EFFECTS OF EMPLOYEE CRISIS ON FINANCIAL STRATEGY IMPLEMENTATION IN COMMERCIAL BANKS IN NAIROBI

BY

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DECLARATION

This research proposal is my original work and has not been presented for examination in any other university.

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This work is especially dedicated to my wife, Peninah, my sons, George, Paul and Elvis and my entire extended family for their unwavering support during the entire period of my pursuit for this award.
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I wish to thank God for granting me the opportunity to successfully pursue this programme. I also wish to recognize my lecturers for unreservedly sharing their knowledge, my supervisor for his valued guidance, fellow students, parents, my wife and family for their valued support.
ABSTRACT

A study by Sababu (2007) showed that formal strategic management systems significantly influenced organizational performance. There is therefore need for emphasis on careful management of employees’ personal crises in organizations. Diligent management as well as preventive management of employees’ personal crises will ensure that personal factors do not prohibit timely and successful implementation of strategies. Crises affecting employees can adversely influence their productivity and efficiency as well as short term commitment to organizations’ goals. The study therefore will investigate the crises that affect strategy implementation in banking service organizations in Nairobi CBD. This study will use the descriptive survey design to find out the personal crises situation in banking service organizations. The target population for the study will be all managers and employees of all the commercial banks in Nairobi; from which 5 banks have been randomly selected. These are CFC Stanbic, Co-operative Bank, Eco Bank, Equity Bank and Habib Bank while Barclays Bank and Family Bank have been sampled for piloting. 10 managers and 50 employees will take part in the study. Two tools will be employed for data collection: questionnaires for managers and employee. Quantitative data will be analyzed descriptively using frequency counts and percentages and presented using frequency tables, bar graphs and pie charts. Qualitative data will be reported in narrative form and where possible percentage of cases reported. The study findings will benefit shareholders, business promoters, boards of directors and top management in that the effects of personal crises on strategy implementation will be revealed, and recommendations made on how to avoid and reduce the impact of these crises.
# TABLE OF CONTENTS

Title Page ........................................................................................................................................ i  
Declaration ..................................................................................................................................... ii  
Abstract ......................................................................................................................................... iii  
Table of Contents .......................................................................................................................... iv  
List of Figures .............................................................................................................................. v  
Abbreviations and acronyms .......................................................................................................... v  
Definition of Operational Terms .................................................................................................... vi  
Dedication ....................................................................................................................................... vii  
Acknowledgements ...................................................................................................................... viii  

## CHAPTER ONE : INTRODUCTION

1.1 Background of the Study ........................................................................................................ 1  
1.2 Statement of the Problem ....................................................................................................... 4  
1.3 Objectives of the Study .......................................................................................................... 5  
1.4 Research Questions ................................................................................................................ 6  
1.5 Significance of the Study ....................................................................................................... 6  
1.6 Scope of the Study .................................................................................................................. 7  
1.7 Assumptions and Limitations of the Study ........................................................................... 7  

## CHAPTER TWO : LITERATURE REVIEW

2.1 Introduction ............................................................................................................................ 9  
2.2 Rationale for strategy in organizations .................................................................................. 9  
2.3 Importance of strategy implementation ................................................................................ 10  
2.4 Crises in organizations .......................................................................................................... 12  
2.5 Rationale for employee crises management ......................................................................... 14  
2.6 Link between strategy implementation and crises management ........................................ 16  
2.7 Preventive crises management ............................................................................................. 17  
2.8 Post crises management ......................................................................................................... 18  
2.9 Conceptual Framework ......................................................................................................... 20
CHAPTER THREE: METHODOLOGY

3.1 Introduction ................................................. 23
3.2 Research Design ........................................... 23
3.3 Target Population ........................................... 23
3.4 Sampling Procedures and Sample Size ..................... 24
3.4.1 Sampling frame ....................................... 25
3.5 Research Instruments ..................................... 25
3.5.1 Questionnaires ....................................... 25
3.6 Reliability and Validity ................................... 26
3.7 Data Collection Procedure ................................ 26
3.8 Data Analysis Plan ........................................ 27
3.9 Expected output ........................................... 27

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction ................................................ 28
4.2 Existence of formal strategies in organizations .......... 28
4.3 Effects of crises on employee contribution towards strategy implementation ........................................... 28
4.4 Common crises affecting employees’ contribution towards strategy implementation ........................................... 29
4.5 Impact of crises on employee work performance ........ 30
4.6 Common measures used by organizations ................ 30
4.7 Effects of crises by gender ................................ 31
4.8 Effects of crises by age group ............................. 31
4.9 Effects of crises by level in employment ................. 32
4.9.1 Effects of crises on employee focus on strategy implementation ........................................... 32
ABBREVIATIONS AND ACRONYMS

CAP - Common Alerting Protocol
CEO - Chief Executive Officer
CBD - Central Business District
CBK - Central Bank of Kenya
CSF - Critical Success Factors
HR - Human Resource
ILO - International Labor Organization
SBU - Strategic Business Unit
SI - International System of Units
SPSS - Statistical Package for Social Sciences
DEFINITION OF OPERATIONAL TERMS

Crises: Crises are major unpredictable events that have potential negative results.

Desired outcomes: An ideal effect or result of an effort, event or circumstances.

Employees: A person who works for somebody or for a company in return for wages.

Group: A number of people of the same interest.

Implementation: To carry out or put into practice.

Interventions: The co-ordination of and authority over processes of change by a change agent who nonetheless delegates elements of that change process.

Personnel: People employed in one of the armed forces, a firm or a public office.

Post crises interventions: Measures taken to reverse the effects of crises that have taken place.

Pre-crises interventions: Preventive measures taken to minimize effects of crises.

Strategy: It is the determination of the basic long-term goals and objectives of an enterprise, and the adoption and the allocation of resources necessary for carrying out those goals.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

If you are in management, strategy is your arsenal. Strategy managers strive to achieve an advantage in the marketplace and have unrivalled edge against their competitors. Having an edge over the competition may also mean ambushing rivals with new strategies and fresh ideas. Strategic management prepares the firm to get ready to confront any controlled and/or uncontrolled issues (Analoui and Karami, 2003). Strategic management is a process of developing a vision and mission, setting objectives, crafting a strategy, implementing the strategy and evaluating performance by reviewing the situation (Thompson and Strickland, 2003). All these processes have an ultimate goal of securing a dominant position in the industry or placing a firm ahead of competition. The market is a war-field where strategies are the major arsenal and the best executed ones determine the victors. According to Thompson and Strickland (2003), “Competing in the marketplace is like a war. You have injuries and casualties, and the best strategy wins.”

According to Wheelen and Hunger (2004) Strategy implementation involves putting into action strategies designed to achieve an organization’s goals. It entails converting the strategic plan into action and then into results. Successful implementation of a strategy determines the success of the entire strategic management process and determines if an organization meets its objectives or not. Therefore implementation of strategies should be viewed as an integral element of management that helps to sustain an organization’s existence and, anything that might hinder its success should be addressed proactively and urgently. It is not rare for organizations to prepare very
elaborate and brilliant strategies, and commit scarce and expensive resources only to fail because of problems associated with implementation.

In devising an action agenda, strategy implementers should begin with a probing assessment of what the organization must do differently and better to carry out the strategy successfully (Thompson and Strickland, 2003). Employees are the SI unit of successful strategy implementation. Successful management of employees that are linked to the implementation of the strategy is critical if the entire strategy is to be a success. After the family home, workstations are the most important places for the country’s labor force, because that is where they spend most of the day; they have a central place in the community. It is where workers earn a livelihood and thus it is an integral part of their lives just as the employees are an integral part of the organizations (Cumming, 1990).

To get good results, stop trying to change people. Human beings are one irreducible complexity in every company. And you can’t eliminate that complexity by forcing people to become more like another. You can’t standardize human behavior (Abbott, 2009). Instead of attempting to mould people to meet the organizations’ prescribed ideal persons, organizations can create avenues to maximize employees fit into the criteria. These avenues assist to ensure that employees’ do not derail the successful implementation of strategies.

Despite the level of commitment of many employees to a firm’s goals, certain unexpected events affecting them may interfere with the commitment or ability to remain focused on them. It may also adversely alter their ability to lend their efforts to those goals. These are crises which characteristically cannot be precisely anticipated nor can the time, where and whom they will affect. It may be key persons who are instrumental in the success of the strategy.
The service industry is one that is usually labour intensive and as such can be easily affected by circumstances that are prone to employees. Further, the choice of banking sector is influenced by the fact that it is very sensitive to strategy implementation and failure may have diverse implications on thousands of depositors, the financial sector and the economy at large. Competition in the sector is stiff with CBK viewing it as crowded. Currently there are 43 registered commercial banks in the country all of which are located in Nairobi. Performance and management of the sector very much determines the overall health of the economy. The strategies they put in place must be viable and implemented with great care and success rate. Out of the 44 institutions, 32 are locally owned and 13 are foreign owned (source CBK). This avails an opportunity to compare local and international firms in the handling of strategy implementation as well as the crises that befall their staff as they undertake the entrenchment of the strategies.

On the job with 10-10-10 strategy presents a way to prepare for likely deterrents to successful implementation of strategies. 10-10-10 is the process of systematically considering the consequences of a decision over the next 10 minutes, 10 months, and 10 years and it goes right to the heart of work’s fundamental challenge. At such crucial moments, 10-10-10 will prompt you to first identify your most cherished values and goals, then gather data, test assumptions, identify options and explore their varied consequences, empowering you to create a life of own making. (Jack and Suzy Welch, 2009)

Kaizen (Japanese for "improvement" or "change for the better") refers to a philosophy or practices that focus upon continuous improvement of processes in manufacturing, engineering, supporting business processes, and management. It has been applied in healthcare, government, banking, and many other industries. When used in the business sense and applied to the workplace, kaizen refers to activities that
continually improve all functions, and involves all employees right from the CEO (Wikipedia, 2010). It is worth applying the same philosophy to ensure that strategies are not affected by crises that employees are prone to.

It is however not clear what organizations are doing to ensure that strategies they have invested in are not jeopardized by crises that afflict their employees. Consequently, this study will explore the crises management facilities and practices in commercial banks in Nairobi.

1.2 Statement of the Problem

Human resources play a significant role in implementing business strategy. Recently, employees have been considered as the competitive advantages of the firm (Analoui and Karami, 2003).

Many organizations have developed multiple brilliant strategies but they never quite deliver them to their desired goals. They have tended to concentrate more on the resources required to roll out the strategies and besides training, have ignored other relevant human factors. Ineffective training is a recipe for management failure (Morara, 2009). Managements have been focusing more on resistance to change and skill requirements. Traditional HR ideas concentrate solely on physical skills, training covering only specific tasks, functional and subfunctional specialization and concern for the individual efficiency (Analoui and Karami, 2003). The well-being of employees, be it physical, psychological, social or even spiritual has been quietly eating into their effectiveness, efficiency, quality of work not to mention time misappropriation (Cumming (1990)).

Most of these factors are not planned and how or when they occur as well as the magnitude and extent of their impact cannot be established because they are mainly elements of nature. They occur as forms of personal crises. What are these personal crises and how can they and their effects be minimized? Barton (2007) defines crises
as a major unpredictable event that has potential negative results. Wicked problems exist in a dynamic and largely uncertain environment, which creates a need to accept risk, perhaps incalculable risk. Contingency planning and also the flexibility to respond to unimagined and perhaps unimaginable contingencies are both necessary (Wit and Meyer, 2008).

Much of the studies done in organizations have concentrated on the challenges faced in strategy implementation e.g. Lumiti (2007) and strategy implementation in various sectors e.g. Obare (2006) concentrates on public sector. A lot of work has been done on the effects of organizational crises on strategy implementation e.g. James (2007 and Caponigro (1998). Cumming (1990) looks at importance of dealing with individual staff problems but not in relation to strategy implementation. The area of employees' personal crises in organizations has not been given much attention. The proposed study hopes to fill this literature gap by finding out the types and effects of employees' personal crises in commercial banks in Nairobi.

1.3 Objectives of the Study

1.3.1 General objective.

This study will establish whether the crises employees face affect strategy implementation with special reference to the commercial banks in Nairobi.

1.3.2 Specific objectives

Specifically, the research will:

1. Establish the effects that employee crises have on strategy implementation.

2. Determine the common types of crises that affect employees.

3. Identify which type of personal crises has the highest impact on the employees?
4. Establish what measures management can put in place to minimize the effects of personal crises on strategy implementation.

1.4 Research Questions

The study will be guided by the following research questions:

1. Do employees' personal crises affect their role in strategy implementation?
2. What are the most common types of personal crises that employees face in your organization?
3. Which type of personal crises has the highest impact on the employees?
4. What measures can management put in place to minimize the effect of personal crises on strategy implementation?

1.5 Significance of the Study

Research findings indicate that successful organizations are those that not only develop smart strategies but also implement them successfully. Cumming (1990) emphasizes the importance of dealing with individual staff problems as well. This ensures that the human factor does not jeopardize these strategies. Together with the growing strength of workers unions fighting for their ever increasing rights, and the stiff competition in the market place makes it necessary to ensure that strategies are implemented successfully. Results of crises facing individual employees may significantly reflect in the overall implementation of a strategy. There is therefore need for emphasis on preventive management of these crises as well as appropriate post crises management. It is vital to understand the consequences that can result from these crises and the kind of impact they can have on the organizations' strategies.

The findings of this study will benefit strategy developers, turnaround managers, crises managers, policy developers, investors, entrepreneurs, organizations' top
managers and the government in various ways. Organizations will gain data that could guide them in designing programmes to assist in ensuring that strategies serve their intended purpose despite the crises that may face their key employees. With the growing list of diverse types of crises facing employees, organizations and other stakeholders would need to know how their strategies would be affected. The study will provide data that may help to achieve this. The study findings will assist organizations' administrators to see how they are doing in ensuring that employee crises situations do not interfere with the successful implementation of their strategies.

1.6 Scope of the Study

The study will investigate the types of crises that individual employees in commercial banks in Nairobi face. The researcher will carry out interviews in the organizations on the common types of crises that individual employees face. Study variables will be crises and strategy implementation. Crises resources to be studied include preventive management tools and post crises management tools, and programmes. Strategy implementation factors to be studied will include the effects of employees' crises and the extent to which it is impacted by crises that face employees in organizations.

1.7 Assumptions and Limitations of the Study

The study will be based on the following basic assumptions:

1. That the information to be given by the respondents will be correct and a true reflection of the situation in the organizations.

2. That the managers and employees who will participate in the study will have stayed in their current workstations for a period long enough to be fully aware of the strategy implementation situation in their organizations.
The study will be limited to commercial banks in Nairobi. Due to financial constraints and time limitations since the researcher is in full time employment, a larger population will not be targeted for the study.
CHAPTER TWO  
LITERATURE REVIEW

2.1 Introduction

In this chapter, focus is turned to a review of literature related to the study. The chapter covered will be, rationale for strategy to an organization, importance of strategy implementation, crises in organizations, rationale for employee crises management, link between strategy implementation and crises management, preventive crises management and post crises management.

2.2 Rationale for strategy in organizations

An organization’s mission is an overall goal of the organization and this is very much determined by the strategies put in place. According to Chandler (1962), strategy is the determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out those goals. Thompson and Strickland (2003) defined strategic management as a process of developing a vision and mission, setting objectives, crafting a strategy, implementing the strategy and evaluating performance by reviewing the situation. Byars (1987) explained that decisions can be broken down into two phases: strategy planning and strategy implementation. He defined strategic management as management which is concerned with making decisions about an organization’s future direction and implementing those decisions. Wheelen and Hunger (2004) defined strategic management as a process that involves four basic elements: (1) Environmental scanning (2) Strategy formulation (3) Strategy implementation and (4) Strategy evaluation and control. However Analoui and Karami (2003) state that the process of setting out corporate strategy has two phases; formulation of strategy and implementation of strategy. They identified some of the
benefits of strategic management process as preparing the firm to get ready to confront any controlled and uncontrolled issues and, preparing the means to achieve the goals and objectives of the firm.

Strategic management is concerned with the broad, long term future of an organization and the way it will prepare for change to the extent that change is perceived as being a necessary prerequisite of future continued success. Strategic decisions and plans are thus subject to greater uncertainty than either administrative or operational decisions (Ansoff 1988). The flow of ideas and grievances can determine the seed for the strategy making process whereas the flow of authority and instructions impacts on strategy implementation. Strategic decisions are likely to be complex in nature and may also have to be made in situations of uncertainty (Johnson and Scholes, 2003).

Thompson and Strickland (2003) identified certain relevant benefits of strategic management to employees’ activities. Strategic management enhances the organization’s ability to prevent problems and facilitate the adaptation of the organization to environmental change. It represents a framework for improved coordination and control of activities and minimizes the effect of adverse conditions and changes. It helps to integrate the behaviour of individuals into total effort and gives encouragement to individuals’ forward thinking. A study by Sababu (2007) showed that formal strategic management systems significantly influenced organizational performance. As broad as the aspects of strategy may be, the overall importance of strategic process in determination of the organization’s success cannot be ignored.

2.3 Importance of strategy implementation

Strategy implementation simply means converting a selected strategy into action (Analoui and Karami, 2003). It is often the hardest part of a strategy. When a strategy has been analyzed and selected, the task is then to translate it into organizational
action. Strategy implementation is the process by which strategies and functional policies are put into action through the development of action plans, goals, programmes, budgets, procedures, structures, cultures, motivation, communication, leadership, allocation of resources, working climate and enforcement, (Sababu, 2007). As a process, it is also concerned with monitoring the effectiveness of the objectives and the functional policies towards the mission and it is primarily the function of all employees of the firm. According to Wheelen and Hunger (2004) it is the sum total of the activities and choices required for the execution of a strategic plan.

First, organizations successful at implementing strategy develop detailed action plans and chronological lists of action steps (tactics) which add the necessary detail to their strategies. And assign responsibility to a specific individual for accomplishing each of those action steps. Also, they set a due date and estimate the resources required to accomplish each of their action steps. Thus they translate their broad strategy statement into a number of specific work assignments (Birnbaum, 2010).

Mulcaster (2009) argues that while much research and creative thought has been devoted to generating alternative strategies, too little work has been done on what influences the quality of strategic decision making and the effectiveness with which strategies are implemented. Strategy implementation involves translating formulated strategies into action. It requires moving from the largely intellectual exercises of formulating to the concrete realities of tactical choice, trade-offs, obstructions, misunderstanding, and even errors.

Excellent execution of an excellent strategy is the best test of managerial excellence and the most reliable recipe for organizational success. One of the biggest strategy implementation challenges is to employ motivational techniques that build whole-hearted commitment and winning attitudes among employees (Thompson and
Strickland, 2003). They also identified demanding people-management skills required as a challenge to strategy implementation.

2.4 Crises in organizations

Mindszenthy, Watson and Koch (1988) argue that crises can be any threat or event that creates chaos and, usually suffering. James (2007) defines organizational crises as any emotionally charged situation that, once it becomes public, invites negative stakeholder reaction and thereby has the potential to threaten the financial wellbeing, reputation, or survival of the firm or some portion thereof. He identifies two primary types of organizational crises; sudden crises which are circumstances that occur without warning and beyond the institution’s control and smoldering crises which begin as minor internal issues that, due to manager’s negligence, develop to crises status.

According to James (2008) the test of crises demonstrates how well the institution’s leadership structure serves the organization’s goals and withstands crises. Some crises that can affect both the organization and individual employees are fire, accidents, natural disasters, bankruptcy, and negative publicity. Wikipedia (2010) defines Crises management as the process by which an organization deals with a major unpredictable event that threatens to harm the organization, its stakeholders, or the general public. Three elements are common to most definitions of crises: (a) a threat to the organization, (b) the element of surprise, and (c) a short decision time. Venette (2003) argues that ‘crises is a process of transformation where the old system can no longer be maintained.’ Therefore the fourth defining quality is the need for change. If change is not needed, the event could more accurately be described as a failure or incident.

Crises management is a relatively new field of management. Typically, proactive crises management activities include forecasting potential crises and planning how to deal with them. Most companies concentrate on the crises that might befall the
company as a unit such as those caused by nature or those that stem from acts of human malice or criminal behavior. These are the industry related crises (Wikipedia 2010). Crises management ideally begins before crises actually occur - in a calm and objective environment. It begins with a thorough audit of organizational risks and identification of those that could result in major problems. They include accidents and natural events, health and environmental disasters, technology breakdowns, economic market forces and rogue employees (Barton, 2007).

According to Wikipedia (2010) personal crises can occur when events of an extraordinary nature create extreme tension and stress within an individual which require major decisions or actions to resolve. Crises can be related to changes in events that comprise the day-to-day life of a person and those in their close circle.

Lerbinger (1997) specified three different types of crises of organizational misdeeds: crises of skewed management values, crises of deception and crises of management misconduct. Crises of skewed management values are caused when managers favour short-term economic gain and neglect broader social values and stakeholders other than investors. This state of lopsided values is rooted in the classical business creed that focuses on the interests of investor and tends to ignore the interests of its other stakeholders such as customers, employees and community.

Table 2.1 stages of crises

<table>
<thead>
<tr>
<th>Pre-crises</th>
<th>Prior to the event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warning</td>
<td>Indications that there is or may be or could be an event liable to cause a significant impact on the organization</td>
</tr>
<tr>
<td>Crises point</td>
<td>When the event begins to cause significant impact on the organization</td>
</tr>
<tr>
<td>Recovery</td>
<td>The acute stage of crises has passed and the organization is able to focus on a return to normal operations</td>
</tr>
<tr>
<td>Post crises</td>
<td>Evaluation of the effects</td>
</tr>
<tr>
<td></td>
<td>Repair to the organization</td>
</tr>
</tbody>
</table>

2.5 Rationale for employee crises management

Stakeholders are those individuals or groups who depend on the organization to fulfill their own goals and on whom, in turn, the organization depends. Forces at work in the business environment, the internal capabilities of organizations and the expectations and influences of stakeholders influence business strategy (Johnson and Scholes, 2003). Employees are major stakeholders of any organization. Like the rest, they may seek to influence company strategy. Individuals may belong to more than one stakeholder group and stakeholder groups ‘line up’ differently depending on the issue or strategy in hand. Strategic management includes not only the management team but can also include the Board of Directors and other stakeholders of the organization. It depends on the organizational structure (Arieu, 2007).

Managing people constitutes at least 80% of the managerial function. It is the most difficult and yet most rewarding function (Kermally, 2004). Human beings play a significant role in implementing business strategy. Human resources are a strategic asset of the firm—they turn a strategic plan into action. Probably the most important and strategic resource of SME’s is their employees. Alongside the proper organizational structure and effective leadership, motivated human resources significantly impact on the success of the strategy implementation (Analou and Karami, 2003). They add that any investment in increasing human resource capabilities must be considered as a crucial factor which in turn will increase the firm’s performance. Developing effective human resources is vital when building organizational capabilities through crises management executive leadership (James, 2008).

Whereas crafting strategy is largely a market-driven activity, implementing strategy is primarily an operations-driven activity revolving around management of people and
business process (Thompson and Strickland, 2003). According to Richard Branson (2009), founder of the Virgin Group of companies, said that the group had established a culture—one built around people because people are the real engine of business. “People are the lifeblood of any company; they need to be looked after and celebrated every now and then.” “Good people are crucial to business success. Finding them, managing them, inspiring them and then holding onto them are among the most important challenges a good business leader faces. How you deal with these matters often determines the long-term success and growth of your business. He asks, “What is a company but a collection of people?”

Depending on how the corporation is organized, those who implement strategy will probably be a much more diverse set of people than those who formulate it (Wheelan and Hunger, 2004). According to Thompson and Strickland (2003) the most time-consuming aspect of strategic management involves a daily effort to get the best strategy-supportive performance out of every individual in the organization and trying to perfect the current strategy by refining its content and execution.

Corporate social responsibility is concerned with ways in which the organization exceeds the minimum obligations to stakeholders specified through regulation and corporate governance. This includes considerations as to how the conflicting demands of different stakeholders can be reconciled. Since the legal and regulatory frameworks pay uneven attention to the rights of different stakeholders it is useful to distinguish between contractual stakeholders—such as customers, suppliers or employees—who have a legal relationship with the organization and community stakeholders who do not have the protection of law to the same extent as the first group, (Johnson and Scholes, 2008). A socially responsible business organization is one which has an awareness of the ‘social’ problems which arise out of its relationships with customers,
employees, suppliers, the government, and the community, and is willing to commit resources to solve some of these problems (Buckley, 1990).

Johnson and Scholes (2008) gave an elaborate discussion on what they termed as 'critical success factors' as those product features that are particularly valued by a group of customers and, therefore, where the organization must excel to outperform competition. They however failed to relate CSF to other aspects of the organization especially because it is clear that corporate strategy encompasses the whole organization. Acceptability of corporate is concerned with the expectations of the identified stakeholders (mainly shareholders, employees and customers) with the expected performance outcomes, which can be return, risk and stakeholder reactions (Johnson, Scholes and Whittington, 2008). The loyalty effect that gives firms competitive advantage should not only be made up customer loyalty but also employee loyalty, supplier loyalty, distributor loyalty and shareholder loyalty (Reichheld, 1996).

2.6 Link between strategy implementation and crises management

Organizations successful at strategy implementation effectively manage six key supporting factors: action planning, organization structure, human resources, the annual business plan, monitoring control and linkage (Birnbaum 2010). Knowledge is defined as awareness, consciousness or familiarity gained by experience or by learning and is central to many issues in strategic management (Johnson and Scholes, 2003). Such knowledge may include what crises employees of a particular firm go through, the contributions by the firm that they value and the putting in place of resources to underpin knowledge creation and integration could be important.

According to Kim and Mauborgne (2005) there are reasons why strategic plans fail, especially: Failure to execute by overcoming the four key organizational hurdles i.e.
cognitive, motivational, resource and political, inability to predict environmental reaction and failure to obtain employee commitment.

Strategies require "linkage" both vertically and horizontally. Vertical linkages establish coordination and support between corporate, divisional and departmental plans. For example, a divisional strategy calling for development of a new product should be driven by a corporate objective — calling for growth, perhaps — and on knowledge of available resources — capital resources available from corporate as well as human and technological resources in the R&D department (Birnbaum, 2010).

Crises interfere with strategy implementation hence effective crises management ensures effective strategy implementation. Thompson and Strickland (2003) propose: consider that attacking competitive weakness is usually more profitable and less risky than attacking competitive strength. Crises open up weaknesses that can derail strategy implementation and should be diligently managed if implementation process is to run smoothly.

2.7 Preventive crises management

In their 10 commandments for crafting successful business strategies, Thompson and Strickland (2003) advised: avoid strategies capable of succeeding only in the most optimistic circumstances. Wicked problems exist in a dynamic and largely uncertain environment, which creates a need to accept risk, perhaps incalculable risk. Contingency planning and also the flexibility to respond to unimagined and perhaps unimaginable contingencies are both necessary (W.t and Meyer, 2008). Apart from natural crises that are inherently unpredictable (volcanic eruptions, tsunami etc.) most of the crises that we face are created by man. Hence the requirements of their being ‘unexpected’ depend upon man failing to note the onset of crises conditions. Some of our inability to recognize crises before they become dangerous is due to denial and
other psychological responses that provide succor and protection for our emotions (Mitroff, 2005).

A different set of reasons for failing to notice the onset of crises is that we allow ourselves to be 'tricked' into believing that we are doing something for reasons that are false. In other words, we are doing the wrong things for the right reasons. For example, we might believe that we are solving the threats of climate change by engaging in economic trading activity that has no real impact on the climate. Mitroff and Silvers posit two reasons for these mistakes, which they classify as Type 3 (inadvertent) and Type 4 (deliberate) errors (Mitroff and Silvers, 2009). Thus human deficiencies appear to be responsible for crises such as the Global Financial Crises of 2008 (regulatory failures), the Iraq war (intelligence failures), the climate crises (greed and cross subsidies), and many of our ecological crises. From this perspective we might usefully learn that failing to understand the real causes of our difficulties is likely to lead to repeated downstream 'blowback' that will eventually be our undoing (Wikipedia, 2010).

Steering controls, controls that monitor or measure the factors influencing performance, should be stressed so that advance notice of problems is given (Wheelen and Hunger, 2004). Identifying potential crises is the first step of preventive crises management. Many minds are better than one when trying to identify them and the use of a systematic approach is vital. After they have been prioritized, potential crises management should take place.

2.8 Post crises management

Ansoff and McDonnell (1990) identified real-time strategic response through issue management as a major component of strategic management. To deal with strategic problems, managers must not simply think, but they must go through a strategic reasoning process, searching for ways to define and resolve the challenges at hand.
(Wit and Meyer, 2008). They add that a course of action must be found that will allow the organization to relate itself to the environment in such a way that it will be able to achieve its purpose.

A strategic control system is necessary when performance is affected by crises. A strategic control system is a system to support managers in assessing the relevance of the organization's strategy to its progress in the accomplishment of its goals, and when discrepancies exist, to support areas needing attention (Harrison and John, 2004). Controls should be timely so that corrective action can be taken before it is too late (Wheelen and Hunger, 2004). There are three (3) types of control: feedback control which provides managers with information concerning outcomes from organizational activities, concurrent control which provides managers with real-time information about processes and activities, so that deviation from plan can be identified before they can affect results, and feedforward control which helps managers anticipate the external and internal environments, based on analysis of inputs from stakeholders and the broad environment (Harrison and John, 2004).

If undesired performance results because the strategic management processes were inappropriately used, operational managers must know about it so that they can correct the employee activity (Wheelen and Hunger, 2004). They add that controls can be established to focus on actual performance (behaviour), or on resources that are used in performance (input).

Successfully diffusing crises requires an understanding of how to handle the crises before they occur. Gonzales-Herrero and Pratt (1995) created a four-phase crises management model process that includes: issues management, planning-prevention, the crises, and post-crisis. The art is to define what the crises specifically is or could be and what has caused it or could cause it. Common Alerting Protocol (CAP) is a relatively recent mechanism that facilitates crisis communication across different
mediums and systems. CAP helps create a consistent emergency alert format to reach geographically and linguistically diverse audiences through both audio and visual mediums (Wikipedia, 2010).

In the face of crises, leaders must deal with the strategic challenges they face, the political risks and opportunities they encounter, the errors they make, the pitfalls they need to avoid, and the paths away from crises they may pursue. Thompson and Strickland (2003) state that it is the responsibility of a company’s management team to adjust to unexpectedly tough conditions by understanding strategic defenses and business approaches that can overcome adversity. Indeed, the essence of good strategy making is to build a market position strong enough and an organization capable enough to produce successful performance despite unforeseeable events, portent competition, a rash of delays, or cost surprises.

2.9 Conceptual Framework

Strategic management as discussed above has shown that it’s management’s role to direct the process and thus has to make decisions and provide responses to anything that might threaten the fundamental goals of the organization. Johnson and Scholes (2003) state that employees are major stakeholders of any organization and may seek to influence company strategy. In the five factors of production, three have a human component and employees (labour) are a major factor in the success of any strategy or firm as a whole. As far as employee ability to deal with personal crises is concerned, three factors have to be addressed if effective implementation of strategies is to be achieved. These are: (1) Predisposing factors - knowledge, attitude and belief about crises, (2) Enabling factors - availability of resources and facilities enabling employees to deal with the impending crises, (3) Reinforcing factors - factors affecting the employees’ ability to sustain a certain level of preparedness, ability to effectively deal with crises and maintain required level of performance.
Increasing employees' knowledge about crises and prevention should therefore only be part of the story. When knowledge is supported by enabling and reinforcing factors, desirable changes may occur in the organization setting. This stresses the importance of combining precautionary measures and fire fighting measures. Two (2) factors have to be addressed if desired outcomes are to be achieved from strategy implementation. These are preventive crises management/interventions and post crises management/interventions.

Preventive interventions keep the strategy implementation in line with the desired outcomes/realization of the strategy. This means ensuring that things follow the predetermined course and the plan is not distorted. However when the above interventions are not taken, or are not successful, post crises interventions steer the strategy implementation back to the desired outcome/realization of the strategy. Knowing the types of crises affecting employees is only part of the equation. Top managements need to know the predisposing factors and methods of limiting their impact in case they occur, and methods of arresting their effects when they occur. Since crises cannot be predicted, both in terms of time of occurrence and magnitude, precautionary measures and rapid response mechanisms will determine the degree of deviation from strategic goals.

The independent and dependent variables and the above interventions are captured in Figure 2.1, which is a diagrammatical representation of the researcher’s conceptual framework.
All strategies are drawn with a desired outcome in mind. However crises that affect the implementers (employees) can change the course of the strategy to an undesired outcome. At this point only post-crisis intervention can change the course towards the desired outcome. To prevent this right from the start, the crises can be anticipated and pre-crisis intervention taken to ensure that the strategy stays on course to a desired outcome.

Some strategy indicators include revenue growth, productivity, volume expansion, net margins, process improvement, personal growth, profitability growth and portfolio expansion. Crises indicators include absenteeism, low productivity, poor workmanship, bankruptcy, pecuniary embarrassment, stress and poor health. Impact of crises on strategy implementation can be measured by costs, budgets, timelines and desired outcomes. Use of excess resources than budgeted and longer than planned implementation periods are indicators that the employee crises have affected strategy implementation.

Source: Researcher (2010)
CHAPTER THREE
METHODOLOGY

3.1 Introduction

This chapter covers the methodology that will be used in the study. It discusses the research design, target population, sampling procedures, data collection instruments, validity and reliability of the instruments, and data collection and analysis procedures.

3.2 Research Design

This study will use the descriptive survey research design. The design is considered appropriate for the study because according to Kothari (2009) survey is concerned with describing, recording, analysing and reporting conditions that exist or that have existed. Orodho (2009) argues that survey method is widely used to obtain data useful in describing the nature of the existing conditions, identify the standards against which existing conditions can be compared and determining the relationship that exists between specific events. For this study, the descriptive survey design will enable the researcher to analyse and describe the crises that employees face in commercial banks in the study location, for the purpose of making recommendations on what needs to be done to minimize their effect on the implementation of strategies in commercial banks.

3.3 Target Population

The target population is defined as the members of a real or hypothetical set of people, events or objects the researcher wishes to generalize the results of the research (Borg and Gall, 1989). For this study, the target population will be all managers and staff of all 43 commercial banks in Nairobi. 10 managers and 50 employees will be
selected. Purposive sampling will be employed to select 2 managers from each of the 5 sample organizations. Purposive sampling will be used to allow the researcher get managers from both top and lower levels taking part in the study. Two (2) managers per organization will be selected, one (1) from top and one (1) from lower level management. As such, a total of 10 managers will be selected.

Stratified random sampling will be used to select 10 employees from each organization. Stratified sampling will allow the researcher get employees from different levels on the organization structure.

3.4 Sampling Procedures and Sample Size

A number of scholars have suggested various ways of arriving at a representative sample size. It is, however, generally agreed that the larger the sample, the smaller the sampling error. Out of all the commercial banks in Nairobi, the researcher will randomly select 5 organizations to participate in the study, which is 11.6 % of the population. Random sampling will be done by writing the names of the organizations on different pieces of paper, and then the pieces of paper will be folded and put in a container. The researcher will then pick 5 pieces of paper at random, and the organizations whose names appear on the picked papers comprise the study sample. According to Gay (1992) random sampling is the best form of sampling as it allows all members of the population to have an equal and unbiased chance of appearing in the sample. This is important in order to ensure that the study captures the state of crises management in commercial banks in Nairobi. It will also enable the researcher to generalize findings to the rest of the organizations in the City.
3.4.1 Sampling frame

A sampling frame is a list of elements from which the sample is actually drawn. It is a list of the study population. A suitable sampling frame is required for the selection of the sampling units, Cooper and Schindler (2000). My sampling frame will be a list of all 43 registered commercial banks in Nairobi from which I will randomly select my sample.

3.5 Research Instruments

For data collection, the researcher will employ the use of two questionnaires, one for managers and another for employees.

3.5.1 Questionnaires

The questionnaire will be used for data collection because, as Kiess and Bloomquist (1985) observes, it offers considerable advantages in the administration, it presents an even stimulus potentially to large numbers of people simultaneously and provides the investigation with an easy accumulation of data. Ngechu (2005) states that a questionnaire reaches many people in distant locations, saves time, it is cost effective and gives greater feeling of being anonymous and hence encouraging open responses to sensitive questions. Gay (1992) maintains that questionnaires give respondents freedom to express their views or opinion and also to make suggestions. Two sets of questionnaires will be used: one for managers and one for employees. The questionnaire for managers will have four sections. Section one will collect demographic information of the managers and their organizations; section two will gather data on the status of strategy implementation in organizations; section three will gather data on types of personal crises facing employees in the organizations, and section four will gather data on the measures that the organization employs to
minimize the effects of the crises. The questionnaire for employees will also gather data on their knowledge and feelings about various crises management practices.

3.6 Reliability and Validity

Before the actual data collection, piloting of questionnaires will be done on two commercial banks, which will not participate in the final study. Piloting will enable the researcher to test the reliability of the instrument. The researcher will use the pilot study to identify any items in the questionnaire that are ambiguous or unclear to the respondents and change them effectively. The pilot study will also enable the researcher to familiarize himself with administration of the instrument.

According to Gay (1992) validity is established by expert judgement. Thus the questionnaire will be constructed in close consultation with the university supervisor and other experts.

3.7 Data Collection Procedure

The researcher will get an introduction letter from Kenyatta University and a research permit from the Ministry of Higher Education. After this, the researcher will book an appointment with the sample organizations through the CEOs to visit and administer the questionnaires. The researcher will then visit each of the sample organizations and administer the questionnaires himself. The respondents will be given instructions and assured of confidentiality after which they will be given enough time to fill in the questionnaires then the researcher will collect the filled-in questionnaires later. As managers and employees fill in the questionnaires, the researcher will be carrying out document analysis for secondary data.
3.8 Data Analysis Plan

Descriptive statistics will be used to analyse the data obtained. Data collected from the field will be coded and entered into the computer for analysis using the Statistical Package for Social Sciences (SPSS). Quantitative data depicting frequencies of various responses will be analysed using frequency counts and percentages, and presented using frequency tables, bar graphs and pie charts. Qualitative analysis will present the views made from opinions of respondents. The analysis will be thematically presented in a narrative form and where possible percentages of cases reported.

3.9 Expected output

This study is expected to determine the types of crises that employees in commercial banks face, the effect they have on strategy implementation and the measures that managements can put in place to eliminate or minimize their impact on strategy implementation.
CHAPTER FOUR
DATA ANALYSIS AND FINDINGS

4.1 Introduction

The purpose of this study was to assess the impact of personal crises in Nairobi. This chapter presents the study data analysis results and findings and discussions within the framework of the set study objectives and questions. Additionally, the focus of the study findings is based on the overall purpose of the study that was set to assess the effects of employee crises on strategy implementation. Further, attempts have been made to address the set study objectives which were:

i). Establish the effects that employee crises have on strategy implementation.

ii). Determine the common types of crises that affect employees.

iii). Identify which type of personal crises has the highest impact on the employees?

iv). Establish what measures management can put in place to minimize the effects of personal crises on strategy implementation.

4.2 Existence of formal strategies in organizations

All respondents said that their organizations had formal strategies. Similarly, all respondents affirmed that they at times experienced personal crises.

4.3 Effects of crises on employee contribution towards strategy implementation

Most of the respondents believed that these crises affected their contribution towards strategy implementation in their organizations.
4.4 Common crises affecting employees’ contribution towards strategy implementation

Financial followed by health and thirdly marital were the most common crises amongst employees.

Figure 4.1 Pie chart of employee contribution to strategy implementation

Figure 4.2 Bar graph of crises affecting employees
4.5 Impact of crises on employee work performance

Financial followed by health and bereavement were the crises that had the highest impact on employee work performance.

**Figure 4.3 Bar graph of impact of crises**

4.6 Common measures used by organizations

Health insurance, salary deduction policies and staff investment policies were the most common measures that organisations had put in place to minimize the effect of crises on employees. None of the organizations had crèches.

**Figure 4.4 Bar graph of measures to counter crises**
4.7 Effects of crises by gender

The gender most affected by personal crises was women.

Figure 4.5 Pie chart of effects of crises by gender

![Pie chart showing gender distribution of crises]

WOMEN 67%
MEN 33%

4.8 Effects of crises by age group

The age group most affected by employee crises was between 26-35 followed by 35-45 and the least affected was being below 25.

Figure 4.6 Pie chart of effects of crises by age group

![Pie chart showing age group distribution of crises]

36-45 40%
26-35 53%
Below 25 7%
4.9 Effects of crises by level in employment

Middle level employees were the most affected by personal crises. None of the respondents felt that top level employees were affected by personal crises.

**Figure 4.7 Pie chart of effects of crises by level in employment**

4.9.1 Effects of crises on employee focus on strategy implementation

In eight out of the ten opinion questions on effects of crises, over forty percent strongly agreed about their impact on strategy implementation.
### Figure 4.8 Table of opinions on effects of crises

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree %</th>
<th>Disagree %</th>
<th>Neither Agree nor Disagree %</th>
<th>Agree %</th>
<th>Strongly Agree %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The management can influence the level of impact crises have on employees?</td>
<td>0</td>
<td>5.8</td>
<td>0</td>
<td>47.1</td>
</tr>
<tr>
<td>2</td>
<td>Preventive measures and timely post crises interventions can reduce the effect of employee crises on strategy implementation</td>
<td>0</td>
<td>5.9</td>
<td>17.6</td>
<td>29.4</td>
</tr>
<tr>
<td>3</td>
<td>Employee crises affect the costs of strategy implementation</td>
<td>0</td>
<td>5.8</td>
<td>11.8</td>
<td>47.1</td>
</tr>
<tr>
<td>4</td>
<td>Employee crises delay the timely implementation of strategies</td>
<td>0</td>
<td>11.8</td>
<td>8.8</td>
<td>44.1</td>
</tr>
<tr>
<td>5</td>
<td>Employee crises affect their focus on strategy implementation</td>
<td>0</td>
<td>2.8</td>
<td>11.4</td>
<td>42.9</td>
</tr>
<tr>
<td>6</td>
<td>Employee crises affect their productivity</td>
<td>0</td>
<td>2.9</td>
<td>5.9</td>
<td>29.4</td>
</tr>
<tr>
<td>7</td>
<td>Employee crises affect product or service quality delivered</td>
<td>3.1</td>
<td>6</td>
<td>3.1</td>
<td>18.1</td>
</tr>
<tr>
<td>8</td>
<td>Absenteeism is a common result of crises affecting employees</td>
<td>2.9</td>
<td>5.9</td>
<td>14.7</td>
<td>29.4</td>
</tr>
<tr>
<td>9</td>
<td>Working conditions can contribute to employee crises</td>
<td>0</td>
<td>2.9</td>
<td>5.9</td>
<td>38.2</td>
</tr>
<tr>
<td>10</td>
<td>Some staff benefits can help reduce the impact of crises on employees</td>
<td>0</td>
<td>2.9</td>
<td>2.9</td>
<td>38.2</td>
</tr>
</tbody>
</table>

While most of the respondents either strongly agreed or agreed, the two combined showed that over seventy percent generally agreed with the statements on effects and prevention of personal crises.
Figure 4.9 Bar graph of opinions on effects of crises

[Bar graph showing opinions on effects of crises with bars for Agree, Strongly Agree, and combined responses]
CHAPTER FIVE
SUMMARY AND CONCLUSIONS

5.1 Introduction
The purpose of this study was to assess the impact of employee crises on strategy implementation in commercial banks in Nairobi. This chapter presents summary, conclusions and recommendations based on the study results and findings on the effects of personal crises on strategy implementation in commercial banks in Nairobi. In addition, it presents recommendations to managements of organizations and further research area recommendations based on study findings and conclusions.

5.2 Summary
Although many organizations prepared formal strategies, the impact of personal crises affecting employees has not been addressed. Thus, the main purpose of this study was to assess the impact of these crises on strategy implementation in commercial banks in Nairobi.

The main objective of this study was to establish whether the crises employees face affect strategy implementation with special reference to the commercial banks in Nairobi. Specifically, the study sought to establish the effects that employee crises have on strategy implementation, to determine the common types of crises that affect employees, to identify which type of personal crises has the highest impact on the employees, and to establish what measures management can put in place to minimize the effects of personal crises on strategy implementation.

Five commercial banks in Nairobi were randomly selected and a survey design adopted in carrying out this research. Random stratified sampling technique was used in the selection of respondents. Further, primary data was collected by use of questionnaires which targeted the employees and managers of commercial banks.
The first stage of data processing and analysis involved computation of frequencies, percentages and generation of tables and graphs. The second stage involved a qualitative analysis of the information obtained from the respondents in order to come up with conclusions on effects of employee crises on strategy implementation in commercial banks in Nairobi. In data analysis, the researcher coded the responses on the questionnaires by assigning numerals in order to have a concise number of classes. Every class was defined in terms of only one concept. The researcher then tabulated the assembled mass of data into concise and logical order with the help of Microsoft Excel and SPSS programs. This facilitated the process of comparison and provided a basis for computations.

Study findings indicate that organizations prepared strategies to direct their progress. They however did not put in place appropriate measures to ensure that employee crises did not interfere with the implementation of those strategies. All respondents said that their organizations had formal strategies. Similarly, all respondents affirmed that they at times experienced personal crises. Most of the respondents believed that these crises affected their contribution towards strategy implementation in their organizations.

The most common crises affecting employees are financial followed by health and thirdly marital while the crises with the highest impact on employee work performance are financial followed by health and bereavement. Two thirds of the respondents felt that the gender most likely to be affected by personal crises was women. Beside women, the other groups of employees most likely to be affected are those between ages 26-35 and the middle level employees. Employees below age 25 and top level employees are the least likely to be affected by personal crises. Health insurance, salary deduction policies and staff investment schemes are the most commonly used methods of dealing with employee crises.
Findings showed that employee crises affect their focus on strategy implementation, their productivity as well as product or service delivered. Absenteeism is a common result of crises affecting employees. Another consequence is delay in the timely implementation of strategies and increase in the costs of strategy implementation. The challenges faced by management due to employee personal crises include poor concentration on work and loss of company time spent solving personal problems.

Preventive measures and timely post crises interventions can reduce the effect of employee crises on strategy implementation. Management can influence the level of impact crises have on employees since working conditions contribute to employee crises while some staff benefits can help reduce the impact of crises on employees.

5.3 Conclusions

This section presents study conclusion based on the analysis and discussion of results and findings. The following conclusions can be drawn from the findings:

- Most organizations do not take employee crises to be a vital component of the success of strategy implementation.
- Crises affecting employees interfered with their contribution towards strategy implementation.
- Employees with families are the most vulnerable to employee crises.
- The age group least affected by crises is that below 25 years. This can be attributed to the fact that most do have family commitments which might bring about some of the crises such as financial and marital.
- Top level employees are the least affected. This can be attributed to their financial stability which is a major source of crises for the others. They are able to take care of other personal crises such as health more easily. They also have no extended obligations that give rise to crises such as marital.
• Gender should be a factor when deciding who to place in the positions that are directly linked to the success of the strategy.

• Preventive measures and prompt post-crises measures can help avert the impact of these crises on strategy implementation, improve employee productivity and quality of product or service delivered. They can also ensure that strategies are implemented within budgets and timelines.

• The impact of employees' crises can be reduced through improved working conditions and staff benefits.

5.4 Recommendations

Based on the study findings and the research questions the study sought to answer, the researcher makes the following recommendations for improvements and further research.

5.4.1 Managerial action Recommendations

Personal crises affecting employees also affect their work performance and contribution to the organization's strategy implementation. The employees most likely to be affected are women between the ages twenty six to thirty five and in the middle level positions. The researcher recommends the following measures:

i. The managements of organizations should identify potential crises that might affect their employees and design effective preventive management tools especially with regard to staff benefits and working conditions to minimize or alleviate their impact on strategy implementation

ii. Appropriate post-crises intervention tools should be put in place to keep strategy implementation in line with the desired outcomes of the strategy.

iii. To limit the degree of impact of employee crises on strategy implementation, organizations should carefully balance gender and age groups of employees directly involved in the implementation of the strategy.

5.4.2 Recommendations for Further Research

In consideration of the scope and findings of this study, the researcher recommends further research in the following areas:
1. There is also need to conduct a study to determine the optimal balance of gender and age groups necessary for overall success of strategy implementation.

2. A study can also be conducted to assess the extent of the impact of employee crises on strategy implementation.

3. Further research should be conducted to establish appropriate preventive measures that employers can put in place to minimize the effects of personal crises on strategy implementation.

4. Further research should be conducted to establish the most effective post-crises tools that can be specifically used to counter the three most commonly occurring crises amongst employees.
REFERENCES

Abbott D. J. (2009), *To get good results, stop trying to change people*: Nairobi: Nation Media Group.


APPENDIX I

QUESTIONNAIRE FOR MANAGERS

Dear respondent

This research is meant for academic purpose and will try to find out the effects of employee personal crises on strategy implementation. You are kindly requested to provide answers to these questions as honestly and precisely as possible. Your opinion will be vital in drawing conclusions and form a basis for future improvement of strategy implementation. Responses to these questions will be treated as confidential. Please do not write your name or that of your organization anywhere on this questionnaire. Please tick [✓] where appropriate or fill in the required information on the spaces provided.

Section 1 Background Information

1. Gender [ ] Male [ ] Female

2. What is your age group?
   [ ] Below 25
   [ ] 26-35
   [ ] 36-45
   [ ] Above 45

3. What is your designation? ........................................

4. For how many years have you been with this organization?
   ........................................ years

5. What is the ownership of your organization?
   Local [ ]
   Foreign [ ]

Section 2 Effects of individual employee personal crises

1. Does your organization have formal strategies?
   Yes [ ]
   No [ ]

2. Do employees in your organization experience some personal crises?
   Yes [ ]
   No [ ]
3. Which one of the following crises do you think are the most common amongst employees in your organization?

[ ] Health [ ] Financial [ ] Marital [ ] Spiritual [ ] Midlife [ ] Bereavement

Any other, please specify ........................................................................................................

4. Which one of the following crises do you think has the highest impact on employees' performance in your organization?

[ ] Health [ ] Financial [ ] Marital [ ] Spiritual [ ] Midlife [ ] Bereavement

Any other, please specify ........................................................................................................

5. Which of the following measures has your organization put in place to minimize the effect of employee crises?

[ ] health insurance [ ] social structures e.g. canteens
[ ] staff clinics [ ] crèche's
[ ] life assurance [ ] financial management seminars
[ ] counselling [ ] salary deductions policies
[ ] Advice & Training [ ] enabling work from home
[ ] staff investment schemes e.g. share options & SACCOS

6. What other measures has the management put in place to minimize the effect of personal crises on strategy implementation?

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7. Which other measures do you think your organization can put in place to minimize these crises?

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Thank you for taking the time to complete this questionnaire.
8. Which category of employees is affected more by personal crises?

(i) Gender  (ii) Age group  (iii) Level on the organization structure

[ ] Men  [ ] Below 25  [ ] Top
[ ] Women  [ ] 26-35  [ ] Middle
[ ] 36-45  [ ] Lower
[ ] Above 45

9. What challenges do you face in relation to employee personal crises?

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10. Please give your opinion on the following statements by ticking where appropriate.

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<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Agree</th>
<th>Strongly Agree</th>
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<td>3 Employee crises affect the costs of strategy implementation</td>
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<td>4 Employee crises delay the timely implementation of strategies</td>
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<td>6 Employee crises affect their productivity</td>
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<td>7 Employee crises affect product or service quality delivered</td>
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<td>9 Working conditions can contribute to employee crises</td>
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<tr>
<td>10 Some staff benefits can help reduce the impact of crises on employees</td>
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</tbody>
</table>

Thank you for taking time to fill the questionnaire.
APPENDIX II

QUESTIONNAIRE FOR EMPLOYEES

Dear respondent

This research is meant for academic purpose and will try to find out the effects of employee personal crises on strategy implementation. You are kindly requested to provide answers to these questions as honestly and precisely as possible. Your opinion will be vital in drawing conclusions and form a basis for future improvement of strategy implementation. Responses to these questions will be treated as confidential. Please do not write your name or that of your organization anywhere on this questionnaire. Please tick [✓] where appropriate or fill in the required information on the spaces provided.

Section 1 Background Information

1. Gender [ ] Male [ ] Female
2. What is your age group?
   [ ] Below 25
   [ ] 26-35
   [ ] 36-45
   [ ] Above 45
3. What is your designation? ..............................................
4. For how many years have you been with this organization?
   ..............................................years
5. What is the ownership of your organization?
   Local [ ]
   Foreign [ ]

Section 2 Effects of individual employee personal crises

1. Does your organization have formal strategies?
   Yes [ ]
   No [ ]
2. Do you at times experience some personal crises?
   Yes [ ]
   No [ ]
3. Do you think these crises affect your contribution towards strategy implementation in your organization?
   Yes [ ]
   No [ ]

4. Which one of the following crises do you face most regularly?
   [ ] Health [ ] Financial [ ] Marital [ ] Spiritual [ ] Midlife [ ] Bereavement
   Any other, please specify..........................................................

5. Which one of the following crises do you think has the highest impact on your work performance?
   [ ] Health [ ] Financial [ ] Marital [ ] Spiritual [ ] Midlife [ ] Bereavement
   Any other, please specify..........................................................

6. Which of the following measures has your employer put in place to minimize the effect of crises on employees?
   [ ] health insurance    [ ] social structures e.g. canteens
   [ ] staff clinics       [ ] crèche’s
   [ ] life assurance      [ ] financial management seminars
   [ ] counselling         [ ] salary deductions policies
   [ ] Advice & Training   [ ] enabling work from home
   [ ] staff investment schemes e.g. share options & SACCOS

7. What other measures has your employer put in place to minimize the effect of personal crises on strategy implementation?
   ..........................................................................................
   ..........................................................................................
   ..........................................................................................

8. Which other measures do you think your employer can put in place to minimize effects of these crises?
   ..........................................................................................
   ..........................................................................................
   ..........................................................................................
9. Which category of employees do you think is affected more by personal crises?

(i) Gender
- [ ] Men
- [ ] Women

(ii) Age group
- [ ] Below 25
- [ ] 26-35
- [ ] 36-45
- [ ] Above 45

(iii) Level on the organization structure
- [ ] Top
- [ ] Middle
- [ ] Lower

10. Please give your opinion on the following statements by ticking where appropriate.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The management can influence the level of impact crises have on employees?</td>
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<tr>
<td>2</td>
<td>Preventive measures and timely post crises interventions can reduce the effect of employee crises on strategy implementation</td>
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<tr>
<td>3</td>
<td>Employee crises affect the costs of strategy implementation</td>
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<tr>
<td>4</td>
<td>Employee crises delay the timely implementation of strategies</td>
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<tr>
<td>5</td>
<td>Employee crises affect their focus on strategy implementation</td>
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<tr>
<td>6</td>
<td>Employee crises affect their productivity</td>
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<tr>
<td>7</td>
<td>Employee crises affect product or service quality delivered</td>
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<td>8</td>
<td>Absenteeism is a common result of crises affecting employees</td>
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<td>9</td>
<td>Working conditions can contribute to employee crises</td>
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<tr>
<td>10</td>
<td>Some staff benefits can help reduce the impact of crises on employees</td>
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</tbody>
</table>

Thank you for taking time to fill the questionnaire.