INTRODUCTION

Concept of Strategy

The practice and concept of strategy has many varied meanings, yet it remains closely related to planning and planning models. The word “strategy” is now applied to almost every management activity. According to Johnson and Scholes (2002), strategy is the direction and scope of an organization over the long-term, which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations. In other words, strategy is about: where the business is trying to get in the long-term; the markets it should invest in and the kind of activities involved in such markets; how the business can perform better than the competitors in those markets; the resources (skills, assets, finance, relationships, technical competence, facilities) required to enable it to compete; the external environmental factors that affect the business’ ability to compete, and the values and expectations of those who have power in and around the business. Strategy is often conceptualized as a term for operating at both the corporate and competitive level. Corporate strategy is defined as the actions and plans which influence the portfolio of different activities in the firm. Operationally, this can be seen as the level of diversity achieved, the mode used to achieve that level of diversity and the management of the diversified set of assets and businesses (Ramanujam and Varadarajan, 1989). Judith et al. (1998) posits that corporate strategy is seen as a proxy for managerial values and goals and the underlying motivations of top managers as revealed through their chosen diversification strategy. This diversification can be achieved through involving all the people who have power in and around the business. Watson (2002), on the same note, adds that there are exchanges between the organization and the various constituencies with which, in the broadest sense of the term, it has to ‘trade’ to continue in existence.

Strategy Implementation

Strategy implementation is largely an internal administrative activity. It entails working through others, organizing, motivating, culture building and creating strong links between strategy and how the organization operates. It also entails a process of converting the formulated strategies into viable operations that will yield the organization’s targeted results. Delicate and sensitive issues are involved in strategy implementation, such as resource mobilization, restructuring, cultural changes, technological changes, process changes, policy and leadership changes. The changes can be adaptive (calling for installation of known practices), innovative (introducing practices that are new to adopting organizations) or radically innovative (introducing practices new to all organizations in the same business or industry) (Byars et al., 1996). Pettigrew (1987) draws his explanation of what strategy implementation means by distinguishing the content of the strategy, the outer and inner contexts of an organization.

This paper examines the challenges faced by Jomo Kenyatta Foundation in strategy implementation. The foregoing study was a qualitative one. Data was collected and analyzed to provide useful information and recommendations for academic purposes and improved performance. The key challenge identified was related to changes in the operating environment such as stiff competition compounded by new entrance of important new competitors into the industry and un-anticipated new substitute or competing products. The government policies were also unfriendly to the business orientation. The industry forces, especially the buyers’ power and rivalry within the industry, have led to increased costs in promotions, branding and efforts to enhance JFK’s presence. Other challenges faced include behaviour resistance to change, inappropriate systems, especially the structure, traditional public sector culture, unaligned organizational processes and resources used in the organization. The study recommended the enactment of business friendly policy changes so that the creation of a Jomo Kenyatta Foundation that is a commercial state parastatal is prioritised. Furthermore, the proposed alignment of the organization configuration (structure, processes), as articulated in the Strategic Plan 2007-2012, should be implemented to ensure profitability and survival.

* Corresponding author: lmusyoka06@yahoo.com

**ABSTRACT**

This paper examines the challenges faced by Jomo Kenyatta Foundation in strategy implementation. The foregoing study was a qualitative one. Data was collected and analyzed to provide useful information and recommendations for academic purposes and improved performance. The key challenge identified was related to changes in the operating environment such as stiff competition compounded by new entrance of important new competitors into the industry and un-anticipated new substitute or competing products. The government policies were also unfriendly to the business orientation. The industry forces, especially the buyers’ power and rivalry within the industry, have led to increased costs in promotions, branding and efforts to enhance JFK’s presence. Other challenges faced include behaviour resistance to change, inappropriate systems, especially the structure, traditional public sector culture, unaligned organizational processes and resources used in the organization. The study recommended the enactment of business friendly policy changes so that the creation of a Jomo Kenyatta Foundation that is a commercial state parastatal is prioritised. Furthermore, the proposed alignment of the organization configuration (structure, processes), as articulated in the Strategic Plan 2007-2012, should be implemented to ensure profitability and survival.
and the process in which strategic change is carried out. He, however, recognizes the fact that the content, the context and the process are inter-related and affect one another. On the same note, other researchers in this field of strategy implementation believe that organizations have no choice but to translate their formulated strategies into concrete processes that would ensure the success of their strategic visions (Daft, 2000). Thompson and Strickland (1998) argue that strategy implementation is all about acting on what has to be done internally to put formulated strategies in place thus ensuring that targeted results are achieved within the targeted framework of time. Targeted results may be the expected levels of financial performance of an organization or the efficiency in service delivery, especially for non-profit making organizations and strategy implementation can also be understood depending on the perspective one takes on strategy. For example, is strategy first formulated and then implemented, or vice versa? Mintzberg (1979) argues that if one believes that strategies are explicit, implementation would mean carrying out the pre-determined strategic plans. However, one may also hold an emergent view on strategy. In such instances, strategy is not necessarily first created before implementing it but it emerges and evolves without the aid of strategy formulators or in spite of them. An overview of Jomo Kenyatta Foundation Jomo Kenyatta Foundation (JKF) was established by the Government of Kenya in 1966. It was incorporated under the Companies Act Cap 486, Laws of Kenya, as a company limited by guarantee and having no share capital. This organization’s sole purpose is to generate funds and carry out other lawful activities for the advancement of education and relief of poverty and distress of the public. In this respect the company has settled on publishing and provision of scholarship. For over two decades since inception, the company enjoyed a near monopolistic status in so far as the supply of school textbooks and other instructional materials were concerned. The situation has since changed with entry of more local and multinational players in the publishing and printing industry in Kenya and the school book market in particular. As a consequence, the company has undertaken a number of necessary policy technological, institutional and operational shifts for competitive and sustainable growth.

It is in this context that JKF embraced strategic management practices to provide a sound basis for it to align its activities with the anticipated changes in the operating environment with the aim of becoming the top publisher in the region and a leading scholarship provider in Kenya. The first strategic plan (2001-2006) encountered several challenges due to unforeseen changes in operating environment which had not been anticipated during formulation. These challenges were blamed for the declining financial performance over the last few years’. To reposition JKF in the market place for long term growth and enhanced visibility, the second strategic plan 2007-2012 was formulated. Its implementation was to involve deliberate re-structuring to ensure that quality products are published, the market share is broader, the business is developed with sustainable profit levels and educational opportunities for needy students are increased. Further, the implementation process was to attempt to take advantage of the organization’s strength to build a strong competitive advantage while taking appropriate remedial measures to minimize the identified weaknesses during formulation. To successfully implement the strategies, there was a need to link strategic planning and implementation, and anticipate challenges from sources internal and external to the organization. This paper examines the challenges faced by JKF in implementing strategic management practices and the measures that the organization has taken to counter the challenges.

Critical Issues of Strategy Implementation at JKF

In the current turbulent economic times, firms in Kenya operate under increasing competitive and ever-changing environment. This puts them under pressure to continually review their strategic plans or formulate new ones to suit the existing trends. Further, without proper strategy implementation, even the most superior strategy is useless. According to Aosa (1992), once strategies have been developed, they need to be implemented; they are of no value unless they are effectively translated into action. This is necessary if such organizations are to remain competitive and relevant to current market trends. Strategy implementation is inextricably connected with organization change. The changes made to the organization configuration (structure, processes, relationships, boundaries) present internal sources of challenges. Further, changes in the macro-environment, the industry forces and the operating environment present external sources of challenges. The industry forces create intense competition as opposed to what could often occur under a monopolistic environment. This underpins the importance of scanning the internal and external environment as an important analysis during strategic planning. The link between strategy planning and implementation, coupled with communicating the strategy and allocation of resources to the plan, all aim at minimizing challenges to implementation.

The education sector is one of the social pillars of the Kenya Vision 2030. In pursuit of providing educational materials for this important sector, the education publishing industry in Kenya has faced numerous problems that have affected its growth. Jomo Kenyatta Foundation has embraced strategic management practices in response to the environmental dynamism and in an attempt to reverse the downward trend in its market share and profitability in the face of growing demand for scholarships. The organization is currently implementing its second strategic plan (2007-2012) after a review and end of the first strategic plan (2001-2006). In order to effectively implement the strategy, JKF has planned to deliberately make internal changes in its organizational configuration in an attempt to create a strategic fit. It is expected that this organizational change is likely to be faced with challenges. Further, the processes of implementation will encounter challenges from sources that are internal and external to the organization.

Sources of Challenges to Strategy Implementation

Strategy implementation can pose a number of challenges. The challenges arise from sources that are internal and external to the organization. The particular challenges that will face strategy implementation will depend on the type of strategy, type of organization and prevailing circumstances. Many challenges in strategy implementation can be avoided if strategy development is coupled with implementation. The lack of understanding of a strategy and the inability to connect
strategy formulation and implementation has an impact on successful implementation.

**Internal Sources**

Strategy implementation is inextricably connected with organizational change. All organizations resist change and try to maintain the status quo, sometimes even if it yields unsatisfactory results. Resistance to change is a multifaceted phenomenon which introduces delays, additional costs and instabilities into the process of introducing change. People working in an organization sometimes resist change proposals and make strategy difficult to implement (Lynch, 2000). This may take the form of procrastination and delays in triggering the process of change, unforeseen implementation delays and inefficiencies which slow down the change and make it cost more than was originally anticipated, lack of commitment, slow downs, absenteeism, disrespect of deadlines, poor performance and strikes. Systemic resistance results from passive incompetence of the organization in support of strategy. It arises whenever the development of capacity lags behind strategy development. This may further hinder implementation, especially where strategic and operational control systems do not detect and cause adjustment to the changing internal environment. Behavioural resistance on the other hand may be manifested on an individual or group level. Parochial self interest, misunderstanding and lack of trust, different assessments and views from managers, and low tolerance to change are some of the reasons behind behavioural resistance. The behavioural challenge, in addressing the social system (people), is in creating a shared understanding of the different perspectives all the people in an organization hold, as a preamble to the commitment in searching for solutions. The compatibility of organization culture to new strategic changes is an important measure in overcoming this challenge. Lack of synergy between strategy and culture may obstruct the smooth implementation of strategy by creating resistance to change and Aosa (1992) states that it is important that the culture of an organization be compatible with the strategy being implemented because where there is incompatibility between strategy and culture, it can lead to a high organizational resistance to change and de-motivation, which in turn can frustrate the strategy implementation effort. However, when culture influences the actions of the employees to support current strategy, implementation is strengthened. Maximizing synergy, while focusing to reinforce culture, managing around culture and reformulating a new organization culture, are some recommendations, by Pearce and Robinson (2001), of managing strategy-culture relationships in various situations. Inappropriate systems utilized during the process of operationalization, institutionalization and control of the strategy are often sources of challenges during strategy implementation. The process of institutionalization relies heavily on the organization configuration that consists of the structures, processes, relationships and boundaries through which the organization operates (Johnson and Scholes, 2003). The relationships consist of interactions, influence, communication and power dynamics, among other elements that occur in a systematic or a structured manner. Whilst the strategy should be chosen in a way that it fits the organization structure, the process of matching structure to strategy is complex (Byars et al., 1996). The choice of a particular structure is a formidable challenge. For example, the strategic challenge in the functional structure is effective coordination of the separate functional units. Some form of divisional structure is therefore necessary to meet the coordination and decision-making requirements resulting from increased diversity and size. Moreover, increased diversity, size and number of units necessitate grouping various divisions in terms of common strategic elements. While the organisational matrix structure is easy to design, it is difficult to implement. Dual chains of command challenge fundamental organizational orientations. Negotiating shared responsibilities, use of resources and priorities can create misunderstanding or confusion among subordinates. The biggest challenge in leadership is in determining the “right things”, especially at a time where industries are mature or declining; the global village is becoming increasingly complex, interconnected, and unpredictable; and product lifecycles are shrinking (Dess et al., 1998). Such challenges are even more acute in strategy implementation. A leader also faces all kinds of barriers, such as conflicting objectives, organizational feuds, political rivalries and organizational inertia. Things don’t always work out as planned - sometimes gravity takes over and things come crashing down around the leader. Such happenings impede strategy implementation process. Kangoro (1998) notes that lack of commitment to strategic management practices by top management and other employees of the organizations results in poor implementation.

Staff control of systems often prevents line managers from using financial compensation as a strategic tool (David, 1997). David (ibid.) further suggests that for reward system to be closely linked to the strategic performance of an organization, the system should be a dual bonus system based on both annual objectives and long term strategic objectives, profit sharing and gain sharing. This requires employees or departments to establish performance targets; if actual results exceed objectives, all members get bonuses. Sales, profit, production efficiency, quality and safety could also serve as bases for an effective bonus system. David (2003) asserts that organizations have at least four types of resources that can be used to achieve desired objectives, namely financial, physical, human and technological. The various activities necessary to implement any particular strategy should be defined in terms of each type of resource required. The operating level must have the resources needed to carry out each part of the strategic plan (Harvey, 1998). It is often a common practice to reduce this specification of resource requirements to monetary terms (Copeland et al., 2000). According to Daft (2000), one major shortcoming of strategic implementation in organizations is a failure to translate statements of strategic purpose, such as gain in market share, into identification of those factors which are critical to achieving the objectives and the resources/competencies to ensure success. The intangible resources may also lead to unique challenges associated with external accountability imposed by the authorizing environment. Inadequacy of any form of resources, such as inadequate funds, equipment and facilities, and human resources skills and experience, is often a big challenge during strategy implementation. Swartz (1985) argues that the challenge to management is that it might need to recruit, select, train, discipline, transfer, promote and possibly even lay off employees to achieve the organizational strategic objectives. He further argues that
since more and more organizations are using teams, the ability to build and manage effective teams is an important part of implementing strategies. Okuto (2002) set out to study the human factor in implementation of strategic change within large manufacturing firms in Nairobi. The major finding was that change implementation in these firms ignored the important details and use of proper communication. Labour relations were another resource related challenge that may hinder strategy implementation. How strikes and go-slow are managed may be detrimental to success.

**External Sources**

Strategy implementation challenges are also found in sources external to the organization. The challenges will emanate due to the changes in the macro-environment context, namely Economic, Politico-legal, social, technological and environmental. Since the purchasing power depends on current income, savings, prices and credit availability, any change in the direction of the economies in the corporation’s regional, national and international market is likely to present changes in the purchasing power and hence the overall financial performance of an organization. In the rapidly changing social environment of the highly interdependent spaceship earth, businesses feel great pressure to respond to the expectations of society more effectively. Therefore, any changes in social values, behaviours and attitudes regarding childbearing, marriage, lifestyle, work, ethics, sex roles, racial equality, social responsibilities among others will have effects on firms’ development (Pearce and Robinson, 2003). Unanticipated changes in the government policies regarding taxation, industry cooperation, environmental protection, education policies, among other factors will impact on strategy implementation. A new administration may also bring about changes to the board of directors and leadership in an organization.

At any given time in its lifecycle, certain underlying forces in an industry operate to broadly define the potential for a company’s success. Efforts to implement the strategy can be greatly impaired by challenges arising from the industry forces that include powerful buyers, powerful suppliers and stiff rivalry from the competitors. Changes in the degree of integration of major competitors, industry’s vulnerability to new or substitute products, changes in the magnitude of the barriers to entry, number and concentration of suppliers, nature of the industry’s customer base and the industry’s average percentage utilization of production capacity are all likely to impact on implementation. Information is a key resource of particular attention at the moment with the rapid advances in information technology. These developments in the ability to access and process information can build or destroy an organization’s core competences that are crucial for competitive advantage (Johnson and Scholes, 2002). It is also spawning new business models, where traditional ‘value networks’ are being configured. Technological innovations can give a firm a special competitive advantage (Githui, 2006). Without continued product or service improvement, profitability and survival are often jeopardized. This may present a serious threat to most organizations but may serve as an opportunity to others (Johnson and Scholes, 2002). The operating environmental forces compounded by pressure arising from stakeholders like creditors, suppliers, customers, shareholders, government and the local community can impose challenges that could impair strategy implementation. Often people know little, if any, about a strategy when it is being hatched in the boardroom. Participation of all stakeholders in strategic planning is seen as important because of the key role; stakeholders have to play in implementation, including monitoring of the planning recommendations and strategies. Competitive position is a key issue in the operating environment. The entrance of important new competitors into the industry may throw an organization in tantrums. Anticipated new substitute or competing products may render the organization’s products uncompetitive (Pearce and Robinson, 2003). Operating environment changes, such as in the Customer profiles, need to be anticipated and strategies adjusted to match customer expectations (Pearce, and Robinson, 2003). Major cost increases due to cost hikes by creditors or suppliers may present unprecedented challenges. The advances in innovation technology demand that continuous capacity building becomes an integral activity for most organizations. This demands a lot of resources and organization with no capacity to develop, maintain and sustain the human resource competencies, especially from the local community is likely to be confronted with challenges.

**MATERIALS AND METHODS**

This study was conducted through a case study design. The personal interview method was used for primary data collection and for secondary data, annual reports and magazines were reviewed. The data, after collection, was processed, summarized and verified in accordance with the objectives of the study. The researcher used an interview guide for all respondents of the study. Content analysis for qualitative data was performed. This method was preferred on the basis that subjecting the collected data to content analysis allows the researcher to learn about underlying altitudes, biases or repeating themes.

**RESULTS AND DISCUSSION**

**Challenges of Strategy Implementation**

The objective of the study was to determine the challenges faced by Jomo Kenyatta Foundation in strategy implementation. To respond to this, in-depth interviews were done with the Managing Director and her senior management team. The senior management team composed of managers in Finance, Marketing and sales, Human Resources and Administration, Internal Audit, Legal, Risk management and Publishing. The core business of the JKF is publishing and provision of scholarships. Up until the early 80s, the foundation was publishing and printing materials prepared by the Ministry of Education. The books were then delivered to the Ministry of Education for distribution to schools under the Kenya School Equipment Scheme (KSES). For two decades since inception, the company enjoyed the near monopolistic status in so far as the supply of school textbooks and other instructional materials were concerned. The situation has since changed due to globalization and economic liberation that have seen the entry of more local and multinational players in the publishing and printing industry in Kenya and the school book market in particular. In addition, changes in government policies on education and the various public sector reform
measures as well as technological dynamics have posed serious challenges, but also have brought with them new opportunities for the company. In the wider public sector, relevant reforms undertaken include the introduction of performance contracting, embracing the results-based management (RBM), E-Government, E-commerce and a National Integrated Monitoring and Evaluation System (NIMES). In addition, SAPs from the World Bank and the imposition of economic policies by the IMF and World Bank on the Government of Kenya fuelled problems, which impacted on the publishing and educational sector. Consequently, the company has undertaken a number of necessary policy, technological, institutional and operational shifts for competitive and sustainable growth. These shifts demand organizational changes that have been confronted by systemic and behaviour resistances.

The in-depth interviews revealed that the key challenges facing the foundation emanate from the operating environmental changes that present a threat to effective implementation of the strategy. All the senior managers reported that Competitive position is a key issue in the operating environment for Jomo Kenyatta Foundation. The operating environmental forces for Jomo Kenyatta Foundation are compounded by pressure arising from stakeholders, as reported by the senior management. External stakeholders of Jomo Kenyatta Foundation include customers (Booksellers and Users), suppliers, Government, Kenya Institute of Education (KIE), Authors, Scholarship Beneficiaries, Trade unions, Financiers, Charity organizations, Kenya Publishers Association and competitors. The market has six major competitors, namely Kenya Literature Bureau, Longhorn Publishers, East African Educational Publishers, Oxford University Press, Macmillan Kenya Ltd and the Longman Kenya Ltd. The foreign publishers are a major threat to the market share limiting growth. New entrance of important new competitors in to the industry captured a large market share of the secondary and tertiary books. This presented a major challenge and JKF has had to invent new strategies continuously to enhance its presence in the secondary and tertiary segments. The threats of Globalization of the book market present further challenges. The stiff competition led to fluctuation of JKF finances from year to year. Between June 2002 and June 2006, JKF made losses in three of the five years. At the same time, sales have been falling since June 2004 as a result of increasing competition. How to address the downward trend in its market share and return to profitability is a major challenge.

The in-depth interviews revealed that there is an increasing diversity in the type of products required in different school book markets. This is primarily due to Changes in the Customer profiles. The market has experienced unanticipated new substitute or competing products. These have had the potential of rendering some of the organization’s products uncompetitive leading to obsolescence of some publications. The evolving regional market presents a further challenge of obsolescence of some publications. The management of credit facilities, given the inflexible government credit procedures, is a challenge. Further, it was reported that some creditors are not genuine. The risk management processes and procedures are solely controlled by the government laid down procedures. Any decisions that may allow flexibility and financial risks meet obstacles and leading to losses of business opportunities. Major costs are incurred in contracting and royalty agreement to ensure that risks are well managed. Further, use of credit facilities between the publishers and customers sometimes exposes the organization to legal costs. Despite reported involvement and participation of all stakeholders, including the government during the strategic planning process, it was evident that government and its regulations present a major hindrance to effective implementation. Whereas the foundation is classified as a commercial state corporation with semi-autonomous status, it has not fully operated as such. This is principally due to the administrative and legal controls by the central government under the authorities of various government policies, circulars and statutes, including the state corporations Act Cap 446, Laws of Kenya. These controls present challenges and are not business friendly. The prior written government authorization for use of company vehicles outside normal office hours was especially mentioned to hinder performance in the marketing and sales department. It was reported that the sales personnel are unable to serve customers adequately in comparison with those from other publishing firms that are not controlled by these regulations hence lost business opportunities. There was a reported considerable delay in executing decisions where approvals by the central government are a prerequisite to implementation of particular activities. This was a common phenomenon, even after company budgets have had prior approvals from the central government.

The politico-legal status of JKF has led to non-competitive terms and conditions of employment leading to high staff turnover, especially among the professionals’ cadres. This has resulted in JKF being used as a platform for training of employees as they are attracted to more lucrative work in other publishing firms. This has translated to high operating costs, especially in filling casual vacancies and staff training, loss of institutional memory and lack of continuity. It also opens the company to unfair competition and loss of business secrets. Staff retention remains therefore a big challenge to the company. The in-depth interviews informed that social factors in the external environment have led to an increasingly growing demand for scholarships in the country. Poverty and the growing number of orphans and vulnerable children as a result of HIV/AIDS have led to increased demand of attention. The growing need of being socially responsive and accountable has put pressure on the organization to justify its existence. Some managers reported that the foundation stands to lose one of the key purposes for its existence, which is provision of scholarships. This mandate forms the basis for tax exemption on its income and hence it is a challenge to retain. The capacity to provide scholarship is directly related to the level of profits, which varies from year to year. Presently, a hybrid strategy which seeks to achieve differentiation and prices lower than the competitors is the market facing choice of JKF business strategy to achieve competitive advantage. The traditional low-cost leadership approach presented a challenge, given the growing preference for quality publications rather than just price. Stiff rivalry from the competitors who have embraced the immense social shift to new forms of publishing is a major challenge. This has led to competitors embracing integration strategies for competitive advantage. Decisions to use such strategies in JKF are confronted by limitations owing to its politico-legal status.
Advances in the technological environment have presented challenges and opportunities for JKJ, as reported by majority of the senior management interviewed. The use of ICT in the publishing industry and all industries as a whole has presented an opportunity to enhance the skills of the employees in JKJ. Based on its attachment to the public sector, there are inadequacies of the existing legal framework to effectively support electronic commerce. This limits its utilization and hence performance in the global competitive environment. The availability of desired skills and abilities among the long serving employees has presented a challenge.

The introduction of ICT has encountered resistance to change. Use of paper is still rampant in some departments, as the researcher observed bulky files were still in this era, on some top managements desks. Some top managers felt that this was a source of inefficiencies and high operating costs. Further, the use of ICT was feared to lead to phasing out of the paper publishing and loss of jobs. The need to change rapidly to ICT presents challenges of high costs in changing to e-publishing. In the era of massive technological advances and innovation technology, continuous capacity building has become an integral activity for Jomo Kenyatta Foundation. This demands a lot of resources and JKJ has to continuously develop, maintain and sustain the human resource competencies, and this is particularly a challenging situation. Majority of the managers interviewed appreciated that certain underlying forces in the publishing industry define the potential for Jomo Kenyatta success. Certain powerful buyers in this industry include the Ministry of Education through the free primary Education policy. It was reported that the highest turnover was recorded during the financial year 2003/2004, which coincided with the first year of implementation of the new curriculum and free primary education. Changes in curriculum or review of the National Education Curriculum by KIE have adversely affected publications and have led to obsolescence. Retention of competent authors, timely payment of royalty and payment of competitive rates for work done are among the major challenges in ensuring high quality and competitively-priced publication.

There was reported considerable consultation with the senior management during the development of Strategic plan 2007-2012, unlike the Strategic Plan 2001-2006. All the top managers who were working for the foundation at the time of its development identified themselves with the present document. They were all optimistic that it was possible to achieve their targets if there was status quo in the external environment. One of the managers, however, felt that the Strategic Plan 2007-2012 could only deliver up to 75% achievements. The achievement of the targets in the strategic plans is a challenge by itself, given a lot of variables that the management team may have little control over. For the purpose of operationalization, the implementation matrix was reported by majority of the senior managers as the main tool for operationalization. None of the departments had an explicit annual operational plan with defined annual objectives. Annual operational objectives are a strange term to some departmental heads. Some departments set out performance targets while others develop an activity schedule that helps to track projects implemented per quarter. Some senior managers had not developed any operational tool for the financial Year 2008/2009 even as the first quarter was coming to an end in September 30th. The meaning and interpretation of functional or parts strategies by senior managers was varied with some asking for clarification from the generic strategies. Some managers felt that since their source of funding was wholly from the sale of books, there was no need for their departments to have functional or parts strategies. The institutionalization of the strategies formulated in the first strategic plan 2001-2006 was confronted with various challenges. The findings of this study revealed that there was lack of strategic fit between strategy and culture. The culture at JKJ was described by some managers as outdated and not compatible to the changing industry and operating environment. It was a major challenge to promote a market driven approach of accountability and transparency. The inculturation of this culture has not been easy given the public sector traditional culture of a don’t-care attitude that befell the public sector in the 1980s and 1990s. The culture was compounded by lack of performance appraisal systems and lack of rationalization of salaries and allowances that demoralized the staff further.

The structure of Jomo Kenyatta Foundation was reported to fail to adequately match effective implementation of the strategies. The structure, according to the senior managers, failed to facilitate clear delineation of responsibilities without overlaps/duplication or gaps. Some important functions necessary for successful implementation such as monitoring and evaluation are apparently missing. The increased workforce associated with non-core functions such as printing, cleaning and security, presented a challenge of increased production costs during implementation of the Strategic plan 2001-2006. This finding was also documented in its mid-term review. It was reported that despite proposals having been made for restructuring, only partial implementation of the proposed structure had been done by the period of data collection - September 2008. The secondary data reviewed reported that there was a challenge in leadership of strategic practices in Jomo Kenyatta Foundation. It was noted that the Chairman and the Board of directors were political appointees. However, it was apparent that previously, the appointments were not professional and this impacted negatively to performance. Further, one of the main challenges of the first strategic plan 2001-2006 was to competitively appoint a chief executive officer who was to be answerable to the board of directors. Building commitment to strategic management practices by top management has been a challenging task for the Managing director. Human resources for performance were a major challenge during implementation of the first strategic plan 2001-2006. Low workforce morale and inability to retain competent and qualified staff was a significant observation during implementation of the strategies. Although there are no apparent evidence of go-slow or staff unrests, cases of absenteeism, disrespect of time, coupled with under-productivity experienced in the last few years attest to underutilization of the people asset. The challenge to management during implementation of strategic plan 2007–2012 is how to recruit, select, train, discipline, transfer, promote and possibly even lay off employees to achieve the organizational strategic objectives. The ability to build and manage effective teams is an important part of implementing strategies as noted by the managing director and her management team. The ageing infrastructure or physical resources/assets presented a major challenge and their
upgrading in the last implementation period of strategic plan 2001–2006 utilized enormous financial resources. Up to November 2006, when printing function was outsourced, the foundation was running both publishing and printing operations. The printing was associated with increased production costs due to a large number of workforce, increased maintenance and insurance costs. The machine breakdown was markedly responsible for loss of business. Presently, the challenge has shifted to the Procurement process of printing services. This has to be procedural, as laid down in the Procurement and Disposal Act, 2006 a government policy document for purposes of ensuring that transparency and quality goods are procured. Delays may also hinder timely delivery of publications to the market.

Conclusions

The study sought to determine the challenges faced by Jomo Kenyatta Foundation in strategy implementation. The findings were that challenges faced are usually from sources external and internal to the organization. The challenges, ranging from the external sources to the organizations, were adversely identified by the top management first over and above those from the internal sources to the organization. The major challenges identified were those from sources in the operating environmental changes, such as stiff competition, compounded by new entrance of important new competitors in the industry and un-anticipated new substitute or competing products. The stakeholders in the operating environment, such as customers, creditors, government and others seemed to present particular challenges that may have affected the organizations’ competitiveness. The politico-legal status of the organization in this operating environment has been identified to be unfriendly to the business orientation expected of Jomo Kenyatta Foundation. Changes in the macro-environment were identified as a source of challenges to implementation of strategy in Jomo Kenyatta Foundation. Commonly mentioned are the government policies in the political environment. The purchasing power dictated by the economic environment determined the customers’ potential. The increased number of orphans and vulnerable children due to poverty and HIV/AIDS in the social environment presented challenges of increased demand versus supply of the scholarships. The Technological environment presented challenges of increased demand to creativity and innovativeness, training costs, obsolescence and stiff competition. The industry forces, especially the buyers’ power and rivalry within the industry, has led to increased costs in promotions, branding and efforts to enhance JKF presence. The challenges faced in strategy implementation at JKF also emanated from sources internal to the organization due to behaviour resistance to change from the traditional deep-rooted public sector culture to a dynamic culture responsive to the market. There were inappropriate systems; specifically the structure, culture, leadership, systems used in the organization that did not have a strategic fit with the strategy. The inadequate human, physical and financial resources were also a key challenge in implementation.

Recommendations

The study findings gave empirical evidence that have implications for policy and practice. There is a need for Jomo Kenyatta Foundation to embrace a business oriented approach in implementation of the strategy. Jomo Kenyatta Foundation has a documented strategic plan whose formulation followed a scientific approach. However, its operationalization fails to document all the tools necessary for successful strategy implementation such as Annual Operational plans, functional or parts strategies and policies. The foundation is classified as a commercial state corporation with semi-autonomous status. This semi-autonomous status needs to be defined and enhanced to enable Jomo Kenyatta Foundation employ fully the strategic management practices for increased profitability and survival in the dynamic competitive environment. In Kenya, the benefits of privatization of State Corporation, such as Kenya Airways and Safaricom, are appreciated. Privatization raises revenue for the government, improves corporate governance and provides the basis for a competitive industry. The study recommends privatization of Jomo Kenyatta Foundation to enhance its profitability and meet the increased demand of sponsorships to the needy children.

Jomo Kenyatta Foundation serves the education sector which forms an important social pillar in Vision 2030. Its mandate is to advance education and knowledge alleviating poverty through provision of scholarships for the needy, bright secondary school students. The scholarship funds are nearly all from the purchase of books. This is a noble cause and if the government is serious about attaining vision 2030, then JKF should be facilitated by increasing the degree of autonomy to ease challenges of competitiveness, limitations by government regulations and quicker decision making. The administrative and legal controls by the central government under the authorities of various government policies, circulars and statutes, including the state corporations Act Cap 446, Laws of Kenya, need to be in cognizance of the commercial basis of the entity. The study findings imply that the proposed job evaluation exercise and restructuring proposals, as articulated in the Strategic Plan 2007-2012, are paramount to success of their implementation. The scholarship function needs to be strengthened to justify one of the key purposes of the organization existence and the basis for its exemption from paying taxes and dividends to the government. Publishing is the key function and promotion, and strengthening of it will boost the competitiveness of the foundation in the industry. The study findings imply that strengthening of this department and development of competitive strategies for publishing is an important agenda for survival in the dynamic publishing industry.

REFERENCE


******
What implementation challenges do URBACT Implementation Networks focus on? The difficulties cities can face while implementing their strategies have been translated into a series of implementation challenges; common headings to allow cities that are taking part in these networks to exchange on the issues that they all face. Those are: Ensuring the integrated approach in the delivery of the strategy and their related actions or projects. Maintaining involvement of local stakeholders and organising decision-making for delivery. Setting up efficient indicators & monitoring systems to measure