

# **INFLUENCE OF INSTITUTIONAL DYNAMICS ON IMPLEMENTATION OF STRATEGIC PLANS IN PUBLIC WATER SECTOR AGENCIES IN KENYA**

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## **ABSTRACT**

The primary objective of the study was to determine the effects of institutional dynamics on the implementation of strategic plans by the public water sector agencies in Kenya. The specific objectives were to determine how top management commitment affects the implementation of strategic plans; to investigate how institutional policies affect strategic plans' implementation, to assess the impact of resource allocation on implementation of strategic-plans and; to determine how public Kenyan water sector agencies' organizational structures affect the implementation of strategic plans. A descriptive research design was used in the study. The units of analysis were the 18 public water sector agencies in Kenya. The chief executives, directorates and middle level management staff working with the public water sector agencies were the potential respondents. Accordingly, the units of observation were the 196 chief executives, directorates and middle level management staff working in the public water sector agencies in Kenya. The sampling technique was Yamane (1967) Formula. The sample population of 132 was distributed proportionately in the Agencies. This study utilized research questionnaire. The questionnaire gathered both qualitative and quantitative data. Pilot study was conducted using 13 respondents drawn from Kenya Water Institute (KEWI). The respondents were not part of the selected sample. The quantitative data was analyzed using descriptive analysis while qualitative data was analyzed using content analysis. The Statistical Package of Social Science (SPSS)

was used. Frequencies, percentages and mean scores were used in the descriptive analysis. A multivariate regression model was applied to determine the relationship between the study variables. The results were presented in tables. The study revealed that top management commitment influences the strategic plans implementation in the public water sector agencies in Kenya to a moderate extent. Leadership, internal controls and monitoring & evaluation affect strategic plans implementation in the public water sector agencies. The study found that institutional policies influence strategic plans implementation in the public water sector agencies in Kenya to a moderate extent. Policy reviews, institutional manuals and standard operating procedures affect strategic plans implementation in the public water sector agencies. The study found that resource allocation affects the strategic plans implementation in the public water sector agencies in Kenya to a moderate extent. Financial resources, information technology and human resources affect the implementation of strategic plans in the public water sector agencies in Kenya to great extents. The study revealed that organizational structures influence the strategic plans implementation in the public water sector agencies to a moderate extent. Tasks delegation, centralization of activities and span of control affects strategic plans implementation in the public water sector agencies. The study recommends enhancing the levels of resource dedication towards human resource and IT to enhance service delivery and hence strategic plan

implementation. The top management of these agencies to pay more attention on developing internal controls and monitoring & evaluation policies anchoring their vision and mission in the long-run. The water sector agencies to lay out candid institutional policies and manuals that spell out the procedures, communication and reporting channels and documented approaches that safeguard the interests of all stakeholders while still enhancing strategic plans implementation. Public water sector agencies

should develop frameworks that will facilitate maintenance of clear line of communication between the various management levels in an attempt to create continuous flow of ideas that necessitate strategic planning and implementation.

**Key Words:** Institutional dynamics, top management commitment, institutional policies, resource allocation, organizational structures, strategic plans implementation.

## **INTRODUCTION**

Strategic plan implementation consolidates the hierarchical apparatuses that can be used to help people make fruitful individual advances bringing about the appropriation and acknowledgment of progress. According to George, Walker and Monster (2019), strategic plan implementation process involves placing objectives, strategies, and policies through the creation of programs, budgets, and procedures into action. According to Höglund, Maria, and Kerstin (2021), a plethora of variables may have an impact on the method by which strategic plans are implemented by an organization. Ekasari, Rodli and Arif (2022) pointed that strategic plan implementation typically includes an analysis of an organization's mandate, mission, and vision and an analysis of an organization's internal and external environment, identifying strategic issues based on these analyses and stipulating strategies to address these issues. Friesl, Stensaker and Colman (2021) pointed that strategic plan implementation contributes to organizational performance and particularly organizational effectiveness thus explaining its popularity. For strategic plans to be implemented successfully, institutions provide the essential resources, structures, policies and leadership (Rani, 2019). As such, strategic plan implementation and institutional dynamics are strategically inseparable.

According to Poon, Flack and Krakauer (2022), institutional dynamics are coherently aligned and exert a high degree of structuration for the actions of different actors. Institutional dynamics are the internal factors, capabilities, conditions, norms, cultures, rules and structures that reflect the organizations efficiency in performance (Hyu, Kim & Park, 2020). Christopher and Branco (2023) opined that institutional dynamics play a crucial role in promoting implementation of organizational goals, which drives their overall performance. Encouraging a minimum level of certainty in ambiguous environments characterized by risk taking is important. Institutional dynamics correspond to the formal structure and the norms derived from the regulatory framework, government agencies, and prevailing cultural and social practices. These factors have proven

fundamental in promoting strategic plan implementation in organizations (Boudreaux, Nikolaev & Klein, 2019).

Globally, 22% of the investment from the public agencies contribute about 10% of employment and more than 41% of the overall economic output in developed countries (Wan, Wang, Saade, Guan & Liu, 2022). These institutions considered to continue delivering services that are as critical to the economic development of any nation. The commercial state corporations have adopted strategic portfolio models in their operations. According to Safi and Mahmood (2022), strategic plan implementation has been the key driver for success of organizations in developed countries since late 20th Century and yet has had a failure rate of 50%-80%. Manninen and Huiskonen (2022) reported that during the past two decades, strategic planning in Canadian governments has gained importance in response to increasing public demands for accountability and transparency resulting to 86% success strategic plan implementation in public institutions.

In Australia, the government has gone a step ahead and made a guideline of what public institutions should include in their strategic plan. As per Safi and Mahmood (2022), strategic planning and performance management, in Nordic countries is particularly interesting for policymakers and practitioners to study because countries within “the Nordic Model” consistently score high in international rankings on dimensions such as rule of law, transparency, low corruption, high trust, equality, and government effectiveness. Reagan (2021) examined a broad set of U.S. federal agencies looking for the effects of institutional factors on strategy performance and found that diverse missions contributed to 67% of strategic plans performance. This is relevant in the context of this study as (internal) strategic management and (external) performance management can constitute competing mandates, in particular if there are many strategic aims, objectives and targets.

Etim, Udoh and Agu (2021) pointed that the strategic plans formulated within many African corporations are mechanistic which relates to projects in a very weak matrix structure due to the nature of their operations, the strategy adopted, and the size of the corporations. Jayawarna and Dissanayake (2019) allude that 86% of the most successful state corporations in Africa see strategic plans aligned to their operations as highly significant, as opposed to only 55% of less successful ones. In South Africa, lack of strategic plans is a common experience among some state corporations, with most managers lacking strategic planning skills.

In Ghana, commercial state corporations that embrace strategic planning are often characterized by high innovation, presence of newly patented products, using new management technologies and process and expanding their ventures overseas (Ugoani, 2020). According to Richards, Yeoh, Chong and Popovič (2019) State-Owned Enterprises in Ghana were set up to improve the financial welfare of the citizens. Primarily, state corporations are concerned with promoting the delivery of such services as transport, mining, aeronautics, shipping, exchanging, banking, correspondence,

development, ventures, fabricating, and a few different exercises. Nonetheless, the performance of state corporations in Ghana was characterized by a significant decline during the 1980s in the light of reasons that ranged from administrative ineptitude to monetary fumble.

With the increasing technological advancements, the mandate of public agencies in Kenya is changing the social-economic welfare by offering services to the citizens and in return enhance economic growth. According to Kenya Institute of Public Policy and Research Authority- KIPPRA (2021), availability of adequate resources and optimal organizational competencies has also been established as a critical factor in overcoming strategy implementation challenges. Accordingly, a well-conceived and formulated strategic portfolio model matched with appropriate structure increases productivity in the public organization and secondly, that behavioral and systematic resistance to strategic changes renders formulation ineffective (Wachira et al., 2018).

Nduati, Kariuki and Wanjohi (2022) established a significant relationship between strategic planning and performance in the Manufacturing Firms in Nairobi County. Kenya. KPMG (2021) reported that majority (79%) of the State-owned Corporations in Kenya were experiencing challenges of deteriorating performance. Josephine and Kimencu (2020) also revealed that strategy competency model provides an environment where core competencies, strategy and strategy implementation process, core capabilities can be linked effectively within the value chain to enhance corporate performance. Mulandi and Wamitu (2022) opined that availability of adequate resources and optimal organizational competencies are also critical factors in strategic plan implementation.

According to Kenya Institute of Public Policy and Research Authority -KIPPRA (2021), The primary Kenyan Water Works Development Agencies (WWDAs) are tasked with the development, upkeep, and management of the country's public waterworks within their respective jurisdictions. They operate waterworks and provide water services as a water service provider until a county government, joint committee, authority of county governments, or a water services provider in the area of jurisdiction takes over management and operation of the waterworks. For the purpose of providing water services, there are agencies in the water sector that provide reserve capacity; They provide county governments and providers of water services with technical services and capacity building, and providing the Cabinet Secretary of the Ministry of Water, Sanitation, and Irrigation (MWSI) with technical assistance.

### **Statement of the problem**

Water sector organizations assume an extremely pivotal part in the economy which include supply of water, environmental management endeavors, provision of employment, and contributing to the economy. According to KIPPRA (2021), the water sector organizations contributed between 5.3% and 6.7% of the National GDP from year 2017 to year 2021. In addition, the sector was

instrumental in ameliorating income inequalities, promoting development in disadvantaged regions, regulating activities that affect the environment and controlling other undesirable effects profit-oriented activities in the water sector. Water Services Regulatory Board (2021) reported that Kenya's Vision 2030 targets included reflect strategic plans for an array of indicators including achieving a competitive water sector, gaining increased access to clean water and improving the quality of water available in Kenya. According to Friesl, Stensaker and Colman (2021), effective strategic plans implementation in public sector agencies requires optimal resources, managerial support, organizational structures and policies to ensure that their objectives are undertaken and realized.

However, according to Almulla, Alshehhi, and Mansoor (2019), despite more than 80% of public agencies having the appropriate strategic plans, only 32% of them are well implemented. Public sector organizations have best strategies but results of these organizations are not rewarding in accordance to long term objectives. Implementation of strategic plans more important than formulation. Even an effectively developed strategy that reflects the hard choices an organization must make is worthless if it is not implemented. The failure in implementation of strategic plans by the water agencies is evident such that in 2018, about 17 million (43%) of the 45million people in Kenya did not have access to clean water (Chepyegon & Kamiya, 2018). Despite increased government investments in the water sector from \$5 million to \$450 million between years 2010 and 2021, access to water and sanitation services is at 67% well below the Sustainable Development Goal (SDG) targets (KIPPRA, 2021). This has been attributed to failure in implementing strategic plans which include stagnation of Umaa, Badassa, Kimwarer and Aror dams' construction plagued with corruption scandals after gobbling more than Sh203.342Billion, and overruns in budget projections by more than 20% between years 2018 and 2022 (KIPPRA, 2021).

Locally, Shisia (2018) looked into the factors that influence the successful implementation of a strategic plan at Kenyatta Prime Care Center; Mulandi and Wamitu conducted research in 2022 on the factors that influence the implementation of strategic plans in public secondary schools in Kitui County's Katulani Sub-County; Nduati, Kariuki and Wanjohi (2022) led a concentrate on the elements impacting the execution of well thought out courses of action in little assembling firms in Nairobi District; Mutua and Gitonga (2022) concentrated on the connection between hierarchical elements and execution of techniques openly water specialist co-ops in Kitui District, Kenya. From the preceding, a number of studies examined institutional dynamics and strategic plan implementation in part or in isolation, with operationalization and contextualization uncertainties of theories' constructs varying across contexts. There were also disparities in the discoveries of past examinations. This study aimed to evaluate the impact of institutional dynamics on the implementation of strategic plans in Kenyan water sector agencies.

### **Objectives of the study**

The study sought to establish the influence of institutional dynamics on implementation of strategic plans in water sector agencies in Kenya.

The study was guided by the following specific objectives:

- i. To evaluate the influence of top management commitment on implementation of strategic plans in water sector agencies in Kenya.
- ii. To investigate the influence of institutional policies on implementation of strategic plans in water sector agencies in Kenya.
- iii. To determine the influence of resource allocation on implementation of strategic plans in water sector agencies in Kenya.
- iv. To assess the influence of organizational structures on implementation of strategic plans in water sector agencies in Kenya

### **THEORETICAL REVIEW**

#### **The Higgins's Eight (8) S Theory**

While proposing this theory, Higgins (2005) stated that the executive of any organization must align the cross functional factors of organization with the new strategy so that the strategy opted can succeed. These cross functional organizational factors include structure, system and processes, leadership style, staff, resources and shared values (Higgins, 2005). These factors highlighted in the Eight S model are vital for successful strategy implementation. All the factors falling in the contextual Seven S's have to be aligned to achieve the best possible strategic performance. Organization's arrows ought to be pointing in the same direction. In other words, they ought to be aligned with one another. According to Higgins (2005), all the other six contextual S's ought to point in the similar direction as of the strategy. According to the model, formulation of strategies is done to achieve the purpose of an organization. Any change in strategic purpose leads to change in strategy.

Strategic purpose includes strategic intent, vision, mission, focus, goals and strategic objectives. Higgins names four types of strategies. These include corporate, business, functional and process strategies. In structure, organizational structure is seen dividing the organizations into smaller sections-departments, divisions that is, clustering of tasks and people into smaller groups. In systems and processes, the category system refers to all the procedures, formal and informal, that help the organization to function on a daily basis (Schroander, 2014). In the theory, there is a description of systems and processes. This is through a statement that systems and processes enable an organization to execute daily activities. This element is, hence, about the formal and informal procedures used in an organization to manage systems such as information, planning, budgeting, resource allocation, quality control and reward.

In this theory, style refers to the mode of leadership or management exhibited by leaders or managers when relating to juniors. Proctor, Powell and McMillen (2013) defined strategic leadership as the leader's ability to anticipate, envision and maintain flexibility. It also entails the ability to empower others to create strategic change as necessary. As far as the element of staff is concerned, the management must settle how many employees are needed and the required background and skills essential to achieve the strategic purpose. This should be done after defining the company's strategic purpose. Staff covers aspects such as training, career management, and promotion of employees. In resources, the theory suggests that the management must ensure that an organization has access to sufficient resources toward successful execution of strategy. The element of resources includes people, money, technology and other management systems. In shared values, it relates to corporate or organizational culture. Therefore, shared values are the values shared by members of an organization making it different from other organizations. This is because a company's culture acts as kind of organizational glue, thus affecting the degree to which a strategy is implemented successfully (Spaulding, 2015).

The theory states that strategic performance is a derivative of the other seven S's. It is possessed by an organization as a total or for profit based parts of the whole. Performance can be measured at any level. Measurements of financial performance are critical barometers of strategic performance. An expanded balanced scorecard approach, however, is best. In the present study, strategic performance has been conceptualized as strategy implementation success. Therefore, it is clear that almost everything carried by an organization is tied on the Eight S's model. Public organizations are not lone rangers that aim to get the best of the economic opportunities available, they are based on social norms and expectations that are part of the things management have to consider before making decisions that relate to the firm. This theory thus supports the study in investigating the effects of institutional policies on strategic plan implementation in the water sector agencies in Kenya.

### **Strategic Leadership Theory**

The strategic leadership theory was developed by House and Baetz in 1979. Vital authority, as per the hypothesis, permits key pioneers to lay out and once again make clarifications for their associations' proceeded with presence (Blackburn, 2019). Certain qualities such as intelligence, sense of responsibility, creativity and other values puts anyone in the shoes of a good leader (Thompson and Vecchio, 2019). pointed that intellectual stimulation, individual consideration, and inspirational motivation using leadership skills and idealized influence to maintain positive organizational performance. The potential of good leadership strategy can be influenced by leaders regardless of valuable approaches in managing leadership. This approach perceives leadership as the core of organization effectiveness and performance. According to Kriger and Zhovtobryukh (2013), strategic leaders must acquire knowledge and awareness, creative thinking skills, and the capacity to generate and connect ideas.



The strategic plans formulated within many corporations are mechanistic which relates to projects in a very weak matrix structure due to the nature of their operations, the strategy adopted, and the size of the corporations. A well-conceived and formulated strategic portfolio model matched with appropriate structure increases productivity in the public organization and secondly, that behavioral and systematic resistance to strategic changes renders formulation ineffective. As a result, the leaders of non-governmental organizations play a significant role in expanding strategic thinking's creative and innovative capabilities.

Bhattacharyya and Jha (2018) add to this argument by stating that strategic leaders must consider both the present and the likely future when making decisions. This theory is relevant to the study because it elaborates on how leaders by indulging in practices discussed in the study will be fit to be called great leaders which will lead to organization performance. Consequently, strategic leadership theory will be used in current study to show how top management support influences strategic plan implementation in water sector agencies in Kenya.

### **Resource-Based Theory**

The Resource-Based Theory as explained by Penrose (1959), states that it is possible to achieve competitiveness by ensuring superior services are delivered to customers. The main emphasis of the extant literature is the strategic understanding of the manner in which resources are used to achieve a competitive advantage in an organization, (Borg & Gall, 2009). According to the perspectives of international business theorists, the success and failure of organizations in different environments can be achieved by understanding the competitiveness in their environments of operations and their alliance formation strategies in the emerging markets. Various insights from the relevant literature constitutes a significant factor in conceptualizing value according to the local demands (Gupta et al., 2011).

As per Seddon (2014), resource-based theory is based on the view that resources constitute inputs into production activities of an organization and can be categorized into physical, human, capital, and organizational resources. A capability is a state where a set of resources have the ability to perform a particular task or function (Currie, 2009). The strategic plans formulated within many corporations are mechanistic which relates to projects in a very weak matrix structure due to the nature of their operations, the strategy adopted, and the size of the corporations. Burvill, Jones-Evans and Rowlands (2018) primarily, state corporations are concerned with promoting the delivery of such services as transport, mining, aeronautics, shipping, exchanging, banking, correspondence, development, ventures, fabricating, and a few different exercises. Availability of adequate resources and optimal organizational competencies has also been established as a critical factor in overcoming strategy implementation challenges. Different organizations across time are motivated by particular resources and capabilities instead of structures within industries (Currie, 2009).

The significance of the resource-based in this study is that it brings out strategic management of resources which affects strategy implementation in the organizations. Resources in the institutions constitute physical, technological, commercial, finances, products, and human resource factors during the performance of particular function. The main areas into which they are classified include knowledge of employees, experience and skills, employee reputation, and procedures within an organization. This study's theory focuses on the effects of management commitment on the implementation of strategic plans in Kenyan water sector agencies. The RBT for this present circumstance stresses inside resources and capacities of firms in figuring strategies to achieve pragmatic high grounds in the business community. Therefore, this is the most important theory that will explain how resource allocation affects how water sector agencies in Kenya implement strategic plans.

### **General Systems Theory**

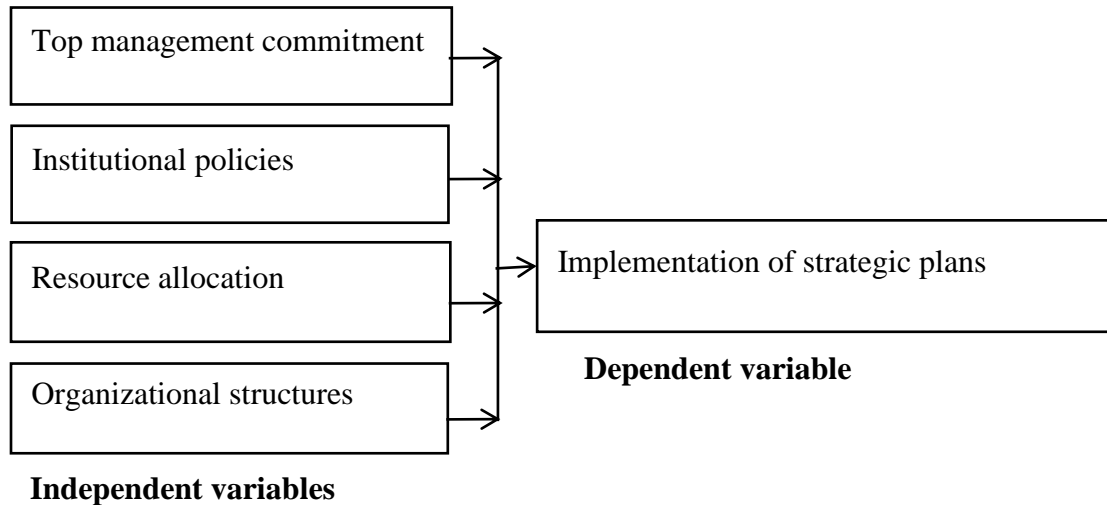
The proponent of the General Systems Theory (GST) in the 1930s was Ludwig Von Bertalanffy. The GST highlights the system properties and structure based on the interdependencies and relationships among numerous components where properties of the entire system emerge. This theory also perceives the world based on the integration and relationship with emphasis on the organization principle. This therefore implies that a system comprises of diverse components that are interconnected to achieve one common goal (Von Bertalanffy, 1972). Bank et al (1996) looked at systems as comprising of entities, objects of interest, attributes, descriptive variables and activities at a particular time, as well as events with potential of altering the system state. Contemporary organizations can be viewed as open systems with subsystems such as administration, HR, MIS, structural, among others. The common system features are system boundary, sensitivity to change, and the external environment (Terraco, 2003).

The theory is founded on the notion that all organization components are closely interrelated, hence, changing one component automatically leads to changes in the other components. Organizations are perceived as open systems that have a continuous interaction with the environment, they operate in. This theory points out that relationship that exists between the organization structure and the environment holds significant importance. Organizations as open systems are always dependent on their environment of operation for support. Largely, contemporary organizations operate in complex environments that result in greater differentiation. Organizations can be viewed as adaptive structure rather than stable structures. The upside to the organization is that it becomes more flexible and dynamic. On the other hand, the downside is that coordination and integration of activities needs more effort and time (Marion, 2008).

The GST underpins all other variables of the study other than strategic direction. The relevance of this theory to the study is its emphasis that for strategy implementation to be successful, there is need for well-coordinated effort as well as harmonious relations among the organization

components. Proper structures are necessary as well as ensuring that other subsystems actively participate. Additionally, there is need for the organization to continuously interrelate with its environment of operation to obtain the necessary resources required to fuel implementation of organization strategies to success. This theory supports the current study by highlighting the role of organizational structures on strategic implementations.

### **Conceptual Framework**



*Figure 1: Conceptual Framework*

## **RESEARCH METHODOLOGY**

### **Research Design**

This research used a descriptive study design which involved creation of profile of issues, collecting data and tabulating the variables under research or their interaction. The descriptive research design allows the researcher to describe the variables under study as, observed or perceived in their natural occurrence-without any influence or manipulation. The quantitative and qualitative approaches assisted in establishing the existent state of multiple variables at a specific point in time, and whether or if there is a link between them.

### **Target Population**

The study targeted the the the public water sector agencies in Kenya. According to MWSI (2022) there were 18 public water sector agencies in Kenya. As such, the units of analysis were the 18 public water sector agencies in Kenya. One of these water sector agencies (KEWI) was set aside for pilot testing. As such, the units of analysis were 17 water sector agencies in Kenya. Following

a descriptive study design, the executives (comprising of CEOs), directorates (classified as corporate and business directors) and middle level management staff in the public water sector agencies were the potential respondents. Accordingly, the units of observation were the 196 chief executives, directorates and middle level management staff working in the water sector agencies in Kenya.

### **Sampling Frame**

This study used a mixture of sampling techniques due to the nature of the population involved. The sampling technique used by the study will be Krejcie and Morgan (2013) formula. In addition, stratified random sampling technique, which entails sub-dividing the population into various homogenous strata and then picking a simple random sample within each stratum, was employed in this study. Accordingly, the sample population of 132 was distributed proportionately in the Agencies. The sample population was selected in proportions within the strata. From each category, random sampling technique was employed where at least one executive, directorate or middle management staff working in the water sector agencies was selected to participate in the study until the specified sample of 132 was achieved.

### **Data Collection**

This study utilized research questionnaire showing basic outline questions in water sector agencies in Kenya. This was done by engaging the participants with both open ended and close ended questions seeking to answer the three research questions of this study. The study exercised care and control to ensure all questionnaires issued to the respondents were received and to achieve this, the researcher maintained a register of questionnaires, which were sent, and which were received. In addition to primary sources, the researcher reviewed the secondary sources including the international agencies, County Government and National Government reports regarding influence of institutional dynamics on strategic plan implementation. These sources complemented the primary data gathered. The researcher dropped the questionnaires physically at the respondents' place of work or residence and picked them up once filled up. Each questionnaire was coded and only the researcher knew which person responds. The coding technique was only used for the purpose of matching returned completed questionnaires with those delivered to the respondents. The secondary data was obtained from the information published by the international organizations, county government and national government agencies on the influence of institutional dynamics on implementation of strategic plans in water sector agencies in Kenya.

### **Pilot Study**

The researcher undertook questionnaire pilot testing so as to test the suitability of questionnaires developed for the study. This involved checking whether the questions were clear and revoking

any positive or negative response. It also helped to find out whether the questions were measuring what was expected. This pilot study also tested the understandability and time taken to respond. The researcher selected 10% of the sample population (13 respondents) for the pilot testing exercise. The pilot study was conducted using 13 respondents drawn from Kenya Water Institute (KEWI). The pretesting was done in KEWI owing to its similarities in nature of the target population.

The researcher sought opinions of scholars and experts including the supervisor. This allowed modification of the instrument thereby enhancing validity. Furthermore, the study assesses the responses and non-responses per question to determine if there were any technical dexterity with the questions asked. Construct validity was used to measure whether the operational definition of variables actually reflected the true theoretical meaning of a concept. For the purposes of this study, the questionnaire was developed based on similar prior studies with modifications aimed at addressing the study objectives. To ensure soundness, the questionnaire was simplified in a language that all participants were conversant with.

Reliability was also confirmed by pre-testing the questionnaire. The pre-test exercise took place at the convenient of both the researcher and the respondents. The pretest was conducted by both the principal researcher and the research assistants to enhance clarity of the questionnaire. Reliability with a predetermined threshold of 0.7 is considered acceptable. A reliability of above 0.7 was achieved and this was considered reliable which yields a coefficient greater than or equal to 0.7 is sufficient enough. The respondents were also informed that the research was meant for academic purposes only and that the study had no intention of using the information for personal gains. The respondents were not required to indicate their names and participation in the study was on voluntary basis.

### **Data Analysis and Presentation**

Data analysis plan is the strategy the researcher intends to use for evaluation of data. Data from the field is voluminous and cannot be absorbed. It has to be put in the form that an average mind can understand and make sense of. Before processing the responses, the completed questionnaires were audited for completeness and consistency. The qualitative data gathered was checked through the use of content analysis. The Statistical Package of Social Science (SPSS) was used to analyze feedback. Averages, frequencies and percentages accurately serve this purpose. There was further processing for presentation of results in a variety of graphs and charts using Ms Excel.

Inferential statistics was undertaken to test hypothesis and enable the researcher generalize results from the sample to the population. The multiple linear regression analysis was used to determine the extent to which the independent variables have an impact on the dependent variable. The linear

regression model is a multivariate model expressing the well thought out plans execution as a component of institutional variables.

A multivariate regression model was applied to decide the overall significance of every one of the factors regarding impact of internal institutional variables on execution of strategic plans in public water sector organizations in Kenya. The objectives of analytical models of data analysis are to address the study's research questions.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where Y is strategic plan implementation,  $X_1$  = top management commitment,  $X_2$  = institutional policies,  $X_3$  = strategic resource allocation, and  $X_4$  = organizational structures. Further,  $\beta_1$ ,  $\beta_2$ ,  $\beta_3$ , and  $\beta_4$  = Regression Coefficients and  $\varepsilon$  = Error term.

The multiple R square (R squared) was used to measure the goodness of fit of the overall model. The model measured the amount of variation in the dependent variable explained by the overall model and ranged between 0 and 1. The closer it is to 1 then the more significant moderating effect and thus the better the model. The assessment of the results was done against the available literature to qualify the relatedness.

## **RESEARCH FINDINGS AND DISCUSSIONS**

### **Demographic Information**

The study's sample size was 132 respondents drawn from the water sector agencies in Kenya. Out of 132 questionnaires that were distributed, 98 respondents successfully filled and returned their questionnaires. These included responses received from chief executives, directorates and middle level managers, which resulted to 74.2% response rate. 58 of the respondents were male which translated to 59.2 percent while 40 of the responses were gathered from were female respondents representing 40.8 percent. The respondents with ages falling between 36 and 40 years recorded the largest proportion of 25.5% of the population that participated in the study. This was followed by respondents whose ages fell between 31 and 35 years with 21.4%. The other categories were 41-45 years with 20.4%, 46 – 50 years bracket with 14.3%, 26-30 years with 12.2% and the lowest was the bracket of 51 years and above with 6.1%.

All of the respondents had graduated with various tertiary education awards thus understood the information sought by the study. 45.9% of the respondents had obtained University/ Bachelors' Degrees as their highest level of education, 31.6percent of them recapped that they had acquired Masters' degrees as their highest level of education, 12.2% of them had acquired PhD qualifications whereas 10.2% of the respondents held college diplomas as their highest level of education. 49.0% of the respondents were obtained from the middle management staffs working

in the water sector agencies. In addition, 41.8% of the respondents worked as directorates in the water sector agencies whereas 9.2% of them were Chief Executives in the public water sector agencies in Kenya. 42.9% of the respondents indicated that they had worked in their roles for a period of 11-15 years, 36.7% of them had worked in their roles for a period of 6-10 years, 11.2% of the respondents served in their roles for a period of 0-5years while 9.2% of the respondents indicated that they had a working experience of more than 15 years in their current positions.

**Inferential Analysis**

The adjusted R<sup>2</sup> was used to establish the predictive power of the study model and it was found to be 0.691 implying that 69.1% of the variations in influence of institutional dynamics on implementation of strategic plans in water sector agencies in Kenya are explained by resource allocation, top management commitment, institutional policies and organizational structures leaving 30.9% percent unexplained. Therefore, further studies should be done to establish the other factors (30.9%) influencing implementation of strategic plans in water sector agencies in Kenya.

*Table 1: Model Summary*

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	.981(a)	0.863	0.691	0.752

ANOVA findings as explained by the P-value of 0.034 which is less than 0.05 (significance level of 5%) confirm the existence of correlation between the independent and dependent variables. The model shows the model fitness i.e. how well the variables fit in the regression model. From the results, the F ratio of 2.762 against the F-critical of 2.472 and thus conclude that the obtained F-ratio is likely to occur by chance with a p<0.05. Since F calculated is greater than the F critical, this shows that the overall model was significant. This is a prediction of how resource allocation, top management commitment, institutional policies and organizational structures affected implementation of strategic plans in water sector agencies in Kenya.

*Table 2: ANOVA Results*

<b>Model</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	0.3576	4	0.0894	2.762	.034
	Residual	3.1899	93	0.0343		
	Total	3.5475	97			

The established model for the study was:

$$Y = 2.837 + 0.708 X_1 + 0.598 X_2 + 0.637 X_3 + 0.482 X_4$$

The regression equation above has established that taking all factors into account (resource allocation, top management commitment, institutional policies and organizational structures)

constant at zero implementation of strategic plans in water sector agencies in Kenya would be 2.837. The findings presented also show that taking all other independent variables at zero, a unit increase in the resource allocation would lead to a 0.708 increase in the scores of strategic plans implementation in water sector agencies in Kenya and a unit increases in the scores of top management commitment would lead to a 0.598 increase in implementation of strategic plans in water sector agencies in Kenya.

The study also found that a unit increase in institutional policies would lead to a 0.637 increase in implementation of strategic plans in water sector agencies in Kenya, while a unit increase in organizational structures would lead to a 0.482 increase in implementation of strategic plans in water sector agencies in Kenya. Overall, resource allocation had the greatest effect on the implementation of strategic plans in water sector agencies in Kenya, followed by institutional policies then top management commitment while organizational structures had the least effect on the implementation of strategic plans in water sector agencies in Kenya. All the variables were significant ( $p < 0.05$ ).

**Table 3: Coefficients of Determination**

Variable	Un standardized Coefficients		Standardized Coefficients (b)	t=b/σ	Sig.
	B	Std. Error (σ)			
(Constant)	2.837	0.112		0.000	0.0000
Resource allocation	0.708	0.632	0.7084	1.121	0.0127
Top management commitment	0.598	0.396	0.4070	1.028	0.0144
Institutional policies	0.637	0.075	0.0849	1.133	0.0136
Organizational structures	0.482	0.557	0.3600	0.563	0.0237

## Conclusions

The study concludes that top management commitment has a great impact on strategic plans implementation in the public water sector agencies in Kenya. Accordingly, top management helps address organizational needs for empowerment, improving personality, accomplishing achievement, and enhancing efficacy in strategic plan implementation. Monitoring & evaluation, internal controls and leadership are crucial aspects of top management commitment that affect strategic plans implementation in the public water sector agencies in Kenya. The findings showed that top management commitment aspects of internal controls and leadership have been the key drivers for successful strategic plans implementation in organizations. Top management is supportive of Strategic Plans Implementation endeavors in the public water sector agencies in



Kenya. Top management commitment's guidance, participative leadership, support and competencies have great impact in the effective implementation of operational decisions in public organizations.

The study concludes that institutional policies significantly influence strategic plans implementation in the public water sector agencies in Kenya. From the study, effective strategic plans implementation in public sector agencies requires effective institutional structures and policies to ensure that their objectives are undertaken and realized. Institutional policies are essential in implementation of strategic plans in the public water sector agencies. Organizational policies play an important role in an organization by addressing pertinent issues and outlining the acceptable actions in an organization. The study deduces that that policies, regular reports, accurate internal communication channels, reporting deadlines, clear guidelines and standard operating procedures are important ingredients of strategic plans implementation in the public water sector agencies. As such, institutional policies have been the key driver for success of strategic plan implementation resulting in improvement of performance levels, and structural development of public water sector agencies.

The study concludes that resource allocation plays a major role in strategic plans implementation in the public water sector agencies in Kenya. Organizational resources are usually embedded in the configuration and practices of organizations which results in successful strategic plans implementation. Resource allocation plays an essential role in the implementation of strategic plans in the public water sector agencies in Kenya. Monetary resources, human capital and IT systems and resources are crucial in driving implementation of strategic plans in the public water sector agencies. Public water sector agencies have put in place elaborate resource allocation procedures to ensure successful implementation of strategic plans. The guiding principles for resource allocations include development of programs, budgets and procedures that represent opportunities to strengthen the organization's results-based management approach.

The study concludes that organizational structures have an immense influence on strategic plans implementation in the public water sector agencies in Kenya. Among others organizational structure has a great impact in the effective implementation of strategic plans in organizations. The study made it clear that centralization of activities, tasks delegation and span of control have great influence on implementation of strategic plans in the public water sector agencies. The benefits of employing procedures and rules include shaping and defining the behaviors of employees, easy resolution of problems, better organization of activities, lowering costs of administration and efficiently enabling organizations to exploit innovations and discoveries. The findings support that chain of command, accurate delegation of tasks, teamwork, centralization and strategic controls have been adopted in these organizations for successful strategic plan implementation. Organization structure influences strategic plan implementation because it facilitates communication and information flow; controls allocation of the resources; assigns duties and

responsibilities; serves to define jobs and work groups such as project teams, departments, quality circles and culture adopted by organizations.

The study concludes that the water sector agencies have implemented their strategic plans well in the previous five years. Various aspects of strategic plan implementation have been achieved including organizational targets, projects implemented and consumer satisfaction levels. As such, effective strategic plan implementation is a critical component of organizational success. The inferential results imply that resource allocation, top management commitment, institutional policies and organizational structures affected implementation of strategic plans in water sector agencies in Kenya.

### **Recommendations**

According to the results and conclusions, top management commitment has a great impact on strategic plans implementation in the public water sector agencies in Kenya. Whereas leadership had the greatest contribution towards strategic plans implementation in the public water sector agencies, internal controls and monitoring & evaluation were found to contribute a significantly lesser towards the process despite the fact that sustainable strategic plans are dependent on monitoring and evaluation of the organizational activities in a continuous manner. This study thus recommends the top management of these agencies to pay more attention on developing internal controls and monitoring & evaluation policies anchoring their vision and mission in the long-run. This will help them navigate through their future performance projections, prepare for changes and innovation, forecast the need for changes in the demand of customers and boost their efficiency and productivity.

The study established that institutional policies significantly influence strategic plans implementation in the public water sector agencies in Kenya. Policy reviews, institutional manuals and standard operating procedures significantly affected strategic plans implementation in the public water sector agencies. The study therefore recommends the water sector agencies to lay out candid institutional policies and manuals that spell out the procedures, communication and reporting channels and documented approaches that safeguard the interests of all stakeholders while still enhancing strategic plans implementation. This could be enhanced by progressively conducting regular policy reviews, involving various stakeholders in organizational activities and benchmarking with other organizations to ensure efficiency in strategic plan implementation. From the study findings and conclusions, resource allocation was found to have a great influence on implementation of strategic plans in water sector agencies in Kenya. However, information technology and human resources were found to have lesser effect as compared to financial resources. This could be attributed to the fact that the public water sector agencies are financed by the government budgets making them financially strong. As such, the study recommends enhancing the levels of resource dedication towards human resource and IT to enhance service

delivery and hence strategic plan implementation. This can be achieved through resource dedication practices such as allocating sufficient financial resources in the strategy implementation process, sufficiently managing the allocated resources during utilization, having sufficient human capacity for strategy implementation process, taking into consideration that human capacity is one of the most important ingredient to in the reengineering success, ensuring that the available human capacity have adequate skills relevant for implementing changes and setting up appropriate technology for reengineering process.

With regard to organizational structures, tasks delegation, centralization of activities and span of control were found to affect strategic plans implementation in the public water sector agencies. In addition, properly analyzed and cultivated team work has been key to successful strategic plan implementation in these organizations. However, as highlighted in the background, the public water sector agencies have been faced with failures in strategic plan implementation prompting regular criticism and changes in their structures. This study recommends that public water sector agencies should develop frameworks that will facilitate maintenance of clear line of communication between the various management levels in an attempt to create continuous flow of ideas that necessitate strategic planning and implementation. This will assist the public water sector agencies in increasing productivity, increasing employee loyalty and morale, making operations run more smoothly, and, as a result, increasing service delivery.

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