Determinants of Strategic Plan Implementation in Organizations

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Moi University

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Determinants of Strategic Plan Implementation in Organizations: A Case Study of Chai Trading Company Limited

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Abstract:
During this era of severe competition, organizations have to strive in order to remain competitive within any industry. Strategic planning and proper implementation can be used as a tool for achieving organization goals, thus is important to critically examine the determining factors of plan implementation.
The main aim of this study was to establish the determinants of strategic plan implementation in Chai Trading Company Limited (CTCL). The specific objectives of the study were: to determine the effects of corporate leadership on strategic plan implementation in CTCL, to establish the extent to which strategic competitiveness influences strategic plan implementation in CTCL, to establish the effects of organization culture on strategic plan implementation in CTCL and to establish the influence of strategic HRM on strategic plan implementation in CTCL.
The specific focus of the study was CTCL a subsidiary of Kenya Tea Development Agency (KTDA) and the respondents were management level staff. CTCL is the trading arm of KTDA incorporated in the year 2003. During the year 2013-2014, tea earning from export fell greatly resulting to a 44% drop in tea bonuses to farmers. The drop was associated to overproduction in China and India and market related challenges, (KTDA Annual Report, 2013- 2014). These are strategic issues which call for strategic solutions in strategic planning and implementation and thus need for a research study to address the problem. Descriptive research design was used and a case study approach adopted. The target population was the 120 permanent employees of CTCL. The sample size for the study was 36 respondents representing 30% of the population which were selected through stratified sampling. Questionnaires were used for primary data collection.
From the research findings, the researcher concluded that strategic plan implementation is dependent on Strategic Human Resource Management (SHRM), strategic competitiveness, organization culture and corporate leadership at CTCL. Each of the variables was found to have a significant effect on strategic plan implementation. The researcher therefore recommends more efforts in manpower planning to nurture strategic human resource resulting in better competitive edge. The use of more competitive remuneration can be applied in recruitment and attraction of qualified strategic human resource and especially in special assignments such as strategic plan implementation. It is also critical for organizations to develop ways of enhancing competitiveness. The researcher identifies value addition strategy as an efficient way to achieve the same. Finally the researcher observes the importance of corporate leadership and positive culture in driving organization, strategic plan implementation and recommends more efforts to nurture leadership which contributes to the nature of culture in an organization.

Keywords: *Determinants, Strategic plan implementation, corporate leadership, strategic competitiveness, organization culture, strategic HRM*

1. Introduction and Background of the Study

A strategic plan is a set of processes undertaken in order to develop a range of strategies that will contribute to achieving the organizational direction (Tapinos, Dyson and Meadows, 2005). This therefore calls for the formulation of a coherent document which will guide the efforts of all the stakeholders, outline what the organization is trying to achieve and how it intends to achieve it. Strategies can be formulated in three levels that is; corporate, business and functional level. At corporate level strategies are formulated by the top level management or the board of directors. At business level strategies are formulated by middle level

managers, for example; human resource manager, marketing manager, production manager among others (Yabs, 2010). Strategy formulation at a functional level is done by first line managers or supervisors (Sababu, 2007).
Strategic planning involves the activities of the organization defining its strategy or direction and making decisions on allocating resources to pursue this strategy. In order for an organization to determine its future direction, it is necessary to understand its current position and the possible avenues through which it can pursue a particular course of action. Bryson (2012) argues that strategic planning is a management tool that helps the organization to focus its energy, to ensure that members of the organization are working towards the same goals, to assess and adjust the organization's direction in response to the changing environment. Scholars argue that it is a disciplined effort to produce fundamental decision and actions that shape and guide what an organization is, what it does and why it does it, with a focus on the future. A strategic plan provides a clear framework and guidance for organizations to fulfill their missions with optimal efficiency and impact. Strategic management and strategic planning has generated a lot of interest in the corporate sector. Formulation of strategies and strategic plan to cope with the environmental changes which include organizational growth, profitability and survival among others has recently been an area of great concern to corporate.

1.1. Strategic Plans
Many scholars agree that a strategic plan needs to be simple, realistic and neither too ambitious nor insufficiently demanding (Aldehyyat, Alkhattab and Anchor, 2011). It should allow some degree of flexibility to fit with the changing environment. Scholars add another perspective by highlighting the danger of planning in that it assumes the world will stop while managers wait to plan and implement strategies. This explains why a strategic plan should be made in a way that it is flexible to accommodate the organization dynamics. Steiner (2009) argues that strategic plan is an attitude and an outcome of a process concerned with the future consequences of correct decisions. Managers are given tasks with predetermined success. The management role is to strategize on how best the targeted results are to be achieved. Strategy is basically the means of achieving set results. In strategy implementation the formulators should take into account all the relevant aspects of the organization's internal and external environment. This is followed by a detailed plan action.

1.2. Implementing Strategic Plan
Strategy implementation is a complex phenomenon that can be looked from different theoretical perspectives and thus requires a combination of theoretical perspectives to explore complexities in strategy implementation (Li, Guohui and Eppler, 2010). Strategy implementation is the translation of chosen strategy into organizational action so as to achieve strategic goals and objectives (Saleemi, 2006). Petty, Palich, Hay and Longenecker (2010) argue that a firm's basic path to the future is clearly spelled out in the strategic plan. This is because a strategic plan provides a firm with purpose and direction. A well thought out strategy will enhance productivity and higher revenues. Strategy implementation has been widely recognized as a key management challenge for both the organization and managers. This area remains a comparatively under addressed area in strategic management literature and business practice (Hutzschenreuter and Kleindienst, 2006). Bossidy and Charan (2002) support the same argument and point the need to address the area. According to Thompson and Strickland (2003) strategy execution task is complex and time consuming part of strategic management. In addition, scholars describes strategy implementation as dynamic, iterative and complex process which is composed of a series of decisions and activities by managers and employees who are affected by a number of interrelated internal and external factors as they strive to achieve strategic objectives through implementation of strategic plans. The mandate of CTCL is to ensure profitable marketing of tea for KTDA. This is achievable through strategic plan formulation and implementation. Understanding the dynamics and complexities of strategic plan implementation for CTCL is critical for its success.

1.2.1. Background Information of Chai Trading Company Limited
CTCL is a wholly owned subsidiary company of Kenya Tea Development Agency Limited (KTDA) based in Mombasa Kenya. The company was incorporated as a trading subsidiary of KTDA in September 2003. KTDA Limited is the single largest producer of black tea in the world. In addition to CTCL, KTDA owns and operate 54 tea factories in Kenya; KeTePa Limited, Majani Insurance Brokers, Greenland Fedha Limited and KTDA Power Limited. CTCL is the tea trading arm of KTDA Limited. To optimize performance CTCL has been sectioned into four strategic business units namely; Freight Division, Trading Division, DMCC Dubai and Finance and Support Services Division.
The Freight Division provides total logistics solutions related to movement and storage of teas such as warehousing and handling, cargo consolidation, clearing and forwarding, multimodal transport, project cargo handling and airfreight services. The division has more than 840,000 square feet of ultra modern warehouse storage space in Mombasa so as to effectively render services. Chai DMLC (Dubai Multi-Commodities Centre) in Dubai Tea Trading Centre (DTTC) in Jebel Ali Free Zone was established as a branch office in the year 2008, and is mandated to tap into the lucrative tea markets in the Middle East, Russia and Kazakhstan by conducting aggressive marketing in the region and by taking advantage of the region business hub status of Dubai to navigate some of the business obstacles in order to deliver business to CTCL. In addition to marketing its other key focus areas are on fostering value addition initiatives such as blending and packing, promoting strategic partnerships with potential investors in the region through activities such as joint ventures and conducting research and development for future product and services in line with the changing global trends and consumer preferences. The Trading Division handles the core business of the company, i.e. tea trading. It does so through buying and selling of all origins from the Mombasa tea auction, KTDA direct sales and other private factories offers. The business is predominantly export oriented as the majority of the tea buyers are overseas clients. The largest number of exports goes to

Pakistan, followed by Afghanistan, Sudan, Egypt, United Arab Emirates, United Kingdom and Iran. Finance and Support Services Division is mandated to handle the general administrative tasks which include financial management of the company, human resource management, procurement among others.

1.2.2. Statement of the Problem

Many scholars agree that a firm must engage in strategic planning that clearly defines objectives and asses both internal and external situation to formulate strategy, implement, evaluate and make adjustments as necessary to stay on truck. Tea continues to be one of the main foreign exchange earners in Kenyan economy and the industry employ 75% of the rural population. Kenya ranks fourth world's largest producer of black tea, after India, China and Sri Lanka, and the leading exporter of tea. Tea is currently the country's leading export crop and foreign exchange earner, accounting for nearly 20% of the total earnings (Tea Research Foundation of Kenya, 2011). This asset needs to be well nurtured to enhance growth and stability within the industry, which is important for the Kenyan economy. CTCL is mandated to do value addition, offer logistical solutions, market and trade tea through auctions for KTDA sector. To undertake these obligations strategic plan formulation and implementation is critical for CTCL. The company has to spend extra effort to develop and implement strategic plans to achieve the set objectives. Despite spending a lot of man hours in development of strategic plans and especially CTCL Strategic Plan 2010-2014 the company has not been able to implement the strategies to achieve its objectives. The latest issue is the recent 44% drop in tea bonus pay to tea farmers in the year 2014 (KTDA Financial Report, 2014). This is an indication of problems of strategic plan implementation.

CTCL strategy execution focus has been on quality improvement and the implementation has been challenging and complex. Having developed several strategic plans, with the latest being Strategic Plan 2010-2014, CTCL has not fully implemented strategies outlined in the plans.

Strategic plan implementation is a major step in the tea industry, and this can be used to address challenges in the sector such as compensation of tea farmers through bonus. Clear understanding of the need to effectively implement strategic plans and the forces beside the implementation of strategic plans brings out a new perspective for managers. It is critical for managers to understand previous and existing determining forces that derailed their achievement of their strategic plans.

1.2.3. Objectives

The general objective of the study was to establish the determinants of strategic plan implementation in Chai Trading Company Limited.

- Specific Objectives
  1. To determine the effects of corporate leadership on strategic plan implementation in Chai Trading Company Limited,
  2. To establish the extent to which strategic competitiveness influence strategic plan implementation in Chai Trading Company Limited,
  3. To establish the effects of organization culture on strategic plan implementation in Chai Trading Company Limited,
  4. To establish the influence of strategic human resource management on strategic plan implementation in Chai Trading Company Limited.

1.2.4. Justification of the Study

Strategy implementation is a key component of strategic management and some researchers have argued that the ability to implement a strategy is much more important than formulating the strategy (Hrebiniak, 2008). In addition, Li, Guhui and Eppler (2010) assert that well planned strategies lead to superior performance only when they are successfully implemented. The tea industry plays a critical role in the economy by bringing foreign exchange in Kenya. Secondly, it provides massive employment opportunities both directly and indirectly. This study on strategic plan implementation on organizations and focus on the tea sector will therefore provide useful information and recommendations to managers in the industry, which will assist in design and implementation of strategic plans in order to improve the sector.

This study findings and recommendations will be of great significance to directors, managers and strategy implementers since it will reveal knowledge on various internal and external factors affecting implementation of strategic plans and get solutions on how issues can be handled. The study will also be if great importance to scholars, academicians and researchers since it will form a reference point and basis for further research.

1.2.5. Scope

The study was carried out at CTCL located at Miritini within Mombasa County, Kenya. The target population was the 120 permanent employees of CTLC who posses relevant information with respect to the research topic. Specifically the study focused on top management (executive), middle level management and supervisory management. This is because they have reliable information in regard to the study. Questionnaires were used to collect primary data.

2. Literature Review

2.1. Theoretical Review

2.1.1. Transformational Theory

The concept of ‘transforming leadership’ was first put forth by McGregor Burns in 1978. Burns (1978) argues that transforming leadership is a relationship of mutual stimulation an elevation that coverts followers into leaders and may convert leaders into moral agents. Burns further added that transforming leadership occurs when one or more persons engage with each other in such a way that leaders and followers raise one another to higher levels of motivation and morality. The transforming leader shapes, alters and elevates the motives, values and goals of followers achieving significant change in the process. Burns (1978) sees the power of transforming leadership as more noble and different from charismatic leadership, which he terms ‘heroic’ leadership and executive or business leadership. Strategic plan implementation can lead to total organization transformation, hence demands inspiring, committed, innovative and visionary leadership.

2.1.2. Contingency Theory

Contingency theory states that one thing depends on the other things, and for organizations to be effective, there must be ‘goodness of fit’ between their structure and the conditions in the external environment (Fielder, 1964). This management approach is contingent on organizations situation. This study concurs with contingency theory notion which asserts that the selected implementation design and application must conform to its contextual factors. Scholars assert that contingency theory represents a blend of organizational decision making perspective and organizational structure. The essence of this theory in application to this study is that organizational effectiveness in areas such as strategic plan implementation may result from fitting characteristics of the organization such as leadership, competitiveness, organization culture, strategic HR practices and technological responsiveness to contingency that reflects the situation of the organization. Strategy implementation being a long term undertaking will entail critical monitoring and evaluation of emerging issues and taking corrective action which forms internal control of the process. It is thus paramount for managers and strategy implementers to be sensitive of any contingency and its effect on strategic plan implementation to ensure proper implementation and control.

2.1.3. Porter Competitive Advantage Model

Porter (1985) considers the competitiveness of a country as a function of four major determinants: factor conditions; demand conditions; related and supporting industries; and, firm strategy, structure, and rivalry. Even though these determinants influence the existence of competitive advantage of an entire nation, their nature suggests that they are more specific of a particular industry rather than typical of a country. The reason for this is that in Porter’s theory is the basic unit of analysis for understanding competition in the industry. Factor condition refer to the situation in a country regarding production factors, like skilled labor, infrastructure, etc., which are relevant for competition in particular industries. Demand condition describes the state of home demand for products and services produced in a country. Related and supporting industries refer to the existence or non-existence of internationally competitive supplying industries and supporting industries. Firm strategy, structure, and rivalry refer to the conditions in a country that determine how companies are established, are organized and are managed, and that determine the characteristics of domestic competition. In strategic plan implementation, the understanding of the four factors can be source organization competitiveness. Human resource availability and infrastructure within the country or otherwise outsourced, product demand, which can be enhanced through value addition, technological assistance availability and the overall strategies and running of a firm will contribute in the implementation of the plan. Proper blending and mix of the four factors will give an organization better competitive edge.

2.1.4. Resource Allocation Theory

Cherop (2012) argues that resources are needed for the successful implementation of strategic plan and strategies. It is very difficult to implement a strategy when resources are not available. Resources will include the human resources, training, remuneration, finances etc. Resources have to be available for strategy implementation. In the studies, ‘why do public sector organizations fail in implementing of strategic plans in Pakistan’, resources limitations comprising of budget, technology, tools and Human Resource (HR) inadequacy were the biggest impediments to strategic plan implementation (Abdulwahid, Mohamad, Sehar, Arshad and Iftekhar, 2013).

2.1.5. The Resource-Based Theory

Understanding sources of competitive advantage have become a major area of study in strategic management (Flint and Van Fleet, 2005; King, 2007). The resource-based theory stipulates that the fundamental sources and drivers to firm’s competitive advantage and superior performance are mainly associated with the attributes of their resources and capabilities which are valuable and costly to copy (Mills, Platts and Bourne, 2003; Peteraf and Bergen, 2003). Firm resources include all assets, capabilities, organizational processes, firm attributes, information and knowledge etc. controlled by a firm (Barney, 1991). The resources are regarded as stocks of capabilities, flow of variables and combined with specific skills allow the bundle of products and sources of market oriented business to be differentiated, in order to achieve and sustain a competitive advantage. In strategic plan, implementation managers have to identify the key resources necessary, such as leadership, positive culture, human resource capabilities and competitiveness among others.

2.2. Conceptual Framework

In the conceptual framework, four determinants of strategic plan implementation were under investigation, Corporate Leadership, Strategic Competitiveness, Organization Culture and Strategic Human Resource Management.

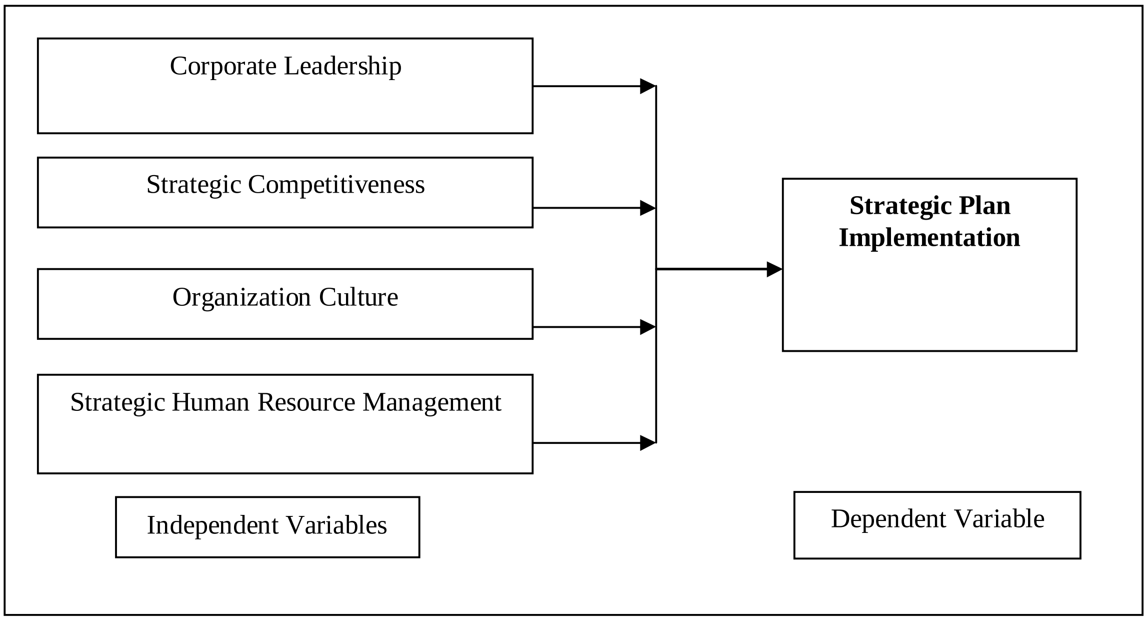

Figure 1: Conceptual framework

2.3. Determinants of Strategic Plan Implementation in Organizations

2.3.1. Corporate Leadership

Scholars argue that in understanding responsible business behavior, the starting point remains the leadership qualities that are in the domain of personal attitudes and beliefs. These are value driven and almost by definition relate to the moral aspects of decision making, distinguishing between right and wrong, good and bad. As such, they comprise those characteristics of the individual such as honesty and integrity. They are the deep seated personal qualities that change and develop only slowly over time. Good corporate leadership ought to be transformational, sensitive to organizational contingencies and competitiveness and effective in resource allocation. This transforms the leadership into a resource for the organization. Many researchers agree that the reasons which lead to strategic plan failure despite having the best strategies has to do with leadership behavior which include lack of commitment, lack of creative strategic vision and poor motivation to staff. Jooste and Fourie (2009) argue that there are many organizations which have various strategies, but due to lack of commitment by policy makers and lack of strategic leadership those strategies do not produce fruitful results. The reason beside failure of strategy is lack of interest and efficient leadership to implement.

Communication is one of these management and leadership skills, so important to managers, can be taught and developed to assist in the implementation of strategic plan. Kumar, Markeset and Kumar (2006) pointed out that excellent communication and transparency between involved parties as well as clearly defined performance factors play a vital role in creating trust in the implementation phase. To become a successful strategy implementer, organization top management personnel should clearly communicate what the new strategic decision is all about with the involved stakeholders. Heide, Gronhaug and Johannessen (2002) observed that there existed various communication related challenges. The communication related issues could have been brought about by the structure of the organization which intern leads to the creation of a barrier to the implementation of the strategic activities which had been planned. This is achievable through leadership. Rapert, Velliquette and Garretson (2002) observed that shared communication and understanding among human resources is an important aspect in the strategy implementation process. For instance, through vertical communication, the shared understanding about the prioritized strategies are likely to be enhanced hence leading to improvements. Forman and Argenti (2005) observed that, the arrangements between the implementation of strategies and the communication functions of corporations where observable in that the firms were undergoing visible and very important strategic changes. Howell (2005) stated that effective champions are distinguished by three behaviors: (1) conveying confidence and enthusiasm about the innovation, (2) enlisting the support and involvement of key stakeholders, and (3) persisting in the face of adversity. Although, the growing need for change in organizations is widely acknowledged by researchers, it is alleged that up to 70% of change initiatives fail (Higgs & Rowland, 2005). Execution cannot succeed unless the strategy itself is designed to be executable. Apart from wasting significant amounts of time and money, they result in lower employee morale, a diminished trust and faith in senior-level leadership, as well as create an even more rigid organization since a company that has failed to change will encounter more employee skepticism in its next attempt (Heracleous, 2000).

Research suggests that senior-level leaders are more than willing to communicate, but they often approach the task on a tactical rather than a strategic level (Clampitt, Berk, and Williams, 2002). In addition, these same people are trained to plan, but not execute plans (Hrebiniak, 2005). While the leader may perceive strategy implementation to be complex, sufficient allocation of resources together with thorough research of the marketplace will boost chances of success. CEOs must endeavor to: (1) identify the market factors that bear most upon a strategy, (2) set up contingencies for known situations that are susceptible to unknown changes, and (3) have various measures in place to cope with the real possibility of encountering unexpected developments in the external environment (Anonymous, 2003, p. 4). The unseen force that brings innovation and strategy together is the leadership of the pioneers of the organization. Inspiring role of leaders, their commitment, innovation thinking and above all, their vision can be attributed to the success of a firm (Herath and DeSilva, 2011).

2.3.2. Strategic Competitiveness

The competitive strategies tend to apply Porter's (1985) ideas on strategic choice. Porter (1985) identified three key basis of competitive advantage: cost leadership, differentiation through quality and service and focus on 'niche' markets. Competitiveness is a key resource to the organization sensitive to resource allocation for the organization and contingencies in operational activities such as strategic plan implementation. Technology infrastructure and competitiveness forms a significant resource and can give an organization valuable assistance in implementing new policies, procedures and initiatives. Firms will utilize technology to enhance and maintain competitiveness, communication and accountability for all level managers and employees throughout the change process such as strategy implementation. Technology assists in keeping truck of implementation and performance goals and their achievement. Juma and Wachira (2013) argues that priority on resource allocation on the basis of goals and objectives of the strategic plan is critical and identify ICT as a means to shorten processes such as resource allocation and communication. The resource based theory identify venture resources in the form of capabilities, assets, technology and skill as sources of competitive advantage, implying that it is embedded on resources and capabilities of a firm and technology is critical. Schuler, Jackson and Storey (2001) used this as their model of SHRM where they defined the appropriate HR practices and policies to fit the generic strategies of cost reduction, quality enhancement and innovation. They argued that business performance will improve when HR practices mutually reinforce the organization's choice of competitive strategy. Thus, in Schuler and Jackson's model, the organization's mission and values are expressed through their desired competitive strategy.

Brokerage firms contribute to the loss of income by the growers. In Kenya there are 11 tea brokerage firms. If these brokerage firms were to be scrapped and a single autonomous agent owned by the farmers created, the growers would be able to earn their worth. Most growers wonder why the brokers are allowed to get more than the farmers and yet they only deal with the sale of the finished product, (Geshimba, Lagat, Liu and Wolukau, 2005). A study based in Sri Lanka, 'Strategies for competitive advantage in value added tea marketing,' indicates that a firm that pioneered in value added tea with the production of branded tea bags is the market leader in total exports (Herath and De Silver, 2011). Theuri, Mugambi and Namusonge (2014) have identified value addition in the sea food industry as a key strategy for competitiveness and further emphasized the need for prioritizing value addition in government planning through measures such as, zero rating imported value addition machinery. In addition tea market can be further improved by, encouraging entry of more buyers at the Mombasa Tea Auction, reducing exposure to shocks by diversifying export markets and by encouraging domestic value addition, processing and labeling (MAFAP, 2013).

2.3.3. Organization Culture

Organization culture is the pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration (Schein, 2004). Those assumptions are said to be maintained in the continuous process of human interaction (attitude and behavior) as the right way in which things are done. Zhang (2010) also describes organization culture as a mode composed by some basic assumptions, and the assumptions are found and created gradually by a certain group in the process of exploring the methods of adapting to external environment and solving internal interconnected system. Internal integration is the socialization of new members in the organization, creating new boundaries of the organization and the feeling of identity among personnel and commitment to the organization (Martins and Terblanche, 2003). Organization culture focus is on the internal integration and external adaptation of the organization. Thus organization culture is paramount to organization success (Twati and Gammack, 2006).

Kandula (2006) argues that the key to good performance is a strong culture. He further maintains that due to difference in organization culture, some strategies do not yield some results for two organizations in the same industry and in the same location. A positive and strong culture can make average individual perform and achieve more whereas a negative and weak culture may demotivate an outstanding employee to under perform and end up with no achievement. Therefore, organizational culture is a resource and a source of competitive advantage for the organization which has an active and dire role in performance management and strategic plan implementation. Brookes (2006) argues that the job performance of an organization has a strong impact on organization culture which lead to enhance productivity, and that productivity and culture of an organization help in improving performance. Strategic plan and strategy implementation forms a key part of organization performance, which is highly influenced by culture.

The strategies based upon well designed human resource development policies and programs help in making culture more effectively. Kaplan and Norton (2011) defined four casual relationships between performance management and culture as the learning growth, customer, internal business process (from efficient and effective human resource development activities), and financial reward management systems, all of them which help in improving presenting casual relationship. Culture can therefore be seen as critical in organization performance, strategic plan implementation being a key performance area in any organization.

2.3.4. Strategic Human Resource Management

Human resource capabilities play a very significant role in strategy implementation. Quality people referring to skills, right attitude, capabilities, experiences and other characteristics of the people required to perform specific tasks are key in strategic plan implementation. They form a key resource and source of competitive advantage for an organization.

Werber and DeMarie (2005) argue that HRM practices create procedures that constitute the building of employees' knowledge and skills throughout the organization to promote valued and unique organizational competencies which support competitive advantage. Strategic HRM is a new paradigm in managing HR in the modern organization which hinges on the understanding that the most critical resource that any organization must provide itself of is HR, since it is the HR that is responsible for coordinating the other factors of production to spur corporate performance. Strategic Human Resource Management aims to achieve strategic fit. It produces HR strategies that are integrated vertically with the business strategy and are ideally an integral part of that strategy. Vertical integration is necessary to provide congruence between business and HR strategy so that the latter supports the accomplishment of the business strategy and helps to define it. SHRM is also about horizontal integration which aims to ensure that the different elements of the HR strategy fit together and are mutually supportive (Armstrong, 2009). It enables strategic decisions to be made that have a major and long-term impact on the behavior and success of the organization by ensuring that the organization has the skilled, committed and well-motivated employees it needs to achieve competitive advantage.

Cooke, Shen and McBride (2005) assert that SHRM is an efficient function that copes with environmental changes. It directly and indirectly benefits companies because it changes passivity into initiative, transmits organizational goals clearly and encourages the involvement of line managers. Marchington (2008) argues that SHRM positively influences firm performance because it generates structural cohesion, an employee-generated synergy that propels a company forward, enabling the firm to respond to its environment while still moving forward. Investigation of the HRM practices of firms in declining industries found that most high performance firms adopted SHRM measures. Conversely, low performance firms tended to employ conventional methods. Appelbaum, Bailey, Berg and Kalleberg (2000) have found a positive relation between HRM practices and firm financial performance. They found that the strategic orientation of HR in high productivity firms differed obviously from that in low productivity firms. Strategic plan implementation comprises productivity to the organization and its success leads to financial gains.

3. Research Design and Methodology

3.1. Research Design

The researcher used descriptive research design. Descriptive study is concerned with finding out who, what, where and how much of a phenomenon, which is the concern of the study. Sekaram (2006) observes that the goal of descriptive research is to offer the researcher a profile or describe relevant aspects of the phenomena of interest from the individual, organization, industry or other perspective. In addition the design best fit in the ascertainment and description of characteristics of variables in this research study, and allows for use of questionnaires, interviews, and descriptive statistics such as frequencies and percentages. In addition a descriptive design is appropriate since it enables the researcher to collect enough information necessary for generalization.

3.2. Target Population

The study targeted 120 permanent employees of Chai Trading Company Limited in executive (top) management positions and middle level management in finance and support services, freight, trading and Chai DMCC divisions.

3.3. Sampling and Sampling Techniques

Sampling is the process of selecting a number of individuals or objects from a population, such that the selected group contains elements representative of the characteristics found in the entire population. Sample is a small group of objects or individuals selected or drawn from a population in such a manner that its characteristics represent population characteristics (Orodho, 2009).

Stratified random sampling method was used to select relevant respondents from various departments of CTCL. Mugenda and Mugenda (2003) argue that stratified random sampling is where a given number of cases are randomly selected from each population subgroup. It thus ensures inclusion in the sample of subgroup which otherwise could be omitted entirely by other sampling methods. In this case stratification will be based on departments from which employees come from. Stratified sampling enabled the population to be divided into five segments (relevant departments within CTCL) called strata. Simple random samples were then drawn from each stratum, and then those sub-samples joined to form complete stratified samples. In addition, proportional allocation was done, where each stratum contributed to the sample a number that is proportional to its size in the population.

3.4. Data Collection Instruments
The researcher used structured questionnaires to collect data from CTCL respondents. A questionnaire with high reliability would receive similar answers if it is done again and again or by other researchers (Bryman and Bell, 2007; Saunders, Lewis and Thornhill, 2007).

3.5. Data Collection Procedures
The researcher used primary and secondary data. Structured questionnaires were used to collect primary data from respondents. The questionnaires were self-administered to the respondents and collected after three days after their administration to a lot of respondents and in this case department wise.

4. Research Findings and Discussions
The first objective was to determine the effects of corporate leadership on strategic plan implementation in CTCL. Respondents were required to respond and give their opinions in relation to some set corporate leadership related items. The opinion in agreement that lack of corporate leadership causes failure in strategic plan implementation had the highest mean of 4.8, standard deviation of 0.672 and a low dispersion of 14.6% signifying a high level of agreement. The finding also indicates high top level commitment to strategic plan implementation in CTCL. Leadership and direction provided by departmental heads being inadequate and managers failure to prioritize on strategy implementation is not evident in CTCL as indicated by the low means of 2.23 and 2.42 signifying disagreement.
The second objective was to establish the extent to which strategic competitiveness, influence strategic plan implementation in CTCL. Respondents were required to respond and give their opinions in relation to some set strategic competitiveness related items. The opinion in agreement that that CTCL searches for information about industry, competition in the industry is viewed in broad, long term perspective and strategy implementation is aimed at realization of organization competitive edge scored high means of above 4 and dispersion of below 20% signifying high level agreement. Respondents appeared neutral on the issue of comparison of performance and operational traits to those of competitors.
The third objective was to establish the effects of organizational culture on strategic plan implementation in CTCL. Respondents were required to respond and give their opinions in relation to some set organization culture related items. CTCL proved positive towards strategy implementation, while values and common basic assumptions are considered key in strategic plan implementation with means of above 4. Teamwork is also exhibited in CTCL as indicated by a mean of 2.29 signifying disagreement. However, respondents were, somehow neutral in relation to employee attitude towards strategic plan implementation.
The fourth objective was to establish the influence of strategic HRM on strategic plan implementation in CTCL. Respondents were required to respond and give their opinions in relation to some set strategic HRM related items. Respondents felt that employees have right education, skills, experience and expertise which is supported by demographics information about management staff, which indicated high levels of education i.e. degrees and masters. In relation to HR adequacy, employee commitment to implementation of strategic plans and strategies and management concern with supervision of strategy implementers, respondents were somehow neutral.
On Strategic Plan Implementation Indicators respondents were required to respond to some items related to strategic plan implementation. Respondents opinions indicates that CTCL makes strategic decisions based on the strategic plan, clearly assigns lead responsibility for action plan to persons and teams and avails sufficient resources for strategic plan implementation all with a supporting mean of above 4.0. However, there was disagreement on CTCL support for motivation and reward for strategic plan implementers as indicated by a low mean of 2.71.

4.1. Regression Analysis

Correlations-Pearson Correlation					
	Strategic plan implementation	Corporate leadership	Strategic competitiveness	Organization culture	Strategic HRM
Strategic plan implementation	1.000	.902	.969	.918	.974
Corporate leadership	**0.902**	1.000	.932	.936	.896
Strategic competitiveness	**0.969**	.932	1.000	.903	.946
Organization culture	**0.918**	.936	.903	1.000	.923
Strategic HRM	**0.974**	.896	.946	.923	1.000

Table 1: Correlation Analysis

The correlation analysis Table 1 shows the relationship between the independent variables, corporate leadership, strategic competitiveness, organization culture and strategic HRM and the dependent variable Strategic Plan Implementation. The analysis indicates the coefficient of correlation, r equal to 0.902, 0.969, 0.918 and 0.974 for corporate leadership, strategic competitiveness, organization culture and strategic HRM respectively. This indicates a very strong positive relationship between the dependent variables, corporate leadership, strategic competitiveness, organization culture and strategic HRM and the dependent variable Strategic Plan Implementation.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.986[a]	**.973**	.969	.16033	.973	235.356	4	26	.000

Table 2: Regression Analysis Summary

Predictors: Corporate leadership, Strategic competitiveness, Organization culture, Strategic HRM;
Dependent variable: Strategic plan implementation.
Table 2 shows the regression model summary indicating the coefficient of determination R Square as 0.973. This means that 97.3% of the relationship is explained by the identified four determinants of strategic plan implementation in CTCL. The rest 2.7% is explained by other determinants in CTCL. In summary the four determinants studied namely, corporate leadership, strategic competitiveness, organization culture and strategic HRM explains or determines 97.3% of the relationship while the rest 2.7% is explained or determined by other factors.

5. Conclusions and Recommendations

5.1. Summary and Conclusions
In relation to the first objective of the study relating to corporate leadership, the relationship indicates a strong coefficient of correlation of 0.902. In relation to the second objective relating to strategic competitiveness the analysis shows a strong coefficient of correlation of 0.969. In relation to the third objective relating to organization culture a coefficient the analysis shows a strong coefficient of correlation of 0.918. In relation to the fourth objective relating to strategic HRM, the analysis shows a strong coefficient of correlation of 0.974. Ranking the determinants, strategic HRM can be seen to affect strategic plan implementation most, followed by strategic competitiveness, organization culture and corporate leadership at the Chai Trading Company Limited.
From the research findings, it be concluded that strategic plan implementation is dependent on strategic HRM, strategic competitiveness, organization culture and corporate leadership at the Chai Trading Company Limited. Each of the variables was found to have a significant effect on strategic plan implementation as indicated by the strong coefficient of correlation.

5.2. Recommendations
The four determinants of strategic plan implementation, strategic HRM, strategic competitiveness, organization culture and corporate leadership have been established to be significant in strategic plan implementation.
The researcher therefore recommends more efforts in manpower planning to nurture strategic HR resulting in better competitive edge. The use of more competitive remuneration can be applied in recruitment and attraction of qualified strategic HR and especially on special assignments such as strategic plan implementation. This is in agreement to Marchington (2008) who argues that SHRM positively influences firm performance because it generates structural cohesion, an employee-generated synergy that propels a company forward, enabling the firm to respond to its environment while still moving forward.
It is also critical for organizations to develop ways of enhancing competitiveness. The researcher identifies value addition strategy as an efficient way to achieve the same. This is in line with a study based in Sri Lanka, ‘Strategies for competitive advantage in value added tea marketing,’ which indicates that a firm that pioneered in value added tea with the production of branded tea bags is the market leader in total exports (Herath and De Silver, 2011).
Finally the researcher observes the importance of corporate leadership and positive culture in driving organization, strategic plan implementation and recommends more efforts to nurture leadership which contributes to the nature of culture in an organization.

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