ASSESSMENT OF INSTITUTIONAL FACTORS INFLUENCING IMPLEMENTATION OF STRATEGIC PLAN AT VIHIGA COUNTY GOVERNMENT, KENYA

BY

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ABSTRACT

In Kenya, strategic planning in various government institutions including those in the county government are formulated in order to address strategic issues that will enable better service delivery. Vihiga County strategic plan is driven by the County's Integrated Development Plan (2013- 2017). Many projects had been set by the county to ensure successful strategic plan implementation however, the projects are yet to be completed. The failure is affiliated to institutional factors such as stakeholders' involvement, financial resources and communication systems according to Vihiga County 2015 Annual Report, hence situated the study of strategic plan implementation and how it relates to stakeholders involvement, financial resources and communication system in Vihiga Count Government. The main objective of this study was to assess institutional factors influencing implementation of strategic plans in Vihiga County Government, Kenya. The Specific objectives were to: determine the relationship between stakeholders' involvement, financial resources and communication systems with strategic plan implementation in Vihiga County Government. The study was based on the resource based view theory using a self-conceptualized framework in correlational research design. The study target a population of 1182 employees out of which a sample size of 290 was determined using Fishers formula and stratified into strata using stratified sampling technique. The study used primary data which was collected using structured questionnaires. The collected data was analyzed using both descriptive and correlation analysis. Ten respondents were used to pretest the instrument. Validity of the instrument was attested by expert and its reliability determined using Cronbach alpha where coefficient of $\alpha = 0.917$ was obtained against a threshold of $\alpha = 0.7$. Pearson product moment correlation results established that there was a significant and positive relationship between stakeholders' involvement, financial resources and communication system, and strategic plan implementation with coefficient of ($r=0.190$, $p=0.001$), ($r=0.334$, $p=0.000$) and ($r=0.349$, $p =0.000$) respectively, meaning as stake holders are involved, financial resources availed, and communication system are put in place strategic plan implementation is likely to be enhanced in Vihiga County Government. The study concluded that there is a relationship though not strong between stakeholders' involvement, financial resources and communication system with strategic plan implementation. The study recommends that all stakeholders be involved, adequate funds be allocated, well established and proper communication system in place to enhance strategic plan implementation in Vihiga County Government. The results may be used to inform policy formulation and decisions as well as enrich literature on concepts relating to implementation of strategic planning.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic planning is an indicator whether the government is on the right track or not (Swayne, Duncan, and Ginter, 2008). Plans in an organization provides a direction and with a common understanding of the vision with the help of the strategic goals everyone is able to make decisions based on this understanding. Therefore, strategic planning is more of a decision making activity. According to Campbell (1993), true strategy is a plan that helps one get from the present point to some point in the future amid resistance and uncertainty. Strategies are developed to bring about change in the operations of an organization. However, change is not usually something that is easily accepted by those affected. As opined by Dransfield (2001), resistance to change is an attitude or behavior that reflects an unwillingness to make or support a proposed change. The introduction of a new strategy means change, and with every change come resistance. There are a number of possible barriers to change. Some of the barriers are organizational while some others stem from resistance among individuals. Strategic planning therefore refers to a process of defining organizational objectives, implementation of strategies toward achieving the objectives and measuring the effectiveness of those objectives (Campbell, 1993)

On the other hand strategic planning is a process of assessing the current position of an organization, while considering the opportunities and challenges present in order to determine the desirable destination and how best to get there. Porter (1980), argues that well designed strategic plan provide a better framework that makes an organization enjoy competitive advantage over the others. Providing information to the staff on the direction of the organization is a rational strategic plan because it will let the individuals know there objective at the work place.

Furthermore, strategic planning is sometimes attuned to political realities. Bryson (1995), states that strategic planning "accepts and builds on the nature of political decision making." In Kenya, the 2010 Constitution (GOK, 2010) and the Kenya Vision 2030 (GOK, 2008) and it's Medium Term Plans and the County Development Profiles (CDPs), is the source of a number of strategic plans. The three were highly influenced by elected officials who are political in one way or the other. Additionally, the three became the foundation for the preparation and development of the first County Integrated Development Plan (CIDP) for Vihiga County. This Integrated Development Plan provides the necessary foundation for accelerated, inclusive and sustainable development of Vihiga County. The projects and programs in this CIDP were identified through various consultative forums at the County level such as the ward-level public consultations as well as public consultations during the 2012-2015 MTEF Budget making process. In Vihiga County, there are a number of challenges that have persisted. These challenges include; low agricultural production, water shortage, high HIV/AIDS prevalence at 5.6%, insecurity, poverty level standing at 41%, gender inequality among others (County Integrated Development Plan 2013 - 2017). The county government of Vihiga has accepted that strategic planning is the key to result based management hence it came up with some strategic plans to overcome the challenges the county was facing. According to the County Integrated Development Plan (2013- 2017), the challenges in Vihiga County include; low agricultural production, water shortage, high HIV/AIDS prevalence at 5.6%, insecurity, poverty level standing at 41%, gender inequality among others.

For the county to achieve its vision and mission and address the above challenges, a number of strategies, project and programs were proposed to be implemented during the review period. These were to be monitored to ensure effective implementation and as a result, various sectors within the County developed their 5 year strategic plan in order to actualize the county's vision and mission. In the 2014- 2015 budgetary allocation, the county treasury proposed to set aside Sh.139.7 million for its recurrent expenditure and Sh. 179.7 million for development. Out of this, the health department was to receive Sh. 615.3 million with transport and infrastructure getting Sh. 506.3 million. Agricultural activities which included the cultivation of tissue culture bananas, avocado and other horticultural crops including dairy farming had been allocated Sh. 269.2 million. The budgetary proposals also seek to hand the education department Sh.195.9 million to see implementation of construction of ECD centers, feeding program among other recurrent expenditures. A further Sh. 70.6 million had been allocated to the department of lands and urban development as the trade and industrialization sector banks Sh.112 million. The sports department had been allocated Sh. 98.1 million for advancement of sporting activities in the

County (County Integrated Development Plan 2013 - 2017). For the strategic plans to be successful, the county government of Vihiga incorporated performance contracting, service charter and performance appraisals as monitoring tools as a means of achieving the strategic plan.

Institutional factors are the rules, norms and routine that guide behavior within an organization. These factors include commitment, capacity, and governance. While these factors may not have the same influence on the performance of institutions, dismissing their influence would be a mistake. They are important in three aspects i.e. with better institutional factors, there are chances of good formulation of policies, nurturing of great confidence among the employees as well as governing how a given institution or entity works (Laura, 2014). However, in Vihiga County Government stakeholders' involvement, financial resources and communication system are the key institutional factors that influence strategic plan implementation (Vihiga County Annual Report, 2015).

According to Lorette (2014), strategic plan implementation can be understood as the process that puts plans and strategies into action to reach goals. The strategic plan remains forgotten without implementation, the implementation makes the organizational plans happen. Also strategic plan implementation may be different because of the organizational structure. According to Heide, Gronhaug & Johannessen's (2002), organizational structures are the second most barriers to strategic plan implementation. When strategic plan implementation is in line with the organizational structure, then the strategic plans become a success (Heide et al., 2002). Therefore, strategic plan implementation is critical in the success of any program. It addresses who, where, when and how of reaching the desired goals and objectives. Implementation of strategy occurs after environmental scan, strength-weaknesses-opportunity and threats (SWOT) analysis, and identification of strategic issues and goals. It involves assigning individuals to tasks and timelines to help the achievement of goals. A successful strategic plan implementation will have a visible leader, engages every party in execution of the plan, and performance measurement tools available to provide motivation and allow for follow up.

Gregory, Lumpkin, and Taylor (2005) stated that strategy implementation stage in the strategic management process is considered the most complicated stage since it requires managers to convert plans into actions to enable the achievement of goals. This therefore requires that the managers must also be leaders in the organization. As leaders, manager's ability to manage and motivate the team, communicate vision and goals, monitor performance as well as detect and correct anomalies in a timely manner play a critical role in the effectiveness and success of strategies.

According to Mgomezulu (2001), while studying the effect of HIV and AIDS in Secondary Education in Botswana, suggested that to empower stakeholders, the leaders of organizations should be genuinely committed to sharing power with and training stakeholders because effective involvement requires certain skills, understanding and knowledge. Wohlstetter, Smyer, & Mohrman (2003), using a comparative case analysis, between actively structuring schools and struggling schools, concluded that when the stakeholders are empowered to make decisions that influence organizational practices, policies and directions, there is an improvement on performance. Pedersen, (2006) in an analysis on how companies actually translate Corporate Social Responsibilities into practice and in identification on some of the factors that affect the implementation process while using stakeholders dialogue to describe stakeholders involvement in decision making process, pointed out that the importance of identifying and including important stakeholders in the "strategic plan implementation" process is critical since when primary stakeholders are excluded, the relevance and anticipated benefits from the strategy will be limited. In all these studies, the importance of stakeholders' involvement was underscored.

Jofre (2011) while looking at the importance of the financial resources by considering the conceptual frameworks modified from other authors in Denmark, concluded that in order to overcome cooperation problems, incentives and controls are required. Incentive mechanisms often entail financial incentives (reward of performance). Miller (2002), pointed out that successful implementation of a strategy requires additional capital. Kaplan and Norton (2001), also observed that successful development of strategy requires a clear understanding by the strategic planning team of future capital limitations perceived by Finance. If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering strategic alternatives begins. From these ongoing conclusions, the importance of finance and financial resources cannot be down played as they hold a crucial place in the determination of the success of any strategic plan implementation.

Kirui (2011) while looking at the effect of the financial resources on implementation of strategic plans in Migori County, analyzed the indicators such as budgetary allocation, financial controls, revenue efficiency, and external donor support. In his study, there was the use of descriptive analysis without due consideration to the level of association or even the relationships. Such kinds of analysis are subjective and hence may not be able to objectively give the true representation on the effects. He failed to include the element of retained bureaucracy as a possible deterrent to strategy implementation. Again in all these studies, the results were qualitative in nature with results being given in percentages. This approach lacks the necessary effectiveness as compared to the use of other statistical approaches like correlation and regression analysis. This study uses both qualitative and quantitative data as opposed to the previous study, this enables construction of knowledge rather than seeking to find it in reality. The current study also employed correlation mode of analysis to bring out the relationship between financial performance and strategy implementation which was never possible in the previous as it employed descriptive analysis which only describes the situation.

The above studies looked at additional capital, understanding of capital limitation and result of finances when financial indicators are analyzed but what is not known is the use of finances resulting to financial effectiveness.

Rajasekar (2014) while using a survey method to collect data using 150 questionnaires distributed to executives in Mazoon Electricity Company, Majan Electricity Company, Muscat Electricity Distribution Company, Rural Areas Electricity Company, and Electricity Holding Company. All these service-based companies are located in the Sultanate of Oman, reported that almost all executives responding to the questionnaire held the view that to ensure successful implementation of a strategy it must be communicated internally and externally. He also pointed out that Communication also enhances the clarity of the strategy and people's involvement and therefore commitment.

In Vihiga County Government, the strategic plan implementation mainly focused on the economic stimulus projects namely; health, trade and agriculture. Despite having set a strategic plan, the County is still grappling with incomplete projects under trade, mainly completion of markets and abattoirs and the health department. In statement made by the Governor in an interview in 2014, he stated that, there were no budgetary provisions in the ending financial year as these projects fall under the economic stimulus program. However, because of the urgent need to complete the markets my government is considering including some allocation in the budget as some of them (markets) are posing security risk to our people (Alumasa, 2014). Because of this underlying concern, there are no studies done on assessment of institutional factors that have led to the county's failure to attain the implementation of their strategic plan. Therefore, the study sought to assess institutional factors influencing strategic plan implementation in Vihiga County Government, Kenya.

1.2 Statement of the Problem

Strategic plan in Vihiga County is a top down approach, where they are created at the county level and cascaded down to the sub counties down to the wards. According to the County Integrated Development Plan (2013- 2017), there were a number of challenges in Vihiga County that persisted during the review period. The main goal of having a strategic plan implementation is to increase productivity and service delivery. Formulating a consistent strategic plan may be challenging for any organization making strategic planning implementation in the whole organization is more challenging (Hrebiniak, 2006). For the County to achieve its vision and mission and address the above challenges, a number of strategies, project and programs were proposed to be implemented during the review period. These were to be monitored to ensure effective implementation. However, the projects are yet to be completed to date and the failure to effectively complete these projects have been affiliated to institutional factors such as stakeholder's involvement, financial resources and communication systems according to Vihiga County 2015 Annual Report. There is however no study that has been done in the County to enable critical understanding of these institutional factors that derailed achievement of strategic intents. Therefore, there is need to have a study that enables us understand these institutional factors and how they influence strategic plan implementation.

1.3 Main Objective

The main objective of this study was to assess institutional factors influencing implementation of strategic plan in Vihiga County Government, Kenya.

Specific objectives were to:

i. Determine the relationship between stakeholders' involvement and strategic plan implementation in Vihiga County Government;
ii. Assess the relationship between financial resources and strategic plan implementation in Vihiga County Government;
iii. Establish the relationship between communication systems and strategic plan implementation in Vihiga County Government.

1.4 Research Hypotheses

The objectives were addressed by the following research hypotheses.

$H_{0:}$ There is no relationship between stakeholders' involvement and strategic plan implementation in Vihiga County Government.

$H_{0:}$ There is no relationship between financial resource and strategic plan implementation in Vihiga County Government.

$H_{0:}$ There is no relationship between communication system and strategic plan implementation in Vihiga County Government.

1.5 Scope of the Study

The study was limited to the analysis of the significant institutional factors that possibly influence the implementation of strategic plan within Vihiga County Government namely the stakeholder's involvement, financial resources and communication systems. The targeted local authorities within the county included Vihiga Municipal Council, Vihiga County Council and Luanda town council and the strategic plan focal point were those established after the promulgation of the Kenyan Constitution 2010.

1.6 Significance of the Study

To the county government, it will provide information on whether the strategic plans set are implemented on the ground. It will also provide an understanding on the factors affecting strategic plan implementation and therefore provide ways to improve the process. The study offered significant contributions from both a theoretical and practical standpoint.

1.7 Conceptual Framework

According to Oso and Onen (2009) a conceptual framework is a scheme of concepts (or variables) which the researcher used in order to achieve set objectives. It is a diagrammatic presentation of the theory. Orodho (2005) defined a conceptual framework as a model of representation where a researcher conceptualizes or represents relationships between variables in the study and shows the relationship diagrammatically or graphically. According to the study, a modified conceptual framework from resource based view theory was adopted. The theory states that the key success economic factor in organizations are capital, labour and land that resources and capabilities are not homogenous and are limited in mobility. The products that firms produce depend on these resource mixes. The theory was modified in a way that financial resources take the position of capital, stakeholders' involvement to proxy labour and communication system to alternate land. These modifications were based on the premise of a disaggregated internal resource. Stakeholders' involvement was used by Mgomezulu (2001) in his study on the effect of HIV and AIDS in secondary schools in Botswana. Jofre (2011) used financial resources and its importance on strategic plan implementation while Aaltonen and Ikavalko (2002) used communication systems to understand how they impacted upon strategic plan implementation in 12 organizations in Finland.

In this modified conceptual framework, the stakeholders' involvement, financial resources, and communication systems are the independent variables. In the context of this study, the three independent variables are considered the internal factors within the County Government.

Independent Variable

Institutional factors

- Stakeholders Involvement
- Financial Resources
- Communication systems

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Dependent variable

Implementation of strategic plan

- Right personnel
- Budget allocation
- Chain of command

Figure 1. 1: Relationship between institutional factors and strategic plan implementation

Source: Adapted from Wernefelt (1984); Resource Based View Theory.

CHAPTER TWO

LITERATURE REVIEW

This chapter highlighted the theoretical and empirical literature related to the study. The section was organized in the following sub themes: The overview of strategic plan implementation, the influence of stakeholders' involvement in the implementation of the strategic plans, the influence of financial resources on the implementation of strategic plans and the influence of communication system on the implementation of strategic plans.

2.1 Overview of Strategic Plan Implementation

According to Hellriegel, Jackson and Slocum (2005), strategic planning refers to the process of diagnosing an organization's external and internal environment guided by the vision and mission of the organization to generate goals and selecting general strategies to be pursued and the resources needed to accomplish the goals. Although formulating a consistent strategy is a difficult task for any management team, making that strategy work – implementing it throughout the organization – is even more difficult (Hrebiniak, 2006). A myriad of factors can potentially affect the process by which strategic plans are turned into organizational action. Unlike strategy formulation, strategy implementation is often seen as something of a craft, rather than a science and its research history has previously been described as fragmented and eclectic (Noble, 2000). It is thus not surprising that after a comprehensive strategy or single strategic decision has been formulated, significant difficulties usually arise during the subsequent implementation process. The best-formulated strategies may fail to produce superior performance for the firm if they are not successfully implemented.

Generally, understanding why it is important for an organization to have holistic strategy starts with what strategy means (Plant, 2009). Stewatt (2004), defines strategy as underpin of organizational survival that anticipates and deals with competition from other organizations. Stewatt also states that the public sector claim for the benefit are more low-key. According to Hughes (2003), the public sector has more problems and constraints compared to the private sector although a public organization could benefit more from a strategic approach. There are two levels of strategic issues; corporate strategy and the business strategy (Wyman, 2003). In government organizations, corporate strategy is a reflection of the legislative mandate which defines the public policy objectives of an organization. A holistic strategic planning implementation model is created when there is a common integration between strategic and operational level of an organization (plant, 2009).

Basically, strategic planning is an action-oriented type of planning that is useful only if it is carefully linked to implementation and in this is often where the process often break down (Poister & Streib, 2005). Plant (2009), indicates that when the strategic plan and operation level are integrated in a common approach, then a holistic strategic planning implementation model is created. A holistic strategic planning implementation is therefore based on the assumption that all systems are interrelated and independent.

Strategic planning can be successful if managers are able to link strategic planning implementation efforts with other critical decision-making processes. Mintzberg (1994), is one of the critics of strategic planning just because most organization's planning activities are often divorced from performance measurements and allocation which leads to failure of the strategic plan. Even though public managers have embraced strategic planning, it is likely to fail unless they run it through budgeting, measurement and performance management process (Poister & Streib, 2005).

Although some public organization adopt strategic planning because of the initiatives put in place by the government some adopt it because of several reasons namely ; a need and desire to set policy and define a programs direction, emulate good business practice, pressure from the constituents, demand to reduce expenditure and as a symbol of personal leadership (Berry & Wechsler, 1995). On the other hand, others adopt it because of the need to resolve competing agency resource allocation priorities and tie performance to resource allocation (Long & Franklin, 2004).

Establishing the relationship that exists between strategic planning implementation with stakeholders, financial resources and communication systems is another way of ensuring that the strategic plan is a success. Each of this unit is managed by its own decision maker, who best understands the needs and problems of the particular unit. Understanding the organizations structure and the units in each organization makes strategic planning simple to develop and easy to ensure it is successful (Shung, 2000). Therefore,

2.2 Theoretical Perspective

The study is anchored on the resource based view of the firm. The organizational change theory addresses organizational response strategies to internal environment.

2.2.1 Resource Based View of the Firm

Resource based view is away an organizational is viewed in terms of its approach to strategy. The resource based model was first advanced by Wernefelt (1984). The theory states that for a firm, resources and products are two sides of the same coin. Most products require the services of several resources and most resources can be used in several products. By specifying the size of the firm's activity in different product markets, it is possible to infer the minimum necessary resource commitments. Conversely, by specifying a resource profile for a firm, it is possible to find the optimal product-market activities. The theory postulates that the output of a firm is a function of competencies or resources held. The essence of the resource based view is for competitive advantage to be created when resources that are owned exclusively from the firm are applied to develop unique competencies.

The theory states that the key success economic factors in organizations are capital, labor and land that resources and capabilities are not homogenous and are limited in mobility. The products that firms produce depend on these resource mixes. Resource based view focuses on the internal capabilities which are physical, human, financial and intangible assets. The theory was modified in a way that financial resources take the position of capital, stakeholders' involvement to proxy labor and communication system to alternate land in order to obtain a strategic advantage. These modifications were based on the premise of a disaggregated internal resource. Stakeholders' involvement was used by Mgomezulu (2001) in his study on the effect of HIV and AIDS in secondary schools in Botswana. Jofre (2011) used financial resources and its importance on strategic plan implementation while Aaltonen and Ikavalko (2002) used communication systems to understand how they impacted upon strategic plan implementation in 12 organizations in Finland. The resource based view addresses key success economic factor in organizations such as capital, labor and land. The theory is conditioned on the fact that resources and capabilities are not homogenous and are limited in mobility. In other words, different counties/public institutions possess different bundles of resources and capabilities. In some cases a firm's capability may actually allow it to create new markets and add value for the customers. Where organizations capabilities are seen paramount in the creation of competitive advantage it paid more attention to the configuration of its value chain activities because it identified the value chain activities which provide it with competitive advantage.

2.3 Stakeholder Involvement and Strategic plan implementation

According to Nordmeyer and Media (2005), a stakeholder is an individual who is affected by or who can affect a project's outcome. Stakeholders shape projects in the early stages, ensuring resources are available to contribute to project success, and provide insight regarding the probable reaction to a project's outcome, which facilitates project adjustments when necessary to win organizational support. The roles of stakeholders change throughout a project life cycle. However, the willingness of stakeholders to perform the activities assigned to them during the project planning process greatly contributes to the success or failure of the project. Greenwood (2007), defines stakeholder involvement as a process of seeking realistic stakeholder views on their relationship, the aim of which is to improve an organization's social and ethical accountability and performance.

Lorca and Garcia-Diez (2004) describe two kinds of stakeholders, voluntary and involuntary. The voluntary stakeholders contribute directly to the operations of the company and expect to receive benefits as a result. On the other hand, involuntary stakeholders are those who may be negatively affected by the decision, hence the guiding principle has to be the reduction or avoidance of harm to these stakeholders and/or the creation of offsetting benefits.

Regardless of whether the stakeholder is an individual, group or community, it is important for the organization to understand the various interests and the impacts of their decisions. These groups (stakeholders) include a firm's owners (stockholders), members of the board of directors, managers and operating employees, suppliers, creditors, customers, and other interest groups. At the broadest level, stakeholders include the general public. Stakeholders have expectations about how the firm should behave and what the firm should provide in terms of economic, social, and psychological benefits. Golembiewski (2000) describes levels of stakeholder interests as either a casual interest or the potential to be affected by the organization's actions, or an ownership/governance interest, or a legal claim or a moral claim. Freeman (2007) points out that the interests of each primary stakeholder group are multifaceted and connected to each other and those stakeholders' interests are shared. Stakeholders include a firm's owners (stockholders), members of the board of directors, managers and operating employees, suppliers, creditors, customers, and other interest groups. At the broadest level, stakeholders include the general public. Stakeholders have expectations about how the firm should behave and what the firm should provide in terms of economic, social, and psychological benefits.

Mgomezulu (2001), suggested that to empower stakeholders, the leaders of organizations should be genuinely committed to sharing power with and training stakeholders. The use of triangulation research design has certain limitation such as the potential incompatibility of research paradigms as well as the fact that it does not necessarily reduce bias. In his study, Mgomezulu (2001) only looked at the training and power sharing between the stakeholders and the organization. The previous study was determined to look at ways to making sure that stakeholders get involved in the strategic plan implementation the current study however goes a notch further to establish the relationship between stakeholders involvement and strategic plan implementation.

According to Wohlstetter, Smyer, & Mohrman (2003), they opined that when the stakeholders are empowered to make decisions that influence organizational practices, policies and directions, there is an improvement on performance. However the previous study only sought to look at conditions that that could spur improved performance and found out that stakeholder's involvement was one of them. This study did not go further to elaborate how the stakeholders influence performance and that's where the current study comes in to determine the influence of stakeholder's involvement on strategic plan implementation.

Pedersen (2006) looked at how companies actually translate Corporate Social Responsibility into practice and in identification on some of the factors that affect the implementation process while using stakeholder's dialogue to describe stakeholders involvement in the decision making process, he pointed out that the importance of identifying and including important stakeholders in the "strategic plan implementation" process is critical since when primary stakeholders are excluded, the relevance and anticipated benefits from the strategy was limited. In the above studies, Pederson (2006) agrees with Wohlstetter, Smyer & Mohrman (2003) in that to improve implementation of strategic plan, stakeholders must be empowered through decision making and engaged in interactive forums. However, the two studies differed with Mgomezulu (2001) in that stakeholders' commitment should be through sharing power and trainings. Hence, the above studies did not show clearly the idea of making stakeholders be in control of the organization's strategic planning.

2.4 Financial Resources and Strategic plan implementation

According to Jofre (2011), in order to overcome cooperation problems, incentives and controls are required in other words rewards of performance are necessary in strategic planning. His view was based on the conceptual frameworks modified by authors from Denmark. In his study, he placed much consideration on the weakness of methodology there was undue consideration to the underlying weaknesses that the methodology portends (i.e. considering conceptual frameworks modified from other authors). This is because in such Conceptual frameworks, the research is influenced by the experience and knowledge of the individual (initial bias) and again once developed, they influence the researcher's thinking and may result in some things being given prominence while others are being ignored (ongoing bias). Even though the conceptual framework was used, this study incorporated statistical analysis in order to determine the likely effect of finance on the strategic plan implementation. The magnitude was looked into and so was the direction of the relationship.

According to Miller (2002), successful implementation of a strategy requires additional capital. The implementation team needs to determine the sources of funds that include appropriate mix of debt and equity in a firm's capital structure to enable smooth implementation of a strategy. Organizations set aside allocations in their budgets to finance strategic plan implementation. An organization may use debt or stock to raise funds for strategic plan implementation.

According to Kaplan & Norton (2001), clear understanding by the strategic planning team of future capital limitations perceived by Finance is key in an organization. If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering strategic alternatives begins. Finance must be prepared to offer reasonable assumptions for these alternatives based on prior understanding and investigation of potential sources of capital.

Kirui (2011), analyzed the indicators such as budgetary allocation, financial controls, revenue efficiency, and external donor support using descriptive analysis without due consideration to the level of association or even the relationships. Such kinds of analysis are subjective and hence may not be able to objectively give the true representation on the effects. He failed to include the element of retained bureaucracy as a possible deterrent to strategy implementation. Again in all these studies, the results were qualitative in nature with results being given in percentages. This approach lacks the necessary effectiveness as compared to the use of other statistical approaches like correlation and regression analysis. This study uses both qualitative and quantitative data as opposed to the previous study, this enables construction of knowledge rather than seeking to find it in reality. The current study also employed correlation mode of analysis to bring out the relationship between financial performance and strategy implementation which was never possible in the previous as it employed descriptive analysis which only describes the situation.

In the above studies, Jofre (2011) agrees with Miller (2002) in that incentives and additional capital will improve strategic plan implementation while Kaplan & Norton (2001) differed with the two studies such that improved strategic plan implementation will be enhanced through clear understanding of future capital limitations. Kirui (2011) used qualitative and descriptive analysis where the results lacked the necessary effectiveness hence financial effectiveness to enhance strategic plan implementation in Vihiga County Government is not known.

2.5 Communication Systems and Strategic plan implementation

Van Niekerk, van der Waldt and Jonker (2001), defined Communication as the process of sending and receiving symbols with meanings attached to them. They ibid that People see and hear meaningful information that helps form or change attitude and opinion from others. Hence, Communication can be defined as information transit which occurs because people in organizations need to receive and transmit information to coordinate their activities and execute their tasks. This seeks to change or confirm the receiver's knowledge, attitude or overt behavior in some predetermined manner.

Aaltonen and Ikavalko (2002), in their research that focused on how the strategies were communicated, interpreted and adopted in 12 service organizations in Finland using interviews and questionnaires as a method of collecting information, pointed out that it is increasingly acknowledged that lack of top management backing is not the main inhibiting factors to effective strategy implementation. The major challenges to be overcome appear to be more cultural and behavioral in nature, including the impact of poor communication and diminished feelings of ownership and commitment. They acknowledged that communication is best done by the middle level managers and that communication in itself does not guaranteed strategy implementation. Johnson and Scholes (2002) observed that weak management roles in implementation, a lack of communication and commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities and uncontrollable environmental factors as some of the difficulties in implementing strategies.

Communication is indeed important in creating and maintaining an appropriate organizational climate and culture. Adequate information flow in an organization is a crucial factor when members assess their working climate hence the belief by the Employees that they are well informed and can communicate adequately with superiors and co-workers is important (Scwella, Burger, Fox and Muller, 1996). Bartlett and Goshal (1996) observed that middle managers are threatened silent resistors whose role needs to change more towards that of a "coach", building capabilities, providing support and guidance through the encouragement of entrepreneurial attributes.

Henry (2008), stated that even the best formulated strategy in the world can fail if it is poorly implemented, hence the need for strategies to be effectively communicated and properly resourced. The need for change needs to be understood and properly coordinated with stakeholders inside and outside the organization. Although the leader of an organization is ultimately responsible for a strategy's success or failure, their role should be to encourage and create an organizational culture that empowers managers to respond to opportunities. This provides employees with confidence to try out new ideas and innovations without fear of reprisals. The successful implementation of a strategy in public institutions depends on how effectively the strategy was communicated to all the employees that would be involved in the implementation of such strategy.

Communication enables dialogue, and dialogue enables learning. It is important that employees understand the strategic direction and how they are able to contribute to the strategic mission of the organization, (Marr, 2006). Moreover, Fills (2009), stated that employees form part of a major stakeholder group in any given organization. The employees make a major contribution to the success of the organization through their individual contributions. They are responsible for the performance of the organization and their role has become increasingly recognized. Management should therefore take cognizance of the existence of this group of stakeholders and keep it informed on issues related to strategy implementation.

Lui, Guohui and Eppler (2008), observed that Consensus and commitment can be achieved with the help of proper implementation tactics and communication activities. They conducted a desk review involving 60 articles that included relevant academic, peer reviewed journals, the Academy of Management Journal, the Journal of Management Studies using the literature databases of EBSCOhost, ProQuest ABI, Sciencedirect, JSTOR and Wiley Interscience. They used selection criteria to choose articles for inclusion in their analysis by searching for articles which contain the keywords "strategy implementation" or "strategy execution" or where the title includes one of these compound terms. The usage of these words and their subsequent utilization as if they are one and the same thing is wrong. According to Favaro (2015), implementing a strategy consists of all the decisions and activities required to turn two sets of strategic choices into reality i.e. if the corporation has the capabilities, enterprise advantage, and business portfolio it wants, then its strategy is implemented. He also defined "execution" as the decisions and activities undertaken in order to turn the implemented strategy into commercial success i.e. achieving "execution excellence" is to realize the best possible results a strategy and its implementation will allow. In this study, strict adherence to the word implementation was upheld and used throughout.

The above studies, looked at management backing, communication strategies and dialogue as indicators that can spur or reduce communication system in an organization. However, they did not look at the element of effective use of administrative bureaucracy and its influence in strategic plan implementation that the current study sought to study.

2.6 Summary of Gaps

This is a review of work on institutional factors and their relationship with strategic plan implementation. The literature review shows that most and almost all the studies that have been done with regard to the relationship between institutional factor and strategic plan implementation have been done in developed countries. Globally reviewed literature such as Aaltonen & Ikavalko (2002); Mgomezulu (2001); Wohlsletter, Smyer & Mohrman (2003); Pediersen (2006); Lui, Guohui & Eppter (2008) and Rajaserkar (2014) although examined institutional factors none of the mentioned studies examined all the three institutional factors that this current study has looked at.

Locally limited research has been done with regard to finding the relationship between institutional factor and their influence on strategy implementation. Korir (2011) came so close as he looked at some of the institutional factors and the fact that he did his study in another County Government. Critical examination of his study leaves gaps such as his decision to adopt descriptive analysis that does not bring about the relation between the variables and also his decision to use qualitative data that does not enable construction of knowledge.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter highlighted the research design, target population, sample size and sampling procedure, research instruments, research validity and reliability, and data analysis.

3.1 Research Design

The study adopted correlational research design which, according to Yin (2003), is structured to examine a number of logical sub-units or units of analysis within organizations. Correlation research design allows analysis between two or more variables (Orodho, 2003). This design is relevant to this study because it will enable the researcher to establish the relationship between institutional factors and strategy implementation through Pearson moment correlation.

3.2 Study area

Vihiga County borders Nandi County to the east, Kakamega County to the north, Siaya County to the west and Kisumu County to the south. The County is made up of five constituencies / sub-counties namely Luanda, Emuhaya, Hamisi, Sabatia and Vihiga. Vihiga County lies between longitudes 34^0 30' and 35^0 0' E, and latitudes 0^0 and 0^0 15' N. The County covers a total area of 531 Km^2. The equator cuts across the southern part of the County. The County is located on the western region of Kenya, in the Lake Victoria Basin. Its altitude ranges between 1,300 m and 1,800 m above sea level and slopes gently from west to east. Generally the County has undulating hills and valleys with streams flowing from northeast to southwest and draining into Lake Victoria. The map of Vihiga County is shown as per the attached Appendix III.

3.3 Target Population

A target population is the group of people to whom we want our research results to apply, (Mugenda and Mugenda, 2003). The study collected information that represented the guided knowledge of all the strategy executors within Vihiga County Government. The target population was a total of 1182 employees working within Vihiga County Government.

3.4 Sampling Procedure

Amin (2005) define a sample as a subset of the population under a study. A sample was obtained using proportionate stratified random sampling technique from the target population to ensure that each worker has an equal chance of being selected. When the sample size is too large, it becomes difficult and impractical to conduct research within the time frame allowed. On the other hand, when the sample size is too small, it provided data which is not representative of the study population.

The sample size was computed by the formula

$$n = \frac{z^2 pq}{d^2} \quad \text{...(3.1)}$$

Source: Mugenda & Mugenda (2003)

Where;

n = desired sample size if the target population is greater than 10,000;

z = the standard normal deviate at the required confidence level;

p = the proportion in the target population estimated to have the characteristics being measured;

$q = (1 - p)$; and

d = the level of statistical significance set.

Fisher et al as cited in (Mugenda & Mugenda, 2003) stated that where the data on the proportion of respondents with characteristic being investigated is not available, $p = 0.5$ is regarded as appropriate. Therefore, at 95% confidence interval, the desired sample size was

$$n = \frac{(1.96)^2 (0.5)(0.5)}{(0.05)^2}$$
$$= 384$$

Assuming a target population of more than 10,000; but since the target population was less than 10,000, the appropriate formula given by Mugenda & Mugenda (2003) is as follows:-

$$n_f = \frac{n}{1 + \frac{n}{N}} \qquad \text{......} \; 3.2$$

Where;

n_f = desired sample for population less than 10,000;

n = desired sample size for target population of more than 10,000; and

N = estimate of population size in the current study; used to determine the desired sample size (1182 employees).

Based on the above formula, the sample population was:-

$$n_f = \frac{384}{1 + \frac{384}{1182}} = 289.83 = 290$$

After the determination of the sample size, the specific departmental sample was calculated as follows:-

$$n_{ds} = \frac{n}{N} \times 290$$

Where;

n is the total number of employees in a department

N is the target population

The summary of the proportionate sample distribution was given as follows:-

Table 3. 1: Total Number of employees per Ministry with respective sample size

Ministries	Employees	Sample Size
Health	479	118
Agriculture	160	39
Public service and admin	100	25
Gender	29	7
Transport	80	20
Lands	5	1
Water	70	17
Finance	120	29
Trade	130	32
Education	9	2
TOTAL	**1182**	**290**

Source: Public service and admin. Department – Derived by researcher (2015)

3.5 Data Collection Methods

The study deduction was pegged on primary data which was collected using structured questionnaires.

3.5.1 Data Sources and Types

According to Kothari (2004), primary data are those which are collected afresh and for the first time, and thus happen to be original in character. They are most generally understood as data gathered from the information source and which has not undergone analysis before being included in the needs assessment. The data was collected directly from the employees of Vihiga County Government through the use of questionnaires. Secondary data was collected through the use of desktop reviews and the information gathered from them was only used for comparison.

3.5.2 Data Collection Procedures

Questionnaires were used to collect data. These questionnaires were distributed and left to the respondents to fill them out by themselves. This was done so that the privacy and confidentiality that the respondents may so need can be guaranteed. According to Kothari, (2004), questionnaires can be used for sensitive topics which users may feel uncomfortable speaking to an interviewer about and they also give the respondents time to think through their answers/responses. Before the questionnaires are finally given to the respondents, a pre field test was conducted. According to American Statistical Association [ASA] (1997) a pre-field test techniques are generally used during the preliminary stages of questionnaire development. It included respondent focus group discussion to help identify variations in language, terminology, or interpretation of questions and response options.

3.5.3 Data Collection Instruments

The study employed the use of structured questionnaires. Structured questionnaires are those questionnaires in which there are definite, concrete and pre-determined questions. The questions are presented with exactly the same wording and in the same order to all respondents. Questionnaires are advantageous because the respondents have adequate time to give well thought out answers and those who are not easily approachable can also be reached conveniently (Kothari, 2004). In this study, in order to maximize return rates, questionnaires were designed to be as simple and clear as possible, with targeted sections and questions similar. The instruments to be used are the questionnaires attached as per Appendix II.

3.5.4 Reliability Test

Dornyei (2003) argues that research instruments are measurement devices that must possess adequate reliability. He identifies pre-testing as one comprehensive procedure towards enhancing instrument reliability. This underlies the intent of this study to conducting a rigorous instrument validation exercise through pre-testing. The pilot unit, equivalent to one-tenth of the proposed sample size, was obtained from comparable members of the population from which the sample for the full study was drawn. The respondents so chosen did not form part of the sample. Thereafter, Cronbach Alpha Co-efficient test was performed on the piloted questionnaire. Cronbach Alpha is used as a measure of the internal consistency of items in the questionnaire. Internal consistency describes the extent to which all the items in a test measure the same concept or construct and hence it is connected to the inter-relatedness of the items within the test (Tavakol and Dennick, 2011). According to Cronbach (1951), a coefficient of 0.7 is considered good enough tests for reliability. As depicted in table 3.2, the Cronbach's alpha for this study was 0.917, which is greater than 0.7, meaning that there was a good internal consistency of the questionnaire items. The findings are summarized in Table 3.2

Table 3. 2: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	NO of Items
.917	.917	23

3.5.5 Validity Test

According to Kothari (2004), Validity refers to how well a test measures what it is purported to measure. He defined content validity as the extent to which a measuring instrument provides adequate coverage of the topic under study. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgmental and intuitive. The study's content validity was attained through expert opinion. These opinions were drawn from the supervisors, peers as well as the relevant advice from those directly involved in the field of study and other relevant experts from the departments that the study seeks to venture into.

3.6 Data Analysis

The researcher examined the collected quantitative data to make inferences through a series of operations such as editing to eliminate inconsistencies, classification on the basis of similarity and tabulation of related variables. The refined data was analyzed using descriptive statistics involving percentages and mean scores to determine varying degrees of response-concentration. Based on the objectives of the study, Pearson correlation coefficient was used to determine the relationship between dependent and independent variables as well as the strength of the relationship among the variables.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

This chapter presents the results of the analysis carried out on the various study variables and discussion of the results.

4.1 Response Rate

There were 280 respondents out of the expected and targeted 290. This translates to 96.55% response rate. This is a significant rate that represents a majority and lends credence to the findings. Cooper and Schindler (2005) indicate that a response rate of above 60% is sufficient for a social science study to proceed and reach generalizable results. The findings are summarized in the Table 4.1

Table 4. 1: Response Rate

Gender	Frequency	Percentage
Female	117	41.8
Male	163	58.2
Total	**280**	**100.0**

Source: Survey Data, 2016

4.2 Analysis of Variable Constructs

To understand the respondent's perspective of the study variable an analysis of the variable constructs was done and the result are presented.

4.2.1 Analysis of Stakeholders Involvement Constructs

To understand the respondent's perspective of stakeholder's involvement in strategy implementation the respondents were asked questions and responded as presented in table 4.2.

Table 4. 2: Stakeholders Involvement Constructs

Statement	Agree %	Undecided %	Disagree %
Allowed to make decisions and instigate action	82.2	7.7	10.03
Participation in quality assurance teams	78.1	11.2	10.07
Collaboration among employees improve the quality of programs and services in the County	76.6	15.3	8.1
chairpersons for the different committees promotes employee authority to act	65.3	14.8	19.9

Source: Survey Data, 2016

The findings in Table 4.2 on whether the respondents were involved in making decisions and instigating actions, indicated that 82.2% agreed while 10.3% disagreed; while only 7.7% were undecided. The study also sought to find out whether the respondents were provided with an opportunity to participate in quality assurance teams. The findings showed that 10.7% were not provided with the opportunity. Seventy eight point one percent were provided with the opportunity while 11.2% were undecided.

With regards to what the workers felt on whether collaboration among employees improve the quality of programs and services within the county 8.1% disagreed, 15.3% were undecided while 76.6% agreed (Summary in Table 4.2). The responses on whether the chair persons for the different committees promotes employee authority to act had the results summarized as indicated, that 19.9% disagreed, 14.8% where undecided while 65.3% agreed. An inquiry on the suitability of the employees and stakeholders to work professionally and had the right experience to undertake strategic plan implementation, 11.7% disagreed while 17.3% were undecided. Those who agreed that their departments had the right personnel to champion strategic plan implementation were seventy point nine percent.

Findings and analysis regarding the respondents had a complex hierarchy at their work place, 14.8% disagreed that they have a complex hierarchy, 13.3% were undecided while 72% agreed that they had a complex hierarchy. On whether tasks at the department are allocated according to the staff ability to handle them, 12.2% of the respondents disagreed, 15.8% were however undecided while 72% agreed. This mixed findings on the items point out the various levels of stakeholder involvement and engagement by the county government in the implementation of the county strategic plan (Table 4.2). The findings are in tandem with Pedersen, (2006) who pointed out that the importance of identifying and including important stakeholders in the "strategic plan implementation" process is critical since when primary stakeholders are excluded, the relevance and anticipated benefits from the strategy will be limited.

4.2.2 Analysis of Financial Resources Constructs

To understand the respondent's perspective of financial resources in strategic plan implementation the respondents were asked questions and responded as presented in table 4.3.

Table 4. 3: Financial Resources Constructs

Statement	Agree %	Undecided %	Disagree %
Lack of finances has hindered implementation of our strategic plan	85.7	5.6	8.9
Change in Departmental budget affects implementation of the strategic plan	72.5	12.8	14.8
Adequate financial resources to implementation of the strategy	65.3	14.8	19.9
Projected sources of funds have changed	70.4	14.3	15.3

Source: Survey Data, 2016

The respondents were asked whether inadequate finances have hindered the implementation of their strategic plans. The results from table 4.3 indicates that 8.9% disagreed while 5.6% were undecided while 85.7% agreed than indeed lack of finances hindered the implementation of their strategic plans. The overwhelming agreement on the inquiry on inadequacy of financial resources lays credence to Kaplan & Norton (2001), who claimed that successful development of strategy requires a clear understanding by the strategic planning team of future capital limitations perceived by finance. If the strategy being formulated exceeds those limitations, the need for additional sources of capital becomes itself a strategic issue and an iterative process of considering strategic alternatives begins. Finance must be prepared to offer reasonable assumptions for these alternatives based on prior understanding and investigation of potential sources of capital.

Regarding the ever changing sources of funds, the respondents were asked whether such changes have necessitated changes in their strategic plans. The findings established that 14.8% disagreed that changing sources of funds have not necessitated changes in their strategic plans. 12.8% were undecided while 72.5% agreed that their strategic plans changed because of such changes. These finding relates to Miller (2002), who pointed out that successful implementation of a strategic plan requires additional capital. The implementation team needs to determine the sources of funds that include appropriate mix of debt and equity in a firm's capital structure to enable smooth implementation of a strategic plan. Organizations set aside allocations in their budgets to finance strategic plan implementation. An organization may use debt or stock to raise funds for strategic plan implementation.

4.2.3 Analysis of Communications system constructs

To understand the respondent's perspective of communication systems on strategic plan implementation the respondents were asked questions and responded as presented in table 4.4.

Table 4. 4: Communication Constructs

Statement	Agree %	Undecided %	Disagree %
Department has weekly meetings	77	13.8	9.2
Channels of communications are clear	72.4	10.2	17.4
Changes are informed supervisor	73.5	9.7	16.8
Information that received is consistent	70.4	14.3	15.3
Supervisors have excellent communication skills	78.1	11.2	10.07
Complex hierarchy at work place	72	13.3	14.8
There are channels of redress	66.9	14.3	8.1

Source: Survey Data, 2016

From the findings in Table 4.4, 77% of the respondent indicated that they were holding weekly meetings. 9.2% were undecided while 13.8% disagreed. Regarding the clarity of the communication channels, the results indicated that 17.4% of the respondents had no clear channels of communication, 10.2% were undecided while 72.4% had clear communication channels. The findings indicated that 16.8% of the respondents disagreed that they do not receive information from their supervisors whenever there are changes within the organization. Undecided respondents were 9.7 % while 73.5% of the respondents agreed that they receive information from their supervisors on the changes within the organization and on whether the information received by the respondents from their supervisors is consistent with information from other supervisors, 15.3% disagreed, 14.3% were undecided while 70.4% of the respondent agreed that there was consistency. These mixed findings corroborate the observation by Aaltonen and Ikavalko (2002), who opined that it is increasingly acknowledged that lack of top management backing is not the main inhibiting factors to effective strategic plan implementation. The major challenges to be overcome appear to be more cultural and behavioral in nature, including the impact of poor communication and diminished feelings of ownership and commitment.

Finally the respondents were asked whether they had Channels of redress whenever there is a miscommunication, from Table 4.4, the results indicated that 18.9% of the respondent disagree, 14.3% were undecided while 66.9% agreed. The large response in agreement supports (Marr, 2006) who concluded that Communication enables dialogue and dialogue enables learning. It is important that employees understand the strategic direction and how they are able to contribute to the strategic mission of the organization. While Lui, Guohui and Eppler (2008), observed that Consensus and commitment can be achieved with the help of proper implementation tactics and communication activities, and they further opine that Communication also enhances the clarity of the strategy and people's involvement and therefore commitment. The study however did not interrogate how each of the constructs correlates to strategic plan implementation in the county.

Table 4.5 Descriptive Statistics

	Mean	Std. Deviation	N
Strategy implementation	3.68	1.310	280
Stakeholder involvement	4.18	.983	280
Financial resources	4.29	1.064	280
Communication system	3.74	1.100	280

4.3 Correlation between Institutional Factors and Strategic Plan Implementation

This was carried out by the use and help of the Pearson product moment correlation coefficient; this is a measure of the strength of association between the variables in the study. Basically tries to draw a line of best fit through the data of the variables. For the purpose of this study the variables chosen include strategic plan implementation, stakeholder involvement, finances and communication. Correlation analysis assesses whether there exists a linear association between the variables. The summarized findings are presented in **Table 4.6.**

Table 4.6: Correlations matrix table

	Strategy implementation	Stakeholder involvement	Financial resources	Communicati system
Strategy implementation	1	.190**	.334**	.349**
		.001	.000	.000
	280	280	280	280
Stakeholder involvement	.190**	1	.189**	.295**
	.001		.002	.000
	280	280	280	280
Financial resources	.334**	.189**	1	.111
	.000	.002		.065
	280	280	280	280
Communicatio n system	.349**	.295**	.111	1
	.000	.000	.065	
	280	280	280	280

**. Correlation is significant at the 0.05 level (2-tailed).

The Pearson correlation analysis was done for all the study variables showed that there existed a positive correlation between institutional factors and strategic plan implementation in Vihiga County at 95% confidence level.

4.3.1 Relationship between Stakeholders involvement and Strategic Plan Implementation

The correlation results in table 4.6 between stakeholders involvement and strategic plan implementation shows there was significant and positive relationship with a coefficient of (r=0.190, P=0.001). This implies that when the County Government involve their stakeholders during the strategic plan implementation then the implementation is likely to be a success.

The findings of this study are in line with Pedersen, (2006) observation where he pointed out the importance of identifying and including important stakeholders in the "strategic plan implementation" process. The findings further confirm (Nordmeyer and Media, 2005), observation that stakeholders shape projects in the early stages, ensuring resources are available to contribute to project success, and provide insight regarding the probable reaction to a project's outcome, which facilitates project adjustments when necessary to win organizational support. However, the willingness of stakeholders to perform the activities assigned to them during the project planning process greatly contributes to the success or failure of the project. Wohlstetter, Smyer, & Mohrman (2003), argues in tandem but with slight departure by introducing how the stakeholder relates with management, they assert in their study of non-abusive and meaningful stakeholder involvement that when the stakeholders are empowered to make decisions that influence organizational practices, policies and directions, there is an improvement on performance. However, it is not clear on how stakeholders are able to be in control of strategic plan implementation.

4.3.2 Relationship between financial resources and Strategic Plan Implementation

The findings in table 4.6 shows that there was a significant and positive relationship between financial resources and strategic plan implementation with a coefficient of ($r=0.334$, $P=0.000$). This indicates that availability of financial resources when implementing strategic plan will spur the implementation processes.

The study findings lend credence to assertions of Miller (2002) that successful implementation of a strategy requires additional capital. This study also agrees with Jofre (2011) findings which revealed that in order to overcome cooperation problems, incentives and controls are required. However, it is not clear in the studies the use of financial resources resulting to financial effectiveness.

4.3.3 Relationship between Communication System and Strategic Plan Implementation

The results in table 4.6 revealed a significant and positive relationship between communication systems and strategic plan implementation with a coefficient of ($r=0.349$, $p=0.000$). This implied that well established communication system will spur implementation of the institutions strategic plan implementation.

The study findings are in conformity with Johnson and Scholes (2002) who observed that weak management roles in implementation, a lack of communication and commitment to the strategy can lead to difficulties in implementing strategies. This sentiment was also shared by Scwella, Burger, Fox and Muller (1996) who also agreed by observing that communication is indeed important in creating and maintaining an appropriate organizational climate and culture. However the study did not indicate the direction of the communication, whether it was up – down or horizontal within the county employees and their seniors, hence effective use of administrative bureaucracy is not known.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents summary of the findings, conclusions, recommendations, suggestion for further research of the study and limitations.

5.1 Summary of the Findings

The study determined that there was a significant and positive relationship between stakeholder's involvement and strategic plan implementation. This implies that when the County Government involve their stakeholders during the strategic plan implementation then the implementation is likely to be a success.

Nonetheless the study assessed that there was a significant and positive relationship between financial resources and strategic implementation. This clearly indicates that availability of financial resources when implementing strategic plan will spur the implementation processes.

The study established that there exist a significant and positive relationship between communication systems and strategic plan implementation. This implies that availability of good communication systems will spur lead to a better implementation of the institutions strategic plan implementation.

5.2 Conclusion

Based on the above findings, the study concludes that there is a relationship between stakeholder's involvement and strategic plan implementation in Vihiga County Government though the relationship is not strong.

Secondly the study concludes that there is a relationship between financial resources and strategic plan implementation in Vihiga County Government though for instance the relationship is not strong.

Lastly the study concludes that there is a relationship between communication system and strategic plan implementation in Vihiga County Government. For instance, all the three institutional factors correlates positively with strategic plan implementation though not strong.

5.3 Recommendation

Based on the conclusions above, the study recommended that all stakeholders be involved in the development of strategic plan so that they own it. Involving the stakeholders at every stage of development of the strategic plan ensures that it's well understood by them hence no resistance to its implementation.

The institution should allocate more adequate funds for the strategic plan implementation. This is because there is a linear relationship between the two as the more funds used in the implementation the more positive results will be realized.

The institution should have well established and proper communication systems in place as this facilitates immediate information on the progress of the implementation.

5.4 Limitations of the Study

In the gathering of data for analysis, most of the respondents were skeptical about the study hence, they were not willing to respond to the items within the questionnaire. The final analysis took longer than anticipated due to the nature of the study that required the use of complicated multiple correlation analysis. This, in the end, required in-depth reading and mastering of the strategy concepts.

5.5 Areas for Further Study

Studies could be carried out to measure the extent of the relation between various factors and how they individually influence implementation of strategic plan in general and strategic plan in Vihiga County in particular, this will help planners and stakeholders to determine where to invest more financial and human resources in the plan. Alternative duplication of study could be carried out to establish if the factors discussed in this study influence strategic plan implementation in other counties in Kenya in similar or dissimilar manner.

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