

# STRATEGY IMPLEMENTATION AND PERFORMANCE OUTCOMES IN COUNTY GOVERNMENTS IN KENYA

<sup>1</sup> Christine Amujal Tatoi, <sup>2</sup> Prof. Peter Kihara, PhD & <sup>3</sup> Dr. Stephen Maore, PhD

<sup>1</sup> PhD Candidate, Strategic Management, Kenya Methodist University, Kenya
 <sup>2</sup> Professor, School of Business and Economics, Kenya Methodist University, Kenya
 <sup>3</sup> Lecturer, School of Business and Economics, Kenya Methodist University, Kenya

Accepted: November 8, 2024

DOI: https://doi.org/10.61426/business.v5i1.283

# ABSTRACT

Despite strategic management, County governments are still facing challenges, including; resource allocation project completion and county fund mismanagement, common in County governments. This raises concerns over the effectiveness of strategy implementation in County governments. The purpose of this study was to investigate the influence of strategy implementation on performance outcomes in County governments in Kenya. The analysis intends to utilize a cross-sectional descriptive research design. Target population comprised of 8 county governments in North Rift. The target respondents included 844 county government employees including county secretary, county council member, director, and deputy director. Stratified random sampling was used to choose a sample size of 271, inclusive. Self-administered questionnaires were used to gather primary data. Statistics, both descriptive and inferential, was used in the analysis. The data analysis for the study was done using the social sciences statistical tool. The research concluded that strategy implementation has a major role in performance of organizations.

*Key Words:* Strategy, County Governments in Kenya, Resource Allocation, Fund Management, Financial Incentives, Managerial Decisions, Employee Involvement

**CITATION:** Tatoi, C, A., Kihara, P., & Maore, S. (2024). Strategy implementation and performance outcomes in county governments in Kenya. *Reviewed Journal International of Business Management*, 5 (1), 584 – 598. <u>https://doi.org/10.61426/business.v5i1.283</u>

### BACKGROUND

Strategic management is the process incorporating activities connected to strategic evaluation, derived from the institution's intention to secure the set-out goals or targets towards development to enhanced organization performance (Qarashay, 2018). According to Johnsen (2015) strategic management practices around developed to be a critical issue for numerous institutions due to its effect on desired results, institutional flexibility, and proficiency (Johnsen, 2015).

Thompson (2012) advances strategic formulation being a leadership instrument for indicating bargained set goals. Clear and strategic vision and mission statements are vital in effectively formulating and implementing strategies. They provide strategic direction and form the starting point for an organization to implement plans (Kihara, Bwisa & Kihoro 2016). The process of strategy implementation has been cited being a critical phase during the strategic management cycle, since it determines organizational success or failure (Chaimankong & Prasertsakul, 2012). The effective adoptions of strategic management practices remain primarily crucial in attaining institutional goals (Elbanna, et, al., 2015).

European firms continue to encounter unpredictability and sophistication in recent years, with the top leadership lacking awareness on its contribution in tackling the obstacles (Markus, 2013). Allio (2015) observed that survey results of the White Paper of Strategy Implementation of Chinese Corporations 2014 indicate strategy execution is the most critical management concern common in firms currently. Therefore, it is worth noting that overall neglect of strategy implementation leads to serious poor firm performance.

Agwu (2018) posited that the absence of strategy implementation interventions leads to increased institutions' expenditures. From this, it is critical for the management of these institutions to re-evaluate their position on inventing and executing competent plans inspiring their whole business idea and targets without disadvantaging the competitive situation within Nigeria's market.

A study conducted in Somalia by Alshaher (2013) indicated that the majority of institutions are unable to adopt progressive reforms due to inadequate frameworks and inability to express strategic planning. Additionally, Karuhanga (2015) conducted a study in Uganda, indicating strategy execution is being viewed to be impacted by the management's strategic capabilities. Strategy execution remains a critical phase within a strategic management cycle. Several authors assert that the entire concept of strategic planning remains inconsequential (Njoroge, Machuki, Ongeti, and Kinuu, 2015).

For example, the Kenyan government is under the transitional process of implementing county integrative development plans as an essential strategy for achieving national development goals. Generally, Boye and Walker (2014) revealed that firms which implement their strategies perform much better than those that do not. Organizations, however, vary in degree of strategy implementation.

Concerning institutional outcomes, strategy implementation is so crucial. For strategic management to ensure improved results, the phases during growth ought to be managed appropriately (Njagi & Kumbo 2014); further advancing that a positive plan provides an institution with a competitive edge and, in essence, boosting outcomes the plan regulation offers an efficient and feedback analysis on the results of an institution to oversee any desired reforms or restructuring, familiar with strategy execution. The rules allow the changes in performance-linked concerns whenever the set targets are not attained (Gottschalk, 2015).

In the year 2010, Kenya ushered in a highly ambitious form of government that sought to restructure the national government's association through the promulgation of the new laws (GOK, 2010). The constitution saw the shifting of governance from the federal to devolved units. Its emphasis is on reinforcing public involvement. It remains an essential component in Kenya's plan to increase development and tackle preexisting bias in development openings, businesses, and service delivery across the nation. Forty-seven county governments were created under Chapter eleven of the Constitution of Kenya.

### **Statement of the Problem**

Strategic management practices are recognized for reshaping organizations and improving their performance. Ababu (2007) found that formal strategic management significantly enhances organizational performance. Despite strategic management practices, county governments in Kenya are still facing challenges, including; resource allocation project completion and county fund mismanagement, which are common in County governments. This raises concerns over the effectiveness of the implementation of strategic management practices in County governments in Kenya. Even with the national government embracing and advocating for application of strategic management practices, the devolved units are doing very little on its implementation.

Studies carried out have demonstrated that strategic management practices positively influence organizational performance; however the results have not yet met the threshold of generalization (Meier, O'Toole, Boyne, & Walker, 2007). Juntunen (2015) analyzed the connection between strategic management practices and performance outcome in Finland, but the findings were limited both by context and scope. Anna (2015) studied the influence of strategic management tools and techniques on firms' organizational performance in the Czech Republic, which considered only what, in her view, were the top ten tools and failed to relate the means used to the size of the company. Gavrea, Ilies, and Stegerean (2011) examined the factors determining organizational 1 outcomes within processing industries indicated the ability to implement plans inspired results. Meier, O'Toole, and Boyne (2007) described strategic management and effects within public institutions as limited on context.

In Kenya, Nyanchoka (2013) wrote on strategic management practices as a competitive tool in enhancing performance of small and medium enterprises with its limitation being its applicability to the context of SMEs and its descriptive nature; Onyango (2012) studied strategic management practices by Kenya Bureau of Standards which limits it to a description of strategic management in the context of the particular organization; Ligare (2010) researched on strategic management practices by state corporations in Kenya which was focused on the various methods adopted by government to enhance performance in state corporations but lacked specifics apart from general description of the same; and Maina (2009) researched on strategic management practices at Pan Arica Life Assurance Limited in Kenya, a private insurance company. The research and knowledge gap this research seeks to fill is that of context. This study investigated the influence of strategy implementation on performance outcomes in County governments in Kenya.

# **Objective of the Study**

This study investigated the influence of strategy implementation on performance outcomes in County governments in Kenya. The study was guided by the following research hypothesis;

• H<sub>0</sub> Strategy implementation is a significant positive predictor of performance outcomes.

### LITERATURE REVIEW

### **Theoretical Review**

### **New Public Management Theory**

Formulators of the New Public Management (NPM) are David Osborne, Gaebler, and Christopher. They had embraced a management approach towards public governance widely referred to managerialism. New Management Method, Market Based Public Administration, Entrepreneurial Government. However, New Public Management and managerialism remain lightly viewed.

The advanced new public management since the '80s continues to be included both in paper and practice globally. Most governments and other established institutions have utilized the NPM practices as the blueprint that enables the modernization of nations' re-engineering of the public sector to reinforce relationships among

government and its processes (Armacost, 2000). Equally, the New Public Management provides critical experiences and reviews for general management globally, with even nations in Africa engaging in executing interventions intended to attain the results desired in the New Public Management.

The New Public Management is significantly anchored on utilizing the financial market as a prototype for governmental and functional relationships. New Public Management's organizational dimensions are significantly impacted by the assumptions from the public choice principle, principal-agent theory, and transaction cost dynamics (Kaboolian, 1998). The New Public Management concept is inspired to increase gains and the distributive efficiencies being hindered by public bodies insensitive to the needs of locals and directed by authorities possessing the capability and rewards to improve their administrative jurisdictions. Further, the New Public Management presents a flexible formal divorce among policy formulation and service delivery. Often it is applied to detail a "leadership tradition" that reinforces the relevance of locals or clients, together with transparency (Manning, 2000).

The first criticism of NPM involves a paradox of centralisation through decentralisation. To illustrate the point, Kaboolian (1998), Khademian (1998) and Maor (1999) pointed out that giving public managers more authority to manage programs may result in concentrating decisions making in them. Thus, NPM may lead to centralised decision making by public managers, rather than encouraging decentralization in public organizations as it claims.

The second criticism concerns applying private sector management techniques to the public sector. While NPM has encouraged the use of private sector management techniques, there may be risk associated with adopting some private sector practices (Flynn, 2002). Many academic commentators such as Pollitt (1990) and Armstrong (1998) argued that most areas of public service and administration have distinct political, ethical, constitutional and social dimensions and these factors make the public sector different from the private sector. A complementary view is provided by Savoie (2002) and Singh (2003), who argues that NPM is basically flawed because private sector management practices are rarely adopted into government operations. For them, NPM is inappropriate for the public sector as it has more complex objectives, more intricate accountabilities and a more turbulent political environment than the private sector. Moreover, the relationship between public sector managers and political leaders is of a different order to any relationships in the private sector.

Concerning this study, the New Public Management concept is aligned to the current study, the idea of reorganizing the public sector or their inventing of the state. Re-structuring is used as a leadership principle to revamp the activities around public institutions' operations to improve the market advantage. The county government is a subset of a national government in the public sector that NPM explains the reinvention of entrepreneurial spirit in the government sector concerning strategic management practices.

# **Empirical Review**

### **Strategy Implementation and Performance Outcomes**

With speculation rising and difficult financial and governance challenges defining our current living, the concept of adopting doctrines strategically continue to be driven by states to increase capabilities and the quality levels (Ferlie & Ongaro, 2015). Strategy execution is profiled as the activity surrounding the integration of plans into action, that covers organization and delivery of service, establishing successful functions, modeling institutional frameworks, assessment processes and traditions needed to embrace an advanced strategy or plan (Hill &Jones, 2008).

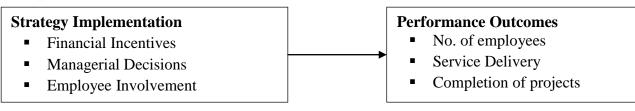
Existing publication advance the concept of strategic management being a thoroughly examined and globally utilized feature (Joyce & Drumaux, 2014). Despite this, there exists a bias in the the study of varied forms of strategic management. A further cause for detailing strategy implementation remains the impact it has towards institutional productivity. An effective adoption of strategic determinations is greatly viewed important to the attainment of institutional goals and targets (Elbanna et al., 2015). According to Boyne et al.,

(2010) delivery thoroughly organized public services is directly connected to the achievement of favorable results. Public institutions globally currently are embracing strategy publications or processes so as to execute their schedules efficiently.

Genc (2018) examined strategy execution and organization performance in Turkey (covering local authorities). The study approach was mixed methodology study model comprising of 134 questionnaire responses and a further 16 from semi-structured interviews. The analysis borrowed from multiple and robustly moderated regression models. The findings from the analysis established the existence of a major positive connection among rational strategy execution and organization performance. With relation to institutional traditions, it was hierarchy culture solely showing a consistent positive impact toward results.

An analysis by Oloo (2012) examined the obstacles to strategy execution within public parastatals in Kenya, with the research objectives being to determine the obstacles hindering strategy execution within public corporations and applicable resolutions to the arising issues; revealed that lack of workers' commitment to change and absence of competencies in a way influenced the execution of plans by institutions.

# **Conceptual Framework**



Independent Variable Figure 1: Conceptual Framework Source: Author (2021) Source: Researcher (2021).

# **Dependent Variable**

# METHODOLOGY

This study was directed with perspectives aligned to the positivistic research philosophy that entails establishing a conceptual framework formulated from publications on strategic management, oriented testing of factual guesses which had been developed from predictions of an occurrence. The research utilized a descriptive correlation design to describe the relationships among strategic environmental scanning, strategy formulation, strategy evaluation, and monitoring as they exist and the frequency with which particular features or variables occur in the sample. The target respondents included 844 county government employees including county secretary, county council member, director, and deputy director. Stratified random sampling was the preferred technique in the selection of the sample size through the use of Yamane's formula. Employee job designation qualified to be strata. Participants equal to the size of workforce in every group underwent selection by use of simple random sampling.

Primary data was used in this study, which was primarily quantitative. Primary data was collected using questionnaires that was self-administered. The questionnaire was made up of structured questions using the Likert scale. The primary data collection relied on questionnaires administered to county secretary, county ministers, county directors, chief officers, sub-county administrators, MCAs, and ward administrators

The data analysis was done with SPSS version 23 (Statistical package for a social scientist). Mean and standard deviation will measure central tendency and dispersion, respectively, while inferential statistics was analyzed through multiple regression and correlation analysis. After data analysis, the data was analyzed descriptively and presented using frequency tables and charts.

# FINDINGS AND DISCUSSION

# **Response Rate**

The researcher administered the research instrument to the target population. There was a sample size of 271 respondents, hence 271 questionnaires. 270 participants filled and sent back their questionnaires. This created a rate of response of 99.6%. A feedback rate that amounts to 50% is sufficient to analyze data and draw conclusive findings. Equally, a 60% feedback rate is good while that exceeding 70% is excellent (Bryman & Bell, 2015). From the recommendation of scholars, it was concluded that the response rate was excellent. Therefore, the feedback rate of 99.6% in this study was excellent.

# **Descriptive Analysis**

This section determined the descriptive analysis of the independent aspects and how they affect the dependent variable for this research. The section covered the effects of strategic implementation and leadership disposition on performance outcomes in county governments in the North Rift of Kenya.

# **Strategic Implementation**

Table 1. Statements Concerning Strategic Implementation

This research's objective involved defining the bearing of strategic implementation on the outcomes in the North Rift county governments. The researcher analyzed the statements from respondents concerning strategic evaluation and tabulated the outcomes in Table 1.

| Statement  | Mean  | Std.dv. |
|--|-------|---------|
| Our county government adopts democracy and participation in its undertakings         | 3.39  | 0.983   |
| through giving room to the views of employees and making its decisions               |       |         |
| The employees in our county government accomplish their works in alignment with      |       |         |
| the overall strategy of the organization strategy                                    | 3.50  | 1.127   |
| The management of our county government communicates managerial decisions and        |       |         |
| departmental memos all through the offices and to very individual                    | 3.46  | 1.061   |
| In our county government, there exists no ambiguity on the individual responsible    |       |         |
| for making particular decisions  | 3.45  | 1.106   |
| Our county has aligned its organizational structure with new strategies and what the |       |         |
| new strategies call for  | 3.48  | 1.066   |
| Out county has appropriate communication channels, systems of measuring              |       |         |
| performance, and incentive and monitoring systems                                    | 3.48  | 1.113   |
| The management properly communicates the government's policies to the                | 3.49  | 1.062   |
| employees for them to clearly understand   |       |         |
| The management motivates the employees through non-financial and financial           | 3.48  | 1.120   |
| incentives to improve their performance of tasks                                     |       |         |
| Employees in the county have an emotional attachment to the government and           | 3.44  | 1.064   |
| portray high commitment levels to the government                                     | 3.46  | 1.075   |
| Our county perform annual reviews of the departmental work plans to determine        |       |         |
| challenges, lessons learnt, and achievements   | 3.463 | 1.190   |
| Overall  |       |         |

# Table 1 shows that among sampled participants, majority established that their counties have adopted a more participative and democratic approach of work through considering the views of their employees and in decision-making. This is from a mean of 3.39 from the responses of this statement. Also, all the regular tasks of the employees are in alignment with the entire strategy of the county governments, with a mean of 3.50. The responses show that the counties have proper ways of communicating their managerial decisions and

departmental memos for all individual, with a mean of 3.46. Additionally, the governments are straightforward on individuals responsible for making particular decisions, hence no ambiguity (M=3.45). There are organization structures that align with the county's new strategies from a score of 3.48. Many of the respondents also established that their counties have proper channels of communication, systems of measuring performance, and incentive and monitoring systems. This statement resulted to a mean of 3.48.

Majority of the counties have properly communicated policies which employees clearly understand, following a score of 3.49. Majority of the participants also agree that their counties motivate employees with non-financial and financial to improve their performance, reporting a 3.48 mean. Majority of the participants also agree that the county government staffs have an emotional attachment to the organization and are highly committed to the objectives (M=3.44). Additionally, the counties perform annual reviews of their departmental work to determine challenges, lessons, and achievements from a mean of 3.46.

Previous research indicates that the process of strategic implementation is successful when it empowers organizational members to properly initiate and implement strategic changes for the organization to achieve its objectives (Orocha, 2022). Table 4.14 is in agreement with Orocha on the fact that the sample county governments appear to motivate employees through various incentives to make them effective in performance. Sawaneh (2021) asserts that strategic implementation incorporates the middle-level management and low-level management as top managers perform reviews. All levels of management participate in making decisions and in the allocation of resources. The scholar also states that strategic implementation is a continuous action that is in line with the mission, vision, strategies, mandates, and objectives of an organization. This study appears to agree with previous researches as county governments involve employees in decision-making and have put in place structures and tasks that align with its objectives. The overall mean of strategic implementation variable of this study is 3.89. The overall mean shows that majority of the participants approved the strategic implementation statements. This is adequate evidence to ascertain that strategic implementation meets the criteria that these authors advocate for especially employee involvement in making decisions and financial incentives.

# **Performance Outcomes**

This research looked into how strategy implementation impacted the performance outcomes of the county governments. Table 2 depicted the outcomes of strategic practices on performance.

| Statement   | Mean | Std. Dev. |
|---|------|-----------|
| There is an increase in the number of employees in the last five years                    | 3.36 | 1.157     |
| Our county government has increased its level of service delivery                         | 3.34 | 1.242     |
| Our county has experienced increased success in completion of community projects          | 3.38 | 1.188     |
| For the last five years, our county government has achieved its objectives in relation to |      |           |
| the performance outcomes of the organization  | 3.39 | 1.235     |
| There is an evidence of improvement of our county government in terms of structures       |      |           |
| through the last years  | 3.38 | 1.188     |
| Strategic management practices have resulted in a decrease in turn-around time            |      |           |
| The response speed to the issues of the public has increased in our county government     | 3.34 | 1.223     |
| due to strategic management practices.  | 3.34 | 1.158     |
| Our county incorporate strategic management practices which support stakeholders to       |      |           |
| seek repeat services  | 3.36 | 1.235     |
| Strategic practices in our organization has resulted in superior offerings                |      |           |
| There is a reduction in the number of case of public complaints                           | 3.34 | 1.205     |
| Overall   | 3.36 | 1.268     |
|   | 3.36 | 1.210     |

Table 2 illustrated the performance outcomes of the strategic implementation in county governments in the North Rift, Kenya. Those participants who agreed to the statement that the number of employees has gone up for the last five years made a mean of 3.36. This shows that strategy implementation, evaluation, formulation, environmental scanning, and strategic leadership has resulted in a rise in the number of employees, perhaps from the growth of the county in terms of structures and service delivery. Also, the respondents agreed that there was an enhancement of service delivery to the people in the respective counties from a score of 3.34. Majority of the participants strongly established that the county governments were successful in completion of more community projects (M= 3.38).

The statement about county governments achieving its objectives over the last five years resulted to a mean of 3.39, showing that majority of the participants strongly agreed to this statement. Also, many respondents perceived that their respective counties have improved in terms of structures through the last five years, with the mean of 3.38. This shows that the majority agreed to this account. Majority of the participants also agreed that the turn-around time had significantly reduced due to strategic management practices from a mean of 3.34. This implies that strategic practices, including environmental scanning, have led to the decrease of time the counties take to complete a process. Additionally, the respondents agreed that the people who came back to seek repeat services had increased due to strategic practices. Moreover, strategic management practices in counties resulted in superior offerings, following a mean of 3.34. There were reduced cases of stakeholders' complaints to the county governments in the North Rift as majority of the respondents approved this from a mean of 3.36.

The overall mean of performance outcome is 3.36. This implies that majority of the participants agreed to aspects concerning performance outcomes. This is in line with the present literature concerning the influences of strategy management processes on the success of an organization. These management practices assist organizations to achieve specific objectives. Strategic management practices incorporate visions and missions of an organization, analysis of the environment, selecting objectives, and analyzing all other strategic choices (Mbugua, 2019). Many respondents agreed to the statements regarding environmental scanning, strategic formulation, strategic evaluation, strategic implementation, and leadership practices. They also agreed on statements concerning the performance outcomes, showing a positive effect of the processes of strategy management on performance of county governments.

### **Inferential Statistics**

After the descriptive analysis of the findings concerning strategic implementation and performance outcomes, the researcher further intended to determine the correlation between the variables. This means defining the link between performance outcomes and strategic implementation. Researchers employ inferential statistics to make conclusions on the reliability of perceived differences between groups or whether the difference has by chance occurred. The main item here was Pearson correlation result. Pearson correlation analysis indicates the trend, significance, and strength of bivariate relationship among variables. Larger correlation coefficients indicate stronger levels of association. Also, there is either negative or positive correlation depending on what direction the variable relationships take.

### **Correlation Analysis**

The researcher first determined the strength and degree of association of variables with performance outcomes (dependent variable). The researcher employed Pearson's correlation product to measure the extent to which variables in this study relate. The coefficient (r) is the measure of strength for the degree to which two variables associate. Table 3 gives the outcomes of correlation between the variables.

| Table 3: | Summary | of | Correlations |
|----------|---------|----|--------------|
|----------|---------|----|--------------|

|                      |                     | Strategy Implementation | Performance Outcomes |
|----------------------|---------------------|-------------------------|----------------------|
| Strategy             | Pearson Correlation | 1                       |                      |
| Implementation       | Sig. (2-tailed)     |                         |                      |
| •                    | N                   |                         |                      |
|                      |                     | 270                     |                      |
| Performance Outcomes | Pearson Correlation | .642**                  | 1                    |
|                      | Sig. (2-tailed)     |                         |                      |
|                      | N                   | 0.000                   |                      |
|                      |                     | 270                     | 270                  |

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

The research defined how strategy implementation influences performance for the North Rift county governments in Kenya. Table 3 provides the results of correlation between strategy implementation and performance outcomes. The correlation examination from Table 3 indicated the presence of a substantial statistic relationship for the two aspects. The correlation coefficient (r= 0.642) alongside a corresponding p-value of 0.000 suggests the presence of a positive connection between performance and strategy implementation. These results align with Sawaneh (2021) who indicated that performance is an outcome of activities from the strategic management process, including the actual implementation of a strategy. According to Sawaneh, strategy implementation involves execution of policies through programs, procedures, and budgets to realize the objectives, goals, and mission of an organization. Gabow (2019) also asserts that strategy implementation is a practice that improves performance. It is a vital aspect to the performance of an organization since it has imperative contribution to strategic management practices.

# **Regression Coefficients**

After determining change proportions in dependent variable arising from the independent variables, the research then strived to determine the individual aspects of strategic management variables and their effects on the dependent variable in county governments in the North Rift. Table 4 presents the regression coefficients of each independent variable against performance outcomes as the dependent. The outcomes showed the effect of these elements on performance of counties in the North Rift. The t-statistics and p-values defined the relationship significance between dependent and independent variables.

| Model                   | Unstand  | lardized Sta | andardized  |       |       |
|-------------------------|----------|--------------|-------------|-------|-------|
|                         | Coeffici | ients Co     | oefficients |       |       |
|                         | В        | Std. Error   | Beta        | t     | Sig.  |
| (Constant)              | 0.929    | 0.196        |             | 5.551 | 0.001 |
| Strategy Implementation | 0.346    | 0.066        | 0.323       | 5.221 | 0.000 |

 Table 4: Regression Coefficients of Each Independent Variable

Dependent Variable: Performance Outcomes

Table 4 depicts the standardized beta coefficients for explanatory variables. Strategy implementation significantly influenced performance outcomes of county governments. Implementation of strategies had a beta value of 0.298, 0.309, 0.317, and 0.323 correspondingly. This means that when a receptive independent variable transforms by a single standard deviation, performance outcome (dependent variable) changes by a corresponding number of deviations. This study therefore established that strategy implementation influence performance outcomes of county governments in the North Rift of Kenya.

# **Hypothesis Testing**

This sub-section provided an interpretation of the indirect and direct relationships for the independent and dependent variables. The research tested the hypothesis with the outcomes from the regression analysis on R-Square, analysis of variance (F-Test), t-test, and P-values.

| Table 5: Hy | se 5: rypotnesis results |       |             |                   |          |  |
|-------------|--------------------------|-------|-------------|-------------------|----------|--|
| Hypothesis  |                          |       |             | Results           | Decision |  |
| Strategy    | implementa               | ation | has no      | t =10.024         | Reject   |  |
| significant | predictor                | of    | performance | t value= $5.221$  |          |  |
| outcomes    |                          |       |             | p-value = $0.000$ |          |  |

 Table 5: Hypothesis Tests Results

The research tested the hypothesis under the null hypothesis;

Hypothesis (H<sub>0</sub>): Strategy implementation has no significant positive predictor of performance outcomes.

The beta value results show the presence of a positive significant correlation amongst operational outcomes and the implementation of strategy ( $\beta$  0.323, p<0.05). The t-value calculated for strategy implementation (10.024) is more than the critical t-value of 5.221. From the results, p-value of 0.000 is statistically significant. Hence, the results on strategy implementation indicate that the two variables have a significant relationship. This meant the study rejecting the null hypothesis. The research can infer that strategy implementation was an influential aspect in the performance outcomes in county governments.

These findings concur with Mahamad et al. (2019) who found that motivating employees, the establishment of objectives, and the assigning of resources to execute formulated strategies moderated the connection between the managers and employees. These also moderated the process of implementing strategic plans for the public sector. Exceptional strategy and efficient use of resources ascribe to the success and efficient performance of organizations in the public sector. This previous research results indicated that strategy implementation directly and positively impacted the performance of an organization. Therefore, Mahamad et al. (2019) recognized that there exist substantial effects of strategy implementation on operational performance. The research also indicated that strategy implementation positively and directly impacts organizational performance. Mahamad et al. (2019) also concluded that the human resources aspect of strategy implementation directly and positively impacts the performance of an organization.

These results further agree with Adeyemo (2021) whose study concluded that the driving forces behind the success of strategy implementation for superior performance is currently a global challenge, hence the need to incorporate all drivers of strategy implementation employee involvement and organization capital. This previous research determined that the drivers of strategy implementation have a positive and noteworthy impact on SMEs performance. Adeyomo (2021) proposed leaders should practice strategy implementation through focusing on the implementation drivers, hence improving organizational performance. Rofiaty (2019) also concluded that knowledge management, entrepreneurial orientation, and strategy implementation significantly affects the performance of schools. Higher abilities of strategy implementation result in higher performance of boarding schools.

The study by Onyegbula et al. (2023) pointed to the significance of technology in strategy implementation to improve effectiveness and efficiency. The research also points to training and capacity-building during strategy implementation to enhance employee knowledge and skills. The research by Onyegbula et al. therefore concludes that implementation of strategies may significantly affect the performance of supervisory and regulatory agencies in financial markets.

This research therefore finds that a strategy implementation phase positively impacts the performance of county governments in the North Rift, Kenya. The conclusion was due the presence of a positive relationship between variables. This conclusion resulted in the research rejecting the hypothesis and it accepted the opposite that states the following;

H<sub>3</sub>: Strategy implementation positively predicts the performance outcomes. This implies that the more an organization emphasizes on efficient and effective strategy implementation, the greater the performance outcomes of that organization.

# **Discussion of the Findings**

The objective of this study entailed investigating whether strategy implementation is a positive performance predictor for the North Rift county governments in Kenya. The outcomes from the descriptive statistics in indicated a mean of 3.46. This implied that the respondents in their majority agreed to the statements in the instrument on strategy implementation. The statements had means ranging from 3.0 to 3.9, meaning that the respondents accepted all the statements on strategy implementation. On the analysis on correlation the coefficient (r) between strategy implementation and performance outcomes was .642. This was a positive value, implying that performance outcomes for county governments and strategy implementation have a positive relationship. An increase in effective strategy implementation activities would create a corresponding rise in performance outcomes in county governments. The p-value in the correlation analysis is 0.000 which is statistically significant.

The regression analysis suggests that combining the independent and dependent variables in one pool produced a correlation of r=0.671. The adjusted  $r^2$  of 0.440 further shows that the model can explain up to 44% variations in the performance outcomes in county governments in the North Rift. This also means that there is still room for improvement as the researcher can also incorporate more predictive variables in the model. Results indicated the F-value as F= 43.188as well as a resultant p-value of 0.000, suggesting that the predictors had a significant impact on performance outcomes. The F-value also makes more than 5% of the level of significance. Results showed an R-Squared of 0.450 which shows that the various dependent variables accounted for 45% of the variance in performance outcomes in counties in the North Rift in Kenya.

The conclusions indicate that strategy implementation significantly impacted the county governments' performance ( $\beta$  5.221, p= 0.000). These figures indicate that when there is a variation in strategic implementation by a single standard deviation, the performance outcome would adjust by an equivalent number of deviations. Results showed the t-critical value as 5.221 which is less than the t-calculated of 10.024. The corresponding p-value was 0.000. These findings resulted in the research rejecting the null hypothesis while adopting the alternative hypothesis.

These results indicate strategy implementation had a noteworthy bearing on the performance outcomes of county governments in the North Rift in Kenya. This could have resulted from the county's democratic and participative way of governance which incorporated the ideas of the employees in making decisions. Also, the counties could have aligned their regular tasks with the overall strategy of the company. These findings concur with Mohamed et al. (2019) who explored on the influence of strategy implementation to organizational performance. Their research argued that clear and well-defined strategy implementation policies are significant in corporate governance and are essential for the top management when making decisions about ways to attain exceptional performance. The research concluded that strategy implementation in terms of human resources and strategy structure positively and significantly impacts the performance of an organization.

Mutunga and Wainaina (2019) in their research on the correlation between performance and strategy implementation concluded that organizations should align their missions and visions while reviewing goals, objectives, and targets to realize an improvement in performance. The scholars also concluded that strategy implementation significantly impacts the performance of an organization. Chepngeno, Wasike, and Mote (2019) also concluded that allocation of resources and budgeting in strategy implementation significantly

affects performance. This is due to the ability to control the misuse of resources and funds toward achieving organizational objectives and goals. Moreover, strategic allocation of resources to places that can generate more revenue may increase the outcomes of an organization. Therefore, the researchers concluded that strategy evaluation influences performance since it facilitates setting of organizational direction and streamlines operations to specific objectives.

# CONCLUSION, AND RECOMMENDATIONS

This study examined strategy implementation terms of employee involvement, managerial decisions, and financial incentives. The findings in chapter four show that strategy implementation can explain up to 32.3% of variations in performance. Other factors that are not incorporated in the study can expound the remaining 67.7%. The positive connection between performance and strategy implementation from the analysis made the study to eliminate the null hypothesis. Instead, the researcher adopted the alternate hypothesis that strategy implementation is a positive predictor of performance. The hypothesis suggests a positive connection between performance and strategy implementation.

Performance arises from the entire organization or as an outcome of a successful strategy implementation. The focus of organizational performance entails the internal processes that quantify the efficiency and effectiveness of action from set metrics. Hence, performance concerns the outcome and output, employee attitudes, profits, organizational response to the environment, and internal procedures and processes. To achieve these outcomes, organizations have to undertake effective strategy implementation as it defines the survival, failure, or success of an organization. A firm's capacity to undertake new strategy implementation effectively and quickly in turbulent environments creates a huge difference between failure and success of an entity (Mutunga, & Wainaina, 2019). Therefore, this research supports the previous researches that strategy implementation impacts performance outcomes of organizations positively.

Chepngeno et al. (2019) states that various factors define organizational success while implementing a strategy. These include providing the employees with incentives and putting in place a work plan as well as the involvement of all stakeholders at the beginning in strategy formulation phase. Involving all stakeholders promotes a sense of ownership among the stakeholders. Leaders must give significance to strategy implementation. The leaders should also have a commitment to share with the employees on information concerning the status of the implementation activity. Successful strategy implementation should also involve reviewing the strategy to align with the dynamic environment. The management ought to maintain a culture and an enabling environment that supports strategy implementation. New threats and opportunities call for strategies that address these issues. Restraining creativity and innovation negatively affects successful implementation, hence hindering the performance of an organization.

This research had a main objective of determining how strategic implementation impact performance outcomes of county governments in the North Rift in Kenya. The research concluded that strategy implementation has a major role in performance of organizations. Without effective strategic implementation, firms cannot realize significant performance. Organizational performance results from decision-making by leaders from environmental scanning to the implementation of a strategy.

The findings showed that strategy execution was critical to the performance of county governments. County governments should enhance their capability for strategy execution through leaders checking progress against targets, planning on how to complete tasks, and preparing deadlines and time schedules.

# Implications

The conclusions from this study have implications for strategic management practices in public governance. From the findings, it is evident that policy makers cannot escape their responsibility for the performance through their actions and decisions. The management has a responsibility in managing performance, recruiting, and retaining effective leaders. The leaders are accountable to the public for performance that is below average.

The research results imply that managers can employ various approaches to suit the circumstances in each organization, hence manage performance. Managers can also formulate new strategies and work coordination to ensure the realization of goals. Organizations should also efficiently use resources to ensure better performance creating an advantageous position.

The outcomes in this investigation expands the existing literature and the frontiers of knowledge by the empirical confirmation that strategic management practices influence performance of county governments in Kenya. It lends support to the relationship between strategy implementation and performance outcomes in County governments in Kenya.

# **Further Research Areas**

This research focused on the impacts of strategic implementation on performance outcomes in the county governments of the North Rift, Kenya. Future study should involve examining the role of leadership styles in performance. Due to this study's cross-sectional nature, future research should emphasize on conceptualized testing of theory employing methodologies that test for causality. It is also necessary to perform this study in other contexts.

### REFERENCES

- Adeyomo, S. (2021). Impact of Strategy Implementation Drivers on the Performance of Small and Medium Enterprises in South-West, Nigeria. *PQDT-Global*.
- Agha, S., Alrubaiee, L. & Jamhour, M. (2011). Effect of core competence on competitive advantage and organizational performance, *International Journal of Business and management*, 7(1), 192-204.
- Alshaher, A. A.-F. (2013). The McKinsey 7S Model Framework for E-Learning System Readiness Assessment, International Journal of Advances in Engineering & Technology, 6(5), 1948–1966.
- Amun et al. (2019). Strategic Environmental Scanning: An Approach for Crises Management. *International Journal of Information Technology & Electrical Engineering* 6(3), pp. 28-34.
- Andrews, R., Beynon, M., & Genc, E. (2017). Strategy implementation style and public service effectiveness, efficiency and equity, *Administrative Sciences*, 7(1), 4-10.
- Armstrong, A., (1998). A comparative analysis: New public management-the way ahead. Aust. J. Public Admin., 57: 12-24.
- Boyne, G. A. (2010). Strategicplanning. In R. Ashworth, G. A. Boyneand T. Entwistle(Eds.), Public service improvement: Theories and evidence(pp. 60-77). Oxford: Oxford University Press.
- Chaimankong, M.&Prasertsaku, D. (2010). Impact of Strategy Implementation on Performance of Generic Strategy: Evidence from Thailand, *The South East Asian Journal Of Management*, 6(45), 32-39.
- Chepngeno, I., Wasike, S., & Mote, P. (2019). Strategy Implementation and Performance of Floriculture Organizations in Kenya: A Case of Winchester Farm Ltd. International Academic *Journal of Human Resource and Business Administration* 3(7), pp. 1-13.
- Elbanna, S., Andrews, R., Pollanen, R. (2015). Strategic planning and implementation success in public service organizations: Evidence from Canada, *Public Management Review*, 18(3), 1017-1042.
- Ferlie, E., & Ongaro, E. (2015). *Strategic management in public services organizations: Concepts, schools, and contemporary issues.* London: Routledge.

- Gabow, O. (2019), Strategic Management Practices and Performance of Kenya Commercial Bank in Nairobi City County. *Master Thesis*. Submitted to Kenyatta University.
- Gottschalk, R. (2015). Strategic information systems planning: the IT strategy implementation matrix, *European Journal of Information Systems*, 8(2) 107-118.
- Johnsen, Å. (2015). Strategic management thinking and practice in the public sector: A strategic planning for all seasons? *Financial Accountability & Management*, 31(3), 243-268.
- Joyce, P., & Drumaux, A. (2014). *Strategic management in public organizations: European practices and perspectives*. New York: Routledge.
- Karuhanga, B. N. (2015). Evaluating implementation of strategic performance management practices in universities in Uganda. *Measuring Business Excellence*, 19(2), 42–56.http://doi.org/10.1108/MBE-06-2014-0017
- Kihara, P., Bwisa, H. &Kihoro J. (2016). Strategic Direction as an Antecedent between Strategy Implementation and Performance of Small and Medium Manufacturing Firms in Thika Sub-County, Kenya, Asian Journal of Humanities and Social Studies, 5(4), 52-55.
- Mohamed et al. (2019). Impact of Strategy Implementation (Strategy, Structure, and Human Resources) on Organizational Performance within Abu Dhabi Police, UAE. *TEST Engineering and Management 81*, pp. 1914-1920.
- Mutunga, & Wainaina. (2019). Relationship Between Strategy Implementation and Performance of Kenya Wildlife Service. *International Journal of Current Aspects 3*(IV), pp. 32-51.
- Njagi, L.&Kombo, H.(2014).Effect of strategy implementation on performance of commercial banks in Kenya, *European Journal of Business and Management*, 6(2), 62-67.
- Njeru, E. (2015). Strategic management practices and performance of small and medium sized enterprises in *Kenya*.(Unpublished MBA Project) University of Nairobi, Kenya.
- Njoroge, J. K., Machuki, V. N., Ongeti, W. J., &Kinuu, D. (2015). The Effect of strategy Implementation on Performance of Kenya State Corporations, *Prime Journal of Business Administration and Management* (*BAM*), 5(9), 1913-1922.
- Onyegbula et al. (2023). Impact of Strategy Implementation on the Performance of Regulatory and Supervisory Agencies in Financial Services Sector in Nigeria. *Journal of Human Resource and Sustainability Studies 11*(2), pp. 298-315.
- Pollitt, C., (1990). Managerialism and the Public Services: The Anglo-American Experience. Basil Blackwell, Cambridge, MA.
- Qarashay, D.M.&Alzu'bi,F.A.(2018). The Effect of Strategic Management on the Organizational Performance Using the Balance Scorecards Approach to Measure Performance: A Case Study in the Nursing Department at Al-Khalidi Hospital and Medical Center, *International Journal of Business and Management*, 13(4), 260-270.
- Rofiaty, R. (2019). The Relational Model of Entrepreneurship and Knowledge Management toward Innovation, Strategy Implementation, and Improving Islamic Boarding School Performance. *Journal of Modeling in Management 14*(3), pp. 662-685.
- Savoie, D.J., (2002). What is Wrong with the new Public Management. In: Public Management: Critical Perspectives, Osborne, S.P. (Ed.). Routledge, London, pp: 263-272

- Sawaneh, B. (2021). Strategic Plans Implementation and Evaluation in Public Service Organizations in the Gambia. *Journal of Economics and Allied Research* 6(2), pp. 69-84.
- Singh, A., (2003). Questioning the new public management. Public Admin. Rev., 63: 116-119.
- Thompson, A. A., Strickland, A. J., & Gamble, J. E. (2007). *Crafting and executing strategy. The quest for competitive advantage. Concepts and cases(15th ed.)*. New York, NY.