. Specifically, these findings imply that marketing managers should seek to improve the relationship with their HR colleagues by emphasizing two of the process-based dimensions: joint reward systems and written communication.

Brannen’s (2005) survey based study concluded that in order to improve execution, certain issues have to be tackled. These include inadequate or unavailable resources, poor communication of the strategy to the organization, ill-defined action plans, ill-defined accountabilities, and organizational/cultural barriers.

2.3.2 Organization structure

Awino (2001) in the study to investigate effectiveness and problems of strategy implementation of financing higher education in Kenya by the higher education loans board identified lack of fit between strategy and structure as factor affecting successful strategy implementation. He cited lack of fit between strategy and structure; inadequate information and communication systems; and failure to impart new skills. Koske (2003) observes that there are many organizational characteristics, which act to constrain strategy implementation. He identified most challenges as concerning connecting strategy formulation to implementation; resource allocation; match between structure with strategy
linking performance and pay to strategies; and creating a strategy supportive culture. Whilst the strategy should be chosen in a way that it fits the organization structure the process of matching structure to strategy is complex (Bryars et al 1996).

The structure that served the organization well at a certain size may no longer be appropriate for its new or planned size. The existing structure and processes in the organization support in different ways, there is likely to be problems should the existing structures be used to implement the changes. The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place. According to McCarthy et al (1986), creating that structure for managers is the selection of the organization structure and controls that will implement the chosen strategies effectively.

Factors relating to the organizational structure are the second most important implementation barrier according to Heide & Grønhaug & Johannessen’s (2002) study. Drazin and Howard (1984) see a proper strategy-structure alignment as a necessary precursor to the successful implementation of new business strategies (Noble, 1999b). They point out that changes in the competitive environment require adjustments to the organizational structure. If a firm lags in making this realignment, is may exhibit poor performance and be at a serious competitive disadvantage. Gupta (1987) examines the relationships between SBUs’ strategies, aspects of the corporate-SBU relationship, and implementation and finds that structures that are more decentralized produce higher levels of SBU effectiveness, regardless of the strategic context. Schaap (2006) also suggests that adjusting organizational structure according to perfect strategy can ensure successful strategy implementation.

Different strategy types have different requirements regarding an adequate organizational structure (White, 1986; Olson & Slater & Hult, 2005). White (1986) points out that the fit between business unit strategy and the internal organization of multi-business companies does have an effect on business unit performance. Specifically, business units with pure cost strategies experience higher ROI when they have low autonomy. Pure differentiation strategies benefit, in terms of sales growth, from strong functional coordination (with responsibility for key functions unified under the business unit manager). Similarly, the ROI of cost strategies is, on average, higher when some functional responsibilities are shared. Olson, Slater and Hult
(2005) identify a taxonomy comprised of four different combinations of structure/behavior types, which they label as: management dominant, customer-centric innovators, customer-centric cost controllers and middle ground. These alternative structure/behavior types are then matched with specific business strategies (i.e., Prospectors, Analyzers, Low Cost Defenders, Differentiated Defenders) in order to identify which combination(s) of structures and behaviors best serve to facilitate the process of implementing a specific strategy.

2.3.3 Organization culture

Although the literature available on the individual concepts of diversity, organizational culture and strategy implementation is extensive, the literature tends to focus on only one of the concepts. Strategic management literature has in recent years increasingly commented about the role of socio-cultural factors in strategy implementation. This proposes an underlying consensus about the ideal socio-cultural factors for strategy implementation, further implying that diversity and organizational culture could be profiled on a continuum stretching from supportive to non-supportive for strategy implementation. Strategy implementation literature lacks sufficient concrete evidence to form a clear understanding of the dimensions of such a diversity and cultural profile. As a result, it is neither easy to guide institutions about the areas of diversity and organizational culture that are crucial to strategy implementation, nor to assess these social-cultural factors on a scale of strategy implementation supportiveness.

Organizational culture literature makes it clear that culture is essential for both successful organizational change and maximizing the value of human capital. Culture management should become a critical management competency while the right culture may be a necessary condition for organizational success yet by no means a sufficient condition. An important challenge for managers is to determine what the most effective culture is for their organization and, when necessary, how to change the organizational culture effectively. Culture was initially seen as a means of enhancing internal integration and coordination, but the open system view of organizations recognized that culture is also important in mediating adaptation to the environment. The traditional view of a strong culture could be contrary to the ability of organizations to adapt and change. Seeing culture as important for facilitating organizational innovation, the acceptance of new ideas and perspectives, and needed
organizational change may require a different, or more nuanced, view of organizational culture. Schein (1992), notes that a strong organizational culture has generally been viewed as a conservative force, however, in contrast to the view that a strong organizational culture may be dysfunctional for contemporary business organizations that need to be change-oriented, he argues that just because a strong organizational culture is fairly stable does not mean that the organization will be resistant to change.

It is possible for the content of a strong culture to be change-oriented, even if strong organizational cultures in the past typically were not. He suggests that the culture of modern organizations should be strong but limited, differentiating fundamental assumptions that are pivotal (vital to organizational survival and success) from everything else that is merely relevant (desirable but not mandatory). Today’s organizations, characterized by rapidly changing environments and internal workforce diversity, need a strong organizational culture but one that is less pervasive in terms of prescribing particular norms and behavioral patterns than may have existed in the past. This view was supported by Collins and Porras (1994) in their famous study (Built to Last) of companies that had strong and lasting performance. Aosa (1992), conducted an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. Aosa (1992) observes that lack of compatibility between strategy and culture can lead to high organizational resistance to change and demotivation, which can in turn frustrate the strategy implementation. Cultural impact under estimation is yet another challenge to strategy implementation.

The implementation of a strategy often encounters rough going because of deep rooted cultural biases. This causes resistance to implementation of new strategies especially in organizations with defensive cultures. This is because they see changes as threatening and tend to favor continuity and security (Wang, 2000). It is the strategy maker’s responsibility to choose a strategy that is compatible with the sacred or unchangeable parts of prevailing corporate culture (Thompson and Strickland, 1989). This offers a strong challenge to the strategy implementation leadership abilities. Qi (2005), puts forward seven factors for successful strategy implementation namely adequate feedback systems, sufficient resources,
good leadership and direction skills, motivation for all involved staff, communication and coordination, an appropriate company structure, an appropriate company culture. Company Culture, according to Qi (2005) may influence whether or not a certain strategy execution succeeds or not.

2.3.4 Organization Politics

Organizational scientists have offered various definitions of politics incorporating elements of behavior that are formal and informal, sanctioned and non-sanctioned, focused on the use of power and influence, or based on coalition building. Pettigrew (1973), described it as the use of power to influence decision making. Others link it to the dysfunctional characteristics of organizations (Allen, Madison, Porter, Renwick, & Mayers, 1979). Mintzberg (1983), refers to politics as “individual or group behavior that is informal, ostensibly parochial, typically divisive, and above all, in the technical sense, illegitimate – sanctioned neither by formal authority, accepted ideology, nor certified expertise (p. 172). A definition that captures an important nuance is “impression management” which isolates a tactic of ingratiation or social engineering as a means to employ political influence (Gardner & Martinko, 1988. p. 322). Impression management as defined by Schlenker (1980) is the conscious or unconscious attempt to control images that are projected in real or imagined social interactions.

Mintzberg (1985) linked politics and conflict in his discussion of the political arena in organizations. He introduced three basic dimensions of conflict in organizations – intensity, pervasiveness, and duration (or stability). These variables were associated with four forms of the political arena: confrontation, shaky alliance, politicized organization, and complete political arena. Mintzberg hypothesized that organizations are thrust into and out of all four forms of the political arena or systems of influence. He identified thirteen political ‘games’ played to “counter resistance, build a power base, defeat a rival, or change the organization” (p. 134). These identified political games formed three types of impetus that give rise to the political arena: 1) change in fundamental condition of the organization, 2) breakdown in established order of power, 3) major pressure from influencer(s) to realign a coalition or change the configuration. His hypotheses centered on the belief that conflict must be controlled and contained or the organization would succumb to influential political pressures.
Organizational politics is another factor affecting strategy implementation. Organization politics are tactics that strategic managers engage in to obtain and use power to influence organizational goals and change strategy and structure to further their own interests (Hill and Jones, 1999). Wang (2000), states that it is important to overcome the resistance of powerful groups because they may regard the change caused by new strategy as a threat to their own power. Top-level managers constantly come into conflict over what correct policy decisions would be and power struggles coalition building is a major part of strategic decision making. According to them, the challenge organizations face is that the internal structure of power always lags behind changes in the environment because in general, the environment changes faster than organizations can respond.

In the paper by Zahra (2004), the relationship between organizational politics (OP), and company strategy and performance was explored. Data were collected from 55 manufacturing firms. Controlling for company assets and industry type, Organization politics intensity was associated with various stages of the strategic process. In addition, it was negatively associated with overall company performance. These results were corroborated by canonical analysis. Another important finding was that the stage of company evolution moderates the OP-strategic process relationship. Finally, future research directions and implications for managerial behavior and ethics have been clarified.

2.3.5 Organization leadership and management

Poor communication is a sign of poor leadership and management. Aaltonen and Ikavalko (2001) state that the amount of strategic communication in most organizations is large with both written and oral communication being used in form of top down communications. However, a great amount of information does not guarantee understanding and there is still much to be done in the field of communicating strategies. According to Wang (2000), communication should be two way so that it can provide information to improve understanding and responsibility and to motivate staff. Also they argue that communication should not be seen as a one-off activity throughout the implementation process. In many cases it is not so and therefore communication still remains a challenge to strategy implementation process.
Functions of management include Planning, Organizing, Staffing, Directing and Controlling. Failure of management to carry out these functions leads to lack of clear understanding of strategy. Before any strategy can be implemented, it must be clearly understood. Clear understanding of a strategy gives purpose to the activities of each employee and allows linking whatever task is at hand to the overall organizational direction. Lack of understanding of a strategy is one of the obstacles of strategy implementation (Aaltonen and Ikavalko, 2001). They point out that many organizational members typically recognize strategic issues as important and also understand their context in generic terms. However, the problem in understanding arises when it comes to applying issues in the day to day decision making.

Pearce et. al (1998), identified barriers to strategy implementation which include; competing activities that distract attention from implementing the decision; changes in responsibilities of key employees not clearly defined; key formulators of the strategic decision not playing active role in implementation; problem requiring top management involvement not communicated early enough; key implementation task and activities not sufficiently defined; information systems used to monitor implementation are inadequate; overall goals not sufficiently understood by employees; uncontrollable factors in the external environment; surfacing of major problems leaving the organization during implementation; and implementation taking more time than originally allocated. Meldrum an Atkinson (1998), identified two problems of implementation: a flawed vision of what it seems to be in a strategic position within an organization and a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief.

Failure by management to put in place proper compensation structure may be responsible for failure in strategy implementation. Bryson (2005), conducted a study on Effective Strategic Planning Approach for Nonprofit Organizations. Bryson (2005, asserts that people must be adequately compensated for their hard work. McCarthy et al, (1986), argue that in many companies, much effort has been put into both strategy formulation and resource allocation process as a way to improve implementation and unfortunately, efforts have not been wholly effective because the necessary measurement and rewards system that completes the cycle is
lacking. Organizations often find it difficult to carry out strategies because they have executive compensation systems that measure and reward performance in a way that ignores or even frustrates strategic thinking, planning, and action (McCarthy et al, 1986). Most incentive programs are designed only for top management. Lower levels of management and operative employees do not normally participate. If strategy accomplishment is to be a really top priority, then the reward structure must be linked explicitly and tightly to actual strategic performance (Thompson and Strickland, 1997).

2.4 Empirical Review
Strategy is all about managing change. Resistance to change is one of the greatest threats to strategy implementation. Strategic change is the movement of an organization from its present state to toward some desired future state to increase its competitive advantage (Hill and Jones, 1999). The behaviour of individuals ultimately determines the success or failure of organizational endeavors and top management concerned with strategy and its implementation must realize this (McCarthy et al, 1986). Change may also result to conflict and resistance. People working in organizations sometimes resist such projects and make strategy difficult to implement (Lynch, 2000). This may be due to anxiety or fear of economic loss, inconvenience, uncertainty and break in normal social patterns (David, 1997).

Studies by Okumu (2003) found that the main barriers to the implementation of strategies include lack of coordination and support from other levels of management and resistance from lower levels and lack of or poor planning activities. Freedman (2003), lists out a number of implementation pitfalls such as isolation, lack of stakeholder commitment, strategic drift, strategic dilution, strategic isolation, failure to understand progress, initiative fatigue, impatience, and not celebrating success. Sterling (2003), identified reasons why strategies fail as unanticipated market changes; lack of senior management support; effective competitor responses to strategy application of insufficient resources; failure of buy in, understanding, and/or communication; timeliness and distinctiveness; lack of focus; and bad strategy poorly conceived business models. Sometimes strategies fail because they are
simply ill conceived. For example, business models are flawed because of a misunderstanding of how demand would be met in the market.

The best-formulated strategies may fail to produce superior performance for the firm if they are not successfully implemented, as Noble (1999b) notes. Results from several surveys have confirmed this view: An Economist survey found that a discouraging 57 percent of firms were unsuccessful at executing strategic initiatives over the past three years, according to a survey of 276 senior operating executives in 2004 (Allio, 2005). According to the White Paper of Strategy Implementation of Chinese Corporations in 2006, strategy implementation has become the most significant management challenge which all kinds of corporations face at the moment. The survey reported in that white paper indicates that 83 percent of the surveyed companies failed to implement their strategy smoothly, and only 17 percent felt that they had a consistent strategy implementation process.

Strategy implementation is important in that it bridges the activities of strategy formulation with strategy success. The poor implementation of an appropriate strategy may cause that strategy to fail (Kiruthi, 2001). An excellent implementation plan will not only cause the success of an appropriate strategy, but can also rescue an inappropriate strategy (Hunger & Wheelen, 1994). According to Aosa (1992), once strategies have been developed, they need to be implemented; they are of no value unless they are effectively translated into action.

Harrington (2006) investigated the moderating effects of size, manager tactics and involvement on strategy implementation in Canadian food service sector. Schaap (2006) conducted an empirical study on the role of Senior-Level Leaders in the Nevada Gaming Industry in USA. On the other hand, Lehner (2004) investigated Strategy Implementation Tactics as Response to Organizational, Strategic, and Environmental Imperatives among 136 Upper-Austrian firms. However, all these studies were carried out in developed countries. Drazin and Howard (1984) quoted by Noble (1999b) see a proper strategy-structure alignment as a necessary precursor to the successful implementation of new business strategies (Noble, 1999b). They point out that changes in the competitive environment require adjustments to the organizational structure.
Rapert, Lynch and Suter (1996) and Heracleous (2000) all think that the shared understanding of middle management and those at the operational level to the top management team’s strategic goals is of critical importance to effective implementation (Rapert & Velliquette & Garretson, 2002). Strategy implementation efforts may fail if the strategy does not enjoy support and commitment by the majority of employees and middle management. This may be the case if they were not consulted during the development phase (Heracleous, 2000). Alexander (1985) thinks obtaining employee commitment and involvement can promote successful strategy implementation (on the basis of telephone interviews with CEOs). Rapert, Velliquette and Garretson (2002) find that organizations where employees have easy access to management through open and supportive communication climates tend to outperform those with more restrictive communication environments. Also the findings of Peng and Littlejohn (2001) show that effective communication is a key requirement for effective strategy implementation.

2.5 Conceptual Framework
In line with Okumus (2001), the current study develops the following conceptual framework. The independent variables are the factors affecting strategy implementation while the dependent variable is strategy implementation.

**Figure 2.1 Conceptual Framework**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>STRATEGY IMPLEMENTATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization structure</td>
<td>- Increase in contributions</td>
</tr>
<tr>
<td>Organization culture</td>
<td>- Increased membership coverage</td>
</tr>
<tr>
<td>Organization leadership</td>
<td>- Reduced claim processing period</td>
</tr>
<tr>
<td>Organization resources</td>
<td>- Increased Risk adjusted Return to members</td>
</tr>
<tr>
<td>Organization politics</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Researcher (2011)

**2.5.1 Operationalization of the variables**
The dependent variable of the study is strategy implementation. Strategy implementation can be operationalized into several outcomes/metrics namely increased membership coverage, reduced claims processing period, increased return to members, and increased contributions collection. The dependent variables are affected by the independent variables such as organization resources, culture, structure, leadership and management as well as organization politics.
CHAPTER THREE
RESEARCH METHODOLOGY

3.0 Introduction
This chapter sets out various stages and phases that were followed in completing the study. It involves a blueprint for the collection, measurement and analysis of data. In this stage, most decisions about how research was executed and how respondents were approached, as well as when, where and how the research will be completed. Therefore in this section the research identified the procedures and techniques that were used in the collection, processing and analysis of data.

3.1 Research Design
This study was conducted through a descriptive case study research design. It was done at the National Social Security Fund (NSSF). The design was considered suitable as it allowed an in-depth study of the factors affecting strategy implementation. According to Kothari (2004), a case study involves a careful and complete examination of a social unit, institution, family, cultural group or an entire community and embraces depth rather than breath of the study. A descriptive case study is also advocated by Young (1960) and Kothari (1990) who both acknowledge that a case study is a powerful form of qualitative analysis that involves a careful and complete observation of a social unit, irrespective of what type of unit is under study. It is a method that drills down, rather than cast wide. The case study provides the researcher with in depth information, which assists in meeting the objectives of the study.

3.2 Target Population
The target population of this study was the staff working at NSSF. The study focused on 1660 staff stratified into the top, middle management and lower level staff/junior staff. The population characteristic is as summarized in the table below. Mugenda and Mugenda, (1999), explain that the target population should have some observable characteristics, to which the researcher intends to generalize the results of the study.
Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Sections</th>
<th>Population (Frequency)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>70</td>
</tr>
<tr>
<td>Middle level management</td>
<td>406</td>
</tr>
<tr>
<td>Unionizable Cadre</td>
<td>1184</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1660</strong></td>
</tr>
</tbody>
</table>

Source: (HR Department, 2011)

3.3 Sample Design

The sampling frame describes the list of all population units from which the sample was selected (Cooper & Schindler, 2003). A sample of responding staff was be drawn from 1660 top, middle management and unionisable staff from the NSSF. From the above population, disproportionate random sampling was used. The selection was as follows:

Table 3.2 Sample Size

<table>
<thead>
<tr>
<th>Sections</th>
<th>Population (Frequency)</th>
<th>Sample Ratio</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>70</td>
<td>0.2</td>
<td>14</td>
</tr>
<tr>
<td>Middle level management</td>
<td>406</td>
<td>0.1</td>
<td>41</td>
</tr>
<tr>
<td>Unionisable Cadre</td>
<td>1184</td>
<td>0.1</td>
<td>118</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1660</strong></td>
<td><strong>10.4</strong></td>
<td><strong>173</strong></td>
</tr>
</tbody>
</table>

Source: (Researcher, 2011)
3.4 Data Collection

3.4.1 Research Instrument
This study utilized a questionnaire. The questionnaire designed in this study comprised of two sections. The first part included the demographic and operational characteristics designed to determine fundamental issues including the demographic characteristics of the respondent. The second part was devoted to the identification of the factors affecting strategy implementation in social security organizations. According to Mugenda and Mugenda (2003), questionnaires have the advantage of time conservation, convenience, as well as anonymity. Structured questions were therefore used in an effort to conserve time and to facilitate an easier analysis as they are in immediate usable form; while the unstructured questions was used so as to encourage the respondent to give an in-depth and felt response without feeling held back in revealing any information.

3.4.2 Data Collection Procedure
The questionnaires were administered on the basis of “drop and pick later” or picked immediately depending on the availability of the targeted respondents. A pilot test was carried out on 2 employees since this represented 1% of the sample size (ideal for pilot testing). To enhance a high response rate, the researcher made telephone follow ups with the targeted respondents.

3.5 Data Analysis
Qualitative and quantitative methods of data analysis were used. The Data was analyzed using Descriptive and inferential statistics. Descriptive statistics used were the mean and standard deviation while inferential analysis made use of factor analysis and correlation. Analysis made use of Statistical Package for Social Sciences (SPSS) and Ms Excel spreadsheets.
CHAPTER FOUR
DATA ANALYSIS

4.0 Introduction
The chapter dealt with the analysis of the data, the interpretation of the findings and the presentation of the findings. Out of the possible 173 questionnaires that were handed out, only 94 (54%) questionnaires were returned fully filled. According to Mugenda and Mugenda (2003), a response rate of 50% or more is ideal for data analysis. The response rate is presented in table 4.1.

Table 4.1 Response Rate

<table>
<thead>
<tr>
<th>Response</th>
<th>% Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful</td>
<td>94</td>
</tr>
<tr>
<td>Unsuccessful</td>
<td>79</td>
</tr>
<tr>
<td>Total</td>
<td>173</td>
</tr>
</tbody>
</table>

4.1 Gender of Respondents
According to figure 4.1, a majority (64%) of the respondents were male. Female respondents were 36% of the respondents. The findings imply that the financial subssector is still a male dominated field. According to Ellis, Cutura, Dione, Gillson, Manuel & Thongori (2007), in spite of women being major actors in Kenya’s economy, and notably in agriculture and the informal business sector, men dominate in the formal sector (also “Bosses stretch ideas,” 2011) citing the ratio of men to women in financial sector as 74%:26%. Other studies that noted the underrepresentation of women include the Grant Thornton International (2008) research which reveals that women still hold less than a quarter of senior management positions in privately held businesses globally with 24% of senior management positions currently being held by women, a figure identical to 2007 with only a marginal improvement from 2004 when only 19% of senior level positions were held by women. 34% of privately held businesses globally have no women in senior management.
4.2 Education Level of Respondents

Figure 4.2 reveals that a majority (48%) of respondents had university as their highest level of education. Meanwhile, 39% had college level of education followed by those who had postgraduate level of education (13%). The findings imply that the respondents of the current study are highly educated and this may have contributed to the accuracy and coherence of the study results.
4.3 Number of Years in Current Employment

Results in figure 4.3 revealed that the majority (56%) of respondents had been in current employment for over 10 years. Results also indicated that 31% of respondents had been in current employment for between 5 to 10 years. Only 13% of respondents had been in current employment for 1 to 5 years. The findings implied that the respondents had been in current employment long enough to be knowledgeable about the strategy implementation and the factors affecting strategy implementation.

![Figure 4.3 Number of Years in Current Employment](image)

4.4 Position of Respondent

Table 4.2 revealed that the majority (63.8%) of respondents were in unionizable cadre. Meanwhile, 29.8% were in middle management and 6.4% were in top management. The finding implies that the results were drawn from respondents who were well distributed across the organization.

<table>
<thead>
<tr>
<th>Position of Respondent</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>6</td>
<td>6.4</td>
</tr>
<tr>
<td>Middle Management</td>
<td>28</td>
<td>29.4</td>
</tr>
<tr>
<td>Unionizable Cadre</td>
<td>60</td>
<td>63.8</td>
</tr>
<tr>
<td>Total</td>
<td>94</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.5 Age of Respondent

Table 4.3 revealed that a majority (50.0%) of the respondents were 31 to 40 years of age. Meanwhile, 27.7% were 41 to 50 years of age, 13.8% were over 51 years of age and 8.5% were 21 to 30 years of age. The findings imply that those respondents in the institution under study were energetic and youthful.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30 years</td>
<td>8</td>
<td>8.5</td>
</tr>
<tr>
<td>31-40 years</td>
<td>47</td>
<td>50.0</td>
</tr>
<tr>
<td>41-50 years</td>
<td>26</td>
<td>27.7</td>
</tr>
<tr>
<td>Over 51 years</td>
<td>13</td>
<td>13.8</td>
</tr>
<tr>
<td>Total</td>
<td>94</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.6 Descriptive and Inferential Analysis

In this section, descriptive statistics were conducted for the factors that affect strategy implementation. Factors analysis was also used to investigate the dimensions in the statements that were used to measure culture, structure, leadership, resources and politics. Specifically, the factors were extracted on the basis of Kaiser Criterion. The factor loadings were used to check the weights of each statement in relation to the identified factors.

4.6.1 Organization Culture and Strategy Implementation

As revealed in figure 4.4, a majority (53%) strongly agreed with the statement that the culture of NSSF discourages innovation; majority (40%) strongly agreed that there is resistance to implementation of the strategies, majority (53%) strongly agreed that there is a lack of compatibility between strategy and culture, majority (51%) strongly agreed that the implementation of a strategy often encounters rough going because of deep rooted cultural biases, majority (51%) strongly agreed that the employees see changes as threatening and tend to favor “continuity” and “security”. The findings imply that organization culture may have negatively affected the strategy implementation at NSSF. The findings are consistent with those of Aosa (1992) who observed that lack of compatibility between strategy and
culture can lead to high organizational resistance to change and demotivation, which can in turn frustrate the strategy implementation. Therefore, as Aosa (1992) puts it cultural impact under estimation is yet another challenge to strategy implementation.

The results are also consistent with those in Wang (2000) who argued that the implementation of a strategy often encounters rough going because of deep rooted cultural biases. This causes resistance to implementation of new strategies especially in organizations with defensive cultures. This is because they see changes as threatening and tend to favor continuity and security. Furthermore, the results are consistent with those in (Thompson and Strickland, 1989) who asserted that it is the strategy maker’s responsibility to choose a strategy that is compatible with the “sacred” or unchangeable parts of prevailing corporate culture. This offers a strong challenge to the strategy implementation leadership abilities.

![Figure 4.4 Organization Culture and Strategy Implementation](image.png)
Table 4.4 Factor and correlational analysis for organization culture

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of Variance</td>
</tr>
<tr>
<td>1</td>
<td>4.055</td>
<td>81.106</td>
</tr>
<tr>
<td>2</td>
<td>.873</td>
<td>17.451</td>
</tr>
<tr>
<td>3</td>
<td>.054</td>
<td>1.080</td>
</tr>
<tr>
<td>4</td>
<td>.018</td>
<td>.364</td>
</tr>
<tr>
<td>5</td>
<td>3.132E-17</td>
<td>6.263E-16</td>
</tr>
</tbody>
</table>

Component matrix

The implementation of a strategy often encounters rough going because of deep rooted cultural biases.
The employees see changes as threatening and tend to favor “continuity” and “security”
The culture of NSSF discourages innovation
There is a lack of compatibility between strategy and culture
There is resistance to implementation of the strategies

Correlations

<table>
<thead>
<tr>
<th>Culture</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
<th>Strategy_Implementation outcomes</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture</td>
<td>1</td>
<td></td>
<td></td>
<td>Strategy_Implementation outcomes</td>
<td>-0.322**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.002</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>94</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

Extraction Method: Principal Component Analysis.
a. 1 components extracted.

Source: Researcher (2012)

Factor analysis revealed that the statements on organizational culture can be reduced to one factors. The reduction of the statements into one factors followed the Kaiser criterion which asserts that a factor should be selected on the basis of eigen Values. An eigen value of 1 or more indicates a factor. The one factor explained a cumulative variance of 81.106 % of the total variance.

A correlation of -0.322 indicates that an increase in the ineffectiveness of culture is accompanied by a decline in strategy implementation outcomes.
4.6.2 Organization Structure and Strategy Implementation

Findings in figure 4.5 revealed that a majority (72%) of respondents agreed that the current structures may as well distort and dilute intended strategy to the point where no discernible change takes place, majority (74%) agreed that there are no clear reporting lines, majority (56%) strongly agreed that organization structure does not support bottom up communication, majority (68%) agreed that there is a lack of compatibility between strategy and structure, majority (74%) agreed that effective corporate governance mechanisms do not exist.

The findings are in agreement with Awino (2001) which identified lack of fit between strategy and structure as a factor affecting successful strategy implementation. He cited lack of fit between strategy and structure, inadequate information and communication systems, and failure to impart new skills as inhibitors of strategy implementation. The findings imply that NSSF has ineffective structures and may have negatively affected strategy implementation at NSSF.

Figure 4. 5 Organization Structure and Strategy Implementation
Factor analysis revealed that the statements on organizational structure can be reduced to one factors. The reduction of the statements into one factors followed the Kaiser criterion which asserts that a factor should be selected on the basis of eigen Values. An eigen value of 1 or more indicates a factor. The one factor explained a cumulative variance of 72.978 % of the total variance. A correlation of -0.440 indicates that an increase in the ineffectiveness of structure is accompanied by a decline in strategy implementation outcomes.
4.6.3 Organization Leadership and Strategy Implementation

As revealed in figure 4.6, a majority (47%) of respondents agreed with the statement that the current leadership style is not transformational, majority (71%) agreed that the management has not put in place proper compensation and reward structure for strategy implementation, majority (41%) agreed that the current management has flawed vision of what seems to be the strategic position of NSSF, majority (41%) strongly agreed that the current leadership has a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief. Results also indicated that a majority (47%) strongly agreed with the statement that the management is not carrying out its functions of Planning, Organizing, Staffing, Directing and Controlling effectively. The findings imply that NSSF has an ineffective leadership and management function which may have negatively affected the strategy implementation.

The findings are in agreement to those in Aaltonen and Ikavalko (2001) who asserts that lack of understanding of a strategy is one of the obstacles of strategy implementation. They point out that many organizational members typically recognize strategic issues as important and also understand their context in generic terms. However, the problem in understanding arises when it comes to applying issues in the day to day decision making. The findings also agree with those in Meldrum an Atkinson (1998) who identified two problems of implementation: a flawed vision of what it seems to be in a strategic position within an organization and a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief. The findings are also consistent with those in Bryson (2005) who asserts that failure by management to put in place proper compensation structure may be responsible for failure in strategy implementation. Bryson (2005) asserts that people must be adequately compensated for their hard work.
Figure 4. 6 Organization Leadership and Strategy Implementation
Table 4.6 Factor and correlational analysis for organization leadership

<table>
<thead>
<tr>
<th>Component</th>
<th>Total</th>
<th>% of Variance</th>
<th>Cumulative %</th>
<th>Extraction Sums of Squared Loadings</th>
<th>Cumulative %</th>
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<td>.705</td>
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</table>

The management is not carrying out its functions of Planning, Organizing, Staffing, Directing and Controlling effectively
The management has not put in place proper compensation and reward structure for strategy implementation
The current leadership has a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief
The current management has flawed vision of what seems to be the strategic position of NSSF.
The current leadership is not transformational

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Strategy Implementation outcomes</th>
<th>Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy Implementation outcomes Pearson Correlation</td>
<td>1</td>
<td>-.677**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Leadership Pearson Correlation</td>
<td>-.677**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
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<tr>
<td>N</td>
<td>94</td>
<td>94</td>
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</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
Extraction Method: Principal Component Analysis.
a. 1 components extracted.

Source: Researcher (2012)
Factor analysis revealed that the statements on leadership can be reduced to one factor. The reduction of the statements into one factor followed the Kaiser criterion which asserts that a factor should be selected on the basis of Eigen Values. An Eigen value of 1 or more indicates a factor. The one factor explained a cumulative variance of 79.427% of the total variance. A correlation of -0.677 indicates that an increase in the ineffectiveness of leadership is accompanied by a decline in strategy implementation outcomes.

4.6.4 Organization Resources and Strategy Implementation

Figure 4.7 demonstrated that a majority (47%) of respondents agreed with the statement that some strategic objectives have not been allocated enough team members & resources, a majority (43%) agreed that strategy implementation teams have inadequate experience in strategy implementation, a majority (44%) agreed that strategy implementation teams have inadequate education and training background, a majority (41%) strongly agreed that some of the financial and non financial resources allocated to strategy implementation are being misused, a majority (43%) strongly agreed that the large revenue base, fiscal illusion and the problem of too much money is a factor affecting strategy implementation. The findings imply that the management of resources at NSSF is ineffective and this may have had a negative implication on the strategy implementation.

The findings agree with those of David (1997) who argues that allocating resources to particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors commonly prohibit effective resource allocation. These include overprotection of resources, too great emphasis on short-term financial criteria, organizational policies, vague strategy targets reluctant to take risks, and lack of sufficient knowledge. The findings also agree with those of Johnson and Scholes (2002) which argue that established organizations may experience changes in the business environment that can make a large part of their resource base redundant resources, which may be unable to free sufficient funds to invest in the new resources that are needed and their cost base will be too high. In addition, the findings agree with those of Bryson (2005) who observes that people’s intellect creativity, skills, experience and commitment are
necessary towards effective implementation. The findings agree with those in Chimhanzi & Morgans (2005) which indicated that firms devoting attention to the alignment of marketing and human resources are able to realize significantly greater successes in their strategy implementation. Finally, the results are consistent with those of Muell and shani (2008) asserts that one of the inhibitors of strategy execution is the lack of resources; resources are either inadequate or unavailable when needed.

Figure 4.7: Organization Resources and Strategy Implementation
Table 4.7: Factor and correlational analysis for organization resources

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of Variance</td>
<td>Cumulative %</td>
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<td>.092</td>
<td>1.831</td>
</tr>
<tr>
<td>5</td>
<td>.076</td>
<td>1.511</td>
</tr>
</tbody>
</table>

Component 1

Due to the large revenue base, fiscal illusion and the problem of too much money is a factor affecting strategy implementation.

Some of the financial and non financial resources allocated to strategy implementation are being misused.

Strategy implementation teams have inadequate experience in strategy implementation.

Some strategic objectives have not been allocated enough team members & resources.

Strategy implementation teams have inadequate education and training background.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Strategy Implementation Outcomes</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy_Implementation_outcomes</td>
<td>Pearson Correlation</td>
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</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
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</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
</tr>
<tr>
<td>Resources</td>
<td>Pearson Correlation</td>
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<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
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</tbody>
</table>

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

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Source: Researcher (2012)
Factor analysis revealed that the statements on politics can be reduced to one factor. The reduction of the statements into one factor followed the Kaiser criterion which asserts that a factor should be selected on the basis of eigen values. An eigen value of 1 or more indicates a factor. The one factor explained a cumulative variance of 75.395 % of the total variance. A correlation of -0.653 indicates that an increase in the ineffectiveness of Organizational Resources is accompanied by a decline in strategy implementation outcomes.

4.6.5 Organization Politics and Strategy Implementation

Figure 4.8 revealed that a majority (41%) of respondents strongly agreed with the statement that there exists political interference in the management of NSSF, a majority (50%) strongly agreed that strategic managers engage in activities to obtain and use power to influence organizational goals and change strategy and structure to further their own interests, a majority (50%) strongly agreed that top-level managers constantly come into conflict over what correct policy decisions are, a majority (45%) agreed that there exists a powerful group who may regard the change caused by new strategy as a threat to their own power, a majority (41%) agreed that tribal politics in NSSF may be a factor affecting strategy implementation. The findings imply that there exists negative political force at NSSF and these political forces may have negatively affected the strategy implementation.

The findings agree with those of Hill and Jones (1999) who asserted that organization politics are tactics that strategic managers engage in to obtain and use power to influence organizational goals and change strategy and structure to further their own interests. The findings are also congruent to those of Wang (2000), who states that it is important to overcome the resistance of powerful groups because they may regard the change caused by new strategy as a threat to their own power. The author further stated that Top-level managers constantly come into conflict over what correct policy decisions would be and power struggles coalition building is a major part of strategic decision making. According to them, the challenge organizations face is that the internal structure of power always lags behind changes in the environment because in general, the environment changes faster than organizations can respond.
The Strategic managers engage in activities to obtain and use power to influence organizational goals and change strategy and structure to further their own interests.

The exist political interference in the management of NSSF.

Top-level managers constantly come into conflict over what correct policy decisions are.

There exists a powerful group who may regard the change caused by new strategy as a threat to their own power.

Tribal politics in NSSF may be a factor affecting strategy implementation.

Figure 4.8 Organization Politics and Strategy Implementation
Table 4.8 Factor and correlational analysis for organization politics

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
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</thead>
<tbody>
<tr>
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<tr>
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</table>

Component 1

- The Strategic managers engage in activities to obtain and use power to influence organizational goals and change strategy and structure to further their own interests .946
- There exist political interference in the management of NSSF .912
- Tribal politics in NSSF may be a factor affecting strategy implementation .907
- There exists a powerful group who may regard the change caused by new strategy as a threat to their own power .902
- Top-level managers constantly come into conflict over what correct policy decisions are .888

Correlations

<table>
<thead>
<tr>
<th>Strategy Implementation outcomes</th>
<th>Politics</th>
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<td>Pearson Correlation</td>
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<table>
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<td>N</td>
<td>94</td>
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</tbody>
</table>

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

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Source: Researcher (2012)
Factor analysis revealed that the statements on politics can be reduced to one factors. The reduction of the statements into one factors followed the Kaiser criterion which asserts that a factor should be selected on the basis of Eigen Values. An Eigen value of 1 or more indicates a factor. The one factor explained a cumulative variance of 82.997 % of the total variance.

A correlation of -0.362 indicates that an increase in the ineffectiveness of Organizational Politics is accompanied by a decline in strategy implementation outcomes.

4.6.6 Strategy Implementation at NSSF

Results in figure 4.9 revealed that a majority (44%) of respondents strongly disagreed with the statement that the return to member is high and satisfactory to members, Majority (43%) strongly disagreed with the statement that it is very likely that the future return to members will exceed 1% per annum. A majority (61%) disagreed that there has been a significant increase in membership, while a majority (57%) disagreed with the statement that the membership of NSSF will most likely be expected to exceed the target of 3 million in future.

A majority (53%) disagreed that there has been a significant increase in members contribution, while another majority (54%) disagreed that it is highly likely that the annual membership contribution will exceed the target of 14 billion. A majority (48%) disagreed with the statement that there is a significant reduction in the benefit payment period why a further majority (49%) disagreed with the statement that it is highly likely that the benefit payment period will be less than the target period of 7 days. The findings imply that strategy implementation at NSSF has not been successful.

The findings are in agreement with of the NSSF Status Report (2011) which asserted that while one of the objectives of the NSSF under the business growth theme is to increase the membership coverage from 1.03million to 3million by the year 2014, only 1.2million membership coverage has been achieved. This indicates a huge negative variance of 1.8 million members. The report further asserts that the strategic objective of increasing annual contribution collections from 5.5 billion to 14 billion by the end of year 2013-2014 may not
be realized given the current trend. Furthermore the strategic objective to reduce claim processing time from 14 days to 7 days by the end of year 2013-2014 may also not be met. This is because accounts for all members has not been updated and records have not been digitized. NSSF Status Report (2011) also asserts that the strategic plan to increase the risk adjusted return on members fund from 6% to 11% per annum by the end of strategy period may not be realized because the NSSF has not reviewed and implemented an investment policy.

Figure 4.9 Strategy Implementation at NSSF
Table 4.9 Factor analysis for strategy implementation outcomes

<table>
<thead>
<tr>
<th>Component</th>
<th>Total Variance</th>
<th>% of Total Variance</th>
<th>Cumulative % of Total Variance</th>
<th>Component Total Variance</th>
<th>% of Total Variance</th>
<th>Cumulative % of Total Variance</th>
<th>Component Total Variance</th>
<th>% of Total Variance</th>
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<td>2.750</td>
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<td>62.264</td>
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Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 5 iterations.

Source: Researcher (2012)
Factor analysis revealed that the statements on strategy implementation can be reduced to four factors. The reduction of the statements into four factors followed the Kaiser criterion which asserts that a factor should be selected on the basis of Eigen Values. An Eigen value of 1 or more indicates a factor. The four factors explained a cumulative variance of 94.302% of the total variance.

The rotated factor loadings indicated that two statements relating to returns weighed heavily on factor one. Factor loadings of another two statements weighed heavily on factor 2. These two statements were associated with member’s contributions. Factor loadings of another two statements weighed heavily on factor 3. These two statements were associated with membership. Factor loadings of another two statements weighed heavily on factor 4. These two statements were associated with benefit payment period. The findings imply that strategy implementation outcomes can be reduced to a four factor model.
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction
The chapter addresses the summary of the findings, the conclusions and the recommendations. The purpose of this study was to evaluate the factors affecting strategy implementation in social security organizations in Kenya taking a case study of NSSF. Specifically, the study attempted to determine how organization culture, structure, leadership, resources and politics affect strategy implementation.

5.1 Summary of Findings

5.1.1 Organization culture and strategy implementation
One of the objectives of the study was to assess the effect of organization culture on strategy implementation. Results indicated that the culture at NSSF was not conducive for strategy implementation. This may have led to the poor implementation of strategy at NSSF. The findings were supported by a majority of respondents who indicated that culture of NSSF discourages innovation, there is resistance to implementation of the strategies, the employees see changes as threatening and tend to favor “continuity” and “security”, the implementation of a strategy often encounters rough going because of deep rooted cultural biases and there is a lack of compatibility between strategy and culture. The findings were also supported by a negative correlation which implied that an increase in the ineffectiveness of organization culture leads to a reduction in strategy implementation outcomes.

5.1.2 Organization structure and strategy implementation
One of the objectives of the study was to assess the effect of organization structure on strategy implementation. Results indicated that the organization structure at NSSF was inconsistent with strategy implementation and this may have been responsible for the poor strategy implementation at NSSF. The findings were supported by a majority of respondents who indicated that the current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place, that effective corporate governance
mechanisms do not exist, the organization structure does not support bottom up communication and there are no clear reporting lines. The findings were also supported by a negative correlation which implied that an increase in the ineffectiveness of organization structure leads to a reduction in strategy implementation outcomes.

5.1.3 Organization leadership and strategy implementation
One of the objectives of the study was to assess the effect of organization structure on strategy implementation. Results indicated that the organization leadership at NSSF is not effective and this may have contributed to the poor implementation of strategy. The findings were supported by a majority of respondents who asserted that the current leadership style is not transformational, the management has not put in place proper compensation and reward structure, the current management has flawed vision of what seems to be the strategic position of NSSF, the current leadership has a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief, the management is not carrying out its functions of Planning, Organizing, Staffing, Directing and Controlling effectively. The findings were also supported by a negative correlation which implied that an increase in the ineffectiveness of leadership leads to a reduction in strategy implementation outcomes.

5.1.4 Organization resources and strategy implementation
One of the objectives of the study was to assess the effect of organization resources on strategy implementation. Results indicated that the management of organization resources at NSSF is not effective and this may have contributed to the poor implementation of strategy. The findings were supported by a majority of respondents who asserted that the statement that some strategic objectives have not been allocated enough team members & resources, the large revenue base, fiscal illusion and the problem of too much money is a factor affecting strategy implementation, strategy implementation teams have inadequate education and training background, some of the financial and non financial resources allocated to strategy implementation are being misused, strategy implementation teams have inadequate experience in strategy implementation. The findings were also supported by a negative
correlation which implied that an increase in the ineffectiveness of organization resources leads to a reduction in strategy implementation outcomes.

5.1.5 Organization politics and strategy implementation

One of the objectives of the study was to assess the effect of organization politics on strategy implementation. Results indicated that the organization politics at NSSF are not conducive for strategy implementation and this may have contributed to the poor implementation of strategy. The findings were supported by a majority of respondents who asserted that there exists political interference in the management of NSSF, strategic managers engage in activities to obtain and use power to influence organizational goals and change strategy and structure to further their own interests, that top-level managers constantly come into conflict over what correct policy decisions are, that there exists a powerful group who may regard the change caused by new strategy as a threat to their own power, that tribal politics in NSSF may be a factor affecting strategy implementation. The findings were also supported by a negative correlation which implied that an increase in the ineffectiveness of organization politics leads to a reduction in strategy implementation outcomes.

5.2 Conclusions

From the study findings, one can conclude that the organization leadership at NSSF is not effective and this may have led to poor strategy implementation. Specifically, lack of visionary and strategic leadership could have affected the strategic implementation and outcomes negatively.

It was possible to conclude that the culture at NSSF was not conducive for strategy implementation and this may have led to poor strategy implementation. The culture of preferring to maintain the status quo as well as deep rooted cultural biases may have negatively affected strategic implementation and outcomes.

The organization structure at NSSF was inconsistent with strategy implementation and this may have led to poor strategy implementation. The organization structure did not support
effective communication and reporting relationships and this may have negatively affected strategy implementation and strategic outcomes.

The management of organization resources at NSSF is not effective and this may have led to poor strategy implementation. There was no proper allocation and training of human resources. In addition, there was misuse of financial resources and this may have negatively affected strategy implementation.

The organization politics at NSSF are not conducive for strategy implementation and this may have contributed to the poor implementation of strategy. For instance, it was found out that there was political interference in the management NSSF and this may have negatively affected strategy implementation.

5.3 Recommendations
The study makes the following recommendations based on the objectives of the study;
For strategy implementation to be successful, NSSF and other social security institutions need to align its culture to strategy. Specifically, NSSF needs to address the resistance of employees to change by improving on communication, training them and rewarding them adequately.

NSSF and other social security institutions also need to align the organization structure to strategy. For instance, it needs to institute effective corporate governance mechanisms and also ensure that the organization structure support bottom up communication. In addition, clear reporting lines should be put in place.

NSSF and other social security institutions need to align the organization leadership to strategy. It should therefore ensure that the leadership style is transformational and not transactional. The management should also put in place proper compensation and reward structure for strategy implementation. Finally, the management should carry out its functions of Planning, Organizing, Staffing, Directing and Controlling effectively.
NSSF and other social security institutions need to align the organization leadership to strategy. The management should ensure that all strategic objectives have been allocated enough team members & resources. The strategy implementation teams should have adequate education and training background. The management should ensure that some of the financial and non-financial resources allocated to strategy implementation are not being misused. The strategy implementation teams should also have adequate experience in strategy implementation.

NSSF and other social security institutions need to align the organization politics to strategy. The management should address political interference in the management of NSSF, strategic managers should not engage in activities to obtain and use power to influence organizational goals and change strategy and structure to further their own interests, top-level managers should avoid conflict over what correct policy decisions are. The management needs to deal with powerful groups who may regard the change caused by new strategies as a threat to their own power. Finally, the management should reduce tribal politics in the Fund.

5.4: Suggested Areas for Further Research
The study suggests that the study should be replicated in the private sector institutions that deal with retirement savings. This would yield results for comparison between private and public institutions. Further studies on how the competitive environment affects the success of strategies also need to be studied.
REFERENCES


INTRODUCTION LETTER

Date: ......................

RESEARCH QUESTIONNAIRE FOR EMPLOYEES IN NSSF

Dear Respondent,

I am Caroline Wanjiru Gacheru, a graduate student of Master of Business Administration at Kenyatta University, Nairobi. I am carrying out an evaluation study of the factors affecting strategy implementation in social security organizations and NSSF will be the case study.

It would be of great value if you could share your wealth of knowledge by completing this questionnaire. Your answers will be handled with highest anonymity and confidentiality; this will be achieved by no indication of names. Kindly return the completed questionnaire to me.

Regards,

Caroline Wanjiru Gacheru
APPENDIX II
QUESTIONNAIRE

PART 1: GENERAL /DEMOGRAPHIC DATA

1. Gender
   a) Male □   b) Female □

2. Highest level of education
   a) Secondary level □   b) College level □
   c) University level □   d) Post graduate level □

3. Number of years in current employment
   a) less than one year □   b) 1 to 2 year □
   c) 3 to 5 years □   d) More than 5 years □

4. Department

5. Position
   a) Top Management □
   b) Middle Management □
   c) Unionisable Cadre □

6. Age
   a) 21-30 years □
   b) 31-40 years □
   c) 41-50 years □
   d) 51 years & above □

PART 2: THIS PART IS DIVIDED INTO SEVEN SECTIONS

Section A: Organization culture

This section aims at determining whether organizational culture is a factor affecting strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

57
Strongly Agree=5, Agree=4, Neither Agree nor Disagree=3, Disagree=2, Strongly disagree=1

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
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<tbody>
<tr>
<td>The culture of NSSF discourages innovation and creativity</td>
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<tr>
<td>There is resistance to implementation of the strategies</td>
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<tr>
<td>There is a lack of compatibility between strategy and culture</td>
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<tr>
<td>The implementation of a strategy often encounters rough going because of deep rooted cultural biases like fear of technology and performance based reward system</td>
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<tr>
<td>Existing culture in NSSF does not create a competitive environment</td>
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<tr>
<td>The employees see changes as threatening and tend to favor “continuity” and “security”</td>
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In what other ways does culture affect strategy implementation?

Section B: Organization Structure

This section aims at determining whether organizational structure is a factor affecting strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

Strongly Agree=5, Agree=4, Neither Agree nor Disagree=3, Disagree=2, Strongly disagree=1
The current structures may as well distort and dilute the intended strategy to the point where no discernible change takes place.

Effective corporate governance mechanisms do not exist.

The organization structure does not support bottom up communication.

There is a lack of compatibility between strategy and structure.

There are no clear reporting lines.

Existing structure does not encourage flexibility and slows decision making.

In what other ways does structure affect strategy implementation?

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<tr>
<td>The current leadership is not transformational</td>
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<tr>
<td>The management has not put in place proper compensation and reward structure for</td>
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**Section C: Organization Leadership**

This section aims at determining whether organizational leadership is a factor affecting strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

*Strongly Agree=5, Agree=4, Neither Agree nor Disagree=3, Disagree=2, Strongly disagree=1*
The current management has flawed vision of what seems to be the strategic position of NSSF.

The current leadership has a myopic view of what is needed for successful management of operational tasks and projects within a strategic brief.

The management is not carrying out its functions of Planning, Organizing, Staffing, Directing and Controlling effectively.

In what other ways does leadership affect strategy implementation?

Section D: Organization Resources

This section aims at determining whether an organizational resource is a factor affecting strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

*Strongly Agree*=5, *Agree*=4, *Neither Agree nor Disagree*=3, *Disagree*=2, *Strongly disagree*=1

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<tr>
<td>Some strategic objectives have not been allocated enough resources in terms of personnel, financial or ICT</td>
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<tr>
<td>Strategy implementation teams have inadequate experience in strategy implementation</td>
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</table>
Strategy implementation teams have inadequate education and training background.

Some of the financial and non-financial resources allocated to strategy implementation are being misused.

Due to the large revenue base, fiscal illusion and the problem of too much money is a factor affecting strategy implementation.

In what other ways does adequacy and management of resources affect strategy implementation?

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Section E: Organization Politics

This section aims at determining whether organizational politics is a factor affecting strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

*Strongly Agree*=5, *Agree*=4, *Neither Agree nor Disagree*=3, *Disagree*=2, *Strongly disagree*=1

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<tr>
<td>There exists political interference in the management of NSSF</td>
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<td>The Strategic managers engage in activities to obtain and use power to influence organizational goals, change strategy and structure to further their own interests</td>
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Top-level managers constantly come into conflict over what correct policy decisions are.

There exists a powerful group who may regard the change caused by new strategy as a threat to their own power.

Tribal politics in NSSF may be a factor affecting strategy implementation

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<tr>
<td>The return to members is high and satisfactory to members</td>
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<td>It is very likely that the return to members in future will exceed the target of 11% p.a</td>
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<td>There is a significant increase in membership</td>
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<td>The membership of NSSF will most likely be expected to exceed the target of 3 Million in future</td>
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In what other ways does politics affect strategy implementation?

Section F: Strategy Implementation

This section aims at determining the state of strategy implementation at NSSF. Please indicate your agreement or otherwise with the following statements using the following likert scale.

*Strongly Agree* = 5, *Agree* = 4, *Neither Agree nor Disagree* = 3, *Disagree* = 2, *Strongly disagree* = 1

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<tr>
<td>There is a significant increase in members contribution</td>
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<td>It is highly likely that the annual contributions will exceed the target of 14 billion</td>
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<td>There is a significant reduction in the benefit payment period</td>
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<td>It is very likely that the benefit payment period will be less than the target 7 days in future</td>
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**Section G: Other factors affecting strategy implementation**

What other factors are affecting strategy implementation at NSSF?

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2. 
3. 
4. 
5. 

Thank you