

# **AN ASSESSMENT OF FACTORS AFFECTING STRATEGIC IMPLEMENTATION IN DEVOLVED GOVERNMENT UNITS IN KENYA: CASE OF NAIROBI CITY COUNTY**

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## **ABSTRACT**

Devolution in Kenya was introduced with the promulgation of the constitution of Kenya 2010 with the main aim of enhancing service delivery to citizens, foster growth and development to all areas of the country and involve stakeholders in key government decisions affecting them and their areas; indeed, bring services and governance closer to the citizens. However, there has been instances of unsatisfactory service delivery and implementation of various programmes at the devolved government units which can be linked to strategy implementation problems. This study determined factors affecting strategic implementation in devolved government units in Kenya using a case of Nairobi City County in Nairobi. It was guided by four objectives: determining the effect of human resource on strategic implementation in devolved government units in Kenya; determining the effect of financing on strategic implementation in devolved government units in Kenya; determining the effect of Socio-cultural factors on strategic implementation in devolved government units in Kenya; and assessing the effect of stakeholders' support on strategic implementation in devolved government units in Kenya. The study adopted a descriptive research design on a sample of 162 respondents spread across all key functions in the County. Primary data was collected using structured questionnaires. Data was analyzed using both descriptive and inferential statistics where mean, standard deviation, frequency distribution and percentages represented the descriptive results while regression coefficients comprise the inferential

statistics. The analyzed data was presented in tables and figures. From the results, human resources ( $p=0.029<0.05$ ) significantly predicted strategy implementation in devolved governments in Kenya. Financing ( $p=0.000<0.05$ ) had significant influence on strategy implementation. Social-cultural ( $p=0.002<0.05$ ) had significant influence on strategy implementation. Stakeholder support ( $p=0.000<0.05$ ) had significant influence on strategy implementation. The study concludes that human resources have significant effect on strategy implementation in devolved governments in Kenya. Human resource greatly influences the strategic implementation. Financing had significant influence on strategy implementation. Finance influenced strategic plan implementation in devolved government by a great extent. Social-cultural factors had significant influence on strategy implementation. Social-cultural factors greatly influenced strategy implementation. Stakeholder support had significant influence on strategy implementation. Stakeholder support influenced strategy implementation to a very great extent. The study recommends that the top management of all counties in Kenya should ensure they put in place adequate measures and policies that improve human resources for better implementation of strategies. The national government should allocate sufficient budgets to county governments for effective implementation of strategies. The executive leadership of all county governments in Kenya should factor social-cultural aspects in decisions relating to strategies their implementation. All counties should

improve on relationship with key stakeholders (national government, donors, suppliers and clients) for effective implementation of strategies.

**Key Words:** *strategic implementation, devolved government units, Kenya, Nairobi City County*

## **INTRODUCTION**

Devolution of governance is considered as one of the most effective solutions to social challenges that countries encounter from time to time. Drawing from the new public-sector management literature, governments should effectively deliver their mandates and manifestos to guarantee re-election into office in subsequent elections. Issues such as inequitable development in various regions, poverty and corruption can be best addressed by putting in place effective and efficient devolved governments capable of implementing the devolution strategy (Apiyo & Mburu, 2014). In the year 2010, Kenya promulgated a new constitution that advocated for a devolved system of governance. This led to the establishment of 47 County governments in the country that are charged with the responsibility of providing services to the local people. According to Kenneth (2014) devolution allows county Government the space to design innovative models that suit the terrain of their unique sector needs, sufficient scope to determine their governance system priorities and the authority to make autonomous decisions on sub sector resource allocation and expenditure. Resource constraints are apparent during strategic planning in the county Governments, in particular, those dependent on the national government for funding.

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work by implementing it throughout the organization is even more difficult (Hrebiniak, 2006). According to La Vincente, Aldaba, Firth, Kraft, Jimenez-Soto and Clark (2013) in USA a myriad of factors can potentially affect the process by which strategic plans are turned into organizational action. And unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic. Noble argues that it is not surprising that, after a comprehensive strategy or single strategic decision has been formulated, significant difficulties usually arise during the subsequent implementation process. The best formulated strategies may fail to produce superior performance for the organization if they are not successfully implemented.

### **Strategic Implementation**

Strategy is a pattern for organizations to achieve their objectives and goals (Porter, 2014). Strategy implementation happens to be a more challenging and delicate task than that of strategy formulation. To be competitive, organizations must therefore develop good strategies and appropriately realign the organizational structure, systems, leadership behavior and human

resource polices. However, between ideal strategic alignment and implementation lie many challenges. Alexander (2015) points out that there are many problems which over half of the organizations experience frequently, such as the involved employees having insufficient capabilities to perform their jobs, lower level employees inadequately trained even as departmental managers provide inadequate leadership and direction.

Kotler (2012) defines implementation as the process of putting plans into action for the accomplishment of set objectives. It is through implementation of strategy that an organization can figure out its future and benefit from the opportunities the future provides. Strategy implementation can also be seen as a series of interventions concerning organizational structures, key personnel actions, and control systems to ensure desired standards of performance are met. It is an interactive process of implementing strategies, policies, programs and action plans that allows a firm to utilize its resources to take advantage of opportunities in the competitive environment (Harrington, 2016).

According to Hrebina (2015), strategy implementation is a series of interventions concerning organizational structures, key personnel actions and control systems designed to control performance to desired ends specifically the achievement of organizational objectives. Douglas (2011) further accentuates the importance of allocating resources and operational issues that combine several of the perspectives with more of a focus on the process involved. The environments in which organizations operate have become increasingly uncertain posing a lot of challenges. Bryson (2015) observes that organizations need to think strategically as never before and respond promptly by translating their insight into effective strategies in order to cope with their changed circumstances and develop rationales necessary to lay the ground work for adopting and implementing strategies in this ever-changing environment. Success in strategy implementation can be inferred from achievement of objectives as measured by performance indicators.

### **Factors Affecting Strategy Implementation**

Human resource supplies the organization with a competent and willing workforce for executing strategies. The challenge is to develop a configuration of human resource practice choices that help implement the organization's strategy and enhance its competitiveness (Edmunds & Wollenberg, 2013). The unskilled workforce can never drive the devolution matatu to its destination. For a county, key economic factors include availability of finance, interest rates, government policy and taxes. In Nairobi county financial resources distributed are not adequate to allow effective implementation of the devolution strategy. Sometimes the financial resources provided by the national government are not adequate to cater for the implementation of the devolution strategy effectively. The county does not have enough financial resources to engage permanently some of the experts who will assist in the implementation of the devolution strategy (Chaudoir, Dugan & Barr, 2013).

Socio-cultural factors are also affecting strategy implementation. High illiteracy levels, inadequate personnel in service delivery points, unemployment and poverty levels are social challenges that make it difficult for the county government to do proper allocation and identify the best projects to implement to improve the social welfare of the people. Most of the problems are recurring and hence require a ready fund which is a big challenge. Political factors, politics affect strategy implementation. Some Members of County Assembly derail the strategy implementation in the county due to personal and political interest, political interference from the National Government. Politics has generally affected allocation of funds to strategy implementation, individual's role in the strategy implementation and coordination of activities during strategy implementation (Armstrong & Taylor, 2014).

### **Devolved Government Units**

Devolution is the transfer of powers and resources from the national government to local units. The promulgation of the new constitution of Kenya in 2010 brought about a new system of government (Ong'olo & Awino, 2013). The new system of government had two levels of government, the national government headed by the President; and devolved governments referred to as county governments which were to be headed by governors. After the 2013 general elections, new system of governance came into place with national government headed by the president and 47 counties headed by county governors. One of the objectives and principles of a devolved government according to constitution is to recognize the right of communities to manage their own affairs and further their development. This would give the people a sense of identity and self-empowerment (Hope, 2014).

This is because they would feel recognized in their contribution to the growth of their own county. Another principle is to protect and promote the interests and rights of minorities and marginalized communities. Hence the minorities would not feel sidelined. This would promote a sense of unity as they would not feel as though their needs have been ignored. A total of 47 counties were created as per the constitution. Each county was to receive funding from the National government and at the same time generate funds to sustain themselves. Just like in the case of the president, the county governors were elected on the platform of the vision that they created for their county. The vision was to generate funds for their county and how they would make their county the best in the country by improving the standards of living and eradicating the issues affecting the county (Wamae, 2014).

### **Nairobi City County**

Nairobi City County having been created by the constitution of Kenya 2010 is located in what was formerly Nairobi city council and the former Nairobi Province. It has a population of approximately 3.5 million people making it the most populous city in eastern Africa and the 14th largest city in Africa. Being the capital city of Kenya and well served by an international airport and a regional network of roads and railway lines that links it to major East African cities and

urban centers it's arguably a region's business hub and a gateway to the region. It's also a financial capital to the region owing to the presence of leading local and international banks creating a vibrant and competitive eco system. Currently the city county operates under the auspices of the cities and urban areas Act, the Devolved Government's Act and other enabling legislations. It's comprised of 17 sub counties and 85 electoral wards.

## **STATEMENT OF THE PROBLEM**

The funds provided by the national government, are used to pursue development goals that are relevant to communities within counties. The management of devolved funds is faced with many challenges and this has affected implementation of key development strategies. It's necessary that the County Government streamline the management of the entire strategy implementation process in order to be able to realize its set goals. Several studies have been conducted on factors affecting strategic implementation. For instance, Van der (2014) conducted a study on exploring factors contributing to the strategy-to-performance gap. The results indicated that top, middle and frontline managers at the company concurred that the organization experienced a performance gap in the 2009 – 2010 financial years, because financial goals were not achieved. The reasons advanced for the non-attainment of financial goals included the economic slowdown and increased competition from imported products. However, all the interviewees acknowledged that the financial performance of the organization could improve, despite the economic slowdown and increased competition from imports. This study was done in South Africa, a different contextual setting from the Kenyan situation therefore the results may not be applicable in the Kenyan setting. Mbaka and Mugambi (2014) investigated factors affecting successful strategy implementation in the Water Sector in Kenya. The results show that the most important reason for the failure of the strategy implementation in the water sector in Kenya is operational plan of the implementation. Operational dimensions include resources limitation, incompetent management and staff, poor planning for execution and lack of integration among the department are the main reasons for failure, followed by structural and contextual dimensions. This study was done in Kenya but in a different sector. Galgallo (2015) conducted a study on strategy implementation challenges in the devolved government units. From the results, it can be concluded that the strategy implementation challenges in Mombasa county government include human resource challenges, inadequate financial resources, lack of adequate control and evaluation measures, leadership and poor coordination, ineffective communication, socio cultural factors and political factors. The researcher recommends the need to enforce appropriate policies to ensure that smooth strategy implementation is attained. From the reviewed studies, it is clearly evident that there are few studies which have evaluated factors affecting strategic implementation in devolved government units in Kenya. The results of these studies are inconclusive on what the factors that influence strategy are and what their relative contribution to strategy implementation is; specifically, there is scarce empirical literature on the influence of Human Resource, Finance, stakeholders and social cultural factors on strategy implementation in county governments in Kenya. This presents a gap in knowledge that this study intended to

bridge factors affecting strategic implementation in devolved government units in Kenya. The choice for Nairobi city county for the study was appropriate because no study according to the knowledge of the researcher has been conducted in the city to establish the factors that influence strategy implementation. Further Nairobi city county is the capital of Kenya and controls 65% of the total GDP of the country, it's also the region's business hub, hence the need to determine what factors influence strategic implementation.

## **GENERAL OBJECTIVE**

The general objective of this study was to determine factors affecting strategic implementation in devolved government units in Kenya using a case of Nairobi City County.

## **SPECIFIC OBJECTIVES**

1. To determine the effect of human resource on strategic implementation in devolved government units in Kenya.
2. To determine the effect of financing on strategic implementation in devolved government units in Kenya.
3. To determine the effect of socio-cultural factors on strategic implementation in devolved government units in Kenya.
4. To assess the effect of stakeholders' support on strategic implementation in devolved government units in Kenya

## **THEORETICAL REVIEW**

### **New Public Management Theory**

The new public management (NPM) theory has been described as a move towards a governance approach that places emphasis on transparency, performance management and accountability of public sector employees and managers. The philosophy has been identified as "one of the most striking international trends in public administration" that is capable of re-inventing government (Leishma, 1996). Functioning units in both national and county government level demands continuous changes, which can improve their process management. Their priority should be to deliver basic services to society, therefore satisfy residents' needs, but nowadays in time of the globalization, many traditional strategies of management are ineffective. The best solution is for improvement and modernization of public management, which can turn up challenges for current problems and in consequence to create both social and economic growth (Łukomska-Szarek & Włóka, 2013).

This theory is valid as it expounds on the government's approach in performance management through using government workers who are the human resources that implement the laid down strategies. This theory is linked to the first objective as it shows the value that human resources play in strategy implementation within organizations.

## **The Resource-Based View**

The resource-based View theory sees resources as key to superior organizational performance and therefore it is much more feasible to exploit external opportunities using existing resources in a new way rather than trying to acquire new skills for each different opportunity. The resources are either tangible or intangible. Tangible assets are physical resources and can easily be bought in the market so they confer little advantage to the organization in the long run because rivals can soon acquire the identical assets. Intangible assets are everything else that has no physical presence but can still be owned by the organization which includes brand reputation, trademarks, and intellectual property rights.

It cannot be bought from the market; hence it is the main source of sustainable competitive advantage. The theory emphasizes the firm's resources as the fundamental determinants of competitive advantage and performance. It adopts two assumptions in analyzing sources of competitive advantage (Peteraf and Barney, 2003). The model assumes resources must be heterogeneous and immobile. Therefore, organizations achieve competitive advantage by using their different bundles of resources and due to the immobility; other organizations cannot replicate rivals' resources and implement the same strategies. The growing importance of the public sector for socio-economic development of the country is reflected in the greater interest of researchers seeking answers about effective and efficient methods and tools for the management of public sector in an increasingly dynamic environment. One of the proposed solutions is to use the resource-based view which focuses on the interior structure of the organization, as well as its resources and capabilities that will better meet the emerging challenges.

The theory is relevant in this study since for strategy implementation to be successful there is need for resources for this to be possible. And as such, its of value to understand how financing and human resource aide in strategy implementation within the study setting.

## **Dynamic Capability Theory**

Strategy is actually a dynamic and interactive process. Dynamic capabilities can be defined as the firm's ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments. Dynamic capabilities thus reflect an organization's ability to achieve new and innovative forms of competitive advantage given path dependencies and market positions (Leonard-Barton, 1992) Dynamic capabilities have been defined as the capacity to renew competencies so as to achieve congruence with the changing business environment by adapting, integrating, and reconfiguring internal and external organizational skills, resources, and functional competencies (Teece, 1997). Dynamic capabilities are argued to comprise of four main processes: reconfiguration, leveraging, learning and integration (Bowman and Ambrosini, 2003).



Reconfiguration refers to the transformation and recombination of assets and resources, for example the consolidation of manufacturing resources that often occurs as a result of an acquisition. Leveraging refers to the replication of a process or system that is operating in one area of a firm into another area or extending a resource by deploying it into a new domain, for instance applying an existing brand to a new set of products. As a dynamic capability, learning allows tasks to be performed more effectively and efficiently, often as an outcome of experimentation, and permits reflection on failure and success. Finally, integration refers to the ability of the firm to integrate and coordinate its assets and resources, resulting in the emergence of a new resource base.

Brady and Davies (2004) posit that fundamental changes in the environment, or shifts in the organizations position, must be responded to innovatively, by exploring unknown alternatives and renewing capabilities, and Zahra (2006) advocate that an infinite spiral of capabilities to renew capabilities could be conceived. It further comments that these capabilities would have the ability to change how organization solves its problems: a higher-order dynamic capability to alter capabilities. Quinn (2008) developed an approach called logical Instrumentalism. In this approach, strategic management involves guiding actions and events towards a conscious strategy in a step-by-step process. Managers nurture and promote strategies that are themselves changing. In regard to the nature of strategic management he says constantly integrating the simultaneous incremental process of strategy formulation and implementation is the central art of effective strategic management.

These study postulates the ability of an organization to adjust to the changes in the environment through reconfiguration and innovation, hence applicable in this study by looking at the socio-cultural practices comprising of internal and external competences. Therefore, this theory is important in advancing the effect of socio-cultural practices in strategy implementation.

### **Stakeholder Theory**

This theory was advanced by Freeman in 1994. The theory states that business organizations deal with a multiplicity of stakeholders. Customers, employees and their unions, suppliers, government and its agencies as well as the general public all have expectations that should be factored in when developing the direction and actions of organizations. Thompson, Strickland and Gamble (2007) argue that an organization's strategy-making and strategy-execution activities should not only be beneficial to the organization but should also be aligned with those of its stakeholders. The boards of organizations play a critical role by actively overseeing the organization's direction, strategy and business approaches; evaluating the senior executives' strategy-making and strategy executing skills; instituting a compensation for top executives that rewards them for actions and results that serve stakeholder interests and overseeing the company's financial accounting and financial reporting activities.

According to Pearce, Robinson and Subramanian (1997), strategic managers must recognize the legitimate right of the organization's stakeholders when defining or redefining the company's mission. Stakeholders have justifiable reasons for expecting and demanding that organizations satisfy their claims in a responsible manner. Employees seek broadly defined job satisfaction, customers want what they pay for, suppliers seek dependable buyers, governments want adherence to legislation, unions seek benefits for their members and the general public expects the firm's existence to improve their quality of life. All these considerations should be factored in when developing and implementing an organization's strategy. Thus, the theory shows the value that diverse stakeholders hold in strategy implementation within organizations.

## **EMPIRICAL REVIEW**

### **Human Resource and Strategic Implementation**

Çalışkan (2010) conducted a study on the impact of strategic human resource management on organizational performance. The results indicated that organizations are trying to create as much competitive in the market, reaching to manage their human resources in achieving organizational performance required. Some of the goals are cost reduction, achieving sales levels, increasing the number of customers, increasing the market percentage, increasing product quality, innovative products, improve productivity. Human resources are playing an important role in achieving these performance indicators. But before that, organizations should realize the expectations required from employees and so the employees show their skills, be motivated and behave in the manner required by the organization to achieve performance.

Al-Adwani (2014) investigated the effects of implementing strategic human resource management on organizational success. The results showed that the management of Kuwait Finance House (KFH) implements HRM strategies in a way that encourages the employees to present the best of their performance in order to accomplish the organization's goals and objectives. The positive and undeniable numeric results that the questionnaire managed to give showed that there is a healthy implementation of the HRM strategies in KFH which are familiar among the bank's employees so it is recommended that this experiment should be generalized among other Kuwaiti organizations as a prototype of implementing HRM strategies in order to guarantee organizational success.

Ragui and Gichuhi (2013) carried a study on strategic HRM's role in strategic planning implementation by the high education training institutions in Kenya. The results indicated that Kenya, like other developing country, requires implementation of strategies in the HEIs to sustain investments and growth. The extent to which the implementation can be realized is dependent on the degree and extent of efficiency with which the critical factor of SHRM dealt with. This study provided useful insights on SHRM and its effect on implementation of strategic planning. The study enabled the education sector to go a long way in fulfilling its mandate of

contribution to growth towards the achievement of the Vision 2030 objective of reducing poverty through knowledge and information sharing and thus boost the modern growth trend.

### **Financing and Strategic Implementation**

Nkosi (2013) investigated factors affecting strategy implementation: a case study of a local municipality in Mpumalanga province, South Africa. The fundamental results from the study revealed that inadequate financial resources remain the most noteworthy impediment to successful strategy implementation; followed by weak organizational structure, fragile continuous professional development policies and resistance to change; respectively. Against the backdrop of the results of this analysis, the propositions of this study may be considered.

Mbaka and Mugambi (2014) investigated factors affecting successful strategy implementation in the water sector in Kenya. The results show that the most important reason for the failure of the strategy implementation in the water sector in Kenya is inadequate finance and operational plan of the implementation. Operational dimensions include resources limitation, incompetent management and staff, poor planning for execution and lack of integration among the department are the main reasons for failure, followed by structural and contextual dimensions.

Namada and Bagire (2013) did a study on managerial skills, financial capability and strategic planning in organizations. The results confirm that Ugandan organizations are significantly involved in strategic planning. The results reveal low knowledge of the mission and vision among staff and less integration in work processes. The confirmation that external consultants are not used in developing strategic plans nor involved in evaluation revealed that strategic planning is considered an internal function. The inference is that as an internal management activity, it handles with the structures of the organization.

### **Socio-Cultural factors and Strategic Implementation**

Zaglago, Apulu, Chapman and Shah (2013) did a study on the impact of culture in enterprise resource planning system implementation. The results indicated that cultural impact on ERP system adoption and use cannot be ignored. As the use of ERP system expands globally, there is need for further research into cultural aspects and implications of ERP system. A greater understanding of the various dimensions of culture, as applied to ERP system and the people who use it, will to more globally acceptable ERP system products and better choices for ERP system. Therefore, there is a need of examine ERP implementation different culturally contexts. It is essential to be aware of the implications of cultural assumptions embedded in ERP software and those reflected in various country organizations settings. Such awareness can assist in assessing ERP suitability, in devising mechanisms to mitigate the impact of cultural misfit, and in increasing value from relatively expensive ERP investments.

Cristian-Liviu (2013) conducted a study on organizational culture and strategy, how does it work. The results indicated that companies fighting in today's extremely competitive business environment are constantly seeking new ways to ensure an increase in performance and development, especially by gaining sustainable competitive advantages as a result of implementing new strategies. Having the perfect strategy will not guarantee success; companies need to be able to implement the strategy in an efficient manner. This means not only to have the necessary resources required to implement the strategy, but also to ensure that the organizational climate is favorable towards the new strategy.

Cyrus (2015) investigated the influence of organization culture on strategy implementation in selected universities in Kenya. The results of this study indicate that organization culture has an influence on strategy implementation of an institution. However, the difference lay in the influence that each component of culture has. Dominant characteristics do have an effect on the values upheld by the institution and on the financial strategy. The formal norms present in these institutions do drive the pursuant of goals and objectives clearly and directly. On the other hand, the informal norms present in the institution do determine the behavior of both employees and leaders of the institution.

### **Stakeholders' Support and Strategic Implementation**

Mangala (2015) investigated the influence of stakeholders in strategy implementation at G4S Kenya Limited. The study noted that the importance of including stakeholders in strategy implementation is critical and relevant in gaining a wide perspective during the implementation process. The study found out that that early involvement of employees in the strategy process helps employees in understanding goals, style, and cultural norms and also prevents them from being taken by surprise, putting all employees at the same platform, helping the employees to own the process thus ensuring better results. Encouraging teamwork, strong organizational culture and lifting employee morale is seen as avenues that would push the employees to implement the set strategies leading to increased productivity, better resource usage and higher returns. The management also should coordinate the activities of staffs to have a smooth strategy implementation process.

Munene (2013) on the investigative study on stakeholder involvement in strategy implementation at Lake Victoria South Water Services Board, Kenya, and the study revealed that primary stakeholders often support and encourage the achievement of set objectives. The board members are part of the stakeholder team and their input is highly valued, majorly because they are responsible for allocation of resources such as funds and people to implement the organizational strategy. They also participate in the decision-making process which is their operational obligation to the organization. The stakeholder support is important in strategy implementation and the stakeholders play a valued part within the organization. And according to Meyers, Durlak and Wandersman (2012) in the investigation on the quality implementation framework: A synthesis of critical steps in the implementation process. The study shows that

organization's success depends heavily on the conversations and decisions made by diverse stakeholders. Furthermore, the study noted that strategy formulation is the easier part but implementation is harder and difficult requiring the support from all stakeholders including the staff in an organization.

Vidaver-Cohen and Brønn (2015) in the study on reputation, responsibility, and stakeholder support in Scandinavian firms: A comparative analysis. Revealing that the success in strategy implementation strongly depends on selecting appropriate strategies and converting them into smaller action plans. For organizations to succeed in implementing strategies, they must ensure effectiveness in coordination and sharing of responsibilities of strategic management practices/activities, to avoid challenges of delayed implementation of strategies, overworking of some workers, errors of commission, omission and duplication.

## **RESEARCH METHODOLOGY**

### **Research Design**

This study followed a descriptive research design. This type of research describes what exists and may help to uncover new facts and meaning. The purpose of descriptive research was to observe, describe and document aspects of a situation as it naturally occurs (Kothari, 2004). The purpose of a descriptive research study was to provide a picture of situations as they naturally happen. This research used quantitative data. The questionnaires were used to gather information from respondents regarding the factors affecting strategic implementation in devolved government units. The researcher chose descriptive research design because it enabled the researcher to generalize the results to a larger population. Descriptive research design allowed the researcher to collect quantitative data which could be analyzed quantitatively using descriptive and inferential statistics.

### **Target Population**

Target population is defined as a universal set of the study of all members of real or hypothetical set of people, events or objects to which an investigator wishes to generalize the result. Mugenda and Mugenda (2003) define the target population as a complete set of individuals, case or objects with the same common observable characteristics. The study targeted all stakeholders at the Nairobi City County in Nairobi County. According to the records held at the Nairobi City-County HR offices there are 13,005 employees working at the Nairobi City County offices as at December 2017. The target population comprised 132 administrators.

### **Sample Size and Sampling Technique**

A sample is a subset of the population. It is normally selected when the population is huge and uneconomical to include all of it in the study. This study's target population was senior management at the Nairobi City County which is 162. This population was small to sample as it

can easily be accessed at the Nairobi City County Offices within Nairobi County. This study therefore included all the target population members in the study hence a census. There was no sampling.

### **Data Collection Instruments**

Questionnaires were used as instruments of data collection. The selection of questionnaires as data collection instrument in this research study was informed by the fact that the current study was based on quantitative research approach. According to Kothari (2004), administering questionnaires is a popular method for data collection in most disciplines because of the relative ease and cost effectiveness with which they are constructed and administered to large samples. The data was collected through drop and pick method which was a convenient and time saving mode of administering questionnaires. The use of random sampling could lead to the collection of high quality data given that the respondents chosen were picked at random. Simple structured questionnaires were used in the collection of data. Respondents were required to fill in questionnaires appropriately. The respondents were asked to rate various aspects in a Likert scale. The respondents were required to tick where appropriate indicating. Since there could be a chance that some of the respondents chosen would fail to provide the right information, the researcher selected a large number of respondents to ensure that high quality data was collected.

### **Data Analysis and Presentation**

The data was analyzed to summarize the essential features and relationships of data in order to generalize and determine patterns of behavior and particular outcomes. Before processing the responses, the completed questionnaires information was edited for completeness and consistency and then coded. The analysis of data was carried out by use of descriptive statistics. The obtained questionnaires data was coded and organized in excel spreadsheet and analysis was done through excel and SPSS software. The results of the analysis were presented in tables, charts and percentages in a manner that was both simple and comprehensive and then use to complete the research report as per the survey objectives and research questions. Besides the descriptive statistics, inferential statistics were also generated from the data using correlation and regression analysis. Multiple regression model that took the following format was used:

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

Where: Y = Strategic implementation in Devolved Government Unit;  $\beta_0$  = constant;  $\beta_1$ ,  $\beta_2$ ,  $\beta_3$ ,  $\beta_4$  = coefficients of the determinants of credit risk management;  $X_1$  = Human Resource;  $X_2$  = Financing;  $X_3$  = Social Cultural;  $X_4$  = Stakeholders' Support;  $\varepsilon$  = Error

### **RESEARCH RESULTS**

The purpose of the study was to determine factors affecting strategic implementation in devolved government units in Kenya using a case of Nairobi City County. The specific objectives of the

study were; to determine the effect of human resource on strategic implementation in devolved government units in Kenya. To determine the effect of financing on strategic implementation in devolved government units in Kenya. To determine the effect of socio-cultural factors on strategic implementation in devolved government units in Kenya. To assess the effect of stakeholders' support on strategic implementation in devolved government units in Kenya.

The study adopted a descriptive research design. The target population was 162 respondents and a census approach were used to determine the sample size. The study relied on primary data collected using questionnaires. The collected data was analyzed descriptively and inferentially. The results were presented using Figures and Tables. Out of the 162 questionnaires issued out to respondents by the researcher, 120 of them were dully filled and returned, resulting into a response rate of 74.1%. A summary of the analyzed results on each of the objectives is shown below.

### **Human Resources and Strategic Implementation**

The first objective of the study was to determine the effect of human resource on strategic implementation in devolved government units in Kenya. From regression results, human resources ( $p=0.029<0.05$ ) significantly predicted strategy implementation in devolved governments in Kenya. Most of the respondents, 76.7% noted that human resources greatly influenced strategic implementation. Employees at Nairobi City County had requisite skills in strategy implementation as shown by a mean of 4.17 and standard deviation of 0.544. Staff at Nairobi City County could work with technology without difficulties with mean of 3.99 and standard deviation of 0.883. Nairobi City County had adequate staff for each function as supported by a mean of 3.75 and standard deviation of 0.744.

### **Financing and Strategic Implementation**

The second objective of the study was to determine the effect of financing on strategic implementation in devolved government units in Kenya. Correlation results indicated that financing ( $p<0.001$ ) had significant influence on strategy implementation. Majority of respondents 79.2% felt that finance influenced strategic plan implementation in devolved government by a great extent. Expert skills were commensurately remunerated by the City County as by a mean of 4.00 and standard deviation of 0.667. Finances were well planned for in strategy implementation with mean of 3.42 and standard deviation of 1.18. Adequate financing was availed towards strategy implementation at the Nairobi City County as indicated by a mean of 3.30 and standard deviation of 0.933. Strategy implementation support in kind was availed on a timely manner as shown by a mean of 3.09 and standard deviation of 1.71.

### Socio-Cultural Factors and Strategic Implementation

The third objective of the study was to determine the effect of socio-cultural factors on strategic implementation in devolved government units in Kenya. As shown by regression results, social-cultural factors ( $p=0.002<0.05$ ) had significant influence on strategy implementation. Most of the respondents, 73.3% noted that social-cultural factors greatly influenced strategy implementation. Policies on work diversity affected strategy implementation at the Nairobi City County as indicated by a mean of 4.38 and standard deviation of 0.801. Internal work processes at the City county affected strategy implementation as indicated by a mean of 4.03 and standard deviation of 0.819. Nairobi City County values affected strategy implementation with mean of 3.71 and standard deviation of 0.988. Employee relationship at the Nairobi City County affected strategy implementation as indicated by a mean of 3.70 and standard deviation of 0.771. Nairobi City County culture affects strategy implementation as supported by a mean of 3.55 and standard deviation of 0.828.

### Stakeholder's Support and Strategic Implementation

The last objective of the study was to assess the effect of stakeholders' support on strategic implementation in devolved government units in Kenya. From regression results, stakeholder support ( $p<0.001$ ) had significant influence on strategy implementation. A vast majority of respondents, 70.0% indicated that stakeholder support influenced strategic implementation to a great extent. From descriptive statistics, completeness of support from key stakeholders affected strategy implementation at the Nairobi City County with mean of 4.22 and standard deviation of 1.05. The diversity of stakeholders affected strategy implementation with mean of 3.99 and standard deviation of 0.864. Stakeholders provided technical expertise on strategy implementation at the Nairobi City County as shown by a mean of 3.79 and standard deviation of 1.20. Expertise services provided by key stakeholders affected strategy implementation at the Nairobi City County as shown by a mean of 3.65 and standard deviation of 0.912.

### INFERENCE ANALYSIS

The Model Summary is indicated in Table 1 shows the value of correlation coefficient R and the coefficient of determination R square.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867 <sup>a</sup>	.752	.744	2.46484

a. Predictors: (Constant), Stakeholder Support, Finances, Human Resource, Social Cultural

The coefficient of determination R square is 0.752, implying that 75.2% change in strategic implementation in devolved government units in Kenya is explained by the identified factors (stakeholder support, finances, human resources and social cultural factors). An R square of 75.2% shows that there are other factors (not covered in the current study), that explain the



remaining 24.8% change in strategic implementation in devolved government units in Kenya. These are factors that should be examined by future scholars and academicians.

An Analysis of Variance (ANOVA) was conducted at 5% level of significance. The results of F calculated and the p values are indicated in Table 2.

**Table 2: Analysis of Variance ANOVA**

	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	2121.918	4	530.479	87.316	.000 <sup>b</sup>
Residual	698.674	115	6.075		
<b>Total</b>	<b>2820.592</b>	<b>119</b>			

a. Dependent Variable: Strategy Implementation

b. Predictors: (Constant), Stakeholder Support, Finances, Human Resource, Social-Cultural

From Table 2, the value of F calculated is 87.316 while F critical is 2.451. Since F calculated is greater than F critical, this shows that the overall regression model was a significant predictor of the factors affecting strategic implementation in devolved government units in Kenya. The p value 0.000 is less than 0.05, signifying that at least some of the identified factors significantly influenced strategy implementation.

The regression coefficients showing beta coefficients and p values are indicated in Table 3.

**Table 3: Regression Coefficient**

	<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>	<b>t</b>	<b>Sig.</b>
	<b>B</b>	<b>Std. Error</b>	<b>Beta</b>		
(Constant)	11.912	2.107		5.653	.000
Human Resource	.319	.144	.198	2.214	.029
Finances	.162	.147	.093	1.105	.271
Social Cultural Factors	.439	.141	.299	3.121	.002
Stakeholder Support	.400	.093	.359	4.285	.000

a. Dependent Variable: Strategy Implementation

From the results in Table 3, the resultant regression equation becomes;

$$Y = 11.912 + 0.319X_1 + 0.439X_3 + 0.400X_4$$

Where: Y = Strategic implementation in Devolved Government Unit, X<sub>1</sub> = Human Resource, X<sub>3</sub> = Social Cultural factors and X<sub>4</sub> = Stakeholders' Support.

Finances have no significant influence on (β=0.162, p=0.271>0.05) on strategic implementation. However, human resources (β=0.312, p=0.029<0.05) significantly influences strategic

implementation. As shown by Galgallo (2015), the strategy implementation challenges in Mombasa county government include human resource challenges and inadequate financial resources.

Social-cultural factors ( $\beta=0.439$ ,  $p=0.002<0.05$ ) had significant influence on strategy implementation. Armstrong and Taylor (2014) indicated that socio-cultural factors like high illiteracy levels, inadequate personnel in service delivery points, unemployment and poverty levels are social challenges that make it difficult for the county government to do proper allocation and identify the best projects to implement to improve the social welfare of the people. Stakeholder support ( $\beta=0.400$ ,  $p<0.001<0.05$ ) had significant influence on strategy implementation. According to Pearce, Robinson and Subramanian (1997), stakeholders have justifiable reasons for expecting and demanding that organizations satisfy their claims in a responsible manner.

## **CONCLUSIONS**

Human resources have significant effect on strategy implementation in devolved governments in Kenya. Human resource greatly influences strategic implementation. Employees at Nairobi City County had requisite skills in strategy implementation. Staff at Nairobi City County could work with technology without difficulties. Nairobi City County had adequate staff for each function. Nairobi City County had a competent management team in strategy implementation techniques.

Financing had significant influence on strategy implementation. Finance influenced strategic plan implementation in devolved government by a great extent. Strategy implementation support in kind was availed on a timely manner. Expert skills were commensurately remunerated by the City County. Finances were well planned for in strategy implementation. Adequate financing was availed towards strategy implementation at the Nairobi City County. Strategy implementation support in kind was availed on a timely manner.

Social-cultural factors had significant influence on strategy implementation. Social-cultural factors greatly influenced strategy implementation. Policies on work diversity affected strategy implementation at the Nairobi City County. Internal work processes at the City county affected strategy implementation. Nairobi City County values affected strategy implementation. Employee relationship at the Nairobi City County affected strategy implementation. Nairobi City County culture affects strategy implementation.

Stakeholder support had significant influence on strategy implementation. Stakeholder support influenced strategy implementation to a very great extent. Completeness of support from key stakeholders affected strategy implementation at the Nairobi City County. The diversity of stakeholders affected strategy implementation. Stakeholders provided technical expertise on strategy implementation at the Nairobi City County. Expertise services provided by key stakeholders affected strategy implementation at the Nairobi City County.

## **RECOMMENDATIONS**

Human resources had significant influence on strategy implementation. Based on this finding, the study recommends to top management of all counties in Kenya to ensure they put in place adequate measures and policies that improve human resources for better implementation of strategies. Some of the measures that can be taken to strengthen human resources in devolved government in Kenya include motivation and staff training to improve on their skills.

Financing was another critical factor that significantly influenced strategy implementation in county governments. In view of this finding, the study recommends to national government to allocate sufficient budgets to county governments for effective implementation of strategies. Finances for strategy implementation and different stakeholders availing their financial support should be on a timely basis.

Social-cultural factors significantly predicted implementation of strategies in devolved government in Kenya. In line to this finding, the study recommends to executive leadership of all county governments in Kenya to factor social-cultural aspects in decisions relating to strategies and their implementation. An emphasis should be placed to strengthen culture in all counties in Kenya through employee relationships.

There was significant relationship between stakeholder support and strategy implementation in devolved governments in Kenya. In relation to this finding, the study recommends to all counties to improve on relationship with key stakeholders (national government, donors, suppliers and clients) for effective implementation of strategies. It is also important to improve on diversity of

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