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Determinants of Strategy Implementation in Agricultural Development Corporation

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ABSTRACT

Current research indicates that the success rate in implementing strategies by organizations stands between 10% and 30%. While strategy formulation is paramount and widely researched, little research has been done on strategy implementation hence the need to carry out more research work in this area in order to build more knowledge. This study, therefore, concentrated on determinants of strategy implementation in the Agricultural Development Corporation (ADC). A descriptive research design was used in the study, with a population of 340 employees of ADC. These comprised of 14 senior managers, 90 middle level managers and 236 low level employees. Stratified sampling was conducted and a 20% sample resulting to 68 respondents was drawn. The study used a questionnaire with closed and open-ended questions to collect primary data. Secondary data were collected from the ADC strategic plan: 2015-2019, consolidated annual reports & financial statements: 2012-15, strategic plan review report of 2013 and progress reports which describe strategy implementation process in the corporation. The researcher checked the completed questionnaires for completeness and consistency of information. The quantitative data were coded and analyzed using SPSS (statistics Package for Social Sciences) and presented using tables, charts, and graphs with respective interpretation. Qualitative data were grouped into common themes based on the research variables. The research found that strategic communication supported strategy implementation at the Agricultural Development Corporation. The evaluation of effect of strategic capability in the corporation established that the variable supported strategy implementation in the corporation. Similarly the study found that strategic flexibility supported strategy implementation at Agricultural Development Corporation. The study found a strong positive relationship between strategy implementation and communication process and organizational capability. A weak positive relationship was established between strategy implementation and strategic flexibility. The study therefore, recommended that other state corporations implementing their strategic plans need to give attention to strategic communication, organizational capability and strategic flexibility.

Background of the study

The main concern of any strategic manager is to create and shape strategy to outsmart competitors (Tait & Nienaber, 2010). This view is supported by Pearce and Robinson (2007) who said that a firm's ability to achieve strategic competitiveness and earn above average returns is compromised when there is failure to respond appropriately and quickly to the global dynamism that businesses face today. Under these circumstances, managers of firms are under pressure to meet expectations of stakeholders who are increasingly becoming more diverse, more informed and expect higher performance standards. In addition, businesses are under pressure from their owners who expect good returns on their investment. Advancement in technology has also created better customer awareness, leading to increased demand for high quality products and services. Employees also expect the best working conditions and good compensation while the community and government expect positive contribution and compliance with all regulations by their employers. In order to achieve organizational objectives under the prevailing complex business environment, management of firms formulate competitive strategies. However, only managers who successfully implement their strategies enjoy competitive advantage over the less successful ones in implementing strategies (Fourie, 2007).

Unlike strategy formulation which involves a small number of employees, strategy implementation engages all employees in an organization. Thus, it is important that the strategy implementation process is made simple and easily understood by employee's at all functional levels. Kaplan and Norton (2001) developed the balanced score card for use in aligning various strategic objectives with each other in a balanced manner. The balanced score card seeks to link the firm's present situation to the desired future. The scorecard clarifies the framework within which decisions are made, considered and implemented by all employees.

In addition, it helps to identify goals for stakeholders, customers, employees, and even suppliers thereby making it possible to measure performance and evaluate intended strategic outcomes and impacts.

While a lot of work is done in the development of strategy by most organizations, more effort is required to ensure strategy implementation achieves the intended objectives. Raps and Kauffimen (2005) assert that the business world today faces a strategy crisis because the success rate of strategy implementation is low, often oscillating between 10 and 30 percent. This assertion is reinforced by researchers (Balogan & Hailey, 2008) who established that the success rate for strategic change programmes is as low as 30 percent. In 2006, a strategy implementation research paper of Chinese corporations reported that strategy implementation has become a high level challenge for the managements in most organizations.

Across-section of scholar's link poor strategy implementation to loss of resources committed to formulation and implementation of strategy and lack of motivation of employees. Unsuccessful implementation of strategy has also been attributed to Loss of competitiveness, negative perceptions and staff/stakeholder resistance (Heracleous, 2000 & Schaap, 2006).

Firm performance

Firm performance is one of the most relevant constructs in the field of strategic management. It is also the most commonly used dependent variable in various management fields (Richard, Devinney, Yip, & Johnson, 2009). Researchers and managers view firm performance as part of organizational effectiveness that encompasses financial performance (profits, return on assets, return on investment etc), market performance (sales, market share etc), and shareholders' return (total shareholder return, earnings per share, economic value return etc). This view is rather narrow but it captures the interests of those stakeholders with mutual dependence on the performance of the firm (Cesciaro & Piskorski, 2005).

Organizations exploit their resources and capabilities differently because their resource base and objectives vary. Thus, managers, employees, stakeholders, governments, and non-governmental organizations concentrate on performance measures which most directly relate to their own goals. A cross section of researchers, suggest that financial performance is best represented by profitability, growth and market value, and satisfied investors (Cho & Pucic, 2005; Venkatraman & Ramanujam, 1986). Furthermore, customer and employee satisfaction as well as social and safe environmental practices are also considered important dimensions of firm performance (Barney & Clerk, 2007; Johnson & Scholes, 2002).

Performance measurement is very important for any organization regardless of whether they are commercial or otherwise. Although commercial enterprises are mainly focused on profit maximization, they cannot ignore customer, employees, social and environmental perspectives because these factors are critical for sustainable performance in any organization.

Strategy Implementation

There is no universally accepted definition of Strategy implementation. However, researchers generally share the view that it is an activity that entails turning plans into action assignments and ensuring that the assignments are applied successfully in line with set objectives. Since the process is organization-wide, interactive with many variables and dynamics, organizations must embrace learning to be able to seize opportunities in competitive environments (Harrington, 2006). In his contribution to the concept of strategy implementation, Schaap (2006) contents that successful implementation of work plans require supportive behavior by leaders at senior level.

Viseras, Baines, and Sweeney (2005) further stated that strategy implementation's success depends crucially on the people and less on organizational systems factors. Thus, strategy implementation requires creating a flexible strategic vision with holistic perspective. The board of directors and senior management must make strategic goals clear for them to be understood and supported throughout the organization. The goals should be cascaded down to business units and departments to develop supporting strategic initiatives at every level.

Statement of the problem

Scholars have described strategy implementation as a complex phenomenon that involves organization of a firm's resources and motivation of staff to achieve set objectives (Ramesh, 2011). In his comparative view of strategy formulation and strategy implementation, Hrebiniak (2006) asserts that formulating a consistent strategy is a difficult task for any management team but implementing it throughout the organization is more difficult. Literature shows that the Pakistan's public sector organizations experienced declining performance despite having strategic plans in place (Sial, Usman, Zufiqar, Satti, & Khursheed, 2013).

Strategic planning and implementation in Kenya is a statutory requirement for all state corporations. The practice of this management approach is relatively new in the Kenyan public service. Local studies have been done on the factors affecting strategy implementation. Awino (2011) conducted a study on effect of employee perception of planned change strategy of selected firms in the Kenyan insurance industry and found that employee involvement always leads to a higher rate of success in the implementation of strategic change management coupled with higher productivity. However, the study did not consider organizational capabilities. Muturi (2005) did a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment. He sampled 30 respondents through random sampling. His findings were that any strategy implementation that does not involve the employees is bound to fail.

Kamanda (2006) also did a study on Kenya Commercial Bank (KCB) with the objective of determining the factors that influence its regional growth strategy. His study did not cover issues of strategy implementation. This study therefore sought to fill the prevailing gaps in literature by establishing the determinants of strategy implementation in the Agricultural Development Corporation in Kenya.

Objective of the study

i. To determine the influence of strategic communication on strategy implementation at ADC.
ii. To evaluate the effect of organizational capability on strategy implementation of ADC.
iii. To examine the effect of strategic flexibility on strategy implementation in ADC.

Concept of Strategy

Porter (1996) looks at a strategy as a creation of a unique and vulnerable position of tradeoffs in competing, involving a set of activities that clearly match together, that are simply uniform, reinforce each other and ensure proper utilization of effort. According to Pearce and Robinson (2007), strategy is the company's "game plan" which results in future oriented plans interacting with the competitive environment to achieve the company's objectives. It is the direction and scope of organizations over the long-term, which achieves advantage for the organization through its configuration of resources within a dynamic organization and fulfills stakeholder's expectations (Johnson &

Scholes, 2002). Many scholars view Strategy as a fundamental management tool for any organization which seeks to match its resources, skills and the environmental opportunities to manage risks in order to achieve its objectives (Pearce & Robinson, 2007; Johnson & Scholes, 2002). According to Robinson (2009), strategists should consider specific activities to achieve a suitable strategic decision for an organization intending to take a particular direction. The situation of the main elements of strategic management such as culture, values, attitudes, vision, mission and long-term objectives must be determined because they have a different worth and importance in every organization (Hill & Jones, 2001). Miller (2002) argues that the social, political, economic, technological, demographic and educational changes must be assessed to identify environmental opportunities and threats. This provides top management with criteria for choosing the best alternatives to respond to changes effectively.

Strategic management is, hence, both a skill and an art. Good strategic management requires both clear thought and sound judgment. Strategic management is the formal and structured process by which an organization establishes a position of strategic leadership. Strategy development is a multidimensional process that must involve rational analysis and intuition, experience, and emotion.

But, whether strategy formulation is formal or informal, whether strategies are deliberate or emergent, there can be little doubt as to the importance of systematic analysis as a vital input into the strategy process. Without analysis, the process of strategy formulation, particularly at the senior management level, is likely to be chaotic with no basis for comparing and evaluating alternatives.

Moreover, critical decisions become susceptible to the whims and preferences of individual managers, to contemporary fads, and to wishful thinking (Hill & Jones, 2001). The process of formulating a strategy must be based on an intensive analysis of the company’s present status and its past experience in order to develop an effective and adaptive decision-making process (Noble, 1999). There is also need to formulate objectives which are properly aligned to strategic priorities of the organization. The strategy should include indicators and actions from the top towards the base. It should provide for general consensus, motivation of employees and confidence that the implementation plans will lead to superior performance of the organization.

Strategic Communication

At first look, the suggestion that communication aspects should be emphasized in the implementation process seems to be a very simple one. Even though studies point out that communication is a key success factor within strategy implementation, communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized (Johnson, 2006).

A study carried out by Gopinath, and Becker (2000) on the links between strategy and communication aimed at identifying relationship that exists between strategy and communication in the organization. The study targeted 115 employees and used a sample size of 30 employees. It concluded that an entire discipline in organizations is devoted to the study of organizational strategy, including strategy implementation but they have paid little attention to the links between communication and strategy. This has made management not to communicate to the staff about the strategy, making implementation difficult. The study suggested that strategic communication should take place.

Rapert and Wren (1998) did a comparative study about firm communication on issues of strategy. They aimed at the effect of communication on strategy implementation. A target population of 213 employees and a sample size of 65 employees were used. The study concluded that organizations where employees have easy access to management through open and supportive communication climates tend to outperform those with more restrictive communication environments when it comes to strategy.

A study carried out by Peng and John (2001) on organizational communication and strategy implementation aimed at the effectiveness of communication on strategy implementation. The study used a target population of 150 employees and a sample size of 58 respondents. The study concluded that communication is a key requirement for strategy implementation.

The study of Schaap (2006) about the role played by senior level leaders in strategy implementation aimed at the role of senior-level leaders in the Nevada Gaming Industry. Using a target population of 160 and a sample size of 30, the study concluded that over 38 percent of the senior-level leaders do not communicate the company's direction and business strategy to all of their subordinates.

Organizational Capability

Organizational capability can be viewed as the organizational context in which organization members work in order to contribute to growth, service or other organizational goals (Van Londen, 1998). Hansen and Wernerfelt (1989) conducted a study about the categories of organizational capabilities. It was found out that although the category of organizational capabilities had been 'hardly considered in literature' some literature on this category did emerge, even though it remained relatively general.

Argyris (2002) did a research on how organizational relationships influence strategy implementation. They indicated that these organizational relationships form the core of organizational capabilities which has been the discerning element from human capital in strategy implementation.

Tomer (2005) also researched on organizational capabilities as a form of human capital, only not vested in individuals, but also in the intangible linkages between people. However, he warns that investments in organizational capabilities should not be confused with human capital itself as this may affect strategy implementation within the organization. He therefore established that human labor was important in strategy implementation. In this research it was found out that 60% of the working staff were aware of any strategic changes in the top and main offices compared to 40% of the employees working in the branches. Finally he asserts that the productive capacity of humans in strategy implementation is embodied in organizational capabilities and not in individuals per se, but in the relationships or connections between people. He also asserted that organizational capability captures the firm's organizational relationships that embody its strategy and structure, such as corporate strategy, organizational structure, culture and organizational procedures.

Another research was conducted by Barney (2001) who found out that from a strategic management view-point, the way in which the efforts of the enterprise are organized, may be a source of (adaptive) strength and competitive advantage.

Grant (2006) did a research on the effects of competition on strategy implementation and suggested that dynamic competition is the main reason why organizational capabilities are more essential strategic foundations than characteristics of target markets. Intense competition from other organizations on the available resources or markets may hinder or influence strategy implementation. In this research competition was moderate therefore the top management had all the time and resources to explore the market competitors before deciding on strategy implementation.

Alexander (2009) suggests that there are many problems which many Corporations experience frequently, such as the involved employees have insufficient capabilities to perform their jobs, lower-level employees are inadequately trained, and departmental managers provide inadequate leadership and direction.

Strategic Flexibility

Strategic flexibility is an organization's ability to identify major changes in the external environment to quickly commit resources to new courses of action in response to change and to recognize and act promptly when it is time to halt or reverse such resource commitments (Hitt, 2007). According Rainey (2009), the purpose of strategic flexibility studies is to apply interventions and change processes in order to improve the functioning of organizations. They also summarize the major indicators of flexibility which are market driven behavior as committed and involved top management, supportive culture, and alignment of objectives and reward with external market performance and finally closeness of locus of decision to the customer.

Based on research findings, Argyris (2001) argues that the humanistic approaches associated with strategic flexibility and change management create self-energizing, dynamic, and strategic agencies that produce better outcomes as this will foster strategy implementation.

While there are diverse process models and a wide range of intervention techniques that vary based on individualized problems and intended goals of specific organizational development initiatives, this research has several characteristics associated with strategic flexibility and the movement towards strategic-implementation issues. Strategic flexibility literature speaks to the critical importance of forming powerful guiding coalitions to support transformation of the organization goals in the strategic implementation process processes (Rainey, 2009).

Fernandez and Rainey (2006) researched on how the organization structure affects strategy implementation and indicated that while multi-level strategies are beneficial, change agents must include senior level managers that focus on building internal support

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across diverse units. In relation to this, strategic flexibility enables top managers to harmonize all the operations of the organization in order to achieve its strategic changes and implementation. In this research it was established that 60% of the managers understood their organizational structure fully.

According to Fernandez and Rainey (2006), strategic flexibility indicates establishing a clear vision that helps direct change of efforts and developing strategies that will achieve the vision and create consistency of expectation in strategy implementation.

Therefore the aim for this research is to help managers understand the importance and difficulty of developing strategic flexibility. Fernandez and Rainey (2006) established that most of the managers must understand the vision of their organization well. Strategy flexibility can be difficult if the vision of the organization is altered. Thus correctly balancing commitment and timely change should produce outcomes that maximize potential benefits and minimize losses.

Conceptual Framework

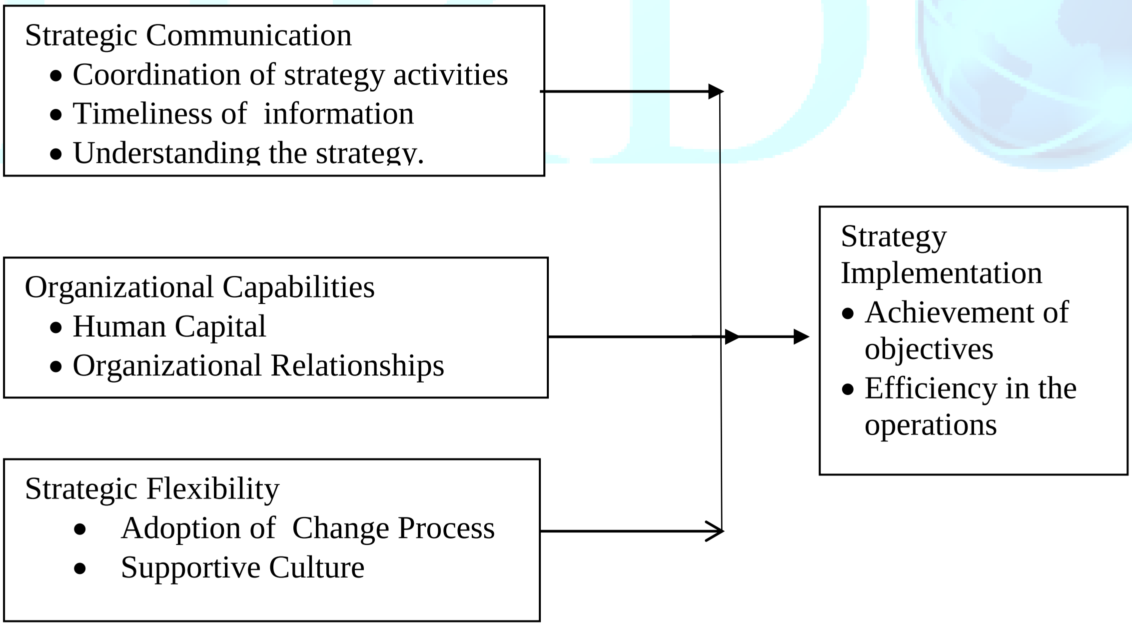

Fig.1: Conceptual framework

Independent Variables **Dependent Variable**

Methodology

The study used descriptive research design in order to observe, describe, and document aspects of a situation as they naturally occur and to obtain information about the variables from respondents in their naturally occurring state. The target population of this study involved 340 employees of Agricultural Development Corporation where 14 were senior managers, 90 were middle level managers while 236 were from lower level employees. Correlation and regression analyses were used to determine the nature and strength of the relationship that exists between variables. The following model was used to conduct the regression analysis:

$Y = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \varepsilon$. Where;

Y = Strategy Implementation; X_1= Communication process;

X_2 = Organizational capabilities; X_3 = Strategy flexibility;

α_0 = Constant; α_{1-3} = Coefficients of independent variables

ε being the Error term.

The study adopted proportionate sampling technique and the study sampled 20% of the respondents from each stratum a total of 68. Data was collected using a questionnaire. Correlation and regression analyses were used to determine the nature and strength of the relationship that exists between variables. The following model was used to conduct the regression analysis:

$Y = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \varepsilon$. Where;

Y = Strategy Implementation; X_1= Communication process;

X_2 = Organizational capabilities; X_3 = Strategy flexibility;

α_0 = Constant; α_{1-3} = Coefficients of independent variables

ε being the Error term.

Results of findings

A total of 68 employees of ADC were sampled out of which 54 responded by completing and returning the questionnaire, a response rate of 79.4%.

The study applied Pearson correlation to examine the relationship between strategy implementation and communication process, organizational capabilities and strategy flexibility

Table 1: Correlation Analysis

		Strategy implementation	Communication process	Organizational capability	Strategy flexibility
Correlation coefficient r	Strategy implementation	1			
	Communication process	.347*	1		
	Organizational capability	.312*	.882**	1	
	Strategy flexibility	0.176	.670**	.694**	1

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

The findings show a strong positive significant relationship between strategy implementation and communication process with a correlation coefficient of 0.347. This implies that if there is effective communication process at the organization, strategy implementation would achieve planned results. The findings also show a weak positive significant relationship between strategy implementation and organizational capability with a correlation coefficient of 0.312. This implies that the organizational capability has to be strengthened for ADC to achieve planned results.

The study also shows a week positive relationship between strategy implementation and strategy flexibility with a correlation coefficient of 0.176. This implies that flexible strategies support strategy implementation. A multivariate regression model was used to determine the relationship between the dependent variables and the independent variable. This involved the use of ordinary least squares / regression model. The resultant regression model was as follows;

$$Y = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \varepsilon$$

Table 2; Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735[a]	.540	.513	.66721

a. Predictors: (Constant), strategic communication, organizational capability and strategic flexibility

The analysis in table 2 shows that the coefficient of determination (the percentage variation in the dependent variable being explained by the changes in the independent variables) R^2 equals 0.54. Thus, strategic communication, organizational capability and strategic flexibility explain 54% of the variation in strategy implementation while 46% can be explained by other factors which are not in the model.

Table 3; ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.743	3	1.581	3.202	.031[b]
	Residual	24.69	50	0.494		
	Total	29.432	53			

a. Dependent Variable: Strategy implementation

b. Predictors: (Constant), communication process, organizational capabilities and strategy flexibility.

ANOVA findings (P- value of 0.031) in the table above show that there was a significant relationship between the predictor's variables (communication process, organizational capabilities and strategy flexibility) and response variable (strategy implementation). The P- value of 0.031 (Less than 0.05) implies that the model was significant at the 5 percent significance level. An F ratio represents the variance between the groups, divided by the variance within the groups. A large F ratio indicates that there is more variability between the groups (caused by the independent variable) than there is within each group, referred to as the error term. A significant F test indicates that we can reject the null hypothesis which states that the population means are equal. The P value is 0.031 which is less than a 0.05 significance level.

Table 4: Coefficients Distribution

3		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.167	0.481		4.503	0.000
	Communication process	0.409	0.262	0.426	1.565	0.0124
	Organizational capabilities	0.095	0.271	0.099	0.351	0.0727
	Strategy flexibility	0.249	0.216	0.21	1.154	0.0254

a. Dependent Variable: Strategy Implementation

From the regression model:

Strategy Implementation = $\alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \varepsilon$

The optimal regression equation is presented below.

Strategy Implementation = $2.167 + 0.409X_1 + 0.249X_2 + 0.\ 0951X._3$

A constant of 2.167 indicates that if communication process, organizational capabilities and strategy flexibility are all rated as zero, average strategy implementation would be 2.167. From the model above, for every unit increase in communication process we expect a 0.409 increase in strategy implementation holding other factors constant. Likewise, for every unit increase in organizational capabilities, we expect a 0.095 increase in strategy implementation holding other factors constant and for every unit increase in strategy flexibility we expect a 0.249 increase in strategy implementation holding other factors constant.

Summary of the findings

The study examined the influence of strategic communication on strategy implementation and found that communication process affects strategy implementation at Agricultural Development Corporation (ADC). Communication provides an interactive platform between the employees through forums in which important decision that touch on staff are discussed. The study also found that employees of ADC receive information pertaining strategy implementation from their leader in time.

When members of the organization are aware of the same information, or if information passes through different layers in an organization at a first rate, a high level of consensus may result and this tends to reduce obstacles to successful strategy implementation. Furthermore, the study found that effective coordination of activities is essential in strategy implementation process as it creates an organizational goal, encourages creativity and allows employee participation in making work-related decisions. It also found that there is a clear guideline on how information should be shared in the organization, there is teamwork in the organization that promotes information sharing across the board and employees always receive the information they need to effectively perform their work in a timely manner in the organization. There is a communication process that permits questions and solicits the same from employees about issues regarding the formulated strategy. This should lead to implementation of the strategy as the employees are told about the new requirements, tasks and activities to be performed by the affected employees, and the reasons behind changed circumstances. The study showed a positive significant relationship between strategy implementation and communication process. This implied that for strategy implementation to succeed,, there has to be effective communication process and vice versa.

The study found that ADC is capable of implementing its strategies effectively. The study established that strategy implementation evolves either from a process of winning group commitment and their capabilities through a coalitional form of decision-making, or as a result of complete coalitional involvement of staff engaged in the implementation through a strong corporate culture. The study further established that the notion surrounding the significance of relationship between departments is particularly based on the idea that better involvement is an essential source of sustained competitive advantage. Better relationship between departments can lead to better strategy implementation in terms of planning and rein forcers such as culture, structure, processes, IT systems, management systems and human resource systems. The study also found that ADC must make the commitment to stay focused on the agreed upon plans and should only make significant changes to the plan after careful consideration on the overall implications and consequences of the change as this maintains a balance between ongoing business activities and working on new strategic initiatives. The study further established that strategy implementation and organizational capabilities have a significant positive relationship. In regard to the objective as to the determination of strategic flexibility on strategy implementation, the study established that ADC can deal with emerging issues when implementing strategies. The majority of respondents (68.2%) understood and agreed that the corporation was able to recognize major changes in external environment and quickly commit resources appropriately. This was possible because there was a supportive culture and strong departmental relationship in the corporation.

A consultant was engaged by ADC in 2013 to review the strategic plan and align desirable changes to the strategy. The process ensured that concentration on new strategy development was dealt with appropriately and harmonized with the main line of business which remained as per the previously formulated business strategy. The study found a positive relationship between strategy implementation and strategy flexibility which implies that flexible strategies were implemented effectively.

Conclusion of the Study

In line with the above findings the study concluded that the employees were aware that communication process played a very critical role in the implementation of strategy at ADC. The study also concluded that employees of ADC receive information pertaining strategy implementation from their leader in time. This implies that strategic communication was effective in informing the employees at all levels of the top management's decisions on implementation of strategies. The study also concluded that there was a clear guideline on how information should be shared in the organization. Thus, there was consistency in information sharing across the board and this enabled employees to receive the information they needed to effectively perform their work in a timely manner.

Therefore the study concluded that there was effective strategic communication that addressed employees' issues regarding the formulated strategy. This led to better commitment to strategy implementation as the employees are told about the new requirements, tasks and activities to be performed by the affected employees, and the reasons behind changed circumstances. The study came to a conclusion that there existed a positive significant relationship between strategy implementation and strategic communication. This implies that for a strategy implementation process to succeed there has to be effective communication process and vice versa.

The study concluded that there are enough employees to implement the strategy at ADC and that Human Resource is considered key in strategy implementation. The study also concluded that employees clearly understood their roles in strategy implementation and worked as a team. In addition, the culture in the organization supported strategy implementation and that there were clear procedures guiding the process. Therefore, the corporation has built capability which should be sufficient to undertake implementation of the strategy. The study therefore concluded that strategy implementation and organizational capability have a strong positive relationship. From the results of the study, it was concluded that strategic flexibility at ADC was at the forefront of the strategy implementation process. There was clear understanding and appreciation by ADC employees that the corporation had ability to recognize major changes in external environment and quickly commit resources to respond appropriately.

The study also concluded that there was a strong departmental relationship and supportive culture. This implies that the corporation is able to build consensus quickly and take action with insignificant resistance when there was a critical need for change during implementation of the strategy. Therefore, there was strategic flexibility in the corporation which supported strategy implementation since there was a positive relationship between strategy implementation and strategy flexibility.

Recommendation of the study

The strategic communication in the corporation has influenced positively implementation of the strategy. It is therefore recommended that the management makes an effort to improve further on this variable in order to raise the level of performance. In addition, state corporations which are implementing their strategic plans should develop effective strategic communication in order to attain their objectives. The corporation should also give more attention to enhancement of teamwork and human resource management. Additionally, more effort should be made to improve procedures guiding strategy implementation process. It is also recommended that state corporations which are implementing their strategic plans should have effective strategic capability in terms of human resources, organizational culture and policies. The corporation should improve on its ability to respond to major changes in the external environment and allocating resources to new strategy. State corporations in Kenya should consider strategic flexibility during the strategy formulation and implementation to ensure that they achieve their targets.

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