American Journal of
Leadership and Governance
(AJLG)

THE ROLE ORGANIZATIONAL LEADERSHIP PLAYS IN STRATEGY IMPLEMENTATION

Parmain Ole Narikae, Dr. Juliana M. Namada and Prof. Paul Katuse

American Journal of Leadership and Governance
ISSN 2957-7284 (online)
Vol.1, Issue 1, No. 5, pp 96 - 111, 2017
www.ajpojournals.org

THE ROLE ORGANIZATIONAL LEADERSHIP PLAYS IN STRATEGY IMPLEMENTATION

[1*]Parmain Ole Narikae
[1]PHD Candidate: United States International University - Africa

[2]Dr. Juliana M. Namada
Lecturer: United States International University - Africa

[3]Prof. Paul Katuse
Lecturer: United States International University - Africa

Abstract

Purpose: The journal aims at assessing the role organizational leadership plays in strategy implementation.

Methodology: The study population was made up of management and support staff of Kenyan commercial banks. The study used questionnaire as a study tool to get pertinent data from respondents. The study focused on 250 top, middle and lower level employees from Kenyan commercial banks. Descriptive and inferential statistical methods were used to analyze data. The descriptive statistics methods used include mean and standard deviation while the inferential statistics utilized in the study include Pearson correlation, analysis of variance (ANOVA), and coefficients. Statistical Package for Social Sciences (SPSS) version 20 and Microsoft Excel programs were the statistical programs that were used for analysis.

Results: Of all the factors of organizational leadership, highly statistical significant were leadership commitment and coordination. A correlation analysis to determine the relationship between leadership commitment and coordination demonstrated that leadership commitment influences coordination in the organization.

Recommendations: From the study, it is concluded that, commitment, communication, coordination and monitoring were the factors of organizational leadership that had a great influence on strategy implementation and recommends management of organizations to demonstrate leadership qualities in the strategy implementation process.

Keywords: *Organizational leadership, strategy, strategy implementation, commitment, coordination*

1.0 INTRODUCTION

The most excellent formulated strategies may not succeed in producing greater performance for the organization if they are not successfully executed (Noble, 1999b). Outcomes from more than a few studies among European manufacturing companies affirmed this view. An economist survey revealed that a disappointing 57 percent of European companies were not successful at implementing strategic proposal over a period of ten years, according to a study of 276 senior operating executives in 2004 (Allio, 2005). According to the White Paper of Strategy Implementation of Chinese Corporations in 2006, strategy execution has become the most important management problem which all kinds of organizations face at the moment. In white paper, the survey reported that 83 percent of the surveyed organizations failed to execute their strategy efficiently, and only 17 percent believed that they had a reliable strategy implementation procedure (Berger, Rosen, & Udell, 2007).

Hofstede, Hofstede, and Minkov (2013), acknowledged reasons why strategies fail as unexpected market transforms; effectual competitor responses to strategy application of inadequate resources; lack of support from senior management; failure of buy in, understanding, and communication; timeliness and distinctiveness; lack of focus; and bad strategy poorly envisaged business models. Sometimes strategies fall short because they are basically ill conceived. For instance business models are faulty because of a misinterpretation of how demand would be met in the market. Studies by Okumus (2003) found that companies in selected African nations experienced important challenges in executing their selected strategies. He acknowledges that the main obstacle to the execution of strategies arise from poor organizational leadership which include lack of support and coordination from other tiers of management and resistance from lower levels and lack of proper planning.

From the foregoing discussion, the banks that will survive and thrive are those that will not only have a sound strategy but will also successfully implement that strategy. The corporate strategy documents are designed to implement an organizational-wide change that focuses on increasing the revenues, profits and loyal user base for the organization. The attached action plans are detailed road maps of how these lofty goals would be accomplished (Buul, 2010). In theory, corporate strategy documents are amongst the most complete and detailed documentation generated by the management. Given all this, it comes as a surprise that the same management that generates such detailed implementation plans could not translate them into reality. According to Wernham (2008), the rate of successful implementation of corporate strategy is so low that many organizations have started to ignore the concept of corporate strategy implementation all together. This development is disturbing in the sense that the whole idea of implementation of any change in an organization depends upon the successful implementation of corporate strategy. Any failure in this regard would have serious implications for any future policy level changes in the organization (Cravens, 1998).

The purpose of this study was to investigate the role of organizational leadership in strategy implementation gaps.

Ho1: Organizational leadership has no significant moderating effect in the relationship between factors and strategy implementation gaps

2.0 LITERATURE REVIEW

2.1 Theoretical Review

Agency theory is a management approach where one individual (the agent) acts on behalf of another (the principal) and is supposed to advance the principal"s goals (Judge et al 1995). The agent therefore advances both the principal"s interests and his own interests in the organization (Iansity, 2009). A balance of these interests should be merged in order to arrive at the corporate objectives of the organization through the agent because he/she is in charge of the vast resources of the organization (Rugman & Verbeke 2008).

Laffort and Martimost (2002) contend that the agency theory of strategic Management is so crucial since the action chosen by a particular individual (the agent) affects not only one, but several other parties (the principals). Hence, the agent"s role in strategic formulation and the overall strategic management process cannot be underestimated. They say that the firm is often characterized as a nexus of both explicit and implicit contracts linking the management and its different stakeholders, including workers, claimholders, customers, unions, suppliers and the state among others (Iansity, 2009). The Agency Theory holds the view that there should be proper synergy between the management and its stakeholders in order to work towards a common goal. The Agency Theory has also been described as the central approach to managerial behavior. Rugman, and Verbeke (2008) says that the Agency Theory is used in the managerial literature as a theoretical framework for structure and managing contract, which is among the emerging issues in strategic management. It therefore explains the behavior of principals and agents relationships in performance contracting in management.

Agency costs inevitably accrue, if it is assumed per agency theory that the self-interest of individual are competitively related to each other in their exchanges within a group or an organization (Shapiro, 2005). Consequently, to control agency costs, there is a need for a more specified formal contract in economic exchanges. Moreover, to verify that the conduct of individuals is compatible with their stipulated contracts, vigilant monitoring may be required. Additionally, because of the potential for adverse selection, bonding efforts on the part of individuals may be needed. In spite of contracting, monitoring and bonding efforts, however, there will still remain some divergence between the agent"s decisions and those decisions which would maximize the welfare of the principal (Jensen & Meckling, 1976). This remaining divergence is another component of agency costs and it represents the residual loss. Thus given the assumption thet self-interests of individuals are completely related to each other in their exchanges within an organization, agency costs may rise as the organization grows. Higher agency costs will presumably have an adverse effect on the efficiency of the organization, culminating in suboptimal outcomes (Surendra 2010).

Shapiro (2005) argues that the agency theory (AT) perspective is a "*peculiar way of understanding the social reality"*, that the assumptions therein are detached from reality and purely made in order for the model to be workable mathematically (Hartman 2008, Surendra 2010). This leads to an oversimplified way of characterizing and solving problems in the organizational setting that may be potentially dangerous (Kanter 2005, Perrow 1986). The theory wholeheartedly disregards social life and views the social dynamic in a highly conservative top-down approach (Shapiro 2005, Perrow 1986, Walsh et al. 2003). Friedman (1970) however provides a sharp dismissal of this criticism by arguing that the only social responsibility of the firm is to maximize shareholder value whilst conforming to the rules of society, as this form of maximization will in turn lead to greater social welfare and prosperity.

2.2 Organizational Leadership and Strategy Implementation Gaps

Leadership is the human factor that leads an institution towards realizing goals through voluntary cooperation of all the people in the business (Kroon, 1995). The importance of leadership to the strategic management process is underscored by the fact the process entails formulation and institutionalizing of the new approach (Elsenbach, Pillai & Watson, 1999). Duck (1993) indicated that there is a consensus that leadership is at the core of strategy implementation. While the strategic plan may have good ideas and guidelines, the challenge is in translating the ideas and following the guidelines that lead to concerted well guided change.

Saka (2003) points out that the success of implementing strategy is generally associated with those who facilitate the change process. Okumus (2003) viewed leadership as the actual support and involvement of the Chief Executive Officer (CEO) in the strategic initiative. Okumus identified the following key issues in the involvement of the CEO in the strategy development and implementation process; level of support and backing from the CEO to the new strategy until it is completed, open and covert messages coming from the CEO about the project and its importance. Leadership is the process of persuasion, where an individual induces a group to pursue certain objectives. Effective leadership involves restructuring organizational architecture in a manner that motivates employees with the relevant knowledge to initiate value-enhancing proposals (Dubrin, 2001). Drucker (1994) captures an environmental scanning analysis that depicts leadership as that, which should manage the fundamentals like people, inflation among others. Strategic leadership should ensure that values and culture within an organization are appropriate for satisfying key success factors. This should lead to environmental-value-resources (E-V-R) congruence. However, leadership is not always fully involved in the strategy implementation process because of the many activities involved which have been delegated. Limited leadership involvement could inhibit the success of strategic management in an organization.

Successful strategic plan implementation requires a large commitment from executives and senior managers. Therefore, planning requirement which may be done even at departmental levels requires executive support. Executives must lead, support, follow-up and live the results of strategic planning implementation process. According to Healthfield (2009), without commitment of senior executives, participants feel fooled and mislead. This complements what Rap (2004) claims that the commitment to the strategic direction is a prerequisite for strategy implementation, so top managers have to show their dedication to the effort. To implement strategy successfully, senior executives must not assume that lower level managers have the same perceptions of the strategic plan and its implementation, its underlying rationale, and its urgency. Instead, they must assume they don‟t, so executives must persuade employees of the validity of their ideas. This not withstanding what Chris Ahoy (1998) argues; that upfront commitment by leaders include an adherence to the full and thorough process of strategic planning which must culminate in implementing programs and services and commit allocations to meet the objectives of the strategic plan at a level that is doable for the organization and the level of activity.

According to Macky (2008), adequate communication channels are important in the process of strategy implementation. Communication includes explaining what new responsibilities, tasks, and duties need to be performed by the employees in order to implement the strategy. It answers the why behind the changed job activities, and explains the reasons "why" the new strategic decision was made. Rapert and Wren (1998) find that organizations where employees have easy access to management through open and supportive communication channels outperform those with more restrictive communication environments. Effective communication is a vital requirement for effective strategy implementation. Organizational communication helps in training, acquiring knowledge and applied learning during the implementation process. Communication is important in every aspect of implementing a strategy (Joerres, 2006).

The executors of the strategy who comprise of the top management, middle management, lower management and non-management staff, affect strategy implementation. Effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process. The quality refers to the capabilities, experience, skills, attitudes, and other characteristics of people required by a specific position (Peng & Littleton, 2001). Findings indicate that strategy implementation effectiveness critically depends on the human or people side of project management, and less on organization and systems related factors. Top management refers to the senior-level leaders who include the company presidents, owners, and other high ranking executives and senior-level managers. Hrebiniak and Snow (1982) report that the level of interaction and participation among the top management team leads to greater commitment to the firm‟s goals and strategies. This, in turn ensures the successful implementation of the strategy. Heracleous (2000) points out that if middle management do not agree with the strategy, or feel that they do not have the skill to implement it, they may sabotage its implementation. Lack of shared knowledge with lower-level management and non-management employees would create a barrier to successful strategy implementation. Effective communication both within the depth and breadth of the entire organization more than anything determines the success or failure of organizational strategy implementation. Lack of effective communication will inevitably lead to failure in implementation action (Aaltonen & Ikavalko, 2012).

So far in the review of literature on strategy implementation there is evidence of some recurring themes, including coordination which is essential to ensure that people across the organization know what to do and to ensure that they stay focused on the key targets under the everyday pressures. Strategic control systems provide a mechanism for keeping today's actions in congruence with tomorrow's goals (Kaplan & Norton, 2010). Al Ghamdi (1998) replicated the work of Alexander (1985) in the UK and found that for most of the firms, due to lack of coordination, implementation took more time than originally expected and major problems surfaced in the companies, again showing planning weaknesses. He found the effectiveness of coordination of activities as a problem in most of the firms and distractions from competing activities in some cases. In addition key tasks were not defined in enough detail and information systems were inadequate.

More recent articles confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat's (2000) who assert that silent killers of strategy implementation comprise unclear strategic intentions and conflicting priorities

American Journal of Leadership and Governance
ISSN 2957-7284 (online)
Vol.1, Issue 1, No. 5, pp 96 - 111, 2017
www.ajpojournals.org

and weak co-ordination across functions. One of the major challenges in strategy implementation appears to be more cultural and behavioral in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen & Ikåvalko, 2002). Corboy and O'Corrbui (1999), meanwhile, identify the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. Marginson (2002) contends that strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture. Organizational culture refers to the leadership style of managers – how they spend their time, what they focus attention on, what questions they ask of employees, how they make decisions; also the organizational culture (the dominant values and beliefs, the norms, the conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, executive dining rooms, corporate jets, informal meetings with employees) (Manghani, 2011). In Collaborative Model of strategy implementation, organizations have both a strong culture and deep-rooted traditions. The challenge of successful strategy implementation results from lack of cultivation of strong cultural values which are essential in meeting the changing organizational needs. The distinction between "thinkers" and "doers" begins to blur but does not totally disappear (Wijbenga & Van-Witteloostuijn, 2007).

In organizations adopting the cultural model that emphasizes lower level employee participation in both strategy formulation and implementation there is separation of "thinkers" and "doers". It seeks to implement strategy through the infusion of corporate culture throughout the firm. The cultural model contradicts and challenges the basic objectives from the economic perspective of a firm (Marginson, 2002). A "clan-like" (Ouchi, 2005) organization is expected to prevail, where a powerful culture results in employees aligning their individual goals and behaviors with those of the firm. However, a high level of organizational slack is needed to instill and maintain a cultural model. This model has several limitations: it assumes well-informed and intelligent participants; firms with this model tend to drift and lose focus; cost of change in culture often comes at a high price; increased homogeneity can lead to a loss of diversity, and creativity consequently (Marginson, 2002). A strong, harmonized organizational culture is therefore key to strategy implementation and organizational performance.

3.0 RESEARCH METHODOLOGY

The study population comprised of Kenyan commercial banks. The study focused on top management, middle management and lower management of selected Kenyan commercial banks. The banks that participated in the study were Kenya Commercial Banks (KCB), Chase Bank, Commercial Bank of Africa (CBA), National Banks and Gulf Bank from which using purposive sampling of the banks and random sampling individual participants, a sample size of 250 respondents was drawn.

Descriptive research design was the research methodology employed in this study. The research methodology sought to assess the role organizational leadership plays in strategy implementation. The descriptive design was evidently helpful in providing a description of organizational leadership factors that contribute to strategy implementation. This design was adopted due to its usefulness in studies to test the relationship between variables in a population. It is also appropriate in the collection of in depth information about the variables under study and thereby enabling the study to provide recommendations that are specific and relevant.

The linear equation model is stated as; **Y = α0+ α1X1 + €:**

Where,

Y= strategy implementation,

α = constant value,

X1 = commitment

X2 = communication

X3 = coordination

X4 = management

X5 = monitoring

X6 = planning

X7 = culture

X8 = organizing

X9 = evaluation

X10 = decision making

€ = error term.

4.0 ANALYSIS AND FINDINGS

The null hypothesis; organizational leadership has no impact on strategy implementation gaps was tested in this section. The response rate for the study was 86%. This indicates that above average number of respondents participated in the study.

The study in table 1 reveals that of the respondents interviewed, 1.4 percent had a secondary level education, 49.3 percent had undergraduate degree, 48.3 percent had post graduate degree and 0.9 percent had doctorate level of education. The study also shows that 58.8 percent had worked in the banking industry for 0 to 5 years, 27.5 percent had worked for 6 to 10 years, 6.2 percent had worked for 11 to 15 years and 7.6 percent had worked for over 15 years.

American Journal of Leadership and Governance
ISSN 2957-7284 (online)
Vol.1, Issue 1, No. 5, pp 96 - 111, 2017
www.ajpojournals.org

Table 1: Respondents Work Experience and Education Level

Level of Education	Work Experience				Total
	0-5 years	6-10 years	11-15 years	over 15 years	
Secondary school	.5%	0.0%	0.0%	.9%	1.4%
Undergraduate	34.1%	9.5%	2.8%	2.8%	49.3%
Post Graduate	23.2%	18.0%	3.3%	3.8%	48.3%
Doctorate	.9%	0.0%	0.0%	0.0%	.9%
Total	**58.8%**	**27.5%**	**6.2%**	**7.6%**	**100.0%**

4.1 Descriptive Statistics of Organizational Leadership

According to the study, Organizational Leadership was defined in terms of commitment, communication, coordination, management decision, monitoring, planning, culture, organizing, evaluation and decision making.

Table 2: Organization Leadership and Strategy Implementation

	N	Mean	Std. Deviation
Commitment facilitates the realization of goals	212	4.30	.804
Communication ensures the meeting of deadlines	215	4.22	.782
Coordination enhances achievement of sufficient results	215	4.47	2.144
Management decision facilitates realization of goals	215	4.31	2.829
Monitoring facilitates meeting of deadline	215	3.95	.841
Planning supports achievement of sufficient results	214	4.36	.723
Culture enables meeting of goals	215	4.11	.861
Organizing ensures meeting of deadlines	213	4.15	.756
Evaluation facilitates achievement of sufficient results	215	4.14	.779
Decision making enhances realization of goals	214	4.32	.700

From Table 2, it is clear that the mean range for Organizational Leadership is 3.95 to 4.47. This is an indication that factors of Organizational Leadership influence strategy implementation in commercial banks. The study demonstrates that respondents strongly agreed that Organizational Leadership influences strategy implementation. The study also shows the range for standard deviation of Organizational Leadership and strategy implementation is 0.700 to 2.829. It means that there is a high variation in the influence of Organizational Resources on strategy implementation in commercial banks.

4.2 Correlation Analysis of Organizational Leadership and Strategy Implementation Gaps

Table 3 shows the correlations between organizational leadership and strategy implementation. The table depicts that commitment facilitates the realization of goals. This correlates with communication to ensure the meeting of deadlines (r = 0.526**, p < 0.01, N = 212), coordination enhances achievement of sufficient results (r = 0.560**, p< 0.01, N = 212), management decision facilitates realization of goals (r = 0.387**, p< 0.01, N = 212) and monitoring facilitates meeting of deadline (r = 0.266**, p < 0.01, N = 212). The table also reveals that planning supports achievement of sufficient results (r = 440**, p< 0.01, N= 211), culture enables meeting of goals (r = 296**, p < 0.01, N = 212), organizing ensures meeting of deadlines (r = 376**, p< 0.01, N= 210), evaluation facilitates achievement of sufficient results (r = 319**, p< 0.01, N= 212) and decision making enhances realization of goals (r = 280**, p< 0.01, N= 211).

The study reveals that communication ensures the meeting of deadlines. This correlates with coordination to enhance achievement of sufficient results (r = 0.653**, p< 0.01, N = 215), management decision facilitates realization of goals (r = 0.523**, p< 0.01, N = 215) and monitoring facilitates meeting of deadline (r = 0.286**, p < 0.01, N = 215). The table also reveals that planning supports achievement of sufficient results (r = 515**, p< 0.01, N= 214), culture enables meeting of goals (r = 368**, p < 0.01, N = 215), organizing ensures meeting of deadlines (r = 505**, p< 0.01, N= 213), evaluation facilitates achievement of sufficient results (r = 364**, p< 0.01, N= 215) and decision making enhances realization of goals (r = 321**, p< 0.01, N= 214).

Coordination enhances achievement of sufficient results. This correlates with management decision to facilitate realization of goals (r = 0.466**, p< 0.01, N = 215) and monitoring facilitates meeting of deadline (r = 0.298**, p < 0.01, N = 215). The table also reveals that planning supports achievement of sufficient results (r = 574**, p< 0.01, N= 214), culture enables meeting of goals (r = 355**, p < 0.01, N = 215), organizing ensures meeting of deadlines (r = 472**, p< 0.01, N= 213), evaluation facilitates achievement of sufficient results (r = 365**, p< 0.01, N= 215) and decision making enhances realization of goals (r = 442**, p< 0.01, N= 214).

Management decision facilitates realization of goals. This correlates with monitoring facilitates meeting of deadline (r = 0.458**, p < 0.01, N = 215). The table also reveals that planning supports achievement of sufficient results (r = 530**, p< 0.01, N= 214), culture enables meeting of goals (r = 461**, p < 0.01, N = 215), organizing ensures meeting of deadlines (r = 516**, p< 0.01, N= 213), evaluation facilitates achievement of sufficient results (r = 395**, p< 0.01, N= 215) and decision making enhances realization of goals (r = 472**, p< 0.01, N= 214).

The study reveals that monitoring facilitates meeting of deadline. This correlates with planning to supports achievement of sufficient results (r = 373**, p< 0.01, N= 214), culture enables meeting of goals (r = 420**, p < 0.01, N = 215), organizing ensures meeting of deadlines (r = 239**, p< 0.01, N= 213), evaluation facilitates achievement of sufficient results (r = 359**, p< 0.01, N= 215) and decision making enhances realization of goals (r = 272**, p< 0.01, N= 214).

The study reveals that planning supports achievement of sufficient results. This correlates with culture to enable the organizations to meet their goals (r = 412**, p < 0.01, N = 214), organizing ensures meeting of deadlines (r = 576**, p< 0.01, N= 212), evaluation facilitates achievement of

American Journal of Leadership and Governance
ISSN 2957-7284 (online)
Vol.1, Issue 1, No. 5, pp 96 - 111, 2017
www.ajpojournals.org

sufficient results (r = 310**, p< 0.01, N= 214) and decision making enhances realization of goals (r = 425**, p< 0.01, N= 213).

Table 3: Correlation of Organizational Leadership and Strategy Implementation

Organizational Leadership	R	1.	2.	3.	4.	5.	6.	7.	8.	9.	10
1. Commitment facilitates the realization of goals	r	1									
2. Communication ensures the meeting of deadlines	r	.526**	1								
3. Coordination enhances achievement of sufficient results	r	.560**	.653**	1							
4. Management decision facilitates realization of goals	r	.387**	.523**	.466**	1						
5. Monitoring facilitates meeting of deadline	r	.266**	.286**	.298**	.458**	1					
6. Planning supports achievement of sufficient results	r	.440**	.515**	.574**	.530**	.373**	1				
7. Culture enables meeting of goals	r	.296**	.368**	.355**	.461**	.420**	.412**	1			
8. Organizing ensures meeting of deadlines	r	.376**	.505**	.472**	.516**	.239**	.576**	.481**	1		
9. Evaluation facilitates achievement of sufficient results	r	.319**	.364**	.365**	.395**	.359**	.310**	.354**	.556**	1	
10. Decision making enhances realization of goals	r	.280**	.321**	.442**	.472**	.272**	.425**	.366**	.538**	.506**	1

**. Correlation is significant at the 0.01 level (2-tailed).

NB: R is the Pearson Correlation

4.3 Regression Analysis of Organizational Leadership and Strategy Implementation

Table 4: Model Summary of Organizational Table 4 shows that the coefficient of determination of organizational leadership on strategy implementation was 0.222 meaning that 22.2 percent of strategy implementation was explained by organizational leadership. The remaining 77.8 percent was explained by other factors that were not considered in the model.

4.4 Leadership and Strategy Implementation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.471[a]	.222	.182	.642

a. Predictors: (Constant), Decision making enhances realization of goals, Monitoring facilitates meeting of deadline, Commitment facilitates the realization of goals, Culture enables meeting of goals, Evaluation facilitates achievement of sufficient results , Communication ensures the meeting of deadlines, Planning supports achievement of sufficient results , Management decision facilitates realization of goals, Coordination enhances achievement of sufficient results

Table 5 indicates the overall significance of the model with a p-value of 0.000 which is less than 0.01. The study hence assumes the hypothesis that organizational leadership significantly influences the achievement of strategy implementation.

Table 5: Analysis of Variance of Organizational Leadership and Strategy Implementation

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	23.144	10	2.314	5.615	.000[b]
	Residual	81.204	197	.412		
	Total	104.348	207			

a. Dependent Variable: Strategy Implementation

b. Predictors: (Constant), Decision making enhances realization of goals, Monitoring facilitates meeting of deadline, Commitment facilitates the realization of goals, Culture enables meeting of goals, Evaluation facilitates achievement of sufficient results , Communication ensures the meeting of deadlines, Planning supports achievement of sufficient results , Management decision facilitates realization of goals, Coordination enhances achievement of sufficient results, Organizing ensures meeting of deadlines

Table 6: Coefficient of Organizational Leadership and Strategy Implementation

		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	1.491	.366		4.076	.000
	Commitment facilitates the realization of goals	-.009	.070	-.011	-.134	.893
	Communication ensures the meeting of deadlines	.235	.084	.258	2.811	.005
	Coordination enhances achievement of sufficient results	.007	.095	.007	.074	.941

Management decision facilitates realization of goals	-.005	.081	-.006	-.067	.946
Monitoring facilitates meeting of deadline	.199	.065	.237	3.082	.002
Planning supports achievement of sufficient results	-.021	.090	-.021	-.235	.814
Culture enables meeting of goals	-.039	.065	-.047	-.603	.547
Organizing ensures meeting of deadlines	.079	.090	.084	.872	.384
Evaluation facilitates achievement of sufficient results	.060	.076	.066	.793	.429
Decision making enhances realization of goals	.063	.084	.063	.756	.450

a. Dependent Variable: Strategy Implementation

Table 6 demonstrates the beta coefficient of organizational leadership model. Organizational leadership had a positive coefficient.

Strategy implementation = 1.491 + 0.258 communication + 0.237 monitoring + **€.** The regression equation indicates that a modification change in organizational leadership causes a change of 4.852 units in achieving strategy implementation.

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Discussion of the Findings

The study confirms that commitment from leadership facilitates the realization of goals. The findings of the study agree with the findings of Dubrin (2001) who asserted that successful strategy implementation requires a large commitment from executives and senior managers. The author found that planning requirement which may be done even at departmental levels requires executive support. Executives must lead, support, follow-up and live the results of strategic planning implementation process. Healthfield (2009) observed that without commitment of senior executives, participants feel fooled and mislead. The observation of Healthfield (2009) complements what Rap (2004) claims that the commitment to the strategic direction is a prerequisite for strategy implementation, so top managers have to show their dedication to the effort.

The study found that communication ensures the meeting of deadlines hence enhances effective strategy implementation. Schonberger (1994) revealed that adequate communication channels are important in the process of strategy implementation. The author confirms that communication includes explaining what new responsibilities, tasks, and duties need to be performed by the employees in order to implement the strategy. Rapert and Wren (1998) found that organizations where employees have easy access to management through open and supportive communication channels outperform those with more restrictive communication environments. Kwasi and Acquaah (2008) suggested that effective communication is a vital requirement for effective strategy implementation. Organizational communication helps in training, acquiring knowledge and applied learning during implementation process. The study revealed that communication is important in every aspect of implementing a strategy.

5.2 Conclusion

From the study, it was concluded that Organizational Leadership has a significant influence in the strategy implementation. The study established that leadership commitment, communication, coordination and employee involvement in decision making significantly influence strategy implementation. The study concludes that leadership commitment facilitates the realization of goals; communication ensures the meeting of deadlines while leadership coordination enhances achievement of sufficient results. The study also concludes that employee involvement in decision making enhances realization of goals while effective planning supports achievement of sufficient results.

5.3 Recommendation for Improvement

Leadership is the defining factor. Organizations must get the leadership factor right for all other factors to effectively perform. The study recommends management of organizations especially Kenyan commercial banks to demonstrate leadership qualities in the strategy implementation

process. To achieve an effective strategy implementation process, the study established that a leader should be committed, should communicate to all parties and should effectively coordinate all activities taking place in an organization. A leader should also monitor all the activities as far as strategy implementation is concerned and evaluate the outcome to gauge whether the organization is achieving the needed goals. Strategy implementation gaps will also occur when organizational leaders do not demonstrate effective organizational leadership.

5.4 Recommendation for Further Research

The study assessed the role of organizational leadership in strategy implementation gaps in Kenyan Commercial Banks. Further studies about factors leading to strategy implementation gaps should be conducted on other financial institutions like insurance and, indeed, other industries. The study encourages future scholars to build on this study and assess other factors that enhance effective implementation of organization strategies.

REFERENCES

Aaltonen, P., & Ikavalko, H. (2012). Implementing Strategies Successfully. *Integrated Manufacturing Systems* , 13(6): 415- 418.

Aaltonen, P., & Ikavalko, H. (2012). Implementing Strategies Successfully. *Integrated Manufacturing Systems* , 13(6): 415- 418.

Akao, Y. (1991). *Hoshin Kanri: Policy deployment for successful TQM.* New York.: Productivity Press.

Al-Ghamdi, S.M., *"Obstacles to Successful Implementation of Strategic Decisions: The British Experience"*, European Business Review, Vol. 98, No. 6, 1998, pp. 322-327

Allio, M. K. (2005). A Short, Practical Guide to Implementing Strategy. *Journal of Business Strategy* , 26, 12-21.

Avashna, T. (2011). *Succesfull Criteria for Implementing Strategies within the Banking Industry.* Pretoria: Unpublished Thesis of University of South Africa.

Beer, M., & Eisenstat, R. A. (2000). The silent killers of strategy implementation and learning. *Sloan Management Review* , 29-40.

Berger, A. N., Rosen, R. J., & Udell, G. F. (2007). Does market size structure affect competition? The case of small business lending. *Journal of Banking and Finance* , 31, 11-33.

Buul, v. M. (2010). *Successful Strategy Implementation. A job for the Internal Auditor?* Rosmalen.

Collis, D. J., Montgomery, C. A., & Invernizzi, G. (2009). *Corporate Strategy*. Las Vegas: Irwin.

Corboy, M., O‟Corrbui, D., *"The Seven Deadly Sins of Strategy"*, Management Accounting: Magazine for Chartered Management Accountants, Volume 77, Issue 10, November 1999, pp. 29-30

Ehlers, M. B., & Lazenby, A. A. (2014). *Strategic Management: Southern African concepts and cases.* Pretoria: Van Schaik.

Geiger, S. W., Marlin, D., & Ritchie, W. J. (2013). The hospital foundation strategy and performance relationship. *Nonprofit Management & Leadership* , 23(4):427-441.

Hofstede, G., Hofstede, J., & Minkov, M. (2013). *Cultures and Organizations: Software of the Mind. 3rd Edition.McGraw-Hill,*. Retrieved from http://geert-hofstede.com/: http://geert-hofstede.com/

Hrebiniak, L.G. (2006). Obstacles to effective Implementation. *Organizational Dynamics*, 35, 12-31.

Joerres, J. A. (2006). Engaging the total workforce. *Human Resources* , 11(2), 2-7.

Johnson, K., Scholes, G., & Whittington, A. (2006). *Corporate strategy.* New York.

Kaplan, R. S., & Norton, D. P. (2010). *Strategy Maps: Turning intangible assets into tangible results.* MA: Harvard Business School Press.

Karami, A. (2005). An exploration of the chief executive officers‟ (CEOs‟) perception of strategic management process: the case of British high-tech SMEs. *J. Corp. Ownersh. Control* , 2(4): 62-70.

Lee, R. G., & Dale, B. G. (1998). „Business process management: a review and evaluation‟. *Business Process Management Journal* , 4, 3, 214-225.

Macky, K. (2008). *Managing human resources in New Zealand (2nd ed.).* Australia: McGraw-Hill.

Manghani, K. (2011). Quality assurance: Importance of systems and standard operating procedures. *Perspect Clin Res* , 2(1), 34-37.

Newcomb, J. E. (2009). "Management by policy deployment". *Quality* , Vol. 28 No. 1, pp. 29-30.

Noble, C. H. (1999). The Eclectic Roots of Strategy Implementation Research. *Journal of Business Research,* , 45, 119-134.

Okumus, F. (2003). Towards a Strategy Implementation Framework. *Int. J. Contemp. Hosp. Manage* , 13(7): 327-38.

Rapert, M. I., Velliquette, A., & Garretson, J. A. (2002). "The strategic implementation process Evoking strategic consensus through communication",. *Journal of Business Research 55* , 301-310.

Robbins, S. p., & Coulter, M. (2012). *Management (9th ed.).* London: Prentice-Hall.

Solieri, A. (2011). *Implementation control for strategy change.* New York: McGraw Hill.

Tennant, C., & Roberts, P. (2010). "Hoshin Kanri: a tool for strategic policy deployment". *Knowledge and Process Management* , Vol. 8, No. 4, pp.262-269.

Van der Wiele, A., Williams, A. T., & Dale, B. G. (2010). "Quality management self-assessment: an examination in European business". *Journal of General Management* , Vol. 22 No. 1, pp. 48-67.

Wagner, J., & Hollenbeck, J. (2010). *Organizational Behavior: Securing competitive advantage.* New York: Routledge.

Wernham, R. (2008). Obstacles to Strategy Implementation in a Nationalized Industry. *Journal of Management Studies* , 22, 632-648.

Wijbenga, F. H., & Van-Witteloostuijn, A. (2007). Entrepreneurial locus of control and competitive strategies: The moderating effect of environmental dynamism. *Journal of Economic Psychology, 28, 566-589.* , 28, 566-589.

Wortman, L. B. (2010). Corporate Political Strategies and Firm Performance. *Strategic Management Journal* , Pp. 67–82

Zhou KZ, Li CB (2010) How strategic orientations influence the building of dynamic capability in emerging economies. J Bus Res 63(3):224–231