

IMPACT OF LEADERSHIP ON STRATEGY IMPLEMENTATION IN STATE CORPORATIONS IN KENYA

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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. Kenyan state corporations are important to the economy of the country. They provide social and essential services to the Kenyan population. However their poor performance needs a relook at determinants of success in strategy implementation in state corporations in Kenya. This study therefore focused on establishing the impact of leadership on strategy implementation among the Kenyan state corporations. This is because a leader shapes and shares a vision which gives meaning to the work of employees. There are arguments by scholars that leadership is needed for effective implementation of strategy, as this ensures that the organisational effort is united and directed towards achievement of its goals. 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 statistically significant relationship existed between leadership and strategy implementation. Managers of Kenyan state corporations believed that they are committed to driving strategies forward. They further believe that their strategic leaders cultivate a team spirit among staff and provide the staff with clear strategic directions. The perception of the managers of Kenya's state corporations is that the strategic leaders influence employees towards strategic goal attainment and that changes and new developments are communicated timeously to all employees.

Key words: *Leadership, Strategy Implementation, State Corporations in Kenya*

Introduction

According to the World Bank Group's (2007:25) country assessment report, the quality of service in the state corporations in Kenya was very low prior to 2003 due to inadequate accountability and responsibility, as well as poor governance. Poor management of the public assets led to an almost total collapse of infrastructure, decline in productivity and an increase in poverty (close to 56 percent of the population were living with incomes of less than US\$2 per day) (Kenya National Bureau of Statistics, 2006:48). There was relatively low discipline in management and some of the state corporations that were previously successful went into liquidation such as, for example, the Kenya National Assurance and the Kenya Taxis Company, KENATCO (Republic of Kenya, 2005:15). In 2003, reform programmes were instituted to change the situation. State corporations were now expected to finance their operations without reliance on the state to bail them out. The rising demand and expectation of improved services by the taxpayers prompted more changes in the management of the state corporations (Flynn, 2007:87; Henry, 2001:65).

Strategic planning and performance contracts were instituted, which improved the management of state corporations (Kenya Institute of Management, 2008:10). Although a changing environment in itself necessitates changes, state corporations appear to have inherently less ability to act as freely as private sector organisations (Henry, 2001:87). Pearce and Robinson (2008:201) argue that leadership is needed for effective implementation of strategy, as this ensures that the organisational effort is united and directed towards achievement of its goals. Chapleo and Simms (2010:18) contend that managers should consider stakeholder interests when making strategic decisions. Dutton and Dukerich (2010:56) suggest a systematic approach to implement innovative strategies.

There must be concrete plans of action at the different management levels in order to create a conducive environment and employee commitment to implement strategies in a transparent and predictable way. An essential factor in leadership is the capacity to influence and organise clear strategic direction for employees. Handy (2004:68) remarks that a leader shapes and shares a vision which gives meaning to the work of employees. According to Catano and Stronge (2007:38), managers are expected to create change and develop policy while providing employees with a sense of direction and vision for the future. Managers should interact with employees and coordinate their work, to encourage them to support strategy implementation and goals (Ismail, Zainuddin & Ibrahim, 2010:12).

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 impact of leadership on 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. There was therefore a need to conduct this study.

Research Objective

The main research objective was to establish the impact of leadership on strategy implementation in state corporations in Kenya

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 planning context environmental scan model and Zaribaf and Hamid's drivers for strategy implementation 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.

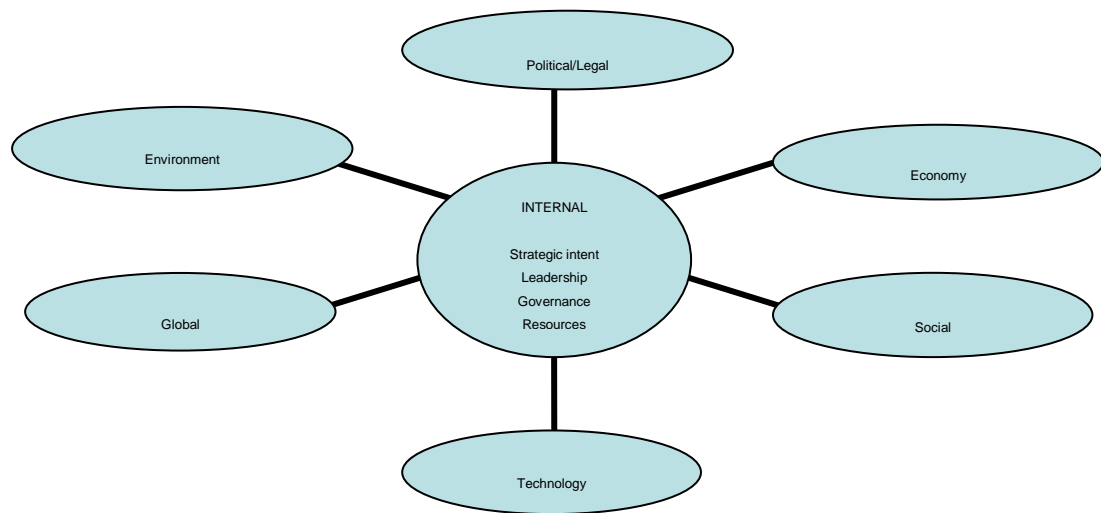


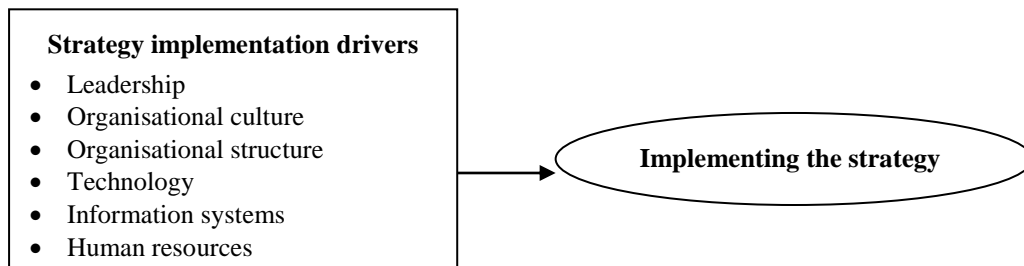
Figure 1: The planning context environmental scan model

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 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, and structures (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.

Zaribaf and Hamid's drivers for strategy implementation model

Figure 2 depicts the drivers for strategy implementation. To implement strategies, it is important to plan a program in which employees have well-defined job descriptions and implementation tools such as technology and information systems. A suitable organisational structure together with strong visionary leadership and organisational culture can contribute towards effective strategy implementation.

Figure 2: Zaribaf and Hamid's drivers for strategy implementation model

Adapted from: Zaribaf and Hamid (2010:1)

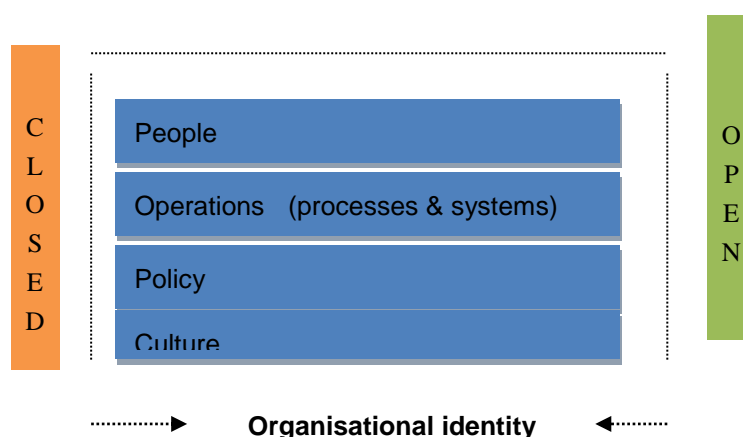
Zaribaf and Hamid (2010:1) emphasised that the relationship between strategy planning and implementation is an important matter as it can result in many positive outcomes for the organisation. Successful implementation depends on: revolutionizing attitudes, viewpoints and future prospects; comprehensive planning; implementation commitment and efficient control tools. Figure 2 shows that if these strategic drivers are in place, it may lead to successful strategy implementation.

The Concept of Leadership

According to Bennis and Nanus (2003:77), leaders articulate and define what has previously remained implicit or unsaid; they invent images, metaphors and models that provide a focus for new attention. Handy (2004:68) explains that a leader shapes and shares a vision which gives point to the work of others. Pearce and Robinson (2008:201) add that leadership is needed for effective implementation of a strategy, as this ensures that the organisational effort is united and directed towards achievement of its goals. Bukusi (2006:66) reiterates that leadership is considered one of the most important elements in affecting organisational performance. Management should cultivate team spirit and act as a catalyst in the whole strategy implementation process (Mintzberg & Quinn 2007:188). As much as possible, the leadership of an organisation should fill relevant positions with qualified people committed to the strategic change efforts. Furthermore, leadership should be at the forefront in providing vision, initiative, motivation and inspiration in the organisation. Albert and Whetten (2010:76) argue that to maintain common goals during a strategy implementation process, a clear vision from a strong leader becomes pivotal, which requires leaders to be open-minded.

Open innovation leadership paradigm

An open innovation leadership paradigm is illustrated in Figure 4.4.

Figure 1 : Open innovation leadership paradigm

An open innovation leadership paradigm is a new organisational identity that keeps all activities focused on one common end point during the complex implementation process (Albert & Whetten, 2010:76). As can be seen in Figure 4.5, the open Innovation leadership paradigm contains all important elements of the implementation process, namely people, operations, policy and culture. Figure 4.4 also shows that effective strategy implementation may require a complex process of organisational change, from a relatively closed status to a predefined state of openness in terms of the four identified elements. According to Albert and Whetten (2010:78), managing input in an open innovation paradigm is an important aspect of leadership in strategy implementation. Dutton and Dukerich (2010:56) support this view and add that a systematic approach is instrumental in the management of the implementation process of open innovation strategy. There must be concrete plans of action on the different levels of the (internal) organisation in order to create the right circumstances, as well as commitment to implementing strategies in a transparent and predictable way. Taylor, Machado and Peterson (2008:373) further point out that leadership sets values and direction, and positions the organisation strategically. Good leadership provides organisations with a clear focus and a well-defined goal, and is linked to characteristics such as credibility and being a visionary (Andrews & Boyne, 2010:444). However, different leaders display different leadership styles, as indicated in the following sections.

Leadership Styles

The various leadership styles used by organisations in the implementation of strategic decisions are discussed below.

Employee-orientation style

According to Kouzes and Posner (2005:333), in employee orientation style, the leader emphasises the relationship aspect of the jobs to the individual. Drazin and Howard (2004:32) contend that effective managers are considerate, helpful and supportive of subordinates, including helping them with their career and personal problems. Schaap (2006:21) adds that an employee-orientated leader has complete confidence and trust in all matters regarding his subordinates. Govindarajan (2008:111) proposes that effective managers set goals and provide guidelines, but then give their subordinates plenty of leeway as to how the goals will be achieved.

Production-orientated style

Handy (2004:76) states that the production-orientated leader emphasises production and technical aspects of the job. This leader looks on employees as tools to accomplish the goals of the organisation. Kouzes and Posner (2005:335) agree with Handy (2004:76) and add that a production-orientated leader ties together work, working conditions and work methods to produce better and higher-production performance than in an employee-orientated style. According to Kouzes and Posner (2005:221), task-orientated leaders spend time guiding subordinates in setting task goals that are challenging but achievable.

Autocratic/dictatorial style

According to Pearce and Robinson (2008:169), an autocratic style, also called a dictatorial style, is one in which the leader takes all the decisions himself without consulting his subordinates. The leader demands complete loyalty and unquestioning obedience from his followers. Kouzes and Posner (2005:343) agree with Pearce and Robinson's (2008:169) description and clarify that autocratic leadership is characterised by maximum possible centralisation of authority, close supervision, unilateral decision-making and one-way communication. It is boss-centred leadership.

Handy (2004:76) concludes that an autocratic leader is generally disliked because there is no scope for initiative and self-development, subordinates often become hostile, and attention is focused only upon pleasing the leader. The subordinates remain uninformed, insecure and afraid of the leader's authority. Rich (2004:229) disagrees with this view, and argues that an autocratic leader is successful especially in an emergency or dealing with undisciplined, illiterate and unorganized people who want to depend completely on their leader. Supporting Rich's view, Kaplan and Norton (2008:124) classify autocratic leaders into two main types, namely strict autocrat and benevolent autocrat. Strict autocrats use negative sanctions and expect unquestioned obedience from the subordinates, while benevolent autocrats use their power and positive rewards to influence the group members. In many situations, a benevolent autocrat is successful in developing sound human relations and getting higher productivity.

However, Olson et al. (2006:1243) insist that dictatorial "boss-worker" managers of the past must give way to employee empowerment and involvement. This employee involvement and empowerment step requires some traditional barriers to be broken down. When an organisation does not empower their employees, they provide their competitors with a big advantage in cost, quality and timely delivery. It is therefore clear that leadership styles should correlate with the people-task division, which has a direct relationship with strategy implementation and overall organisation performance.

Laissez faire/free-reign leadership

According to Handy (2004:76), in laissez faire or free-reign leadership, the leader leaves it to the subordinates to decide and control themselves, believing that they are competent and motivated. The leader does not use his power, leaves the group entirely to itself, acts merely as an umpire or consultant to the group, and abdicates his authority. In support of this role, Kouzes and Posner (2005:343) explain that the leader does not interfere in the activities of his subordinates but believes that people will perform better if they are left free to make and enforce their own decisions. Schaap (2006:29) agrees with these ideas, and remarks that free-reign leadership ignores the manager's contribution just as autocratic leadership ignores the contribution of the group. This discussion shows that free-reign leadership is a subordinate-centred leadership. Such a permissive style of leadership can be successful where the subordinates are highly competent and fully dedicated to the organisation.

Bureaucratic leadership

According to Sayles (2003:109) a bureaucratic leader depends upon rules and regulations developed by himself. The rules specify the functions and duties of every member of the organisation. The leadership is therefore a routine job. Johnson and Scholes (2006:221) comment that in bureaucratic leadership, there is little scope for initiative, and subordinates like to play it safe. Such a rule-centred leadership often results in red tape and inefficiency. It can therefore be seen that a bureaucratic leader is a creature of the system, existing only to serve it.

Participative/democratic leadership

According to Pearce and Robinson (2008:154), decentralisation of authority, participative planning, and two-way communication, amongst others, are the main features of democratic leadership. Drazin and Howard (2004:21) add that a democratic leader permits his subordinates to participate in the process of decision-making. The leader leads by the consent of the group rather than by use of authority.

Rich (2004:236) views a democratic leader as a manager who operates according to majority opinion. This leader is prepared to listen to and carry out suggestions of subordinates. Drazin and Howard (2004:21) believe that the role of participative managers is more facilitative than directive, guiding the conversation and helping to resolve differences. Chaffee (2005:32) disagrees with this view and argues that managers are responsible for results and should be accountable. As such, they may make final decisions but take recommendations from the team into account.

Visionary leadership

Dutton and Dukerich (2010:61) are of the opinion that effective implementation requires a visionary leader who empowers the organisational members to work fully committed to one common goal. Northouse (2007:104) adds that a visionary leader enhances the motivation, morale and performance of followers by connecting the followers' sense of identity and self to the mission, being a role model who inspires and challenging followers to take greater ownership of their work. In agreeing with this view, Bass (2005:182) states that in understanding the strengths and weaknesses of the followers, a leader is able to align them with tasks that optimise their performance.

Transformational leadership

According to Northouse (2007:104), transformational leadership creates new things by changing and transforming individuals' emotions, values, ethics, standards, and long-term goals through the process of charismatic leadership. In addition, Bass and Avolio (2010:32) observe that transformational leadership is a precondition while managing strategy implementation changes. According to Bass (2005:166), transformational leadership inspires followers to rise above their own self-interest for the sake of the organisation. While charisma of the leader is necessary for the followers to achieve these needs, Northouse (2007:175) argues that other conditions are also necessary, such as other motivational forces, intellectual stimulation, and individualized consideration.

It is important that an organization's energies and efforts flow in the direction of strategy implementation. The more this is the case, the more the strategy implementation stays on track; this can be influenced by good leadership. Employees can be influenced through different styles, as discussed in 4.6.2. Leadership is thus a process of influencing and motivating employees to act in a particular manner, cultivate a team spirit, and act as a catalyst in the strategy implementation process. Good leadership is therefore essential in ensuring effective implementation of strategies and overall management of an organisation. Most failures of organisational strategies are attributed to poor leadership, as this can harm any organisation. It is the quality of leadership that usually determines the outcome of successful strategy implementation. There is no substitute for effective leadership. However, the employees of the organisation need to align themselves with the leadership and coordinate their activities with those of the entire organisation. Such unity of direction is critical for successful strategy implementation. However, leaders are the driving force behind strategy implementation.

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 impact of market forces on 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 was regarded as reliable. Descriptive as well as correlation and regression analysis was adopted for the study.

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. According to Hair *et al.* (2006:132), data screening also includes assessing distributional characteristics of the data. An assessment for distributional characteristics which included examining the data for normality was conducted by performing the Kolmogorov-Smirnov test for normality. This is important because many model estimation methods are based on an assumption of normality since non-normal data may result in inflated statistics and underestimated standard errors (Lei & Lomax, 2005:15). According to Norusis (2007:54), for a data set to be normally distributed, the Kolmogorov-Smirnov (Z-Statistic) significance level should be greater than 0.05 ($p > 0.05$). The results of the Kolmogorov-Smirnov test for normality are shown in Table 1.

Table 1: Kolmogorov-Smirnov Test for Normality

Nature of the test	Strategy implementation
Sample (N)	420
Kolmogorov-Smirnov (Z-Statistic)	4.421
Sig. (p-value)	0.328

As can be seen in Table 1, the Kolmogorov-Smirnov (Z-Statistic) for the dependent variable, that is, strategy implementation was significant since the p-values were greater than 0.05 (Norusis, 2007:54). This shows that the data set had a normal distribution.

Factor Analysis of Leadership

Table 2 shows the results of the factor analysis in terms of factor loadings, Cronbach's alpha values for each item as well as Eigenvalue and variance explained by the *leadership* factor.

Table 2: Results of the factor analysis of Leadership

Eigenvalue: 1.69 % of variance: 63.24		Cronbach's alpha = 0.886		
Item no.	Statements	Factor loading	Item correlation	Cronbach's alpha after deletion
INT26	Strategic leaders are committed towards driving strategies	0.698	0.720	0.843
INT27	Strategic leaders cultivate a team spirit among staff	0.699	0.781	0.876
INT29	Strategic leaders provides staff with clear strategic direction	0.831	0.359	0.894
INT30	Strategic leaders influence employees toward strategic goal attainment	0.714	0.670	0.796
INT40	Changes and new developments are communicated timeously to all employees	0.560	0.606	0.897

Table 2 shows that leadership has an Eigenvalue of 1.69 which is greater than 1, and all factor loadings are greater than 0.30 and are above the cut-off point. The leadership factor explains 63.24% of the variance in the data. The Cronbach's alpha coefficient for leadership is 0.886, suggesting that the instrument used to measure this factor is internally reliable. According to Pearce and Robinson (2008:201), leadership is needed for effective implementation of strategy, as this ensures that the organisational effort is united and directed towards achievement of its goals. Chapleo and Simms (2010:18) state that stakeholders influence the strategic direction (policies and strategies) in organisations. In managing organisations, managers interact with employees and coordinate their work to persuade them to support strategy implementation and goals (Ismail *et al.*, 2010:12). Handy (2004:68) asserts that a leaders shape and share a vision which gives meaning to the work of employees. According to Catano and Stronge (2007:38), managers are expected to create change and develop policy while helping employees and providing them with a sense of direction and vision for the future, while creating a sense of mission. Managers should also consider stakeholder interests when making strategic decisions.

Correlation Analysis

This section presents the testing of the hypotheses formulated in the study. Kerlinger (2004:15) maintains that although the Chi-square test is also known as a goodness of fit test, it tests the statistical relationships between two variables. It has limitations in that it does not show the direction and the strength of the association of the variables. Due to this shortcoming of the Chi-square test, Kothari (2004:87) and Norusis (2007:55) recommend the Spearman's Rho correlations test to assess the relationships and to measure the level of association between two or more variables since it overcomes the limitations of Chi-square test and shows the direction (whether positive or negative) and strength of the relationship between variables. A correlation analysis measures ranges between -1 and 1. The strength of the correlation values is guided by the following measures: strong relationship exists if $r \geq 0.7$; fairly strong relationship exists if $0.5 \leq r < 0.69$; average relationship exists if $0.3 \leq r < 0.49$; weak relationship exists if $0.1 \leq r < 0.29$, and slight relationship exists if < 0.09 .

In addition, a positive correlation value denotes direct linear relationships while negative correlation denotes inverse relationships. The results of the correlations analysis are discussed in table 3.

Table 3: Correlation Analysis

Factors	Strategy Implementation	Leadership
Strategy Implementation	1	0.601
Leadership	0.601	1

As can be seen in Table 3, strategy implementation has a strong relationship with leadership. Kantabutra (2010:378) has established a direct correlation between strategy, planning, and communication. This author further argues that organisational leadership, staff empowerment and motivation are critical factors that determine the effectiveness of strategy implementation. There must be a coordinated effort by managers, employees and other stakeholders to translate strategic plans into actions through various types of planning, support and information-sharing with employees.

Regression Analysis

Evidence was found of statistical significant relationships ($p < 0.001$) between the independent variable leadership and strategy implementation in the state corporations. A unit improvement in leadership, leads to a 0.125 improvement in the success of strategy implementation among the state corporations.

Table 4 Multiple Regression Results

Dependent variable: Strategy implementation			
Independent variable	Beta	T-value	Sig. (p)
Leadership	0.125	2.925	0.004* *

* $p < 0.001$

Conclusions

A fairly strong statistically significant relationship existed between leadership (H1.4d) and strategy implementation. Managers of Kenyan state corporations believed that they are committed to driving strategies forward. They further believe that their strategic leaders cultivate a team spirit among staff and provide the staff with clear strategic directions. The perception of the managers of Kenya's state corporations is that the strategic leaders influence employees towards strategic goal attainment and that changes and new developments are communicated timeously to all employees. These findings are consistent with Pearce and Robinson (2008:201) who argue that leadership is needed for effective implementation of a strategy, as this ensures that the organisational effort is united and directed towards achievement of its goals. Mintzberg and Quinn (2007:188) have also indicated that management should cultivate a team spirit and act as a catalyst in the whole strategy implementation process.

Recommendations

It is suggested that Kenyan state corporations' managers: should employ leaders with a sense responsibility and authority to execute strategies. Leaders can influence action in the desired direction, but this depends on the leader's personality, style, commitment, attitude and reputation. A participating, visionary and transformational leadership style is necessary to drive strategy implementation successfully, as it involves change. A transformational leader is always focused on changes, which means he or she thinks talks and dreams of change all the time. Visionary leadership

will ensure these leaders have a long-term vision for the corporation, and direct their efforts towards increasing effectiveness during strategy execution; utilise leaders who can influence staff towards unity of direction through teamwork or creating a team spirit to excel in strategy implementation. The Chief Executive and his management team should be at the forefront of providing the necessary leadership; monitor the business environment to detect changes which may affect their planned strategy implementation processes and effect the necessary changes timeously and develop relationships and collaborate with global stakeholders to ensure their corporations benefit from the mutual association.

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