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**ADOPTION OF STRATEGIC MANAGEMENT PRACTICES AT KENYATTA  
UNIVERSITY**

**BY**

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OF KENYATTA UNIVERSITY**

**JUNE 2015**

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**DECLARATION**

This research project is my original work and has not been presented for a degree in any other university or Institution of higher learning.

Signature..........Date.....29/05/2015.....

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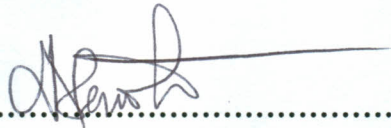
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## DEDICATION

I dedicate this work to my dear wife Lydia Robi for her moral support and companionship during the course of this research project; and to my friends who encouraged me while working on this project.

To my dear children, Rodney, Raphael, and Reuben whom I stayed away from for long hours during this research, and my beloved parents; who introduced me to the world of books at a tender age.

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## DEFINITION OF TERMS

**Communication:** An act of transmitting information. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation.

**Low level managers:** The organizational tier for supervisors positioned directly above non-managerial employees. Lower management in a business generally oversees the performance of employees working on line tasks in managerial positions such as foreman, line boss, shift boss, section chief, head nurse or sergeant. Also called supervisory personnel or first level managers.

**Middle level managers:** An employee of an organization or business who manages at least one subordinate level of managers, and reports to a higher level of managers within the organization. The duties of a middle manager typically include carrying out the strategic directives of upper-level managers at the operational level, supervising subordinate managers and employees to ensure smooth functioning of the enterprise.

**Organizational Culture:** is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization .

**Strategic implementation:** Strategic implementation is concerned with carrying out of the chosen strategy for the organization or putting the strategy into practice .

**Strategic management:** Strategic management is an ongoing process that assesses the business and the industries in which the company is involved; assesses its competitors and sets goals and strategies to meet all existing and potential competitors; and then reassesses each strategy regularly to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed

circumstances, new technology, new competitors, a new economic environment., or a new social, financial, or political environment.

**Strategy:** Strategy can be defined as the balance of actions and choices between internal capabilities and external environment of an organization. Accordingly, strategy can be seen as a plan, play, pattern, position and perspective.

**Top level managers:** The highest ranking executives (with titles such as chairman/chairwoman, chief executive officer, managing director, president, executive directors, executive vice-presidents, etc.) responsible for the entire enterprise. Top management translates the policy (formulated by the board-of-directors) into goals, objectives, and strategies, and projects a shared-vision of the future. It makes decisions that affect everyone in the organization, and is held entirely responsible for the success or failure of the enterprise.

## **LIST OF ACRONYMS AND ABBREVIATIONS**

<b>ANOVA</b>	Analysis of variance
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>HRM/D</b>	Human Resource Management And Development
<b>ICT</b>	Information Communication Technology
<b>KCB</b>	Kenya Commercial Bank
<b>KU</b>	Kenyatta University
<b>MD</b>	Managing Director
<b>NPM</b>	New Public Management
<b>PSR</b>	Public Sector Reform
<b>ROI</b>	Return on investment

## ABSTRACT

Strategic management is a key guideline in institutions of higher learning as the quest for higher education continues hence each university has to lay down its competitive strategies and align them with the ever changing environment and market trends. It is on this note that each university is striving to come up with strategic plans to guide its operations and give it a competitive edge over others and be able to attract more students. This is evidenced by the fact that there are 22 public universities and 14 private universities who are competing to provide higher education. This study, therefore sought to assess the adoption of strategic management practices in Kenyatta University. This research study adopted a descriptive survey design which was deemed appropriate because the main interest was to establish how strategic management practices have been adopted in Kenyatta University. The study targeted the management staff of the university, making 91 respondents. Primary data was gathered directly from respondents and for this study, a semi-structured questionnaire was utilized. Secondary data was also collected for this study. Quantitative data collected using questionnaires was analyzed by the use of descriptive statistics and presented through percentages, means, standard deviation and frequencies. The information was also presented by use of frequency tables and charts. The study conducted a multiple regression analysis to determine the relationship between strategic management and the variables as well as ANOVA model to test for significance. The study found out that Kenyatta University is faced with various challenges in the strategic management at the different levels. The study also found that commitment of top management affects strategic management in Kenyatta University. The study concludes that Kenyatta University uses communication as a means of achieving strategic management. The study also concludes that organizational culture has an effect on strategic management in Kenyatta University. The study finally concludes that organizational structure influences strategic management at Kenyatta University. The study recommends review of the strategic management practices by Kenyatta University by making a positive contribution on communication, commitment,

creating awareness or understanding of the strategy, aligning organizational systems and resources and better coordination and sharing of responsibilities. The study also recommends that decision making for the Kenyatta University be based on a perception of itself and the environment so as to detect problems, gather information, and evaluate possible outcomes.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the study

Organizations seem to have difficulties in implementing their strategies. However, researchers have revealed a number of problems in strategic management which include: weak management roles in implementation, a lack of communication, lacking a commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities, and uncontrollable environmental factors (Galpin, 1998; Lares-Mankki, 1994; Beer & Eisenstat, 2000).

Strategic management has attracted much less attention in strategic and organizational research than strategy formulation or strategic planning. Alexander (1991) suggests several reasons for this: strategic management is less glamorous than strategy formulation, people overlook it because of a belief that anyone can do it, people are not exactly sure what it includes and where it begins and ends. Furthermore, there are only a limited number of conceptual models of strategic management.

Over the last two decades, public management has undergone substantial changes in both developed and developing countries. Public sector reforms have focused on the efficiency of governments seeking to transform traditional bureaucratic systems of public administration to market-oriented, results-driven systems of public management (Aucoin, 1995). Furthermore, duties are becoming multifaceted and very complex: they may encompass policy advice, management of human, financial and other resources, the provision of critical services and others (United Nations, 2005). This calls for a significant transformation of the management function in general, creating particular opportunities for the most senior civil servants to enhance their capabilities in order to facilitate an effective implementation of public management reforms.

Increasingly, public and private organizations are committed to developing senior managers' skills and competencies and there is evidence that leadership development budgets will continue to grow considerably in the new millennium (Nikolaou, Velliquette, & Garretson, 2006). Senior managers or executives are therefore a critical resource of the organizations; companies invest substantial time, money and effort in senior management strategic management programs (Brown, 2006). Such is the case in the United States of America where billions of dollars are spent each year in developing management capability through strategic management practices programs (Kirwan & Birchall, 2006).

Ellis (2003) argues that past research indicates that 4 out of 10 senior managers will fail at their job within 18 months, and one possible explanation could be that a considerable number of managers find themselves in senior positions because they are adept at financial and operational procedures but do not yet possess the wide range of management skills (Martin, 2002). Furthermore, executives are often put through a few days' worth of development programs and left to fend for themselves (Griffin, 2003). Martin (2002) further points out that managing people require skills such as analysis of self and others, motivating teams to complete tasks, delegating and decision making. Most of these skills can be acquired through effective strategic management practices.

The need to be responsive and sensitive about the environment is widely emphasized because strategic management depends in part on the ability to monitor, interpret, and respond to the issues that threaten or enhance the organization's growth (Georgantzias & Acar, 1995; Govindarajan & Gupta, 2001; Lauzen, 1995). De Geus (2002) maintained that the turbulent business environment during the last 20 to 30 years has reoriented corporate purposes and missions, from making profits to staying in harmony with the external environment by meeting the changing pressures from the outside and making constant changes in internal structures. In addition, he identified five key factors of

successful companies: sensitivity, cohesion and identity, tolerance, and conservative financing.

According to De Geus (2002), although they do not have enough data or resources available, these long-lived organizations are open to learn and make changes to adapt. The companies that survive tend to be cohesive and have a strong sense of identity; however diversified they are, they build a community and a solid organizational culture, which gives a strong sense of belonging to their employees. Long-lived companies are tolerant in that they try to decentralize power and diversify themselves by building positive relationships with the stakeholders within and outside the organization.

Decision making for an organization is based on a perception of the organization itself and its environment. After detecting problems, gathering information, and evaluating possible outcomes, management makes decisions that entail significant consequences for the organization. As organizations have experienced increasing environmental turbulence, strategic management theories have come to recognize the need to be responsive and sensitive about the environment because of the growing impact of environments on organizations (Georgantzas & Acar, 1995).

### **1.1.1 Strategic Management**

Strategic Management practices involve a set of processes that are employed to ensure that significant changes are implemented in an orderly, controlled and systematic fashion to effect organizational change (Mullins, 1999). Balancing strategic management's outward-, inward-, and forward-looking functions helps develop a vision and a strategy for where and how to move organization reform forward. Balancing these different perspectives is the essence of managing strategically (Kerzner, 1989). Brinkerhoff (1994) characterizes strategic management practices as looking out, looking in, and looking ahead. "Looking out" means exploring beyond the boundaries of your organization to set feasible objectives, identify key stakeholders, and build constituencies for change. "Looking in" implies critically assessing and strengthening your systems and structures

for managing personnel, finances, and other essential resources. Finally, “looking ahead” entails welding strategy with structures and resources to reach policy goals, while monitoring your progress and adjusting your approach as needed.

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 the 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 & Jones, 2001; Galpin, 1998; Beer & Eisenstat, 2000).

Strategic management practices for public service delivery have been recognized by developed, transitioning and developing economies under the notion of the new public management (NPM) reform. In the context of NPM or public sector reform (PSR), decentralization, and human resource management and development (HRM/D) have been recognized as crucial strategic policy elements of concern in the implementation of reforms in both developed, transitional and developing countries (Analoui, 2007). In order to carry out the reforms successfully, there is a need not only to guarantee legally correct application of laws and various reform strategies, but to ensure that competent and professional civil servants are in place that are able to lead and implement the envisaged reforms (Coggburn, 2005).

### **1.1.2 Kenyatta University**

Strategic management is a key guideline in institutions of higher learning as the quest for higher education continues to persist hence each University has to lay down its competitive strategies and align them with the ever changing environment and market trends. It is on this note that each University is striving to come up with strategic plans to guide its operations and give it a competitive edge over others and be able to attract more students than the other universities. This is evidenced by the fact that there are 22 public universities and 14 private universities who are competing to provide higher education. Kenyatta University's administrative structure and management are governed by the Kenyatta University Act of 1985 and currently by the Universities Act 2012. The University operates as a state Corporation under the Ministry of Education, Science and Technology. The Ministry channels the Government's contribution which is received from the exchequer to the University's budget. The Council is the overall administrative governing body of the University and the Senate is in charge of the academic functions of the University.

There is also the University Management Board which is in charge of the day-to-day running of the institution and includes the Vice-Chancellor who is the CEO, Deputy Vice-Chancellors, Registrars and Chief Finance Officer. KU has adopted various strategies, key among them: promotion of high standards in teaching, learning and scholarship; enhancing access to university education to meet the ever-increasing demand for higher education; promotion of research, science, technology and innovation; institutionalization of good governance practices at the University; improved productivity and work ethics of the University staff; marketing the University so as to enhance its corporate image and promotion of social responsibility; institutionalized use of ICT; increased and improved infrastructure and other physical facilities in order to enhance service delivery; delivery of quality service to all customers; promotion of the principle of equity in all the University programmes and activities; implementation of an efficient

monitoring and evaluation system; institutionalized quality and relevance in all programmes and operations and enhanced financial base of the University (Kenyatta University Strategic and Vision Plan, 2005-2015).

## **1.2 Statement of the Problem**

If strategic management is to be successful, the design of the interventions must match the organization's level of commitment to strategic management and the degree of maturity of its strategic management processes (Alexander, 2005). Mutegi (2012) carried out a study on the effects of strategic management practices on the performance of Micro and Small Enterprises (MSEs) in Nairobi and found out that strategic management is practiced in an unsystematic and uncoordinated manner by the SMEs. The initial stages of strategic management practices recorded higher prominence and down to the evaluation stage fewer SME's were involved. Muturi (2005) did a study in Christian churches in Kenya. Kamanda (2006) also did a study on Kenya Commercial Bank (KCB) with the objective of determining the factors that influence its regional growth strategy. His study, however, did not cover the factors affecting strategic management ratio. Kiptugen (2003) did a study to determine the strategic responses of Kenya Commercial Bank to a changing competitive environment. Since he focused mainly on strategies that can be adopted in a competitive environment; the study failed to cover the factors involved in strategy implementation phase.

Situma (2006) also covered KCB, but focused on its turnaround strategy. Muguni (2007) studied the role of executive development in strategy implementation. His, was a comparative study of KCB and National Bank of Kenya. Muguni's study also did not capture the factors affecting strategic management practices in organizations. This study, therefore seeks to fill the gap by analyzing the adoption of strategic management practices at Kenyatta University.

### **1.3 Objective of the Study**

The overall objective of this study was to analyze the adoption of strategic management practices in Kenyatta University.

The specific objectives were to:

- i. Examine the role of top level management on strategic management practices in Kenyatta University.
- ii. Assess the role of communication on strategic management practices in Kenyatta University.
- iii. Determine the role of organizational culture on strategic management practices in Kenyatta University.
- iv. Establish the role of organization structure on strategic management practices in Kenyatta University.

### **1.4 Research Questions**

The study sought to answer the following research questions

- i. What is the role of top level management on strategic management practices in Kenyatta University?
- ii. What is the role of communication on strategic management practices in Kenyatta University?
- iii. What is the role of organizational culture on strategic management practices in Kenyatta University?
- iv. What is the role of organization structure on strategic management practices in Kenyatta University?

## **1.5 Research Premises**

The study was premised on the following

- i. Top level management of Kenyatta University plays an important role in shaping the management of the University.
- ii. Efficient communication plays a positive role on the strategic management practice in Kenyatta University.
- iii. Organization culture of Kenyatta University influences strategic management practices of the University.
- iv. The organization structure of Kenyatta University influences strategic management practices of the University.

## **1.6 Justification and Significance of the Study**

Considering the rate at which university education is expanding in Kenya, there is a need for all educational stakeholders to be informed about the challenges affecting university management in order to think of the solution together.

There is increasing desire for higher education from both within and outside the country. However both private universities and public universities are affected by a series of factors limiting their success and these ranges from human resources, financial resources and political intervention. However, there are only limited studies that have been carried out in these universities. This means that, unless the factors affecting the strategic management of public universities are assessed, the provision of higher education is likely to be jeopardized.

Conceptually, it is through strategic management that things can be moved. This is according to Armstrong (2003) who argued that it is only through an efficient management system that performance at all levels can be achieved. Kenyatta University

is particularly chosen because of the challenges they are experiencing both internally and externally. The researcher wishes to establish the way forward in improving university strategic management.

This study was significant in various ways.

First, it was the researchers hope that the findings of the study were of great importance to the target organization and individuals. Second, the university under study used the findings of the study to redress the problems affecting their performance, consolidate on their strong areas and improve on their weaknesses.

Third, the government policy-makers and other stakeholders utilized the findings of the study to formulate and implement proper policies regulating the management of public universities.

Fourth, future researchers used the findings of this study in getting related literature regarding this subject. There were a few studies that have been carried out on public university with particular attention to management aspects. Hence, the results were of significant help to those who were interested in related studies.

Fifth, the study enriched the researcher's experience in research management and academic career. This was important because by personally visiting different libraries, university and governing councils of educational institutions the researcher was able to gain much more insight in the current management of higher education.

### **1.7 Scope of the Study**

The study was carried out at the main campus of Kenyatta University,(commonly initialized as KU) located in Kiambu county. The University main campus is located in Kahawa, about 20 kilometres from Nairobi's city centre, along the Nairobi-Thika road. The study covered the factors influencing strategic management in Kenyatta University . In this case the study collected the required information from Kenyatta University.

Hence, the study was a case targeting management staff (top management, middle management and lower management) in Kenyatta University.

### **1.8 Limitations of the Study**

The researcher used semi-structured questionnaires to collect data. Closed ended questions have the disadvantage of limiting the responses whereby the respondent is compelled to answer questions according to the researcher's choice. However to mitigate this limitation the researcher ensured that the questions were well thought out and comprehensive enough to cover all-important aspects of the study objectives.

The study focused on some of the executive team members and scheduling appropriate timings was a challenge, in some instances we may have to keep rescheduling the meeting. However, the study tried to obtain information from the key decision makers of the institution.

## CHAPTER TWO

### LITERATURE REVIEW AND THEORETICAL FRAMEWORK

#### 2.1 Introduction

This chapter presents information from other researchers who have carried out their research in the same field of study. The specific areas covered here were; theoretical review comprising of the agency and communication theories as well as the technology acceptance model, conceptual framework adopted in this study, empirical and critical reviews and the research gap.

#### 2.2 Theoretical review

The study was guided by the following theories;

##### 2.2.1 The Agency Theory

Agency theory is a management approach where one individual (the agent) acts on behalf of another (the principal) and is supposed to advance the principal's goals (Jean, 2002). The agent therefore advances both the principals' interests and his own interests in the organization. A balance of these interests should be merged in order to arrive at the corporate objectives of the organization through the agent because he/she is in charge of the vast resources of the organization. Laffort and Martimost (2002) contends that the agency theory of strategic Management is so crucial since the action chosen by a particular individual (the agent) affects not only one, but several other parties (the principals). Hence, the agents' role in strategic formulation and the overall strategic management process cannot be underestimated. They say that the firm is often characterized as a nexus of both explicit and implicit contracts linking the management and its different stakeholders, including claimholders, workers, unions, customers, suppliers and the state among others.

The Agency Theory holds the view that there should be proper synergy between the management and its stakeholders in order to work towards a common goal. The Agency Theory has also been described as the central approach to managerial behavior. Ross (1987) says that the Agency Theory is used in the managerial literature as a theoretical framework for structure and managing contract, which is among the emerging issues in strategic management. It therefore explains the behavior of principals and agents relationships in performance contracting in management.

The agency theory tends to take precedence against other strategic management theories. Krueger (2004) in his paper in strategic management and management by objectives says that the plethora of strategic management is the agency theory in practice at all levels of the strategic management process. He contends that starting from the corporate strategy to operational strategy the objectives designed at all these levels must be supervised by the agents or managers for the organization to achieve its objectives management by objectives which observes that organization must formulate objectives at all strategic hierarchy levels cited by Henry (2006) stresses that for these objectives to be achieved there has to be collaborative efforts between the managers as agents and subordinates.

Strategic management programs require top managers to provide clear and visible support to the program without that support of the manager as the agent the synthesis between the individual and the organization goals does not develop. Krueger (2004) observes that strategic management relies upon a team approach that flows from the corporate level to the functional level of the firm. The process relies on input from all levels of management (top to bottom and bottom up). The CEO as the agent should therefore embrace synergy by searching for information resulting in an evaluation of the task to be carried out (strategy formulation) and secondly he proposes a strategy to the board (principals), for their agreement and then carries out the agreed task (strategy implementation) in order to gain competitive advantage.

In conclusion therefore that the Agency theory of strategic management proves to be superior to any other theory of strategy when it comes to strategy management hierarchy. This is in the light that at each level of the strategic formulation hierarchy, there has to be an agent charged with the responsibility of representing other stakeholders at other levels. It is therefore prudent to note that there should be synergy using the Agency theory and proper understanding between the principal and the Agent for the organization to achieve its objectives efficiently and effectively. Thus in conclusion the agency theory should be embraced particularly at the strategy formulation level of strategic management and generally to the overall process of strategic Management to enhance the organizational competitive performance.

### **2.2.2 Communication theory**

Communications theory focuses explicitly on communication and which facets are appropriately studied, but organizational theory does not. Rather, it generally addresses the nature of organizations and their role in society (Euske & Roberts 1987). Despite this lack of specific attention to communication by organizational theorists, a close examination of organizational theory uncovers implications for communication research. For example, the classical organizational theorist Max Weber suggested that the ideal authority structure or bureaucracy has, among other characteristics, formal lines of communication in which written rules and regulations are communicated downward. Thus, both communications theory and organizational theory suggest a focus on various facets of communication, including frequency, direction, modality, and content. Judge and Stahl (1995) have set up a conceptual model of implementation effort by middle managers in a multinational context.

### **2.3 Empirical Review**

In relation to Commitment of top-level management, there are studies that have examined the relationships between top management and middle management in the context of

strategic management: On the one hand, middle managers expect direction and support from their top management. If they receive this guidance, then they will provide support for the strategy in return. One of the key factors determining their level of support is their demographic situation (such as age, gender, educational background, and business experience) (Qi, 2005). On the other hand, top management should expect middle-level managers to question strategic decisions (Wooldridge and Floyd, 2000). Middle managers expect top management direction, but frequently feel that they are in a better position to start and evaluate alternative courses of action. Wooldridge & Floyd (2000) investigated the relationships between middle managers' formal position, their strategic influence and organizational performance. They used a sample of 43 managers who were purposively sampled. Their findings suggest that managers with formal positions in boundary-spanning sub-units report higher levels of strategic influence activities than others; firm performance is associated with more uniform levels of downward strategic influence, and more varied levels of upward influence among middle management cohorts; middle managers' strategic influence arises from their ability to mediate between internal and external environments. In addition, positive effects on organizational performance appear to depend on whether the overall pattern of upward influence is conducive to shifts in the network centrality of individual managers, and whether the pattern of downward influence is consistent with an appropriate balance between the organization's need for control and flexibility (Wooldridge & Floyd, 2000.).

At least, numerous researchers have already emphasized the importance of communication for the process of strategic management (Peng & Litteljohn, 2008; Heide & Grønhaug & Johannessen, 2002; Rapert & Velliquette & Garretson, 2002; Forman & Argenti, 2005; Schaap, 2006). That research in this area is needed is emphasized by an older finding by Alexander from 1985: Based on interviews with 21 presidents and 25 governmental agency heads, Alexander (1985) points out that communication is mentioned more frequently than any other single item promoting successful strategic management. The content of such communications includes clearly explaining what new

responsibilities, tasks, and duties need to be performed by the affected employees. It also includes the why behind changed job activities, and more fundamentally the reasons why the new strategic decision was made firstly.

Rapert and Wren (1998) 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 (cited in Rapert, Velliquette and Garretson, 2002). In addition, the findings of Peng and Litteljohn (2001) show that effective communication is a key requirement for effective strategy implementation. Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategic management. In fact, communication is pervasive in every aspect of strategic management, as it relates in a complex way to organizing processes, organizational context and implementation objectives, which, in turn, have an effect on the process of management. Communication barriers are reported more frequently than any other type of barriers, such as organizational structure barriers, learning barriers, personnel management barriers, or cultural barriers. The study of Schaap (2006), which was conducted in the casino industry within the state of Nevada, shows that over 38 percent of the senior-level leaders do not communicate the company's direction and business strategy to all of their subordinates. This study also reinforces findings that frequent communication up and down in organization enhances strategic consensus through the fostering of shared attitudes and values.

Based on the study of Skivington and Daft (1991), Noble (1999b) reviews strategic management research from a structural view (emphasizing organizational structure and control mechanisms) and an interpersonal process view (emphasizing strategic consensus, autonomous strategic behaviors, diffusion perspectives, leadership and implementation style, communication and interaction processes). Noble & Mokwa (1999) add a third view – the individual-level processes view, emphasizing cognition, organizational roles

and commitment besides the structural and interpersonal process view. Earlier studies lead by Pettigrew (1985/1992) group management variables into a larger number of categories. These categories are: strategic content, context (consisting of organizational context: organizational structure, organizational culture; and environmental context: uncertainty in the general and uncertainty in the task environment), process (operational planning, resources, people, communication, control and feedback) and strategic outcome (Okumus, 2001).

Factors relating to the organizational structure and culture are also important management barrier according to Heide *et al.*, (2002) study. Drazin and Howard (1984) see a proper strategy-structure alignment as a necessary precursor to the successful management 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, it 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 strategic management. 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).

### **2.3.1 Strategic management practices**

Strategic management practices involve the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. It is the formal process, or set of processes, used to determine the strategies (actions) for the organization. It focuses on many areas, including the integration of management; marketing; finance/accounting; production/operations; research and development; and computer information systems (McKernian, 2006).

Strategic management as a practice involves behaviors and actions that are determined by both individual human agency and structural/institutional forces. Individuals and groups who are embedded in social structures that are reproduced and shaped by individual and group actions make strategic choices (Jarzabkowski, Balogun & Seidl 2007). According to Vinzant and Vinzant (1996), strategic management is a process carried out at the top of the organization, which provides guidance, direction and boundaries for all aspects of operational management.

According to Mintzberg (1978) there are three theoretical groupings or modes of strategy formulation: the planning mode that depicts the process as a highly ordered, neatly integrated one; Adaptive mode that depicts the process as one in which many decision makers with conflicting goals bargain among themselves to produce a stream of incremental, disjointed decisions and finally; Entrepreneurial mode where a powerful leader takes bold , risky decisions toward his vision of the organization's future.

In the planning mode, there exists a more comprehensive system of formal strategic planning with written strategic and operating plans. Goals are articulated as clearly as possible and the execution is planned in detail. However, in the adaptive mode, clear goals do not exist and strategy is developed through small steps and incremental decisions. Finally, in the entrepreneurial mode, the primary goal is growth and organizations applying this mode are always in active search of new of opportunities. The

strategy made from an entrepreneurial mode emanates from a single, integrated vision that is sold downward by the Leader of the organization.

Strategic management involves a number of critical steps including scanning the environment for information, selecting relevant data and interpreting it, building a strategic model, testing it and putting into action. A better understanding of the environment of an organization helps in identifying key issues and ways of coping with complexity and change. A traditional approach to such analysis is the SWOT framework, which enquires into the strength, weaknesses, opportunities and threats of an organization. The organization's strengths and weakness include internal organizational factors to address, whereas the opportunities and threats represent external environmental factors in the organization's periphery.

The internal factors, which include personnel, finance, manufacturing capabilities and so on, may be analyzed based on functional approach, value chain approach or resource based view approach. The external factors may include macroeconomic matters, technological change, legislation, and socio-cultural changes, as well as changes in the marketplace or competitive position (Regner, 2003). The analysis of external factors therefore encompasses looking at political and regulatory influences, economic factors and influences, societal and cultural influences, and technological innovations (PEST Analysis). An organization also needs to analyze the competitive environment and identify rivalry between competing sellers, companies offering substitute products, suppliers of resource inputs, buyers, and potential new entrants. The analysis of the concerns of the stakeholders, employees, customers, suppliers and the society in general is crucial in order to develop objectives that stakeholders would support.

Based on the above analysis, an organization identifies and chooses appropriate strategy for implementation. Porter (1985) identifies three main types of competitive strategies: Cost leadership; Differentiation and Focus. Organizations without coherent strategy are considered 'stuck in the middle' pursuing a muddling strategy. The strategy choices may

be made through rational portfolios such as Boston Consulting Group (BCG), the General Electric (GE) grid and Ansoff's Product Market Mix. The leader of an organization may also choose strategy intuitively. According to Mintzberg (1994), the strategy implementation phase of the strategic process represents programming whereby strategic statements are converted into activities or steps needed to accomplish a single plan (developing programs). Strategic programming provides support for documenting, scheduling, budgeting, and integrating strategies and transforms decisions into specific action patterns for implementation. Johnson *et. al.*, (2008) argues that strategy implementation involves organizational structure, resource planning and management of strategic change through introduction of appropriate culture. The resource planning may be conducted through appropriate budgets and recruitment or maintenance of skilled labour or work force through adoption of appropriate human resource practices such as analysis of labour market, effective recruitment and selection process, appropriate training and development and succession planning and reward systems. The strategist need to synthesize and organize the information gathered during the programming phase into an integrated and comprehensive set of tactics that can be implemented and measured throughout the strategy execution phase (Mintzberg, 1994). This execution phase of the strategic process represents the orchestration component of the organization's strategy. It is the process of monitoring corporate activities and performance results so that actual performance can be compared with desired performance. In practice, this can be actualized through balanced scorecard (Kaplan & Norton, 2001), scheduled strategy review meetings

### **2.3.2 Commitment of Top-level Management**

Effectiveness of strategic management is, at least in part, affected by the quality of people involved in the process (Govindarajan, 1999). Viseras, Baines, and Sweeney (2009) group 36 key success factors into three research categories: people, organization, systems in the manufacturing environment. Their intriguing findings indicate that strategic

management success depends crucially on the human or people side of project management, and less on organization and systems related factors. Similarly, Harrington (2006) finds that a higher level in total organizational involvement during strategic management had positive effects on the level of implementation success, firm profits and overall firm success.

Top management refers to senior-level leaders including presidents, owners, and other high-ranking executives (CEO, CFO.) and senior-level managers. Several researchers have emphasized the effect of top management on strategic management (Hrebiniak, 2006; Smith & Kofron, 2009; Schmidt & Brauer, 2006; Schaap, 2006). Most of them point out the important figurehead role of top management in the process of strategic management. Schmidt and Brauer (2006), for example, take the board as one of the key subjects of strategic management and discuss how to assess board effectiveness in guiding strategy execution. Hrebiniak (2006) find that the process of interaction and participation among the top management team typically leads to greater commitment to the firm's goals and strategies. This, in turn, serves to ensure the successful management of the firm's strategy. Smith and Kofron (2009) believe that top managers play a critical role in the management – not just the formulation – of strategy. Nutt, (1995) points out that subtle changes taking place in the attitudes of employees towards working, their employers, and their lives are requiring companies to change their personnel management techniques accordingly to motivate their employees and instill them with commitment.

### **2.3.3 Communication**

Forman and Argenti (2005) rightly note that, “although an entire discipline is devoted to the study of organizational strategy, including strategy implementation; little attention has been given to the links between communication and strategy.” But Forman and Argenti also note that business communication researchers have become increasingly interested in the contribution of corporate communication to a company's ability to create and disseminate its strategy in the last decade. However, very few authors have

investigated the link between corporate communication and strategy, and – when they have – their focus has primarily been on how corporate communication affects the firm's relationship with its various stakeholders. At least, numerous researchers have already emphasized the importance of communication for the process of strategy implementation (Peng & Litteljohn, 2001; Heide & Grønhaug & Johannessen, 2002; Rapert & Velliquette & Garretson, 2002; Forman & Argenti, 2005; Schaap, 2006). That research in this area is needed is emphasized by an older finding by Alexander from 2005: Based on interviews with 21 presidents and 25 governmental agency heads, Alexander (2005) points out that communication is mentioned more frequently than any other single item promoting successful strategic management. The content of such communications includes clearly explaining what new responsibilities, tasks, and duties need to be performed by the affected employees. It also includes the why behind changed job activities, and more fundamentally the reasons why the new strategic decision was made firstly. Rapert and Wren (1998) 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 (Rapert, Velliquette & Garretson, 2002).

In addition, the findings of Peng and Litteljohn (2001) show that effective communication is a key requirement for effective strategic management. Organizational communication plays an important role in training, knowledge dissemination and learning in strategic management. In fact, communication is pervasive in every aspect of strategic management, as it relates in a complex way to organizing processes, organizational context and implementation objectives which, in turn, have an effect on the process of strategic management. Communication barriers are reported more frequently than any other type of barriers, such as organizational structure barriers, learning barriers, personnel management barriers, or cultural barriers. Heide, Grønhaug and Johannessen's (2002), for example, indicate that there are various types of communication problems (without specifying what they are). These communication issues may be influenced to some extent by the organizational structure. According to

Heide, Grønhaug and Johannessen (2006), they constitute the key barrier to the management of planned strategic activities. Rapert, Velliquette and Garretson (2002) state that communication and shared understandings play an important role in the strategic management process. In particular, when vertical communication is frequent, strategic consensus (shared understanding about strategic priorities) is enhanced and an organization's performance improves. They explore vertical communication linkages as a means by which strategic consensus and performance can be enhanced.

#### **2.3.4 Organizational Culture**

People from cultures that view relationships in terms of hierarchy have a preference for highly structured teams. People from cultures that see relationships in terms of groups want teamwork to be the norm and people from cultures that emphasize the individual feel most comfortable with voluntary and informal teams. Mixing these culture types can have a significant impact on an organization (Perkins, 2003). In comparing cultures of different countries, cross-cultural researchers have concentrated effort on an examination of a set of cultural value dimensions developed by Hofstede (2004). Dominant value systems of different countries can be ordered along Hofstede set of cultural value dimensions (Hofstede, 2004). People's dominant value systems have been crystallized in the institutions these people have built together: their family structures, educational structures, religious organizations, associations, forms of government, work organizations, law, literature, settlement patterns, and buildings. All of these reflect common beliefs that derive from the common culture. Whereas the value systems affect human thinking, feeling, action, and the behavior of organizations and institutions in predictable ways, the value dimensions reflect basic problems that any society has to cope with but for which solutions differ from country to country (Hofstede, 2004).

Shacklet (2006) in support of the application of Hofstede (2004) cultural value dimensions because Hofstede empirical results have been replicated at the national level in fifty countries and three regions. On the other hand, unlike Hofstede approach,

Kluckhohn and Strodtbeck (1999) value orientations' approach does not aggregate work preference across a range of discrete psychological variables (attitudes, work values, sources of satisfaction). Hence, Kluckhohn and Strodtbeck's approach is suitable for a study examining job involvement as an outcome but not appropriate for studies examining work involvement (Daniels & Sparrow, 2001). Job involvement is a specific belief regarding an individual worker's identification with his or her current job.

One of the major challenges in strategic management appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen & Ikåvalko, 2002). Corboy and O'Corrbui (1999), meanwhile, identify the deadly sins of strategic management which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. Marginson, (2002) contend that strategic management evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture.

In organizations adopting the cultural model that emphasizes a lower level employee participation in strategic management, there is separation of "thinkers" and "doers". It seeks to manage strategy through the infusion of corporate culture throughout the firm. The cultural model contradicts and challenges the basic objectives from the economic perspective of a firm (Parsa, 2009). A "clan-like" (Ouchi, 1980) organization is expected to prevail, where a powerful culture results in employees aligning their individual goals and behaviors with those of the firm. However, a high level of organizational slack is needed to instill and maintain a cultural model. This model has several limitations: it assumes well-informed and intelligent participants; firms with this model tend to drift and lose focus; cost of change in culture often comes at a high price; increased homogeneity can lead to a loss of diversity and creativity consequently (Parsa, 2009).

### 2.3.5 Organizational Structure

Organizational change usually involves change in the organization's structure. Organizational structure refers to the clustering of tasks and people into smaller groups. According to De Wit and Meyer (2004), the way labour is divided within an organization influences how strategic change will be implemented. Therefore organization structure is of both strategic and operational advantage in change management.

Huczynski and Buchanan (2003) stated that organizational change is a strategic imperative. This simply means that major or radical shifts in organizational design reflect changes happening in the wider social, economic, political and technological environment. Organizations must be able to respond rapidly to external changes if they are to survive, and that the necessary internal restructuring is likely to be strategic or 'mould breaking'. The mould that needs to be broken is the rigid, autocratic, bureaucratic approach to organization and management. The new organizational framework required appears to be one that emphasizes flexibility, creativity and participation.

Flexibility has further been emphasized as essential in dealing with many uncertainties in the environment. Mintzberg, Quinn and Ghosal (1999) observe that successful organizations actively create flexibility. This requires active horizon scanning, creating resource buffers, developing and positioning champions, and shortening decision lines.

Companies need to be innovative to ensure their existence. Kanter (2006) states that established companies can afford falling into the classic traps that stifle innovation by widening the search for new ideas, loosening overly tight controls and rigid structures, forging better connections between innovators and mainstream operations, and cultivating communication and collaboration skills. Innovations involve ideas that create the future. But the quest for innovations is doomed unless the managers who seek it take time to learn from the past. Getting the balance right between the highest returns from

current activities and exploring requires organizational flexibility and a great deal of attention to relationships.

Hill and Jones (2000) note that strategic managers also turn to restructuring as a means of implementing strategic change aimed at improving performance. They further note that when organizations rely on innovation as the source of their competitive advantage, they need to adopt flexible structures such as matrix or cross-functional team structures, which give people the freedom to experiment and be creative.

#### **2.4 Summary and Research Gap**

The literature review of this study views that managing strategies successfully is about matching the planned and the realizing strategies, which together aim at reaching the organizational vision. It also reviews that with firms evolving in terms of structure, it follows that the style of strategic management will differ depending on the style of organization and management that exists in the firm. The study reflects on the effect of the commitment of top management, effect of communication, effect of co-ordination of activities and the effect of organizational culture. First, executors or people issues receive the most attention. This is especially true with regard to managers whose role is analyzed in depth in many studies (Gupta & Govindarajan, 1999; Guth & MacMillan, 2001;; Wooldridge & Floyd, 2000, Qi, 2005). However, researchers frequently ignore the role of non-management.

The reviewed studies do not present a clear picture regarding the relationships among the implementation variables of communication, commitment and consensus. Communication is treated as a premise to realize commitment and consensus. Rapert, Velliquette and Garretson (2002) find that the viability of frequent vertical communication is a means by which strategic consensus may be enhanced. When vertical communication is frequent, strategic consensus is enhanced and organizational performance improves. Several researchers just point out that communication is an important factor, but there are no in-depth analyses about how exactly communication

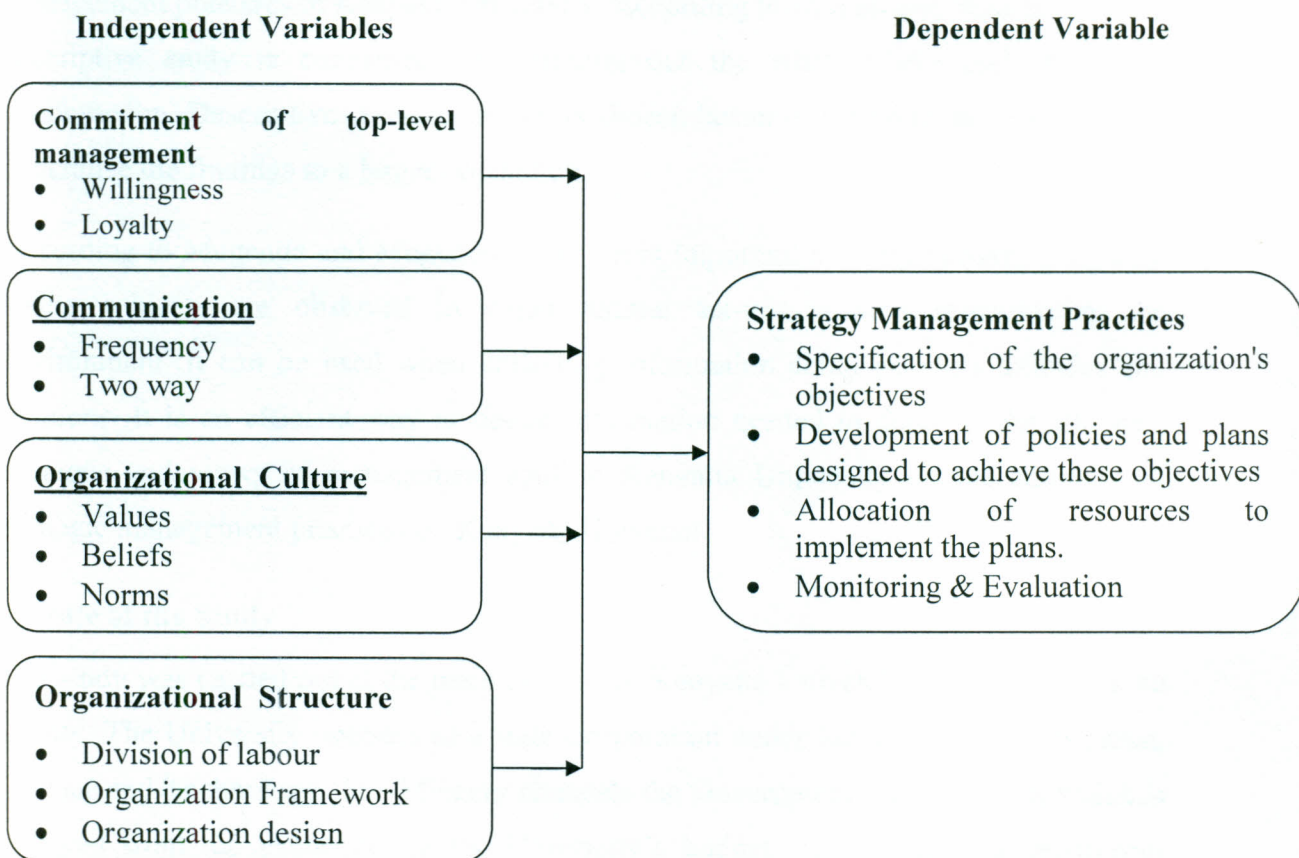
influences strategic management. There is disagreement in relation to the variables' exact meanings, content, relationships and influence on strategic management. As far as the relationships between commitment and consensus are concerned, some researchers take commitment, and organization culture as single factors influencing strategy implementation (Alexander, 2005; Guth & MacMillan, 1986; Noble & Mokwa, 1999; Heracleous, 2000), while other researches take them as ingredients prompting consensus (Noble, 1999b; Floyd & Wooldridge, 1992a) or as something that goes deeper than consensus (Rapert & Lynch & Suter, 1996) or even the outcome of consensus (Dess & Priem, 1995; Dooley & Fryxell & Judge, 2000).

Local studies have been done on strategic management practices. For example, Kiptugen (2003) did a study to determine the strategic response of Kenya Commercial Bank to a changing competitive environment. Muturi (2005) did a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment. He based his survey on evangelical churches in Nairobi. This study focused on a different context and concept from what the current study seeks to cover. Kamanda (2006) also did a study on Kenya Commercial Bank (KCB) with the objective of determining the factors that influence its regional growth strategy. His study, however, does not cover the issues of strategic management. Situma (2006) also covered KCB but focused on its turnaround strategy. Muguni (2007) studied the role of executive development in strategy implementation. His was a comparative study of KCB and National Bank of Kenya. The study also did not capture the process of strategic management and the factors affecting its adoption. Based on this review it is evident that there exists a gap in examination of the commitment of the top level management, communication, and organizational culture on strategic management which the study will fill by analyzing the the adoption of strategic management practices in Kenyatta university.

## 2.5 Conceptual framework

A conceptual framework is a research tool intended to assist a researcher to develop awareness and understanding of the situation under scrutiny and to communicate this. The independent variables in this study are commitment of top management, and communication organizational culture. A dependent variable is what is measured in the experiment and what is affected during the experiment. The dependent variable responds to the independent variable (Everitt, 2002). The dependent variable in this study is strategic management.

**Figure 2.1: Conceptual Framework**



(Source: Researcher, 2014)

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This study sought to analyze the adoption of strategic management practices in Kenyatta University. This chapter involved a blueprint for the collection, measurement and analysis of data. Therefore, in this section the researcher identified the procedures and techniques that were used in the collection, processing and analysis of data.

#### **3.2 Research design**

This research study adopted a descriptive survey approach on the adoption of strategic management practices in Kenyatta University. According to Donald and Pamela (1998), a descriptive study is concerned with finding out the what, where and how of a phenomenon. Descriptive research design is chosen because it enables the researcher to generalise the findings to a larger population.

According to Mugenda and Mugenda (1999), it is important and appropriate to use data where subjects are observed in either natural set-ups without manipulating the environment. It can be used when collecting information about people's attitudes and opinions. It is an efficient way to obtain information needed to describe the attitudes, opinions and views of management staff in Kenyatta University on the adoption of strategic management practices in Kenyatta University .

#### **3.3 Site of the Study**

The study was carried out at the main campus of Kenyatta University located in Kiambu county. The University operates as a state Corporation under the Ministry of Education, Science and Technology. The Ministry channels the Government's contribution which is received from the exchequer to the University's budget. The Council is the overall administrative governing body of the University and the Senate is in charge of the academic functions of the University. There is also the University Management Board

which is in charge of the day-to-day running of the institution and includes the Vice-Chancellor who is the CEO, Deputy Vice-Chancellors, Registrars and Chief Finance Officer

### **3.4 Target Population**

Study population is a well defined or specified set of people, group of things, households, firms, services, elements or events which are being investigated. Thus, the population should fit a certain specification, and the population should be homogenous (Ngechu 2004). This study targeted 423 management staff of the university.

### **3.5 Sampling and Sampling Procedure**

The general goal of all sampling methods is to obtain a sample that is representative of the target population. The sampling frame describes the list of all population units from which the sample will be selected (Cooper & Schindler, 2003). The study adopted purposive sampling technique to identify the respondents. Purposive sampling technique targeted a particular group of people and does not produce a sample that is representative of a larger population, but it can be exactly what is needed in some cases, study of organization, community, or some other clearly defined and relatively limited group (Patton, 1990). The sample size consisted of 91 management staff of the university .

### **3.6 Data Collection Instruments**

According to Ngechu (2004), there are many methods of data collection. The choice of a tool and instrument depends mainly on the attributes of the subjects, research topic, problem question, objectives, design, expected data and results. This is because each tool and instrument collects specific data.

Primary data was gathered directly from respondents and for this study, a semi-structured questionnaire was utilized. The research instruments were organized based on the objectives of the study. The questionnaire consisted of two sections, where the first part mainly contained information on the organization background, while the

second part focused on strategic management at Kenyatta University. This enabled the analysis of the adoption of strategic management practices in Kenyatta University and any other factor not mentioned in the study.

Secondary data was also collected for this study. This data was useful for generating additional information for the study from already documented data or available reports especially from the organization's websites.

### **3.7 Data Collection Procedure**

Before the main research, the study pre-tested the instrument to enhance its validity and reliability. A small sample was chosen from the population. In this research, 10 staffs were chosen to contribute and were not included in the sample chosen for the study. This aimed at enhancing the validity and reliability of the instruments, where necessary corrections of the instrument were made before the actual research.

The study tested content validity to indicate whether the test items represent the content that the test is designed to measure. The pilot study aided in determining accuracy, clarity and suitability of the instruments. To ensure validity, the supervisor examined the instruments used in the study. To gauge test-retest reliability, the test was administered twice at two dissimilar points in time (a difference of two weeks the next test). Cronbach's Coefficient alpha (0.7) was used to compute the correlation co-efficient to determine the degree to which there is consistency in providing similar response every time the instrument is administered (Ngechu 2004).

The study administered the research instruments individually to a sample of 91 management staff currently working at Kenyatta University. The study exercised care and control to ensure all questionnaires were issued to the respondents and to achieve this, the study maintained a register of questionnaires, which are administered, and those received.

### 3.8 Data Analysis and Presentation

Quantitative data collected using questionnaires were analyzed by the use of descriptive statistics using SPSS (Statistical Package for Social Sciences) and presented through percentages, means and frequencies. The information was also presented by use of frequency tables and charts. Content analysis was used to analyze data collected from the open-ended questions. According to Baulcomb (2003), content analysis uses a set of categorization for making valid and replicable inferences from data to their context. This offered a systematic and qualitative description of the objectives of the study. In addition, the study conducted a multiple regression analysis to determine the relationship between strategic management and the variables of the study. The regression model was ( $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$ ):

Whereby  $Y$  = Strategy Management

$X_1$  = Top Management Commitment

$X_2$  = Communication

$X_3$  = Organizational Culture;

$X_4$  = Organization Structure

$e_t$  = Error term and  $\beta_0$   $\beta_1$   $\beta_2$   $\beta_3$  and  $\beta_4$  are the regression equation coefficients for each of the variables discussed.

In order to find out the relationship between the adoption of strategic management practices in Kenyatta University and Strategy Management, regression analysis was done where the strategic management practices were regressed against the Strategy implementation to find out which practices have significant influence on the Strategy Management in Kenyatta University. The results of the regression analysis was interpreted based on the R square, significance of F statistics and the significance of beta

values from the coefficients of the X variables. Significance was tested at 5% level of confidence.

### 3.9 Ethical Considerations

Transmittal letter from relevant authorities was issued to the management of the university stating who the researcher is and what type of research study the researcher was undertaking. The researcher also indicated that the data to be collected was only used for research purposes alone so as to maintain confidentiality. The study did not involve plagiarism by referencing all the materials used, because this could lead to a serious and punishable offense.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION**

#### **4.1 Introduction**

The purpose of this research was to establish the adoption of strategic management practices in Kenyatta University. This chapter presents analysis and findings of the study as set out in the research methodology. It highlights the findings of the study based on the data collected from respondents. The chapter is organized under sub-sections guided by the research questions. The study employs various statistical tools (SPSS) for extracting the data. The data was gathered using a questionnaire as well as secondary information.

##### **4.1.1 Response Rate**

The researcher targeted 423 respondents at Kenyatta University. The questionnaires were sent to 91 staff at the university, out of which, only 68 questionnaires were sent back fully completed making a response rate of 75%. This was in line with Mugenda and Mugenda (2003) who suggested that for generalization a response rate of 50% is adequate for analysis, reporting, 60% is good, and a response rate of 70% and over is excellent.

This response rate was accredited to the data collection procedure, where the researcher personally administered questionnaires and reminded the respondents to fill in the questionnaires and picked the filled questionnaires later on.

#### **4.2 Demographic Characterization of the Respondents**

As part of the general information, the researcher requested the respondents to indicate their sex, age bracket, duration in the organization and highest level of education. This was important since it forms a foundation under which the study would fairly adopt in coming up with conclusions.

### 4.2.1 Sex of the Respondents

The study set to determine the sex of the respondents. According to the findings, majority of the respondents were males. The study shows that all the DVCs were males while of other staff majority (60%), were males and 40% were females. This implies that though there is gender distribution in job scale in Kenyatta University, most of the opportunities are occupied by men.



**Figure 4.2: Sex of the Respondents**

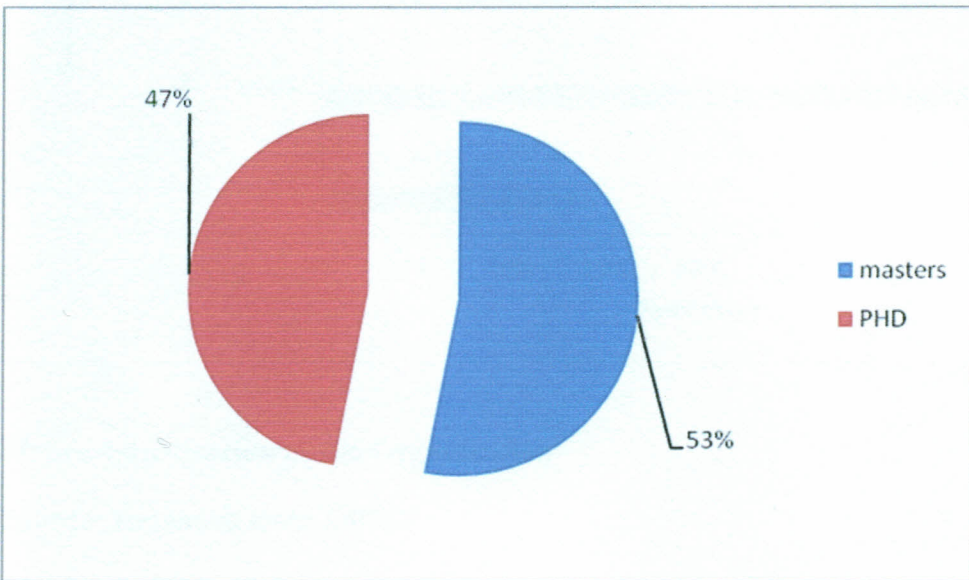
**Source: Research Data (2015)**

### 4.2.2 Age Bracket of the Respondents

From the findings, all the DVCs were aged above 51 years while most (33%) of the other staffs were within the age bracket of 41-44 years, 21% were aged above 51 years, 27% were below 40 years, while 11% were within 45-50 years. This implies that most of the employees in KU were energetic and therefore could adhere to the strategies adopted within the organization.

### 4.2.3 Highest Level of Education

The researcher also requested the respondents to indicate their highest level of education. Figure 4.3 shows that majority (53%) of the respondents had masters, while the remaining 47% had PHD as their highest level of education. This depicts that most of the staff working at Kenyatta University had at least attained masters degree level hence are capable of understanding and implementing effective strategic management practices.



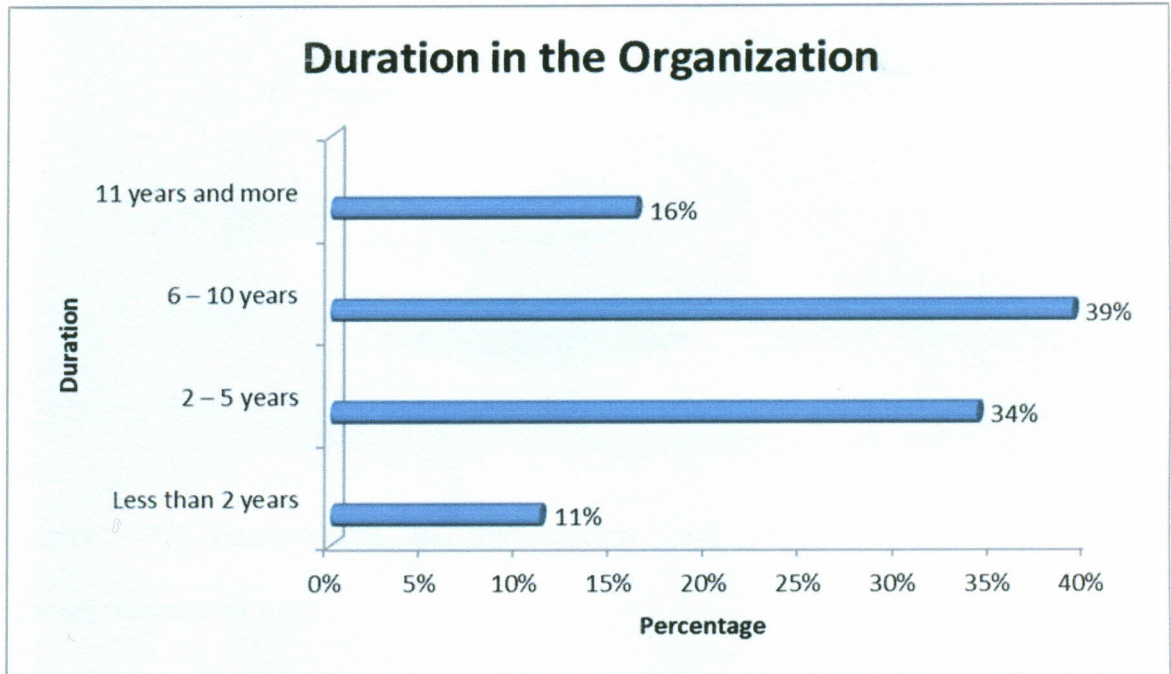
**Figure 4.3: Highest Level of Education**

**Source: Research Data (2015)**

### 4.2.4 Duration in the Organization

The study further requested the respondents to indicate their duration of service in the organization. From the findings, most staffs (39%) were in the university for 6-10 years, 34% for 2-5 years, 16% for more than 11 years while the rest (11%) were in the university for less than 2 years. This implies that majority of respondents have been in the organization

for quite some time and could therefore identify the strategic management practices adopted in the University.

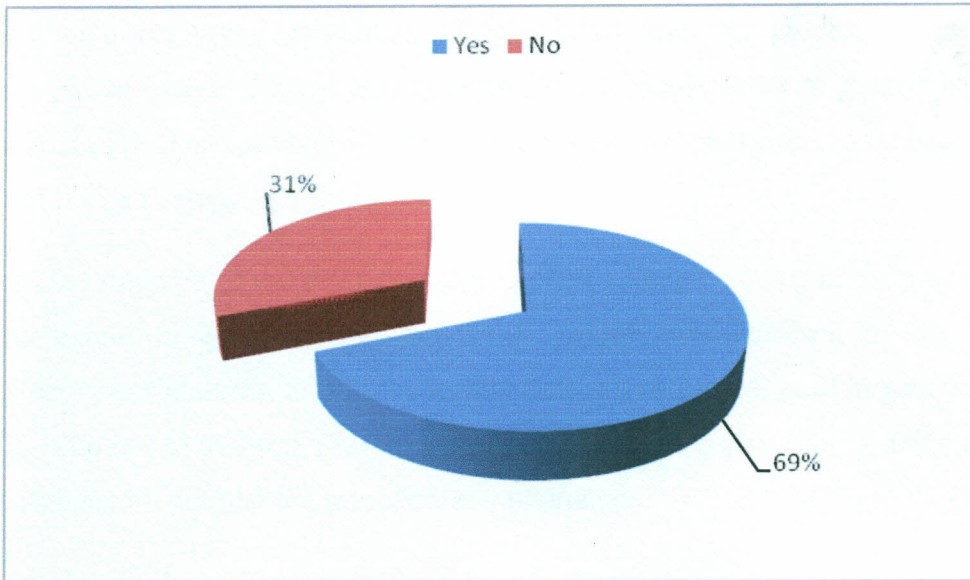


**Figure 4.4: Duration in the Organization**

**Source: Research Data (2015)**

#### **4.2.5 Involvement in formulation and implementation of strategic management practices**

The study further requested the respondents to indicate whether they are involved in formulation and implementation of strategic management practices. From the findings, most (69%) were involved in formulation and implementation of strategic management practices while the rest (31%) were not involved. This implies that majority KU staff are involved in formulation and implementation of strategic management practices



**Figure 4.5: Involvement in formulation and implementation of strategic management practices**

**Source: Research Data (2015)**

#### **4.2.6 DVC's application of strategic management practices**

The study sought to determine the extent to which DVC's applied strategic management practices. From the findings, DVC academic applied strategic management practices to a very great extent on providing academic leadership of the faculty with a mean of 4.32 and a low dispersion rate of 0.124. The DVC also provide academic leadership of educational resources depicted by a mean of 4.06 with a fair dispersion rate of 0.423. Further, he applied strategic management practices to a great extent on providing academic leadership of teaching and quality assurance of all academic programs with a mean of 3.33.

The findings imply that DVC academic enhances strategic management practices application in providing academic leadership of the faculty and academic leadership of

educational resources. Hrebiniak (2006) found that the process of interaction and participation among the top management team typically leads to greater commitment to the firm's goals and strategies. This, in turn, serves to ensure the successful management of the firm's strategy.

From the findings, DVC administration applied strategic management practices to a very great extent in ensuring that university programmes conform to the national and international standards; as well as legally recognized professional bodies with a mean of 4.32. Smith and Kofron (2009) believe that top managers play a critical role in the management – not just the formulation – of strategy.

From the findings, The DVC finance and development applied strategic management practices to a very great extent in providing leadership and supervisory oversight to the finance; and general administration departments, which currently include finance, human resources, administration and information communication and technology with a mean of 4.67. Nutt, (1995) points out that subtle changes taking place in the attitudes of employees towards working, their employers, and their lives are requiring companies to change their personnel management techniques accordingly to motivate their employees and instill them with commitment

From the findings, The DVC research innovation and training applied strategic management practices to a very great extent in promoting learning, research, innovation and extension services in the university with a mean of 4.32 with a low dispersion rate of 0.124; and in co-ordinating all academic programmes in the University with modern technology in programme delivery (mean= 4.06, Stdev= 0.423).

**Table 4.1: DVC's application of strategic management practices**

<b>DVC Academic</b>	<b>Mean</b>	<b>Std</b>
Providing academic leadership of the faculty	4.32	0.124
Providing academic leadership of research engagements	3.07	0.212
Providing academic leadership of educational resources	4.06	0.423
Providing academic leadership of curricula development and implementation,	3.12	0.024
Providing academic leadership of teaching and quality assurance of all academic programs	3.33	0.342
<b>DVC Administration</b>	<b>Mean</b>	<b>Std</b>
Overseeing the development and implementation of academic programmes and regulations	2.32	0.663
Co-ordinating all academic programmes in the University	2.21	0.231
Co-ordinating the management of examinations, postgraduate studies, undergraduate studies and development of the library	2.06	0.241
Co-ordinating implementation of appropriate quality assurance and mechanisms	4.12	0.346
Ensuring that university programmes conform to the national and international standards, as well as legally recognized professional bodies	4..33	0.244
<b>DVC Finance And Development</b>	<b>Mean</b>	<b>Std</b>
Co-ordinate the preparation of statutory financial statements and management reports to planning and decision making	4.12	0.246
Advice the Vice-chancellor and the management board on the human resource, procurement, ICT and financial matters regarding the University	3.32	0.863
Develop appropriate procedures and ensure compliance to	3.06	0.643

all statutory and legal requirements in general administration and finance within the University		
Ensure effective accountability to the Vice Chancellor for proper management and implementation of activities in administration and finance within the University	3.78	0.347
Provide leadership and supervisory oversight to the Finance and General Administration Departments, which currently include Finance, Human Resources, Administration and Information Communication and Technology	4.67	0.331
<b>DVC Research Innovation &amp; Training</b>	Mean	Std
Provide leadership in the management of the academic, research and extension activities of the University	2.32	0.136
Promote learning, research, innovation and extension services in the university	4.36	0.239
Co-ordinate all academic programmes in the University and ensure that modern technology in programme delivery is enhanced	4.06	0.134
Coordinate research activities, student attachment and linkages with the industry	3.74	0.436
Develop and implement intellectual property policy as well as oversee linkages and partnerships with other national and international institutions	3.21	0.423

**Source: Research Data (2015)**

#### **4.2.7 Extent of Organizational Challenges**

The study sought to determine the extent to which the university faced challenges in the strategic management at the different levels. From the findings, challenges were very

high at operational level with a mean of 4.33 followed by dynamic level with 4.12; business level with a mean of 4.02, functional level with a mean of 3.45 and corporate level with a mean of 2.21.

**Table 4.2: Extent of Organizational Challenges**

	<b>Mean</b>	<b>Std</b>
Corporate level	2.21	0.687
Business level	4.02	0.257
Functional level	3.45	0.535
Dynamic level	4.12	0.161
Operational level	4.33	0.581

**Source: Research Data (2015)**

### 4.3 Commitment of Top Management

#### 4.3.1 Extent of Level of Commitment of Top Management

The study sought to establish the extent to which level of commitment of top management affected the strategic management in Kenyatta University. The results are as presented in table 4.3.

**Table 4.3: Commitment of Top Management**

	<b>Frequency</b>	<b>Percentage</b>
Very great extent	21	30.9
Great extent	29	42.6
Moderate extent	12	17.6
Less extent	5	7.4
Not at all	1	1.5
Total	68	100

**Source: Research Data (2015)**

From the findings in table 4.9, 42.6% of respondents indicated that the level of commitment affected strategic management to a great extent, 30.9% indicated a very great extent, 17.6% indicated a moderate extent while 7.4% indicated a less extent. This is to show that commitment of top management had an effect on strategic management in Kenyatta University. Hrebiniak (2006) found out that the process of interaction portrays similar findings and participation among the top management team typically leads to greater commitment to the firm's goals and strategies. This in turn serves to ensure the successful management of the firm's strategy. Smith and Kofron (2009) believe that top managers play a critical role in the management – not just the formulation – of strategy.

### 4.3.2 Commitment of Top Management on Strategic Management

The study required the respondents to indicate their level of agreement on the effect of level of commitment of top management on the strategic management. They were to show on a scale of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree.

**Table 4.4: Commitment of Top Management on Strategic Management**

	Mean	Std
The top management's commitment to the strategic direction itself is the most important factor.	4.21	0.187
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.	4.32	0.657
The managers must not spare any effort to persuade the employees of their ideas for strategic management to be effective.	4.01	0.515
Lack of top management backing is the main inhibiting factors	3.02	0.461
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.	4.13	0.381

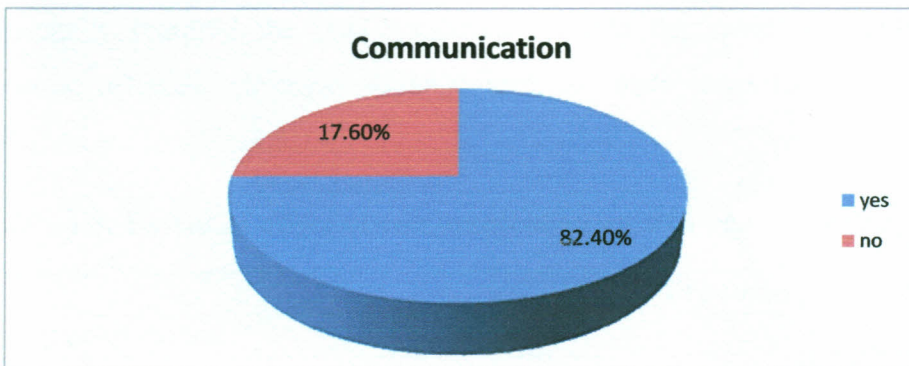
**Source: Research Data (2015)**

From the findings in table 4.10, the respondents agreed that the top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed with a mean of 4.32. They further agreed that the top management's commitment to the strategic direction itself is the most important factor with a mean of 4.21. They also agreed that lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes as indicated by a mean of 4.13. They were however neutral on the statement that lack of top management backing is the main inhibiting factors. Schmidt and Brauer (2006) consider the board as one of the key subjects of strategic management and discuss how to assess board effectiveness in guiding strategy execution.

#### 4.4 Communication Process

##### 4.4.1 Is communication a key success factor within strategic management

The respondents were to indicate whether communication was a key success factor within strategic management in their organization. The response is as shown in figure 4.6.



**Figure 4.6: Is communication a key success factor within strategic management?**

**Source: Research Data (2015)**

From the response in figure 4.6 above, 82.4% indicated that the organization considered communication as a key factor within strategic management while the rest 17.6% considered it not to be a key success factor. This is to show that the University used communication as a means of achieving strategic management. The findings of Peng and Litteljohn (2001) show that effective communication is a key requirement for effective strategic management. Organizational communication plays an important role in training, knowledge dissemination and learning in strategic management. In fact, communication is pervasive in every aspect of strategic management, as it relates in a complex way to organizing processes, organizational context and implementation objectives, which, in turn, have an effect on the process of strategic management. Communication barriers are reported more frequently than any other type of barriers, such as organizational structure barriers, learning barriers, personnel management barriers, or cultural barriers. Heide, Grønhaug and Johannessen's (2002), for example, indicate that there are various types of communication problems (without specifying what they are).

#### 4.4.2 Extent of effect of Communication on Strategic Management

The study required the respondents to indicate the extent to which communication process affected strategic management in their organization. The findings are summarized in table 4.5.

**Table 4.5: Extent of effect of communication on strategic management**

	<b>Frequency</b>	<b>Percentage</b>
Very great extent	23	33.9
Great extent	29	42.6
Moderate extent	9	13.2
Less extent	5	7.4
Not at all	2	2.9
Total	68	100

**Source: Research Data (2015)**

The summary shows that 42.6% of respondents indicated that communication process affected strategic management to a great extent. In addition, 33.9% said it affected to a very great extent, 13.2 to a moderate extent, 7.4% to a less extent while the rest (2.9%) said it did not affect. It can be concluded therefore that communication process had an effect on strategic management in the University. Forman and Argenti (2005) rightly note that, “although an entire discipline is devoted to the study of organizational strategy, including strategy implementation; little attention has been given to the links between communication and strategy.” Forman and Argenti also note that business communication researchers have become increasingly interested in the contribution of corporate communication to a company’s ability to create and disseminate its strategy in the last decade. However, very few authors have investigated the link between corporate communication and strategy, and – when they have – their focus has primarily been on how corporate communication affects the firm’s relationship with its various stakeholders.

#### **4.4.3 Communication Process and Strategic Management**

The respondents were required to indicate their level of agreement with the statements provided on the relationship between communication process and strategic management in the University. They were to indicate on a scale of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree.

**Table 4.6: Communication Process and Strategic Management**

	<b>Mean</b>	<b>Std</b>
Communicating with employees is frequently delayed until changes have already crystallized	3.21	0.347
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy	4.42	0.155
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected employees	4.05	0.137
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion	4.32	0.136
An integrated communications plan must be developed at the organization to enhance strategic management	4.26	0.483

**Source: Research Data (2015)**

From the findings, the respondents agreed that the organization was faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy (Mean= 4.42). They also agreed that it was essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion (4.32). They further agreed that an integrated communications plan must be developed at the organization to enhance strategic management (4.26). A further mean of 4.05 indicated that they agreed that lack of communications caused more harm as the employees were not told about the new requirements, tasks and activities to be performed by the affected employees. They were however neutral (3.26) on the statements that communicating with employees was frequently delayed until changes had already

crystallized. Communication issues may be influenced to some extent by the organizational structure. According to Heide, Grønhaug and Johannessen, they constitute the key barrier to the management of planned strategic activities. Rapert, Velliquette and Garretson (2002) state that communication and shared understandings play an important role in the strategic management process. In particular, when vertical communication is frequent, strategic consensus (shared understanding about strategic priorities) is enhanced and an organization's performance improves. They explore vertical communication linkages as a means by which strategic consensus and performance can be enhanced.

## 4.5 Organizational Culture

### 4.5.1 Does Organizational Culture Affect Strategic Management Practice?

The study required the respondents to indicate whether organizational culture affected the practice of strategic management. The response is as shown in figure 4.7.



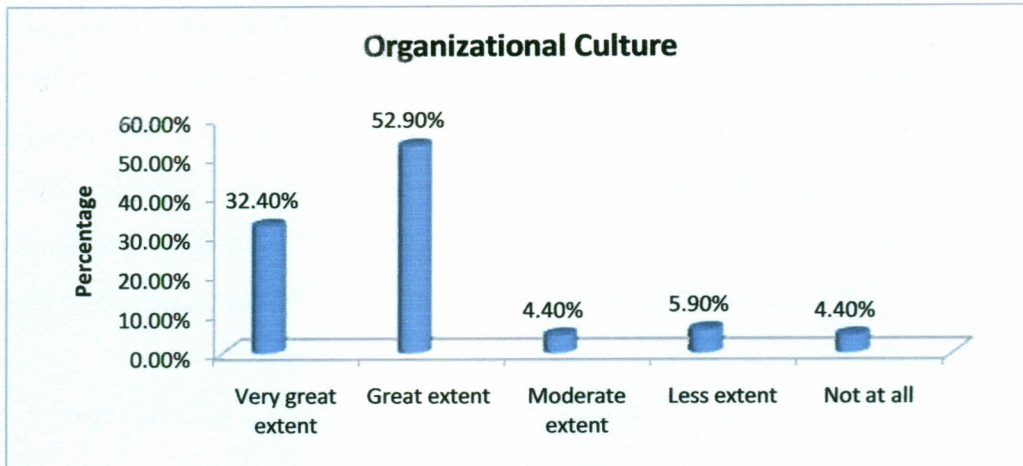
**Figure 4.7: Does organization culture affect strategic management**

**Source: Research Data (2015)**

From the results in figure 4.7, 89.7% of the respondents indicated that organizational culture affected strategic management while 10.4% indicated that it did not affect. This is to show therefore that organizational culture had an effect on strategic management in the University. One of the major challenges in strategic management appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen and Ikåvalko, 2002). Corboy and O'Corrbui (1999), meanwhile, identify the deadly sins of strategic management, which involve a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. Marginson, (2002) contends that strategic management evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture.

#### **4.5.2 Extent of influence of Organizational Culture on Strategic Management**

They were further asked to indicate the extent at which organizational culture affected strategic management. The response is as shown in Figure 4.8.



**Figure 4.8: Extent of influence of organizational culture on strategic management**

**Source: Research Data (2015)**

From the findings 52.9% of the respondents indicated that it affected to a great extent, 32.4% indicated that it affected to a very great extent, 5.9% indicated that affected to a less extent while 4.4% indicated that it did not affect. Organizational culture is regarded as important in determining individual's commitment, satisfaction and longevity with the organization, and thereby playing an important role in the every-day life of organizations (Larsson & Lubatkin, 2001; and Teerikangas & Very, 2006).

Denison and Mishra (1995) state that higher levels of commitment increase the individual performance of employees, which increases the overall performance of the organization. Commitment, in turn, is positively related to employee retention (Meyer, Hecht, Gill & Toplonysky, 2010). Whitman, Rooy and Viswesvaran (2010), and Williams and Anderson (1991) argue that employee satisfaction increases the performance of employees but also increases employee productivity and customer satisfaction. Hence, previous research indicates that employee commitment and satisfaction are determinants of employee performance (Lum, Kervin, Clark, Reid &

Sirola, 1998). Moreover, compared to satisfaction, some researchers conclude that commitment has a stronger and more consistent relationship with organizational culture and performance (Lum *et al.*, 1998; and Meyer *et. al.*, 2010). Commitment can be defined as “the strength of one’s identification with, and involvement in, a particular organization” and it is characterized by a willingness to exert considerable effort on behalf of the organization and a desire to maintain membership in it (Weber, 1996).

#### 4.5.3 Organization Culture and Strategic Management

The study also required respondents to show the extent at which the given statements of organizational culture affected strategic management. They were to indicate on a scale of 1 to 5 with 1 = to no extent 2 = to low extent, 3 = to moderate extent, 4 = to great extent and 5 = to very great extent.

**Table 4.7: Organization Culture and Strategic Management**

	<b>Mean</b>	<b>Std</b>
Lack of understanding of strategic management	4.23	0.285
Customers and staff not fully appreciating the strategy	4.02	0.567
Difficulties and obstacles not acknowledged, recognized or acted upon	3.95	0.135
Ignoring the day-to-day business imperatives.	2.32	0.161
Leadership style of managers	4.11	0.581
How managers make decisions	4.37	0.253
The dominant values, beliefs and the norms	3.87	0.463
Conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees)	2.29	0.732

**Source: Research Data (2015)**

From the findings, managers' decisions affected strategic management to a great extent (4.37); lack of understanding of strategic management (4.23), leadership style of managers (4.11), customers and staff not fully appreciating the strategy (4.02). In organizations adopting the cultural model that emphasizes a lower level employee participation in strategic management, there is separation of "thinkers" and "doers". It seeks to manage strategy through the infusion of corporate culture throughout the firm. The cultural model contradicts and challenges the basic objectives from the economic perspective of a firm (Parsa, 2009). A "clan-like" (Ouchi, 1980) organization is expected to prevail, where a powerful culture results in employees aligning their individual goals and behaviors with those of the firm. However, a high level of organizational slack is needed to instill and maintain a cultural model. This model has several limitations: it assumes well-informed and intelligent participants; firms with this model tend to drift and lose focus; cost of change in culture often comes at a high price; increased homogeneity can lead to a loss of diversity and creativity consequently (Parsa, 2009).

#### 4.5.4 Extent of Challenges of Cultural Values on Successful Strategic Management

The respondents were required to show the extent to which they agree with the statement, "challenges of successful strategic management results from lack of cultivation of strong cultural values to meet the changing organizational needs". The response is summarized in table 4.8

**Table 4.8: Extent of challenges of strategic management on cultural values**

	<b>Frequency</b>	<b>Percentage</b>
Strongly agree	11	16.2
Agree	32	47.1
Neutral	17	25
Disagree	6	8.8
Strongly disagree	2	2.9

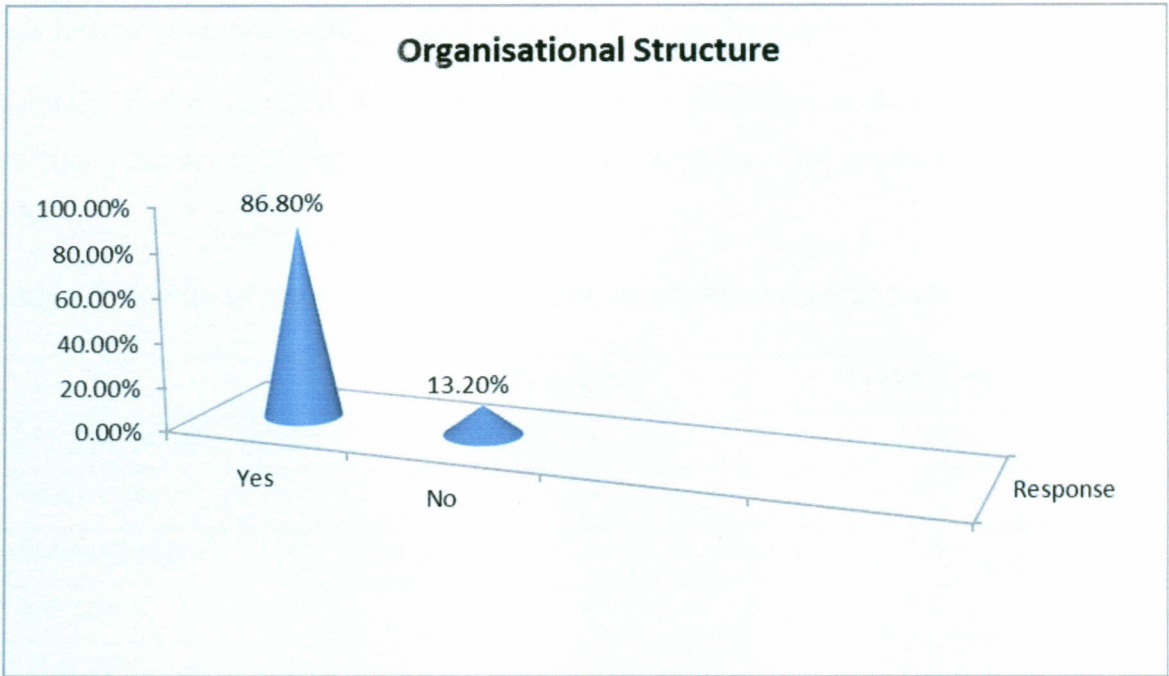
**Source: Research Data (2015)**

From the findings, 47.1% agreed, 25% were neutral, 16.2% strongly agreed, 8.8% disagreed and 2.9% strongly disagreed. The response is a clear indicator that challenges of successful strategic management in the university may result from lack of cultivation of strong values to meet changing organizational needs. It is often argued that cultural problems are the leading factors of merger failure; in most cases the term “cultural clash” is explicitly mentioned (Birkinshaw, Bresman & Hakanson, 2000; and Very, Lubatkin, Calori & Veiga, 1997). Cultural clashes can be defined as “the disturbance of human rights, cultural retrenchment, countercultures, and cultural rejection” (Larsson & Finkelstein, 1999, pp. 6). When two organizations execute a merger, two separate organizational cultures are combined. It follows logically that a cultural fit between the organizations is not self-evident (Adkins & Caldwell, 2004). Moreover, it is argued that human integration is the real key to achieve synergistic efficiencies (Schuler & Jackson, 2001).

## **4.6 Organizational Structure**

### **4.6.1 influence of organizational structure on strategic management**

The study required the respondents to indicate whether organizational structure influenced strategic management in their organization. Figure 4.9 summarizes the results.



**Figure 4.9: influence of organizational structure on strategic management**

**Source: Research Data (2015)**

From the results, 86.8% agreed that organizational structure influenced strategic management while the remaining 13.2% said it did not influence. We can deduce therefore that organizational structure influenced strategic management at Kenyatta University. Organizational change usually involves change in the organization's structure. Organizational structure refers to the clustering of tasks and people into smaller groups. Huczynski and Buchanan (2003) stated that organizational change is a strategic imperative. This simply means that major or radical shifts in organizational design reflect changes happening in the wider social, economic, political and technological environment. Organizations must be able to respond rapidly to external changes if they are to survive, and that the necessary internal restructuring is likely to be strategic or 'mould breaking'. The mould that needs to be broken is the rigid, autocratic, bureaucratic approach to organization and management. The new organizational framework required appears to be one that emphasizes flexibility, creativity and participation.

#### 4.6.2 Extent of Organizational Structure on Strategic Management

The study further required the respondents to show the extent to which organizational structure influenced strategic management at the university. The response is as shown in table 4.9

**Table 4.9: Extent of organizational structure on strategic management**

	<b>Frequency</b>	<b>Percentage</b>
Very great extent	23	33.8
Great extent	34	50
Moderate extent	6	8.8
Less extent	4	5.9
Not at all	1	1.5

**Source: Research Data (2015)**

The findings in table 4.9 show that 50% of the respondents indicated that organizational structure influenced strategic management to a great extent. 33.8% indicated that it affected to a very great extent, 8.8% showed an effect of moderate extent, 5.9% showed an effect of less extent while 1.5% indicated that it did not affect at all. This implies therefore that organizational structure influenced strategic management at Kenyatta University. Organisational structure defines how individuals and groups are organised or how their tasks are divided and coordinated (Mintzberg, 1983). In this changing world, companies have had to learn how to formulate and implement their strategies through projects and organisational structures in order to successfully face threats and opportunities. However, the management of multiple projects is not easy due to its complexity.

### 4.6.3 Organizational Structure in Kenyatta University

Additionally, the respondents were to indicate their level of agreement on the statements given relating to organizational structure in Kenyatta University. The results are summarized in table 4.10.

**Table 4.10: Organizational Structure in Kenyatta University**

	Mean	Std
The organization structure of the organization does not match the strategic change	2.43	0.673
The way labour is divided within the organization influences how strategies are implemented	4.02	0.353
Tasks and responsibilities are adequately defined	3.45	0.375
Radical shifts in organizational design reflect changes happening in the wider social, economic, political and technological environment.	4.12	0.811
The new organizational framework required appears to be one that emphasizes flexibility, creativity and participation.	4.11	0.501
Strategic managers turn to restructuring as a means of implementing strategic change aimed at improving performance	4.42	0.923
Formal organization structure often conflict with the informal social groups	3.06	0.479

**Source: Research Data (2015)**

The response presented in table 4.17 shows that the respondents agreed to a great extent that strategic managers turn to restructuring as a means of implementing strategic change aimed at improving performance (4.42). Further, they agreed that radical shifts in organizational design reflected changes happening in the wider social, economic, political and technological environment (4.12). They also agreed that the new organizational

framework required, appeared to be one that emphasizes flexibility, creativity and participation (4.11). They agreed that the way labour was divided within the organization influenced how strategies are implemented (4.02). They were however neutral that tasks and responsibilities are adequately defined (3.45) and that formal organization structure often conflict with the informal social groups (3.06). They disagreed with the statement that the organization structure of the organization did not match the strategic change (2.43). According to De Geus (2002), long-lived organizations are open to learn and make changes to adapt. The companies that survive tend to be cohesive and have a strong sense of identity; however diversified they are, they build a community and a solid organizational culture, which gives a strong sense of belonging to their employees. Long-lived companies are tolerant in that they try to decentralize power and diversify themselves by building positive relationships with the stakeholders within and outside the organization.

#### **4.6 Regression Analysis**

Regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analysing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables. The researcher further conducted a multiple regression analysis in order to test the effect variables (independent) had on the strategic management. Statistical package for social sciences (SPSS) was used to code, enter and compute the measurements of the multiple regressions for the study.

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (strategic management practices) that is explained by all the four independent variables (top management commitment, communication, organizational culture and organizational structure).

#### 4.6.1 Model Summary

The coefficient of determination (R Square) is used to test the goodness-of-fit of the model. That is, R Square measures the proportion or percentage of the total variation in the dependent variable explained by the independent variable. The value of R Square lies between 0 and 1 and if R Square value is 1 then there is a perfect fit while R Square value 0 indicates that there is no relationship between dependent and independent variables. The four independent variables that were studied, explain only 73.5% of the strategic management practices as represented by the  $R^2$ . This therefore means that other practices not studied in this research add up to 26.5%.

**Table 4.11: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.857	0.735	0.689	0.5273

**Source: Research Data (2015)**

#### 4.6.2 ANOVA Results

The probability value (p-value) of a statistical hypothesis test is the probability of getting a value of the test statistic as extreme as or more extreme than that observed by chance alone, if the null hypothesis  $H_0$  is true. The p-value is compared with the actual significance level of the test and, if it is smaller, the result is significant. The smaller it is, the more convincing is the rejection of the null hypothesis.

The significance value is 0.0179 which is less than 0.05 thus the model is statistically significant in predicting how top management commitment, communication, organizational culture and organizational structure determine the adoption of strategic management at Kenyatta University. The F critical at 5% level of significance was 3.23. Since F calculated is greater than the F critical (value = 9.475), this shows that the overall

model was significant.

**Table 4.12: ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.534	18	1.267	9.475	.0179 <sup>a</sup>
	Residual	9.307	50	2.327		
	Total	3.465	68			

**Source: Research Data (2015)**

#### 4.6.3 Coefficient of Determination

**Table 4.13: Coefficient of determination**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.147	1.2235		6.615	0.000
	Organizational culture	0.752	0.1032	0.152	4.223	.0192
	Organisational structure	0.545	0.2178	0.116	3.936	.0251
	Communication	0.487	0.3425	0.054	3.724	.0269
	Top management commitment	0.439	0.1937	0.263	3.247	.0454

**Source: Research Data (2015)**

Multiple regression analysis was conducted so as to determine the relationship between

strategic management and the four variables. As per the SPSS generated table above, the equation ( $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$ ) becomes:

Whereby  $Y =$  Strategy Management

$X_1 =$  Top Management Commitment

$X_2 =$  Communication

$X_3 =$  Organizational Culture;

$X_4 =$  Organization Structure

$e_t =$  Error term and  $\beta_0 \beta_1 \beta_2 \beta_3$  and  $\beta_4$  are the regression equation coefficients for each of the variables discussed.

$$Y = 1.147 + 0.439X_1 + 0.487X_2 + 0.752X_3 + 0.545X_4$$

According to the regression equation established, taking all factors into account (top management commitment, communication, organizational culture and organizational structure) constant at zero, strategic management rating would be 1.147. The data findings analysed also shows that taking all other independent variables at zero, a unit increase in top management commitment will lead to a 0.439 increase in strategic management; a unit increase in communication will lead to a 0.487 increase in strategic management; a unit increase in organizational culture will lead to a 0.752 increase in strategic management, and a unit increase organizational structure will lead to a 0.545 increase in strategic management. This infers that organizational culture contributed most to strategic management followed by organizational structure. At 5% level of significance, organizational culture had a 0.0192 level of significance, organisational structure showed a 0.0251 level of significance, communication showed a 0.0269 level of

significance, and top management commitment showed a 0.0454 level of significance hence the most significant factor is organizational culture

Factors relating to the organizational structure and culture are important management barrier according to Heide *et al.*, (2002) study. Drazin and Howard (1984) see a proper strategy-structure alignment as a necessary precursor to the successful management 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, it 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 strategic management. 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).

## CHAPTER FIVE

### SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents summary of the findings as presented in chapter four. The main objective of the study was to analyze the adoption of strategic management practices in Kenyatta University. This chapter is structured into summary, conclusion, recommendations and recommendations for further study.

#### 5.2 Summary of findings

The study found out that most of the employees at Kenyatta University were within the age bracket of 41-44 years and were in the university for 6-10 years. Majority of respondents have been in the organization for quite some time and could therefore identify the strategic management practices adopted in the University.

From the findings, Kenyatta University was found to be faced by various challenges in the strategic management at the different levels. Challenges were high at operational level followed by dynamic level then at business level, functional level and low at corporate level.

The study also found out that commitment of top management had an effect on strategic management in Kenyatta University (42.6 %). The study found out that managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed (mean of 4.32). Top management's commitment to the strategic direction itself is the most important factor. Manager's lack of commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes. Managers must not spare any effort to persuade the employees of their ideas for strategic management to be effective.

The study further found out that the University used communication as a means of achieving strategic management (82.4 %). The organization was faced with the challenge

of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy ( mean of 4.42). The study also found out that it was essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion. An integrated communications plan must be developed at the organization to enhance strategic management. Lack of communications caused more harm as the employees were not told about the new requirements, tasks and activities to be performed by the affected employees.

The study further found out that organizational culture had an effect on strategic management in the University (89.7%). How managers made decisions affected strategic management (mean of 4.37). The study also found out that understanding of strategic management, leadership style of managers, customers and staff not fully appreciating the strategy, difficulties and obstacles not acknowledged, recognized or acted upon and the dominant values, beliefs and the norms affected strategic management.

Finally, the study found out that organizational structure influenced strategic management at Kenyatta University (86.8%). Strategic managers turned to restructuring as a means of implementing strategic change aimed at improving performance (mean of 4.42). From the study, it was found out that radical shift in organizational design reflected changes happening in the wider social, economic, political and technological environment. In addition, the new organizational framework required appeared to be one that emphasizes flexibility, creativity and participation. The study also found out that the way labour was divided within the organization influenced how strategies were implemented.

## **5.3 Conclusion**

### **5.3.1 Commitment of Top Management**

The study also concludes that commitment of top management effects strategic management in Kenyatta University. Managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed. Top management's commitment to the strategic direction is the most important factor. Managers' lack of commitment to performing their roles lead to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes. Managers must not spare any effort to persuade the employees of their ideas for strategic management to be effective. This agrees with Smith and Kofron (2009) who believe that top managers play a critical role in the management – not just the formulation – of strategy.

### **5.3.2 Communication Process**

The study further concludes that Kenyatta University uses communication as a means of achieving strategic management. The university is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy. The study also concludes that it is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion.

This is in line with Wren (1998) who found out that organization where employees have easy access to management through open and supportive communication climates tend to outperform those with more restrictive communication environments. An integrated communications plan must be developed at Kenyatta University to enhance strategic management. Lack of communications causes more harm as the employees are not told

about the new requirements, tasks and activities to be performed by the affected employees.

### **5.3.3 Organizational Culture**

The study also concludes that organizational culture has an effect on strategic management in Kenyatta University. How managers make decisions affected strategic management. The study also concludes that understanding of strategic management, leadership style of managers, customers and staff not fully appreciating the strategy, difficulties and obstacles not acknowledged, recognized or acted upon and the dominant values, beliefs and the norms affected strategic management.

### **5.3.4 Organizational Structure**

The study finally concludes that organizational structure influences strategic management at Kenyatta University . The study concludes that strategic managers turn to restructuring as a means of implementing strategic change aimed at improving performance. It also concludes that radical shift in organizational design reflects changes happening in the wider social, economic, political and technological environment. Also the new organizational framework required appeared to be one that emphasizes flexibility, creativity and participation. The study also concludes that the way labour is divided within the university influences how strategies are implemented.

## **5.4 Recommendations**

### **5.4.1 Commitment of Top Management**

The study recommends review of the strategic management practices by Kenyatta University through making a positive contribution to commitment, creating awareness or understanding of the strategy, aligning organizational systems and resources and better coordination and sharing of responsibilities.

#### **5.4.2 Communication Process**

In addition, the study recommends that employees should have easy access to management through open and supportive communication climates and channels.

#### **5.4.3 Organizational Culture**

The study also recommends that decision making for Kenyatta University be based on a perception of self-governance and the environment to detect problems, gather information, and evaluate possible outcomes.

#### **5.4.4 Organizational Structure**

The study recommends that the university administration should enhance relationships between top management and middle management in the context of strategic management. This will improve top management commitment on successful strategy implementation.

#### **5.5 Recommendations for Further Study**

The study recommends further study on other determinants that influence adoption of strategic management practices. The sample size of the study should also be increased in order to realize the most important determinants at a more generalized level. Study should also be carried out in other areas especially in public offices in an attempt to compare the various influencers of strategic management.

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APPENDICES:

APPENDIX I: Letter of Authorization



**NATIONAL COMMISSION FOR SCIENCE,  
TECHNOLOGY AND INNOVATION**

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Ref: No.

Date:

30<sup>th</sup> March, 2015

NACOSTI/P/15/5314/5475

Nicholas Gitau Kinuthia  
Kenyatta University  
P.O. Box 43844-00100  
NAIROBI.

**RE: RESEARCH AUTHORIZATION**

Following your application for authority to carry out research on "*Adoption of strategic management practices in public universities of Kenya: The case of Kenyatta University*," I am pleased to inform you that you have been authorized to undertake research in **Kiambu and Nairobi Counties** for a period ending **31<sup>st</sup> May, 2015**.

You are advised to report to **the County Commissioners and the County Directors of Education, Kiambu and Nairobi Counties** before embarking on the research project.

On completion of the research, you are required to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.

  
DR. S. K. LANGAT, OGW  
FOR: DIRECTOR GENERAL/CEO

Copy to:

The County Commissioner  
Kiambu County.

The County Director of Education  
Kiambu County.

## **APPENDIX II: Letter to Respondents**

Dear respondents,

The purpose of this letter is to request you to kindly assist me to carry out a research on  
**ADOPTION OF STRATEGIC MANAGEMENT PRACTICES IN KENYATTA  
UNIVERSITY**

Your responses will be kept confidential and will not be used for any other purpose.

Please be honest while giving your responses. Attached to this letter find a copy of the questionnaire. Your cooperation will be highly appreciated.

Thanks in advance.

Yours faithfully,

**KINUTHIA NICHOLAS GITAU**

**C153/CTY/PT/21554/2012**

**APPENDIX III: Permission Letter**

KINUTHIA NICHOLAS GITAU

P.O. Box .....

To: DVC (Research, Innovation & Outreach)

Kenyatta University

Dear Sir/Madam,

**Re: Request for Permission to collect research data.**

I am a student at Kenyatta University pursuing a Masters of Public Policy and Administration. Pursuant to the pre-requisite course work, I would like to conduct a research project on **Adoption Of Strategic Management Practices In Kenyatta University**. The study will involve administering the research instruments (Questionnaires) to a sample of 91 senior management staffs currently working at Kenyatta University. In specific, the study will involve deans, directors of campuses and chairmen of departments. I kindly seek your authority to conduct the research at the institution.

All the information provided will be used purely for academic purposes and will be treated with utmost confidentiality. Your assistance is highly valued.

Thank you in advance.

**Yours faithfully,**

**KINUTHIA NICHOLAS GITAU**

**C153/CTY/PT/21554/2012**

**APPENDIX IV: QUESTIONNAIRE FOR DVC ACADEMIC**

**SECTION A: DEMOGRAPHIC INFORMATION**

1. Sex: Male [ ]

Female [ ]

2. Your age bracket (Tick whichever appropriate)

below 40 years [ ]

41 – 44 years [ ]

45 – 50 years [ ]

Over 51 years [ ]

3. What is your highest level of education?

Masters	
PhD	
Others.....	

4. For how long have you served as a DVC academic?

Less than 2 years	
2 – 5 years	
6 – 10 years	
11 years and more	

5. Are you involved in formulation and implementation of strategic management practices in your organization?

Yes [ ]

No [ ]

6. To what extent do you apply strategic management practices in the following areas?

<b>DVC ACADEMIC</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Providing academic leadership of the faculty					
Providing academic leadership of research engagements					
Providing academic leadership of educational resources					
Providing academic leadership of curricula development and implementation,					
Providing academic leadership of teaching and quality assurance of all academic programs					
<b>DVC ADMINISTRATION</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Overseeing the development and implementation of academic programmes and regulations					
Co-ordinating all academic programmes in the University					
Co-ordinating the management of examinations, postgraduate studies, undergraduate studies and development of the library					
Co-ordinating implementation of appropriate quality assurance and mechanisms					
Ensuring that university programmes conform to the national and international standards, as well as legally recognized professional bodies					

<b>DVC FINANCE AND DEVELOPMENT</b>	1	2	3	4	5
Co-ordinate the preparation of statutory financial statements and management reports to planning and decision making					
Advise the Vice-chancellor and the management board on the human resource, procurement, ICT and financial matters regarding the University					
Develop appropriate procedures and ensure compliance to all statutory and legal requirements in general administration and finance within the University					
Ensure effective accountability to the Vice Chancellor for proper management and implementation of activities in administration and finance within the University					
Provide leadership and supervisory oversight to the Finance and General Administration Departments, which currently include Finance, Human Resources, Administration and Information Communication and Technology					
<b>DVC RESEARCH INNOVATION &amp; TRAINING</b>	1	2	3	4	5
Provide leadership in the management of the academic, research and extension activities of the University					
Promote learning, research, innovation and extension					

services in the university					
Co-ordinate all academic programmes in the University and ensure that modern technology in programme delivery is enhanced					
Coordinate research activities, student attachment and linkages with the industry					
Develop and implement intellectual property policy as well as oversee linkages and partnerships with other national and international institutions					

7. To what extent has your organization faced challenges in the strategic management at the following levels? Use a scale of 1 to 5 where 1 is to no extent 2 is to low extent, 3 is to moderate extent, 4 is to great extent and 5 is to very great extent.

	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Corporate level					
Business level					
Functional level					
Dynamic level					
Operational level					

**SECTION B: MAIN ISSUES**

**COMMITMENT OF TOP MANAGEMENT**

8. To what extent does the level of commitment of top management affect the strategic management in your organization?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

9. What is your level of agreement with the following statements that relate to the effect of level of commitment of top management on the strategic management? Use a scale of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree.

<b>Effect of level of commitment of top management on the strategic management</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
The top management's commitment to the strategic direction itself is the most important factor.					
The top managers must demonstrate their willingness to give energy and loyalty to the implementation process for it to succeed.					
The managers must not spare any effort to persuade the employees of their ideas for strategic management to be effective.					
Lack of top management backing is the main inhibiting factors					
Lack of manager's commitment to performing their roles leads to the lower ranks of employees missing support and guidance through encouragement of entrepreneurial attributes.					

**COMMUNICATION PROCESS**

10. Is communication a key success factor within strategic management in your organization

Yes [ ]

No [ ]

11. To what extent does communication process affect strategic management in your organization?

Very great extent [ ]

Great extent [ ]

Moderate extent [ ]

Less extent [ ]

Not at all [ ]

1. To what extent do you agree with the following statements that relate to communication process in strategic management in your organization? Use a scale of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree.

<b>Communication in strategic management</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Communicating with employees is frequently delayed until changes have already crystallized					
The organization is faced with the challenge of lack of a two-way-communication program that permits and solicits questions from employees about issues regarding the formulated strategy					
Lack of communications causes more harm as the employees are not told about the new requirements, tasks and activities to be performed by the affected					

employees					
It is essential both during and after an organizational change to communicate information about organizational developments to all levels in a timely fashion					
An integrated communications plan must be developed at the organization to enhance strategic management					

## ORGANISATIONAL CULTURE

2. In your opinion, does organizational culture affect strategic management?

Yes [ ]

No [ ]

If Yes, to what extent does organizational culture affect strategic management?

Very great extent [ ]

Great extent [ ]

Moderate extent [ ]

Less extent [ ]

Not at all [ ]

12. To what extent do the following facets of organisation culture affect strategic management? Use a scale of 1 to 5 where 1 is to no extent 2 is to low extent, 3 is to moderate extent, 4 is to great extent and 5 is to very great extent.

	5	4	3	2	1
Lack of understanding of strategic management					
Customers and staff not fully appreciating the strategy					

Difficulties and obstacles not acknowledged, recognized or acted upon					
Ignoring the day-to-day business imperatives.					
Leadership style of managers					
How managers make decisions					
The dominant values and beliefs, the norms					
Conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, corporate jets, informal meetings with employees)					

3. The challenges of successful strategic management results from lack of cultivation of strong cultural values to meet the changing organizational needs” to what extent do you agree with the statement?

Strongly Agree [ ]

Agree [ ]

Neutral [ ]

Disagree [ ]

Strongly Disagree [ ]

**ORGANIZATIONAL STRUCTURE**

14. What is the organizational structure in Kenyatta University

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15. Do you think organizational structure influence strategic management in your organization?

Yes

No

If yes, how does it influence this?

.....  
.....  
.....

16. To what extent does organizational structure influence strategic management in your organization?

No extent

Little extent

Moderate

Great extent

Very great extent

17. Please indicate your level of agreement with the statements given below in relation to organizational structure in Kenyatta University. Use a scale of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree

	5	4	3	2	1
The organization structure of the organization does not match the strategic change					
The way labour is divided within the organization influences how strategies are implemented					
Tasks and responsibilities are adequately defined					
Radical shifts in organizational design reflect changes happening in the wider social, economic, political and technological environment.					
The new organizational framework required appears to be one that emphasizes flexibility, creativity and participation.					

Strategic managers turn to restructuring as a means of implementing strategic change aimed at improving performance					
Formal organization structure often conflict with the informal social groups					

18. Suggest other ways in which organizational structure influences strategic management of in your organization

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**Thankyou for Your Cooperation and Input!**

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