FACTORS AFFECTING STRATEGY IMPLEMENTATION AT KENYA NATIONAL AUDIT OFFICE

BY:

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D53/MSA/PT/14786/2009

A RESEARCH PROJECT REPORT SUBMITTED TO THE DEPARTMENT OF BUSINESS ADMINISTRATION IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS OF THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

KENYATTA UNIVERSITY

APRIL 2013
DECLARATION

This research project report is my original work and has not been presented for a Degree, Diploma, or Certificate in any University or learning institution.

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This research project report has been submitted with my approval as the University Supervisor.

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This project report has been submitted with my approval as the chairman of the department of Business Administration.

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ABSTRACT

Strategy implementation is a critical component of strategic management. Thus, the main purpose of this research was to study the factors affecting implementation of strategy at Kenya National Audit Office. The specific objectives of the study included: examining the extent to which financial resources affect strategy implementation; determining the extent to which lack of coordination affects strategy implementation; establishing the extent to which lack of coordination affects strategy implementation; establishing the extent to which capabilities of employees affects strategy implementation, establishing the extent to which reward system affects strategy implementation, establishing the extent to which top management commitment affects strategy implementation and establishing the extent to which communication affects strategy implementation. The study adopted a descriptive research design. The target population was 300 middle-level and senior managers of KENAO and purposeful sampling was used to come up with a representative sample size. The researcher administered questionnaires to a total of 75 sampled respondents out of which 61 questionnaires representing 81% response rate were returned. The data was edited, classified, coded and tabulated in a systematic manner to allow for accurate analysis. Statistical Package for Social Sciences (SPSS) was used to generate the outputs. Tools of descriptive statistics was employed to analyze the data, and reliability test was done to ensure that the research tools are consistent. The findings were presented in form of summarized tables with percentage scores and charts. Arising from the data analysis, presentation and interpretation, the research indicated that financial inadequacy poses a challenge to a greater extent to the implementation of strategy at KENAO. Top management commitment to the strategy was found to be lacking while poor communication of the strategy was ranked third in the order of factors affecting strategy implementation at KENAO. Lack of adequate reward system, staff competencies and co-ordination were found to also affect strategy implementation though to a lesser degree. The researcher recommends that KENAO lobby for more funding from the government. The management be sponsored for short courses in order to improve their communication skills. More incentives should be offered to the management so as to improve their commitment to the strategy implementation. Further research may be carried out on the factors affecting strategy formulation in KENAO so as to fill the existing gap. Further, the role of leadership in strategy implementation at KENAO may also be investigated.