

INFLUENCE OF SOCIO-CULTURAL FACTORS ON STRATEGY IMPLEMENTATION IN STATE CORPORATIONS IN KENYA

Anne Wanjiru Kiboi

School of Business

Nelson Mandela Metropolitan University

Corresponding Author email: anekiboi@yahoo.com

Professor. S. Perks

School of Business

Nelson Mandela Metropolitan University

Professor. E.E Smith

School of Business

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ABSTRACT

To achieve effectiveness and efficiency in strategy implementation in state corporations, change is needed. Due to the rapid changing global environment and increasing demand for service delivery, continuous change is needed. Changes have been taking place in the Kenyan state corporations since 2003 and this has been as a result of corporate strategy implementation. However, it is not enough to develop a good strategy, good strategies can fail during implementation. The state corporations in Kenya, like in most countries in Sub-Saharan Africa, have been characterized by slow and bureaucratic processes that retard corporation's performance. Employees and managers in these corporations have been perceived as not performing as they should. Kenyan state corporations are important to the economy of the country. They provide social and essential services to the Kenyan population. There was therefore a need to investigate ways to improve strategy implementation in state corporations, and the focus was on socio-cultural factors. The study sought to establish the influence of socio-cultural factors on strategy implementation among state corporations in Kenya. A survey was conducted using a self-administered questionnaire distributed to 485 managers in state corporations in Kenya. Correlation and exploratory factor analysis, the KMO measure of sample adequacy, Bartlett's test of sphericity, Kolmogorov-Smirnov test for normality, multi-Collinearity diagnostic and regressions were the main statistical procedures used to test the appropriateness of data, correlation and significance of the relationships hypothesized between the various independent and dependent variables. A fairly strong, statistical significant relationship existed between socio-cultural and strategy implementation. It seems that managers of state corporations in Kenya allow society to guide their employee behaviour, and adhere to equity in the workplace. They are also tolerant to different cultural groups and value staff who behave ethically. They ensure that their corporation keeps pace with society preferences, such as online communication. It is suggested that Kenyan state corporations' managers should; conduct a lifestyle analysis to identify consumer activities, interests and outlook. This could include activities such as sport, entertainment and hobbies; interests such as house, job, family, fashion and food; and opinions classified as social issues, politics, education, business and outlook

Key Words: *Socio-cultural factors, Strategy Implementation, State Corporations in Kenya*

Introduction

For any organization today, a strategy provides, or should provide the overall plan against which management can excel in difficult times. Hill (2004:67) established a very weak relationship between strategy formulation and strategy execution. Furthermore, large- and small organisations spend billions of dollars each year on strategy formulation but only one out of ten organisations that do an effective job of formulating strategy do an equally effective job of implementing it. For the rest, presumably, the well-crafted strategy is lost in the process of day-to-day tactical concerns or is left to languish as a report on the CEO's bookshelf. Yet, very few people would deny that, in today's fast-moving and fast-changing business world, strategy with its long-range perspective is critical (Schaap, 2006:16).

Organisations, whether public, profit or non-profit have found it necessary to engage in strategic management processes in order to achieve their corporate goals. According to Pearce and Robinson (2005:46), for organisations to achieve their goals and objectives, it is necessary to adjust to their environment. A strategy is linked to the organisational environment and is a critical element in organisational functioning. The problem lies in successful strategy implementation. Harvey (2004:102) points out that the implementation of strategies remains the greatest stumbling block as many organisations are not able to achieve their corporate goals and objectives adequately. Furthermore, organisations today face major unpredictable changes that make strategy implementation more difficult and complex than in the past. This is also true for state corporations in Kenya.

When a comprehensive review of state corporations was carried out, the Government's participation in commercial activities grew rapidly and broadly resulting in state dominance in various forms (including monopolies) in many commercial activities. The establishment of the state corporations was driven by a national desire to (Government of Kenya, 2005a:8) to accelerate economic social development; redress regional economic imbalances; increase Kenyan citizen's participation in the economy; promote indigenous entrepreneurship and promote foreign investments (through joint ventures). Accordingly, some state corporations were formed to undertake the provision of services at grass root level and the supervision and management of the industrial and commercial activities in which the Government was involved.

As there was already scarcity of managerial- and entrepreneurial expertise, especially among the indigenous people, the consequence was that the capacity of the service was overstretched resulting in poor performance and low productivity of these institutions. Due to this poor performance, most state corporations came under intense pressure over years to improve their operations and processes so as to adequately serve the citizen as well as generate income to reduce its over-reliance on ex-chequer funding. Based on the reforms introduced in Kenya since 2002, the state corporations are expected to increase their transparency in operations and utilization of public resources, increase accountability for results and to deliver products and services more efficiently and at affordable prices to tax payers or customers. (Government of Kenya, 2006a:26). However, these have not been realized due to challenges that can be both internal and external. Among the challenges is human resource, culture, leadership and governance. Service delivery among the state corporations remains mixed. There was a need to find out the internal factors that affect strategy implementation among the state corporations since the reforms introduced among the state corporations has not yielded the expected results.

Statement of the Problem

According to Government of Kenya (2006a:44), the external business environment in Kenya has witnessed dynamic changes. These changes include: accelerated formulations of economic reforms by the government, the liberation of the economy and markets, discontinuation of price controls, privatisations and commercialization of the public sector and increased competition. In this changing environment, state corporations and private sector organisations operating in the Kenyan environment have to constantly adapt to these changes through effective strategy formulation and implementation in order to remain competitive.

Most state corporations in Kenya have proven to be largely ineffective and inefficient in achieving their strategic objectives. Some of the reasons cited by the World Bank (2005:66) for this outcome included: lack of clear vision and poor articulation of objectives; absence of teamwork among the staff; lack of proper strategy formulation and implementation measures and lack of long term political commitment and goodwill to reform public institution. Some of the policies in state corporations were predominantly focused on achieving specific targets. In most cases, these efforts failed to provide enough room or sufficient time to implement a complex framework based on institutional development and capacity building. The government has attempted to streamline state corporations through the introduction of reforms as contained in policy documents such as (Government of Kenya, 2007:38): are the Economic Recovery Strategy for Wealth and Employment Creation (2003-2007); Poverty Reduction Strategy Paper (PRSP) (2002); the Investment Programme for Economic Recovery Strategy IP-ERS(2004), and the Kenya Vision 2030.

Although formulating a consistent strategy is a difficult task for any management team, making that strategy work, in other words, implementing it throughout the organization is even more difficult (Hrebiniak & Joyce, 2006:56). A study by David (2007:98) has shown that a considerable proportion (more than 65%) of organisational strategies fail to get implemented effectively. Previous studies (see for example Awino, 2001:86; Macmillan & Tampoe, 2001:39; Musyoki, 2003:98; Warsame, 2002:67) have attempted to explore the different aspects of organisational management such as strategy and policy formulation, development of a mission and vision and development of strategic goals and objectives. However, no study has been done in Kenya to establish the factors affecting strategy implementation in Kenyan state corporations. Yet, successful strategy implementation is a critical aspect in the strategic management process. Strategy implementation in Kenyan state corporations has not received much attention like the other components of strategic management, hence the existence of a significant knowledge gap which this study aims at bridging. This led to the following problem being addressed in this study. The main research question is, what are the socio-cultural factors affecting successful implementation of strategies in Kenyan state corporations?

In view of the fact that strategy implementation is a key component of the strategic management process of state corporations, there is a need for increased research in this area to unveil challenges and constraints as well as the factors that act as impediments to organisational strategy implementation in Kenyan state corporations.

Despite efforts to formulate these policies and strategies, service delivery still remains limited and inefficient in most state corporations and government ministries as was indicated in the introduction.

Research Objective

To ascertain the influence of socio-cultural factors on strategy implementation in state corporations in Kenya

Research Hypothesis

Management perceptions of socio-cultural factors are related to strategy implementation in state corporations.

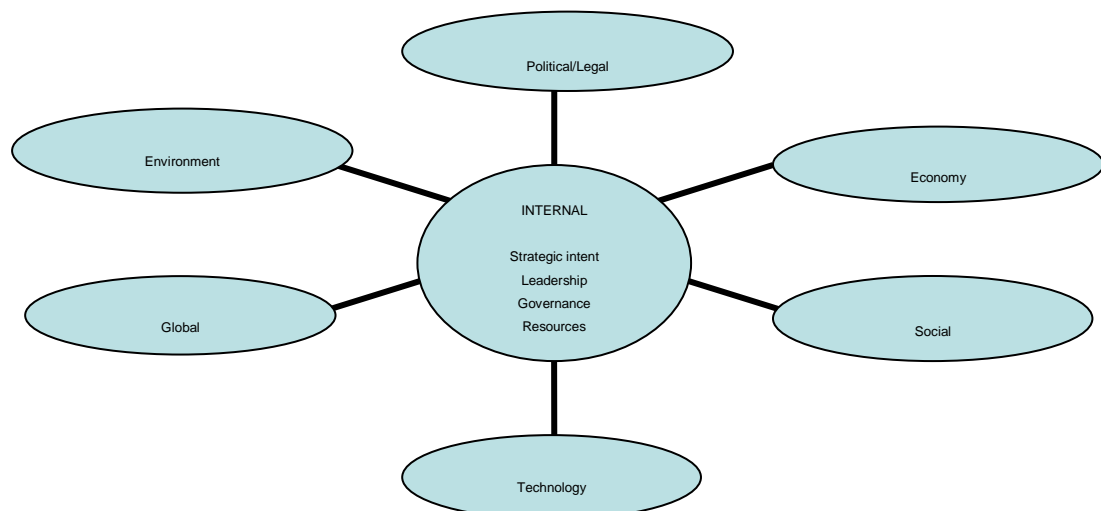
Theoretical Review

In order to have a better understanding of the problem statement linked to this research it was useful to explore conceptual models which can support this study. The study was supported by the the planning context environmental scan model and the Nortel network external environment model.

The planning context environmental scan model

Figure 1 outlines the planning context environmental scan model (Public Safety Canada, 2010). This model indicates the internal- and external environmental variables that impact strategy formulation which in turn impact strategy implementation. To ensure successful strategy implementation, the organisation needs to first determine the impact of these variables on the organisation.

Figure 1: The planning context environmental scan model



Adapted From: Public Safety Canada (2010:1)

An environmental scan involves being aware of the context in which an organisation is operating so as to understand how it could be affected. During an environmental

scan, the organisation defines the internal- and external parameters to be taken into consideration when formulating- and implementing strategies.

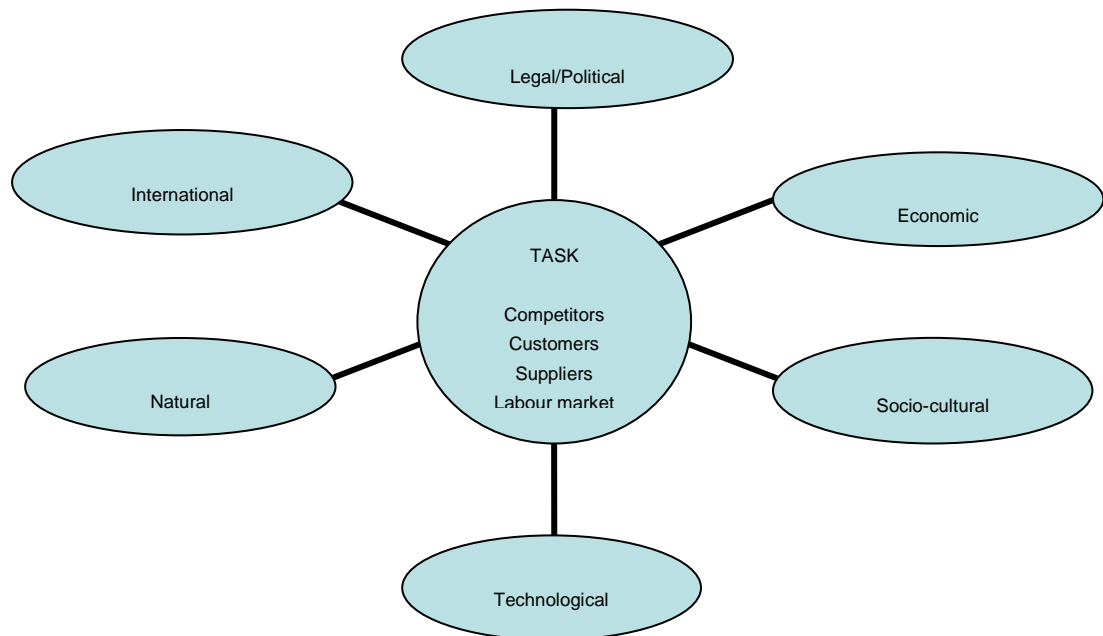
It outlines the time, scope, scale and risks affecting the achievement of its objectives. The main variables in the internal environment which impact on strategy formulation and implementation as depicted in Figure 1.1 are: the capabilities, understood in terms of resources and knowledge (e.g., capital, time, people, processes, systems, technologies), including results from the capability improvement process; the organisation activities, policies, goals, objectives and strategies in terms of its strategic intent; perceptions, values and culture of the organisation; the nature and quality of leadership within the organisational functions and decision making processes, an structures (e.g. government, roles and accountabilities).

On the other hand, the key elements of the external environment as can be seen in Figure 1, includes the cultural, political, legal, technological, economic, natural and international (global) environment. These environments influence the key drivers and trends that impact the organization's objectives (strategy formulation) and ultimately drive the strategy implementation process. It also includes the perceptions and value expectations of external stakeholders.

The Nortel network external environment model

Figure 2 shows the elements of the external environment that impact organisations. The general environment consists of a number of important interacting sub-environments, namely the international-, technological-, economic-, legal-, political-, social-cultural- and natural environment (Daft, 2010:69). Within the external environment is also the task environment. The task or market environment comprises all those variables that have a direct working relationship with the organisation such as (Daft, 2010:69): *Customers* (the market), with their specific characteristics, purchasing power and behaviour. As recipients of the organization's output, they determine the organization's success; *Competitors*, who are already established in the market and intend to retain or improve their market share; *Labour market*, the people available for recruitment and selection by the organisation; *Suppliers*, who supply raw materials to the organisation to produce its output, products for further assembly, services and financing to the organisation. Figure 2 depicts the relationship among the general and task (market) environments.

Figure 2: The Nortel network external environment model



Adapted from: Daft (2010:72)

Changes in these environments can create challenges for organisations, especially when trying to implement strategies.

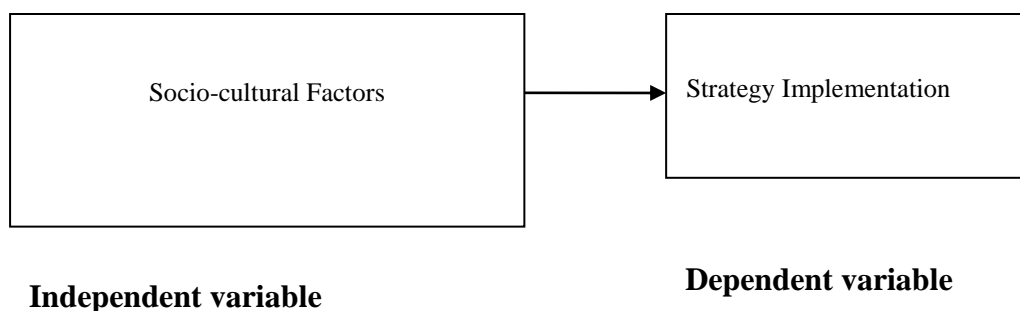


Figure 2: Conceptual framework

Social-Cultural Factors

Social-cultural factors include forces such as population demographics, income distribution, beliefs, values, attitudes, lifestyles of people, cultures, demographics, religion and ethics, which can impact strategy implementation (McDermott & O’Dell, 2009:80). Changes in these factors affect all goods, services, markets and customers (Sims, 2004:495). Kotler and Armstrong (2006:595) observe that cultural beliefs, practices and attitudes of employees can affect consumer reactions, and the pace at

which changes take place affect strategy implementation (Sababu, 2005:34). Roberson (2013:3) points out that socio-cultural trends give rise to many variations in the workforce.

To keep pace with society and the changing business environment, organisations need to be fine-tuned to these developments. Propelled by changes in demographic trends in society, organisations are confronted with a new diverse workforce. Intolerance has been a major source of conflict and social segregation.

Rejecting or excluding others based on their appearance, culture, beliefs, and other characteristics is a widespread social behavioural phenomenon in the workplace and in societies. There is a dire need for tolerance of people from different cultural backgrounds (Aguiar & Parravano, 2013:1). Hellriegel *et al.* (2012:189) recommend that managers encourage employees to tolerate cultural diversity, and find ways of integrating their values and ways of doing things in the workplace. In addition to employers setting policies and procedures to guide the behaviour of employees, there are also common society laws governing the workplace (Teece & Pisano, 2006:5). Employing employees with acceptable morals and values will encourage ethical behaviour and result in increased organisational performance (Shieh, 2008:832). Tower, Plummer, Ridgewell, Goforth and Tower (2010:105) contend that large organisations often adhere to only minimum legal compliance, and report on equal opportunities in bland overview statements. It is important for organisations to adhere to equity requirements and standards in the workplace.

Research Methodology

This study adopted the positivistic research paradigm also known as the quantitative, objectivist, scientific, experimentalist or traditionalist research paradigm (Collis & Hussey 2003:47). The positivism research paradigm means that knowledge can be revealed or discovered through the use of a scientific method. In quantitative research the aim is to describe trends and it is a useful approach when making comparisons and testing relationships/hypothesis. The study adopted the descriptive research approach as it determines and reports the ways things are at present (Kothari, 2004:10). This approach is also appropriate because the study involved fact-finding and enquiries of different kinds to determine the factors affecting strategy implementation in state corporations in Kenya. Orodho (2002:47) further observes that descriptive research is designed to obtain information concerning the current phenomena and wherever possible to draw valid general conclusions from facts discussed. Mugenda and Mugenda (2003:55) suggest that a descriptive study can be used to explain or explore status of two or more variables at a given point in time. The population of interest for this research and units of analysis was all top- and middle management of the 104 state Corporations in Kenya. The probability sampling technique was adopted by the study where a total of 31 (30%) state corporations were drawn randomly from the 104 state corporations in Kenya. The sampling frame was obtained from the only available database of state corporations in Kenya namely, the Kenya National Bureau of Statistics. Using the systematic sampling technique, the first state corporations from the list were identified thereafter every third state corporation were selected until the required sample of 31 state corporations was obtained. The criterion for inclusion of individual respondents in the sample was based on the position held in the state corporation, that is, any individual in top- and middle management levels was targeted in the study since they are the decision makers and implementers in the state corporations. The state corporations were contacted to obtain a data basis (organisational chart) of the top- and middle managers. These managers were

selected using simple random sampling technique and based on their availability and willingness to participate in the study. A total of 485 questionnaires were distributed. The study used primary data collected from the top- and middle managers within the state corporations using the survey method. The quantitative study entailed the distribution of a self-administered structured questionnaire to the targeted respondents, as already described. The questionnaires were personally delivered or sent via email to the identified top- and middle managers. The computer programme STATISTICA10 (2011) was used to analyse the data. Kolmogorov-Smirnov test for normality was used to examine the data for normality. To measure sampling adequacy, the Kaiser-Meyer-Olkin (KMO test) and Barlett's sphericity tests ensure that the data set did not conform to an identity matrix. In this study both face and content validity were utilized as validity tests. The questionnaire was given to experts in the fields of management and statistics as well as the study supervisors to appraise the items' suitability in obtaining information according to research objectives and study variables.

Exploratory factor analysis was also performed to reduce the number of variables to a small number of factors (constructs) and to confirm the hypothesized constructs to validate the research instrument. A cut-off point of 0.3 and above was used for significant factor loadings. This analysis assesses the convergent and discriminant validity of the measuring instrument. This study utilized the internal consistency method which requires the average correlation among the items and the length of the test by computing Cronbach's Alpha values to assess the internal reliability of the data collected. A cut-off point of 0.7 will be regarded as reliable. The Spearman Rho correlation analysis was performed to determine correlation between the factors and multi-Collinearity diagnostics test results to confirm whether Collinearity problems existed between variables of the study. Multiple regressions were performed to determine the independent variables to be retained as having statistically significant relationships with strategy implementation. Descriptive statistics and the results are in the form of frequencies, percentages, mean and standard deviation. The demographic profile of respondents was also presented.

Results

The study obtained responses from a total of 30 of 104 possible state corporations in Kenya. A total of 485 questionnaires were administered to the respondents, resulting in a 86.6% final response rate. Out of these, 65 questionnaires representing 13.4% were disqualified due to incompleteness, not being returned, or from those unwilling to participate in the study. The analysis of the results is thus based on 420 questionnaires. Sekaran (2003:244) is of the opinion that a minimum sample size of 30 to a maximum of 500 is sufficient and acceptable for a scientific investigation.

Kolmogorov-Smirnov Test for Normality

The data for this study was screened for influential outliers which are linked to normality or non-normality of data. Kolmogorov-Smirnov test was used. Findings in Table 1 show that the KMO statistic was significantly high at 0.745 and greater than the critical level of significance of the test of 0.5 (Field, 2009:77). The Barlett's test of sphericity was also significant (Chi-square of 9375.592 with 435 degree of freedom, at $p < 0.05$). These results provide justification for further statistical analysis.

Table 1: KMO and Bartlett's tests for Political, Economic and Socio-cultural Factors

Nature of the test		Statistics	Deductions
Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy	KMO statistic	0.745	Significant
Bartlett's test of sphericity	Chi-Square statistic	9375.592	Significant
	df	435	
	Sig.(P-Value)	0.000	

The Kaiser-Meyer-Olkin (KMO test

The Kaiser-Meyer-Olkin (KMO test) and Bartlett's test were performed to ensure the data collected was adequate and appropriate for inferential statistical testing. The findings for KMO and Bartlett's test as shown in Tables 2 for the internal factors and strategy implementation show that the KMO statistic was 0.840 which was significantly high- that is, greater than the critical level of significance of the test which was set at 0.5 thus providing justification for further statistical analysis.

Validity of Measuring Instrument

Construct validity was utilized to assess the convergent and discriminant validity of the measuring instruments. For this purpose, Principal Component Factor analysis was conducted using the statistical software packages Statistica 10 (2010). This study adopted the minimum loading of 0.3 (Hair et al. (2006:113). The items that loaded less than 0.3 were eliminated from the component factor matrix.

Table 2: Principal component factor matrix

Item no	Socio-cultural Factors
9	0.376
10	0.345
11	0.634
12	0.804
13	0.801
14	0.826
15	0.646
20	0.432
21	0.346
29	0.364
30	0.390

Table 2 shows the factor coefficients loading matrix of the external factors. None of the items loaded below the minimum threshold of 0.3. For cross loading items, only the item with a loading of 0.5 and above and that differ by more than 0.2, should be retained (Statswiki, 2012:6). Item 4 and 6 were deleted from further analysis as the

cross loadings were below 0.5. A new factor, F7 loaded with four significant factor loadings and was renamed government directives.

An interpretation of the results of the exploratory factor component matrix follows for each of the internal factors as can be seen in Table 2. Items 12, 13, 14 and 15 only loaded onto Factor 3. Items 11 was retained in factor 3 as it exceeded the cut-off point of 0.5 for factor loadings and was at least 0.2 higher in the cross factor loadings. Convergent validity has been confirmed for this scale. Items 9, 10, 20, 21, 29 and 30 have been disregarded for this factor as their factor loadings were less than 0.5. A total of five items were retained in this factor.

Results of Biographic Data

Table 3 depicts the results of the biographic data of the respondents and their respective state corporations.

Table 3 Biographic data of the respondents and their respective state corporations

Demographic characteristics	Categories	State corporations		Total (100%)
		Public (%)	Private (%)	
Institutional sector		97	3	100
Gender	Male	55	2	57
	Female	42	1	43
Age	18 - 25 years	3	0	3
	26 - 35 years	12	1	13
	36 - 45 years	40	1	41
	46 - 55 years	38	1	39
	56 - 65 years	4	0	4
Education	National certificate	2	0	2
	National Diploma	5	0	5
	Bachelor's degree	34	2	36
	Postgraduate degree	56	1	57
Time period state corporation is in existence	Less than 1 year	1	1	2
	1-5 years	5	0	5
	6-10 years	4	0	4
	11-15 years	12	0	12
	Over 16 years	75	2	77
Position in state corporation	Top management	40	1	41
	Middle management	52	1	53
	Supervisor	5	1	6
Length of employment in state corporation	Less than 1 year	6	0	6
	1-5 years	14	1	15
	6-10 years	16	0	16

Demographic characteristics	Categories	State corporations		Total (100%)
	11-15 years	24	1	25
	Over 16 years	37	1	38
Business activity	Education	24	1	25
	Health	4	0	4
	Agriculture	12	0	12
	Financial	22	0	22
	Telecommunication	4	0	4
	Industrial	2	1	3
	Energy	12	0	12
	Aviation	2	0	2
	Transport	6	0	6
	Environment and natural resources	6	0	6
	Sports, culture and social services	3	1	4

It is evident in Table 3 that most of state corporations operate in the public sector. The state corporations operate in a dynamic business environment which requires dynamic strategies in order to offer quality services to citizens. The findings in Table 4 show that most of the state corporations were in the public employment sector (97%) while 3% were in the private sector. This shows that the public state corporations were therefore playing a key role in providing employment for citizens. The Kenyan government has privatized some state corporations which were not performing according to government expectations; there the 3% private state corporations. The aim of the privatisation strategy was to hopefully improve their performance. Improving the performance of none performing state corporations (public and private) will play a critical role in the country's economy as well as enhance service delivery.

It is also evident that more than half of the respondents (57%) were male, with 43% being female respondents. Respondents were mostly in the 36-45 years and 46-55 years age bracket, with 41% and 39% respectively. Few of the respondents were 56 years or older (4%) or in the 18-25 years age bracket (3%). More than half of the respondents (57%) had postgraduate degrees while 36% of the respondents had bachelor degrees. The national diploma and certificate accounted for 5% and 2% respectively. This shows that most of the managers running the state corporations have postgraduate degrees. This further shows high levels of competencies in the management of the state corporations in Kenya. More than half (57%) of the respondents had postgraduate degrees, while 36% had bachelor's degrees. This shows that the public state corporations had invested heavily in the skills and competencies of the managerial staff. This is crucial for effective formulation and implementation of strategies. It also suggests that the profile of managers has changed substantially in recent times from older static managers to young dynamic, better educated and better trained managers. This has inevitably forced the organisations to change the way they do business.

The majority of the state corporations (89%) had been in existence for over 11 years or more, with only 2% in operation for less than a year. This shows that most state corporations had adequate time to be experienced with strategy implementation issues. More than half (53%) of the respondents were middle-level managers, with top management accounting for 41%, and only 6% were supervisors. This indicates that the majority of respondents were on management levels dealing with strategy implementation. Many respondents (63%) had worked in their respective state corporations for a long period of time (longer than 11 years). A few (6%) had been employed for less than a year. Most managers had thus worked in their respective state corporation for long enough to be well versed in operational and strategic issues of the state corporations. Twenty-five per cent of the total respondents were from the state corporations operating in the education sector, followed by the financial sector at 22%. A smaller number were employed in the agriculture and energy sectors (12% each respectively). The other sectors were health, telecommunication, industrial, aviation, transport, environment and natural resources, sports, culture and social services, which accounted for less than 6% each. Care has been taken to include as many possible sectors.

Descriptive Statistics

A five-point Likert scale consisting of strongly agree, agree, undecided/neutral, disagree and strongly disagree, was used to measure the findings from which the means and the standard deviations were computed. The five-point Likert scale varies from strongly disagree (SA) = 1 to strongly agree (SD) = 5. Table 4 shows the results of the descriptive statistics of the factors impacting strategy implementation.

Table 4: Descriptive statistics

Variables	Mean	Std. Deviation	Variance
Socio-cultural	3.34	0.74	0.55
Strategy implementation	3.48	0.87	0.76

Respondents are neutral (rating 3) scores for socio-culture indicating neither agreement nor disagreement with statements on socio-cultural factors. Variance scores are relatively low and mostly below 1, indicating not much variability around the mean scores. With regard to strategy implementation, respondents tend to be undecided whether the strategic implementation has taken place. The variance is lower than 1.00 indicating that there is not much variability from the mean score.

Correlation Analysis

Table 5 illustrates the factor correlation relationships. As can be seen in the table, strategy implementation has fairly strong relationships with socio-cultural. Sababu (2005:34) observes a correlation between social-cultural environment and strategy implementation, and argues that the pace at which the social-cultural environment changes has consequences for strategy implementation in organisations.

Table 5: Correlation Analysis

Factors	SI	SC	GD
Strategy Implementation (SI)	1		
Socio-cultural (SC)	0.611	1	

Multiple Regression Analysis

As can be seen in Table 6, about 53,1 per cent of the variance in strategic implementation can be explained by the variances in socio-cultural factors. Evidence was found of statistically significant relationships ($p < 0.001$ and $p < 0.05$) between the independent variable, that is socio-cultural and the dependent variable strategy implementation. These independent variables therefore impact strategy implementation. This is also evident from the t-values which exceed critical value of $t \geq 1.96$ at $p < 0.05$ significance level and of $t \geq 3.09$ at $p < 0.001$ significance level.

According to McDermott and O'Dell (2009:80), social-cultural factors include forces such as population demographics, income distribution, beliefs, values, attitudes, lifestyles of people, cultures, demographics, religion and ethics, which impact strategy implementation. Changes in these factors affect all goods, services, markets and customers as they shape the way people live, work, produce and consume commodities (Sims, 2004:495). Kotler and Armstrong (2006:595) observe that cultural beliefs, practices and attitudes of employees can affect consumer reactions, and the pace at which these social-cultural environment changes take place can affect strategy implementation. Employing employees with acceptable morals and values will encourage ethical behaviour and result in effective strategy implementation (Shieh, 2008:832).

Table 6: Multiple regression Results

Dependent variable: Strategy implementation $R^2 = 0.531$				Hypotheses
Independent variables	Beta	T-value	Sig. (p)	
Socio-cultural	0.366	8.783	0.000*	Supported

* $p < 0.001$ ** $p < 0.05$

Conclusions

A fairly strong, statistical significant relationship existed between socio-cultural and strategy implementation. It seems that managers of state corporations in Kenya allow society to guide their employee behaviour, and adhere to equity in the workplace. They are also tolerant to different cultural groups and value staff who behave ethically. They ensure that their corporation keeps pace with society preferences, such as online communication. According to Ratnaningsih *et al.* (2010:53), socio-cultural factors are larger scale forces within cultures and societies that affect the thoughts, feelings and behaviour of individuals. Changes in these cultural variables have a major impact on goods, services, markets and customers, as they shape the way people live, work, produce and consume commodities, which influences the implementation of strategic decisions in an organisation.

James (2003:466) argues that strategy implementation in developing countries does not have to be shaped by the prevailing socio-economic circumstances, such as high per capita incomes, skilled labour and an urban-based population, such as in developed countries.

Recommendations

It is suggested that Kenyan state corporations' managers should; conduct a lifestyle analysis to identify consumer activities, interests and outlook. This could include activities such as sport, entertainment and hobbies; interests such as house, job, family, fashion and food; and opinions classified as social issues, politics, education, business and outlook. These join people together and managers can use them to forge a certain strategic decision forward. This lifestyle information can also be used to create new products and marketing strategies to meet the needs of their customers; ensure their employees come from divergent backgrounds in terms of race and gender, as they can then act as a strategic resource for the corporation. Employees from different cultures should be trained how to tolerate each other.

They should also strive for workplace equity and encourage recruitment of both young and older workers to encourage creativity and increase productivity. Young employees have new ideas and skills in new technologies such as online communication to ensure that problems are detected and communicated in a fast efficient manner. Older employees have knowledge about intra-organisational structures and the relevant markets and networks to influence strategy implementation positively and also encourage staff to behave ethically. Society should guide the behaviour of employees to behave ethically in the workplace.

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