ST. MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

ASSESSMENT OF FACTORS INFLUENCING STRATEGIC PLAN IMPLEMENTATION, THE CASE OF NATIONAL TOBACCO ENTERPRISE (ETHIOPIA) S.C

BY: ALEMAYEHU NEGASH
SGS/0131/2009A

MAY, 2018
ADDIS ABABA, ETHIOPIA
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A THESIS SUMMITTED TO ST. MARY’S UNIVERSITY, SCHOOL OF GRADUATE STUDIES, IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTER DEGREE OF BUSINESS ADMINISTRATION IN GENERAL MANAGEMENT

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BY
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DECLARATION

I hereby certify that this research is my original work, prepared under the guidance of Solomon Markos (PhD). All the sources used have been cited and acknowledged.

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St. Mary’s University, Addis Ababa  May, 2018
ENDORSEMENT

This thesis has been submitted to St. Mary’s University, School of Graduate Studies for examination with my approval as a university advisor.

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Advisor                                     Signature

St. Mary’s University, Addis Ababa

_______, 2018
DEDICATION

This thesis is dedicated to my wife, Abeba Dechassa for her sacrifice and moral support and my daughters Edom & Elda Alemayehu.
ACKNOWLEDGEMENT

First I thank the Almighty God for enabling me to start and complete the program and passed disturbing situations encountered me during this study.
I also express my gratitude to my advisor Solomom Markos (PhD) for his unreserved guidance in writing my thesis. I also acknowledge and thank to my boss Jemal Mohamed for his kindness and support. Lastly, I would like to express my warm gratitude to those who gave me moral support, assistance and responding the questionnaire in data collection.
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LIST OF ABBREVIATIONS AND ACRONYMS

NTE: National Tobacco Enterprise (ETH) S.C.
ETH: Ethiopia
S.C. Share Company
JT: Japan Tobacco
SPSS: Statistical Package for the Social Sciences
RBV: Resource-Based View
ERP: Enterprise Resource Planning
OM: Organizations and Methods
PP: Panning and Programming
BOD: Board of Directors
ABSTRACT

The strategic plan implementation is the focal point of any organization subsequent to the formulation of the strategy. In all types of organization strategic plan implementation requests the best integration of resources and commitment to achieve the desired results for it is concerned with translation of strategy into action. The main objective of this study was to assess factors influencing the implementation of strategic plans, the case of National Tobacco Enterprise (ETH) S.C with emphases on strategic plan implementation practices and challenges of strategic plan implementation. The study employed exploratory research design with mixed research approach. Out of 61 intended sample frame primary data were collected from 59 employees working on management member positions using questionnaire thus, the response rate being 96.72%. The interview was held with two key management members and the responses were analyzed qualitatively. Quantitative data were analyzed using frequency, percentage, as well as regression analyses by SPSS version 20 statistical tools. The study observed that there were deficiencies in organizing task force, establishing strategy evaluation model, policy, procedure and accountability. In addition, the nature of the business, lose monitoring and evaluation practices, lack of well organized resources, culture and leadership were found to be main factors that affect strategy execution. The result indicated that establishing task force, proper implementation model, strategy supportive technology, proper internal and external communication, strategic plan management policy, rules, procedures and providing proper leadership needed as major input for successful strategic plan.

Keywords:  Strategic Plan Implementation, Organizational Structure, Organizational Resources, Organizational Culture, Leadership.
CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

The assumption of strategic management is becoming the issue of all types of organization. Through strategic management the organization can determine where an organization is going over the next several years, how it's going to get there and how it'll know if it got there or not. In the competitive and economic world, many companies use strategic management as a significant structure to make the business environment more manageable (Hunger & Wheelen, 2008). Though an organization could be affected by many external factors, no less important is the organization’s internal situation, which plays a crucial role in the financial and material resources, a lack of or poor quality can affect the status of the organization, as well as the important role played by the people working there (Dzemyda, 2014).

Strategy implementation is a vital component of the strategic management process, which entails strategy formulation, implementation, monitoring and control. Implementation involves putting into action the logically developed strategies (Shah, 1996). According to Dzemyda (2014), strategy implementation process includes: the ability to realize the organization's strategy; administrative support and information systems; provision of financial and other resources necessary for plans, strategies for creating a favorable climate and support agreements; operational guidance on key strategic performance targets, adequate management style and climate formation.

Strategy Implementation

Strategy implementation is called the “action stage” of strategic management. Implementing strategy means mobilizing employees and managers to put formulated
strategies into action. Often considered to be the most difficult stage in strategic management, strategy implementation requires personal discipline, commitment, and sacrifice. Successful strategy implementation hinges on managers’ ability to motivate employees. Because strategies formulated but not implemented serve no useful purpose (David & David, 2015).

According to Jofre & Sergio (2011) implementation is a determinant of success or failure that is deeply connected to the formulation process, and the functioning and structure of the organization. Successful implementation of strategy is more problematic than the formulation of a chosen strategy. Executional challenges are the culture and whether it is appropriate for challenges ahead, incentives on how people are rewarded, problems with the organizational structure, challenges in managing change as units adapt to new competitive conditions (Hrebiniak, n.d.).

Pearce II and Robinson (2002) argue that for successful implementation of strategy, it has to be by identification of measurable, mutually determined annual objectives, development of specific functional strategies and communication of concise policies to guide decisions. Pearce and Robinson (2007) categorize components of strategy implementation that managers have to take into consideration during implementation into; the structure, systems, shared values and leadership.

Strategies as excellent as they may be formulated, will fail if they are not properly implemented. Successful implementation of strategy will involve the identification of the required resources and putting in place the necessary organizational changes needed to make the whole process a success. David & David (2015) stated that strategy implementation relies on the structure of the organization, resources allocation, manager’s skills, organizational culture and communication system. The problems identified by different researchers in the process of strategy implementation as indicated in Siddique and Shadbolt (2016), include; misunderstanding of the strategy, poorly documented strategy, lack of commitment to the strategy, lack of communication,
insufficient time allocation for strategy implementation, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, weak management role in strategy implementation, inadequate capabilities (of both managers and employees), poor reward system, competing activities, a lack of strategic thinking and implementation skills in middle management, poor cultural and structural alignment and other uncontrollable environmental variables. According to Okumus (2003) strategy implementation challenges may affected by poor leadership and management, inadequate resources, the lack of fit between strategy and organization structure and culture, unhealthy organization politics, lack of motivation of staff, the lack of involvement and participation of staff, the negative perception and resistance emanating from staff and other stakeholders. David (2003) argues that allocating resources to a particular divisions and departments does not mean that strategies will be successfully implemented. This is because a number of factors commonly prohibit effective resources allocation. These include over protection policies, vague strategy targets, reluctant to take risks and lack of sufficient knowledge.

1.2. Profile of the Study Organization

National Tobacco Enterprise (ETH) S.C was established as per the Tobacco Regie Act No.30, 2nd year Negarit Gazette, No.2/1935 as “Imperial Ethiopian Tobacco Monopoly.” In 1981 the Enterprise was re-structured as “National Tobacco and Match Corporation” with the capital outlay of 80 million Ethiopian Birr. In 1992, the Corporation was again reorganized as “National Tobacco Enterprise (ETH) S.C” with an exclusive right to produce, process, manufacture, distribute, import and export tobacco and tobacco products in Ethiopia. In 1999, the enterprise has once again been re-organized as a share company with share capital of the company Birr 250,000,000 of which 77.85% of the total share maintained by the government while the remaining 22.15% are owned by foreign private shareholders. Currently, the Ethiopian government fully sold its share to the JT International, A company of Japan Tobacco Group.
1.3. **Statement of the Problem**

Strategy implementation is the sum total of the activities and choices required for the execution of a strategic plan. It is the process by which objectives, strategies, and policies are put into action through the development of programs, budgets, and procedures. Although implementation is usually considered after strategy has been formulated, implementation is a key part of strategic management. Strategy formulation and strategy implementation should thus be considered as two sides of the same coin (Wheelen & Hunger, 2012).

Strategy implementation is an important component of the strategic management process. In all types of organization strategic plan implementation requires the best integration of resources and commitment to achieve the desired results.

Successful strategy formulation does not guarantee successful strategy implementation. It is more difficult to do something (strategy implementation) than going to do it (strategy formulation). Although inextricably linked, strategy implementation is fundamentally different from strategy formulation (David, 2011). The differences between the two are summarized on the following table.

**Table 1:1. Strategy Formulation vs Implementation**

<table>
<thead>
<tr>
<th>Strategic Formulation</th>
<th>Implementation</th>
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<tr>
<td>Positioning forces before the action</td>
<td>Managing forces during the action</td>
</tr>
<tr>
<td>Focusing on effectiveness.</td>
<td>Focusing on efficiency</td>
</tr>
<tr>
<td>Primarily an intellectual process</td>
<td>Primarily an operational process</td>
</tr>
<tr>
<td>Requires good intuitive and analytical skills</td>
<td>Requires special motivation and leadership skills</td>
</tr>
<tr>
<td>Requires coordination among a few individuals</td>
<td>Requires coordination among many individuals</td>
</tr>
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</table>

(Source: David, 2011)
For different reasons there is a high failure rate of strategy implementation efforts. The success or failures of strategy implementation revolve around the nature of strategy itself, resource allocation, the fit between strategy and structure, resource leadership and organizational culture. 90% of well formulated strategies fail at implementation stage (Mintzenberg & Quins 1991).

One of the keys to successful implementation for management is to communicate the case for organizational change clearly and persuasively to organizational member that there is determined commitment throughout the ranks to carry out the strategy and meet performance target. And also organization should develop, utilize, and combine organizational structure, control systems, and culture to follow strategies that lead to competitive advantage and a better performance. Not only these but also right person must be place at right time and available resources have to be allocated. In addition, the reward system have to be appropriate for the entire position and there must be monthly meeting schedule to assess everyone is on the track and review progress report. However, in modern business environment firms faces different problems related with strategic implementation. These challenges come from internal or external (Arnold, 2011).

Production or operations capabilities, limitations, and policies can significantly enhance or inhibit the attainment of objectives. Production processes typically constitute more than 70 percent of a firm’s total assets. A major part of the strategy-implementation process takes place at the production site. Production-related decisions on plant size, plant location, product design, choice of equipment, kind of tooling, size of inventory, inventory control, quality control, cost control, use of standards, job specialization, employee training, equipment and resource utilization, shipping and packaging, and technological innovation can have a dramatic impact on the success or failure of strategy implementation efforts (David, 2011).

National Tobacco Enterprise (ETH) S.C endeavored to keep pace with changing environments, to gain control of operational problems, to accelerate growth and
improvement has developed a strategic plan for the years 2013 – 2017 with the vision of “to be a cigarettes exporter subsequent to the full satisfaction of national demand.” The mission of the Enterprise, as stipulated in the strategic plan were to maximize the long term value and interest of the stakeholders through producing, processing, manufacturing, distributing, importing and exporting quality tobacco and tobacco products by means of utilizing contemporary technologies and using modern leadership style. Subsequent to diagnosing, analyzing and synthesizing of the environment, the Enterprise has developed strategy statement of “Profitable Growth through Cost Leadership and Differentiation.” The Enterprise selects both Cost Leadership and Differentiation strategy for the reason that; among its brand portfolio Gissila, Elleni and dominant brand Nyala are the ones for cost Leadership is a choice of competitive advantage while product differentiation is planned for Delight and Premium Nyala which are for high rank customers and aimed to increase its brand portfolio by one new brand during the strategic period. According to Hill and Jones (2008), a company which has both cost leadership and differentiation strategy has great opportunity to enlarge its market segment and compete against companies pursuing either cost-leadership or differentiated strategies.

Subsequent to the strategy statement the organization has specified strategic goals of offering higher returns to shareholders, fulfilling the filler tobacco leaf requirement fully from local sources, maximizing organization’s market share in the Ethiopian cigarette market, upgrade capability in resources and systems as its strategic goals. However, some of the patterns of activities pursued to achieve the strategic goals are not executed as it were stipulated in the strategic plan. Productivity both at head office and tobacco farm is not achieved, export has not yet started by satisfying local markets, production efficiency is low and the organization becomes a high cost producer which is resulted in high selling price even for brands cost leadership is considered competitive advantage.

Even though there is no comprehensive report of strategy review, evaluation and control on the implementation of the strategic plan, the preliminary interview with key strategic team members indicated poor strategic plan implementation practice and challenges, lack
of alignment among organizational structure, resources, culture and the focusing of leaders on routine activity are among the perceived internal factors for poor strategic plan implementation. Therefore, the researcher is interested in assessing strategic plan implementation practices, whether organizational structure, resources, culture and leadership are influencing the implementation of strategic plan and challenges of strategic plan implementation practice in National Tobacco Enterprise (ETH) S.C.

**1.4. Basic Research Questions:**

The study targeted to answer the following questions:

1. What did the strategic plan implementation practices look like in National Tobacco Enterprise (ETH) S.C?
2. To what extent organizational structure, resources, culture and leadership were influencing the implementation of strategic plans implementation practice?
3. What were the challenges of strategic plan implementation practice in National Tobacco Enterprise (ETH) S.C?

**1.5. Objectives of the Study**

Under this sub-title the general objective and the specific objectives of the study which would be answered in the study were included.

**1.5.1. General Objective**

The main objective of this study was to assess factors influencing the implementation of strategic plan in National Tobacco Enterprise (ETH) S.C.

**1.5.2. Specific Objectives**

1. To assess the strategic plan implementation practice in NTE.
To assess how organizational structure, resources, culture and leader are influencing the strategic plan implementation process.

3. To investigate the challenges of strategic plan implementation practice in NTE.

### 1.6. Significance of the Study

The study will have the following significance.

- The organization would see its weakness and strength in its strategic plan implementation practice,
- Researchers in the field of strategic management will get a basis for further studies particularly with industries that involved in the businesses which are socially controversial and significant intervention by local and global pressure groups.

### 1.7. Scope and Limitation of the Study

The study was not considers the external environment such as economic, social, political, technological, legal and ecological (PESTLE) factors. Thus, the study focused on internal factors such as strategy implementation practice, to assess whether organizational structure, resources, culture and leadership were influencing the implementation strategic plan and challenges of strategy implementation practice in National Tobacco Enterprise (ETH) S.C.

The required information was collected using purposive sampling method only from 59 Ethiopian nationality employees working on management member positions. Foreigners working on management position were not included in the sample population. Thus, the target populations comprehend only Ethiopian Nations department managers, service heads, farm managers, farm stations heads, division heads and section heads, supervisors and shift leaders that are entitled as management members both at head office as well as Robi, Billatie, Hawassa and Wollayita tobacco farms. Quantitative and qualitative data
were collected through questioners & interview and frequency, percentage as well as regression analyses using SPSS were employed in data analyses.

1.8. Organization of the Study

In this research paper chapter one covered introductions, organization’s profile, statement of the problem, objectives, research questions, significance of the study, scope and limitations of the study. The second chapter reviewed the literature about implementation of strategic plan by concentrating on the concepts of strategic management and factors influencing the implementation of strategic plan. Both conceptual and empirical research results executed elsewhere were briefed as well. The third chapter covered the research methodology which including research design, research approach, types of data and its collection method, sources of data and method of data analysis. The fourth chapter incorporated data analysis and the results of the study while the fifth chapter comprised findings, conclusions and recommendations of the study and at the last reference and appendix were detailed.
CHAPTER TWO
REVIEW OF RELATED LITERATURE

In this chapter theoretical and empirical review will be assessed from different sources on strategic plan implementation and conceptual framework of the study. Theoretical review encompasses definitions of basic concepts and different generalized theories on strategic management while the empirical review includes the generalization by other scholars on the subject related with the research objectives and conceptual framework of the study indicated variables influencing strategic plan implementation.

2.1. Theoretical Review

This sub-title encompasses definitions of basic concepts and different generalized theories on Concept of Strategic Planning, Importance of Strategic Planning, Strategic Plan Implementation, Models of Strategy Implementation and Factors Influencing Strategic Plan Implementation.

2.1.1. Concept of Strategic Planning

The term strategic planning originated in the 1950s and was popular between the mid-1960s and the mid-1970s. During these years, strategic planning was widely believed to be the answer for all problems. A strategic plan is, in essence, a company’s game plan. Just as a football team needs a good game plan to have a chance for success, a company must have a good strategic plan to compete successfully (David & David, 2015).

Strategic planning is also defined by Peter Ducker (1993) as the continuous process of making entrepreneurial decisions systematically and with the greatest knowledge of their futurity, organizing systematically the efforts to carry out these decisions and measuring the results against the expectations through organized feedback.
The manufacturing function was regarded merely as a collection of resources and constraints. It was expected to fulfill, as efficiently as possible, the production targets generated by the marketing strategy within the capacity and capital expenditure constraints imposed by the financial strategy (Skinner, 1969). Senior management avoided involvement in manufacturing, decisions were taken on a tactical basis by specialists who were not necessarily aware of overall corporate strategy and instead of being a valuable asset and a tool of corporate strategy; manufacturing became a liability (Skinner, 1969).

2.1.2. Importance of Strategic Planning

A number of reasons are given by scholars as to why organizations should engage in strategic planning. According to Lawlor (n.d.), the importance of strategic planning is viewed from two perspectives. From a macro perspective, business today gets done in a global market place, change is occurring at an unprecedented pace, time and distance continue to become less and less relevant. There was a time when strategic planning was done by the biggest companies, and those who lead change. Now it is a requirement just to survive. Leaders of business must be looking ahead, anticipating change, and developing a strategy to proactively and successfully navigate through the turbulence created by change.

At a micro view, the level of any individual company, strategic planning provides a company purpose and direction. How are you going to get somewhere if you don’t know where you are going? Everyone in an organization needs to know what they sell or do, who their target customers are, and they compete. A good strategy will balance revenue and productivity initiatives. Without strategic planning, businesses simply drift, and are always reacting to the pressure of the day. Companies that don’t plan have exponentially higher rates of failure than those that plan and implement well.

It requires business leaders to accept that yesterday’s success does not ensure success in the future. It requires challenging the status quo, changing behaviors, implementing new procedures, hiring different people, and putting new systems in place in order to deliver on the strategy.
Thune (1970), Ansoff (1990), Karger (1975) and Hofer (1978) as cited in (Pamela & Odera, 2014) indicated that formalized strategic planning does result in superior performance by organizations. Their studies concluded that organizations that adopt strategic planning approach can expect that the new system will lead to improved performance or attainment of overall organizational objective. Ansoff (1990) said that regardless of profitability, strategic planning has several behavioral effects which can be expected to improve the welfare of the firm. He says that strategic planning determines whether an organization excels, survives or dies. Strategic planning is important because it guides all functional areas of the firm.

2.1.3. Strategic Plan Implementation

Strategic plan implementation is the conversion of selected strategy into action to attain strategic goals and objectives. It is the process of activity to be performed according to a predetermined plan in order to achieve the perceived goal. This implementation process requires resource planning and logistics of implementation, change of organizational structure, improvement of system to be employed to manage the organization (Riston, 2011). According to Dzemyda (2014) after the development phase of the organization’s strategy, the next stage is strategy implementation, which includes the tasks of preparing the actors, resource allocation, budget planning and controlling procedures. Gavurova (2010) as cited in (Misankova & Kocisova, 2014), defines basic principles which could help to achieve an effective implementation of the strategy of the company includes: communication of the strategy through the whole company, involving employees in the implementation of the strategy, assignment of responsibilities for strategic projects, adaption of the organizational structure and implementation of effective controls.

According to Andras (n.d.), implementation is the action stage of strategic plan. It requires, establish annual objectives, devise policies, motivate employees, allocate resources, developing strategy-supportive culture, creating organizational structure, redirecting marketing efforts, preparing budgets and developing information system.
According to Planellas (2013), without implementation, a strategy formulation is only a theoretical exercise. The implementation of strategy is a key part of the comprehensive management of strategy. This is the part where words are turned into action. The fundamental question is how to advance from ideas to reality. How to make change happen? Some management questions might include: what are the key resources and capabilities for implementing the strategy? What is the most appropriate organizational structure? What system metrics and indicators will be applied to monitor the plan? How do we create a sense of urgency in the organization? What will be the major centers of resistance and how will the change process be managed?

Considering the above points it is generalized that strategy implementation requires six principal administrative tasks that shape a manager's action for implementing strategy. These are: Building an organization capable of executing the strategy, establishing a strategy-supportive budget, installing internal administrative support systems, devising rewards and incentives that are tightly linked to objectives and strategy, shaping the corporate culture to fit the strategy and exercising strategic leadership.

Depending on nature of the organization strategic plan implementation requires the involvement of different stockholders. From internal stockholders those who implement strategy will probably be a much more diverse set of people than those who formulate it. In most large, multi-industry corporations, the implementers are everyone in the organization. That means manager down to the first-line supervisor and every employee is involved in the implementation of corporate, business, and functional strategies (David & David, 2015). Thus each unit of an organization has to ask, "What is required from them to implement the overall strategic plan and how can it be done?"

According to Thompson & Strickland (2003) the principal strategy implementation tasks include:

- Building an organization with competencies, capabilities, and resource strengths to carry out the strategy successfully,
- Developing budget to steer ample resources into those value chain activities critical to strategic success,
- Establishing strategy supportive policies and procedure,
• Instituting best practice and pushing for continues improvement in how chain activities are performed,
• Installing information, communication, e-commerce, and operating systems that enable company personnel to carry out their strategic roles successfully day in day out,
• Tying reward and incentive to the achievement of performance objectives and good strategy execution,
• Creating strategy supportive working environment and corporate culture,
• Exerting the internal leadership needed to derive implementation forward and keep improving on how strategy is being executed.

2.1.4. Models of Strategy Implementation

Once the strategy is formulated, the next step is establishing how best to the strategy will be implemented and monitored. This will be assisted by adopting strategy implementation model that guide toward the company’s goal and objectives. Because the strategic management process can best be applied using a model that represents a clear and practical approach for formulating, implementing, and evaluating strategies (David, 2011). There are different implementations models that may serve to identify one set of objectives over another and help to understand the different choices. The development of such a model requires identifying the key goals of an organization, components or steps of the process leading from a starting point to the achievement of the stipulated goals and objectives (Anon., n.d.). The following are some of the strategy implementation models.

2.1.4.1. McKinsey 7S Framework

McKinsey 7s Model is a tool that analyzes a firm’s “organizational design” by looking at 7 key internal elements (Strategy, Structure, Systems, Shared values, Style, Staff and Skills) in order to identify if they are effectively aligned and enable the organization to achieve its objectives.
According Cargrow Consulting (CC) (2017) this model was developed in 1980s by McKinsey consultants Tom Peters, Robert Waterman and Julien Philips with a help from Richard Pascale and Anthony G. Athos. Since the introduction, the model has been widely used by academics and practitioners and remains one of the most popular strategic planning tools. It seeks emphasis on human resources (Soft S) rather than the traditional production tangibles of capital, infrastructure and equipment as a key to higher organizational performance.

The goal of the model was to show how 7 elements of the company “Structure, Strategy, Skills, Staff, Style, Systems, and Shared values” can be aligned together to achieve effectiveness in a company. In McKinsey model, the seven areas of organization are divided into the ‘soft’ and ‘hard’ areas. Strategy, structure and systems are hard elements that are much easier to identify and manage when compared to soft elements. On the other hand, soft areas (Style, Staff, Skills & Shared values), although harder to manage, are the foundation of the organization and are more likely to create the sustained competitive advantage.

Tom Salonek (n.d.) describes these 7s Elements in the following manners. These 3 hard Ss of the model are described as:

- **Strategy**: The direction and scope of the company over the long term.
- **Structure**: The basic organization of the company, its departments, reporting lines, areas of expertise, and responsibility (and how they interrelate).
- **Systems**: Formal and informal procedures that govern everyday activity, covering everything from management information systems, through to the systems at the point of contact with the customer (retail systems, call centre systems, online systems, etc).

These 4 soft Ss across the model are less tangible, more cultural in nature and are described as:

- **Skills**: The capabilities and competencies that exist within the company. What it does best.
• Shared values: The values and beliefs of the company. Ultimately they guide employees towards 'valued' behavior.
• Staff: the Company’s people resources and how they are developed, trained, and motivated.
• Style: The leadership approach of top management and the company’s overall operating approach.

The McKinsey 7-S model is one that can be applied to almost any organizational or team effectiveness issue. The idea is to make the organization more flexible and devolve the power by empowering the employees and eliminate the middle management layers (Boyle, 2007).

2.1.4.2. The Balanced Scorecard as a Strategic Management System

Balanced scorecard is a management system that enables organizations to translate the vision and strategy into action. The Balanced Scorecard was developed by Robert Kaplan and David Norton (1992). It has evolved from a measurement tool to what Kaplan and Norton have described as a strategic management system (Niven, 2002). According to the author the Balanced Scorecard is ideally created through a shared understanding and translation of the organization’s strategy into objectives, measures, targets, and initiatives in each of the four Scorecard perspectives. Using the Balanced Scorecard as a framework for translating the strategy, these organizations create a new language of measurement that serves to guide all employees’ actions toward the achievement of the stated direction. That means:

• Cascading the scorecard overcomes the people barrier,
• Strategic resource allocation overcomes the resource barrier,
• Strategic learning overcomes the management barrier.

According to Kaplan and Norton (n.d.), Balanced Score Card relies on four processes to bind short term activities to long term objectives. These are:

1. Translating the vision,
2. Communication and linking,
3. Business planning,

According to Arveson (1998), recognizing some of the weaknesses and vagueness of previous management approaches, the balanced scorecard approach provides a clear prescription as to what companies should measure in order to 'balance' the financial perspective. For the author the balanced scorecard is a management system (not only a measurement system) that enables organizations to clarify their vision and strategy and translate them into action. It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results.

**2.1.4.3. Henry Mintzberg 5 P’s Model for Strategy Implementation**

A strategic plan is a carefully crafted set of steps that a firm intends to follow to be successful. Virtually every organization creates a strategic plan to guide its future. It is a default process which is being adopted by majority of managers to set their long term objectives and goals (Anon, 2013). Mintzberg first wrote about the 5 Ps of Strategy in 1987. Each of the 5 Ps is a different approach to strategy. They are:

1. Plan: states that strategy is developed in advance and with purpose,
2. Poly: refers the way to outsmart the competition,
3. Pattern: refers what was successful in the past can lead to success in the future,
4. Position: deals with how organization relates to its competitive environment and what it can do to make its product unique in the market place,
5. Perspective: defines the influence of organizational culture and collective thinking on the strategic decision making within the economy.

Strategy is an extremely complicated and dynamic thing. A great strategy one day could be useless the next, depending on market forces and changes that are outside of the control. Great businesses are always adapting, and that means changing strategy frequently to meet with the needs. While it is great to develop an initial, overall strategy for the business when first getting started, it is unlikely that the chosen strategy is going to last very long. In reality, it needs to make many changes along the way if the organizations are going to find the way toward success.
With the understanding that strategy needs to change regularly in business, it is a good idea to turn to a model such as Mintzberg’s 5 P’s of Strategy for assistance. The model, as the name would indicate, includes five different approaches to strategy (Hattangadi, 2016).

### 2.1.5. Factors Influencing Strategic Plan Implementation

There are different factors influencing the strategic plan implementation. The following are some of the factors that identified as influencing strategic plane implementation.

#### 2.1.5.1. Organizational Structure

Organizational structure determines how the roles, power and responsibilities are assigned, controlled, and coordinated, and how information flows between the different levels of management. A structure depends on the organization's objectives and strategy. Changes in strategy lead to changes in organizational structure. That is changes in strategy often require changes in the way an organization is structured for two major reasons. First, structure largely dictates how objectives and policies will be established. The structural format for developing objectives and policies can significantly impact all other strategy-implementation activities. The second major reason why changes in strategy often require changes in structure is that structure dictates how resources will be allocated (David, 2011).

Structure is the allocation and control of work tasks. This implies power relationship based on the acceptance of managerial power by sub-ordinate and societies. Based on the established pattern of relationship among the individual, group and departments within it all organizations have their own structure (Ritson, 2011). According to Ritson (2011) there are two types of structure. These are: a vertical structure of authority and responsibility where clear limits of financial authority exist and a horizontal structure of grouping of activities designed to use the resource toward goal attainment.

The correct organizational structure is crucial to enable the organization to implement its strategy. To facilitate the achievement of the strategic and organizational objectives,
organizational structure coordinates and integrates the tasks executed by all employees in the organization, i.e. employees at all levels, and across all divisions and functions (Hill et al, 2009) as cited in Buul (2004). Organizational structure determines the departments and functions in an organization, it defines the hierarchy, span of control and reporting relationships, and includes the systems for communication, coordination and integration across these divisions and functions, both vertically and horizontally (Daft, 2001) as cited in Buul (2004).

According to (Daft, 2010), organizational structure has three key components. These are

- Organization’s structure designates formal reporting relationships, including the number of levels in the hierarchy and the span of control of managers and supervisors.
- Organization’s structure identifies the grouping together of individuals into departments and of departments into the total organization.
- Organization’s structure includes the design of systems to ensure effective communication, coordination, and integration of efforts across departments.

Daft (2010) remarked that trying to execute a strategy that conflicts with structural design, particularly in relation to managers’ authority and responsibility, is a top obstacle to putting strategy into action effectively. Many new strategies require making changes in organizational structure, such as adding or changing positions, reorganizing to teams, redesigning jobs, or shifting managers’ responsibility and accountability. That means every job in the organization need to be redefined to support the new strategy.

2.1.5.2. Organizational Resources

Strategy implementation requires a firm to establish annual objectives, and allocate resources so that formulated strategies can be executed (David & David, 2015). Peter Drucker (n.d. cited in David, 2011, p.7) says the prime task of strategic management is thinking through the overall mission of a business: that is, of asking the question, “What is our business?” this leads to the setting of objectives, the development of strategies, and the making of today’s decisions for tomorrow’s results. This clearly must be done by a part of the organization that can see the entire business; that can balance objectives and
the needs of today against the needs of tomorrow; and that can allocate resources of men and money to key results.

Hansen and Smith (n.d.) cited in David, (2011, p.137) explain that strategic planning involves “choices that risk resources” and “trade-offs that sacrifice opportunity.” Firms spend resources and focus on a finite number of opportunities in pursuing strategies to achieve an uncertain outcome in the future. The resource-based view (RBV) approach to competitive advantage contends that internal resources are more important for a firm than external factors in achieving and sustaining competitive advantage. RBV view contends that organizational performance will primarily be determined by internal resources that can be grouped into three all-encompassing categories: physical resources, human resources, and organizational resources. Physical resources include all plant and equipment, location, technology, raw materials, machines; human resources include all employees, training, experience, intelligence, knowledge, skills, abilities; and organizational resources include firm structure, planning processes, information systems, patents, trademarks, copyrights, databases, and so on. RBV theory asserts that resources are actually what help a firm exploit opportunities and neutralize threats (David & David, 2015).

A well-designed strategic-management system can fail if insufficient attention is given to the human resource dimension. Human resource problems that arise when businesses implement strategies can usually be traced to one of three causes: (1) disruption of social and political structures, (2) failure to match individuals’ aptitudes with implementation tasks, and (3) inadequate top management support for implementation activities. The best method for preventing and overcoming human resource problems in strategic management is to actively involve as many managers and employees as possible in the process. Although time consuming, this approach builds understanding, trust, commitment, and ownership and reduces resentment and hostility. The true potential of strategy formulation and implementation resides in people (David, 2011, David & David, 2015).
The process of empowering managers and employees through their involvement in strategic-management activities yields the greatest benefits when all organizational members understand clearly how they will benefit personally if the firm does well. Linking company and personal benefits is a major new strategic responsibility of human resource managers. According to Schmidt & Keil (2013) as cited in Kihanya (2013), competent employees and their capabilities is essential ingredient for successful strategy implementation. They are important for the organization to develop human resource competencies. The organizations need to attract employees with necessary experience, technical skills and other soft skills. The skills need to vary depending on the type of strategy the firm is planning to implement. Johnson & Scholes (1999) further suggest that a strong management team with the right skills that works closely is important in strategy implementation. In the implementation of strategy, hiring and retaining competent employees helps to develop core competencies.

The two fundamental resources of any business, of whatever size and whatever nature, are people and money. And of these two, the people resource is the most complex. Money is money whether it comes from loan or equity sources: it does not need to be distinguished from any other money; one five-pound note has the same value as another. People, on the other hand, are all different. They have different physical characteristics, different temperaments, different educational levels, different personal values, different skills, and different abilities. A company, at any one time, has a requirement not for people in general but for specific people who are able to fulfill the function for which they are needed. When it requires managers, it cannot satisfy its need by recruiting laborers nor can a surplus of managers make up for a shortage of skilled production workers. The resource of people is always needed in a particular place (Hussey 1998).

The effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process. Peng & Litteljohn (2001) as cited in Viet & Duc (2015), defined quality as capabilities, skills, attitudes, experiences and other distinctiveness of people that a specific task or position requires. Prahalad and Hamel (1990) defined core capabilities as complex bundles of skills and collective learning, knowledge and technological know-how exercised through organizational processes that ensure co-
oordination of functional activities and give a special advantage which in turn enhance the implementation of strategy and firms performance, creates synergy and competitive advantage.

2.1.5.3. Organizational Culture

Organizational culture can be defined as “a pattern of behavior that has been developed by an organization as it learns to cope with its problem of external adaptation and internal integration, and that has worked well enough to be considered valid and to be taught to new members as the correct way to perceive, think, and feel.” Organizational culture captures the subtle, elusive, and largely unconscious forces that shape a workplace. Remarkably resistant to change, culture can represent a major strength or weakness for the firm. It can be an underlying reason for strengths or weaknesses in any of the major business functions (David & David, 2015). Relationships among a firm’s functional business activities can be exemplified best by focusing on organizational culture, an internal phenomenon that permeates all departments and divisions of an organization.

Strategy does not exist in a vacuum, and has both an influence on and is influenced by the culture of the organization, its structure and the people it employs. How the organization wants people to act is driven by strategy: how they actually act depends on reward systems, control mechanisms, and the climate of the organization. Strategy management has to get all these things in harmony, and ensure that the strategy the organization is following is appropriate. The culture of an organization is increasingly seen as one of the most important components to manage. If culture does not fit with strategy, something will have to give, and it will probably be the strategy (Hussey 1998).

Peng and Little john (2001) as cited in Viet & Duc (2015), define culture as an entirety of acquired values, ethics and customs that are supposed to guide the behavior of people of a certain society. Culture or civilization is the multifaceted whole that consists of awareness, faith, art, ethics, regulations, traditions, and any other abilities and customs obtained by man as a member of a particular society. Pearce and Robinson, (2003) defines culture as a set of important assumptions that members of an organization share in common.
Homburg, Krohmer and Workman (2004) acknowledged the key aspects of community culture as; joint values, joint beliefs and customs. These joint values and beliefs of members of an organization are interconnected with the organizations’ framework, management systems, and the people who come up with the norms. Corporate culture is a result of lasting social education. At times it is an indication of what has performed well in the earlier period though presupposed and moved to the subsequent generation of workers. This is as a routine custom of perceiving and behaving. Hrebiniak (2006) defines corporate culture as the nature of an organization’s internal job climate and individuality as fashioned by its major values, business principles, customs, entrenched behaviors, job practices as well as method of operating.

Brown (2012), remarked that culture is to an organization what personality is to the individual - a hidden, yet unifying theme that provides meaning, direction, and mobilization. The strategic-management process takes place largely within a particular organization’s culture. Executives in successful companies are emotionally committed to the firm’s culture, but he concluded that culture can inhibit strategic management in two basic ways. First, managers frequently miss the significance of changing external conditions because they are blinded by strongly held beliefs. Second, when a particular culture has been effective in the past, the natural response is to stick with it in the future, even during times of major strategic change. An organization’s culture must support the collective commitment of its people to a common purpose. It must foster competence and enthusiasm among managers and employees. If strategies can capitalize on cultural strengths, such as a strong work ethic or highly ethical beliefs, then management often can swiftly and easily implement changes. However, if the firm’s culture is not supportive, strategic changes may be ineffective or even counterproductive. A firm’s culture can become antagonistic to new strategies, with the result being confusion and disorientation (David & David, 2105).
2.1.5.4. Organizational Leadership

Leadership is the ability to influence others to achieve specified goals and objectives. Johnson (2005) views leadership as giving the following functions; giving of orders which are clear, complete and within the capabilities of the subordinates to accomplish the assignments for achieving intended objectives. This indicates that leadership has a critical role to play in strategic planning process. According to Hussey (1998), the quality of the vision of the organization is tied in directly with the quality of leadership, and, of course, a good system of planning cannot compensate for a lack of leadership. He thinks that vision in the context of strategic management are really beginning to think of leadership, and it is an obvious fact that the success of an organization is at least as much related to the quality of leadership as it is to the formation of a superior strategy.

Hussey (1998), as cited in John Nicholls (n.d.) noted a useful distinction between micro leadership and macro leadership. Micro leadership is related to the job or task, to the internal organization, and to efficiency. It is about the here and now. Success comes from adapting one’s leadership style to the various situations. Macro leadership is related to the team or organization, is concerned about how things could be, rather than as they are, is externally focused, and is concerned with long-term effectiveness. Leadership is performed through role in the organization.” The author draws, the EASIER approach, which stands for Envision, Activate, Support, Install, Ensure and Recognize from which the first three words deal mainly with the soft aspects of management and the last three cover the hard side, the systems and administrative tasks. According to the author successful implementation depends on getting all six stages right.

- **Envisioning:** the process of developing a coherent view of the future in order to form an overarching objective for the organization. It blends the leader’s view of external opportunities with the way internal competencies and resources relate to these opportunities.

- **Activating:** the task of ensuring that others in the organization understand, support, and eventually share the vision.
• **Supporting:** motivating and inspiring people to achieve more than they otherwise might have believed possible, by providing the necessary moral and practical help to enable this to happen.

• **Installing:** the process of developing detailed plans to enable the strategy to be implemented and controlled. There is nothing unique or special about the instruments such as plans, budgets, critical path analysis, Gantt charts or other tools which have to be developed to ensure that nothing is overlooked, and everything is coordinated. These are all the regular instruments of management.

• **Ensuring:** Plans, structures for implementation, and policies may be formulated, and on paper the organization may have covered everything. But this is not enough, and consideration must be given to the monitoring and controlling processes that will ensure that actions are correctly undertaken and results are as expected.

• **Recognizing:** giving recognition to those involved in the process. Recognition may be positive or negative, and should be used to reinforce the change, and to ensure that obstacles to progress are removed.

According to Cater and Pucko (2010), while a well-formulated strategy, a strong and effective pool of skills, and human capital are extremely important resources for strategy success, poor leadership is one of the main obstacles in successful strategy implementation. One key challenge in successful strategy implementation is ensuring employees’ buy-in and directing their capabilities and business understanding toward the new strategy. Therefore, the need for effective leadership outweighs any other factor. Coordination of activities, streamlining of processes, aligning the organizational structure, and keeping employees motivated and committed to strategy implementation are key responsibilities of the leadership.

### 2.2. Empirical Review

In study by Mbaka and Mugambi (2014); Factors affecting successful strategy implementation in the water sector in Kenya; results showed the most important reason
for the failure of the strategy implementation in the water sector in Kenya included resources limitation, incompetent management and staff, poor planning for execution and lack of integration among the department, followed by structural and contextual dimensions.

According to Kamande (2015); Determinants of strategy implementation in the Ministry of Lands, Thika, Kiambu County Kenya; resource planning affected strategy implementation to a great extent.

The research by Messah and Mucai (n.d.); Factors affecting the implementation of strategic plans in Government Tertiary Institutions: A Survey of selected technical training institutes; reviled that Resource allocation influences implementation of strategic management plans through the preference of institutional leadership and the Board of Governors. The resource allocation process acts like a filter that determines which intended and/or emergent initiatives get funding and pass through, and which initiatives are denied resources (Mintzberg and Waters, 1985).

In study by Ng’ang’a, and Ombui (2013); Ndgwah, (2014); Factors Influencing Implementation of Strategic Plans in Public Secondary Schools in Kenya; noted that implementation of strategic plans in public secondary schools is adversely affected by scarcity of resources, Communication problem, presence of idle capacity due to poor flow of resources and inadequate funding of capacity building.

In study made by Kagumu and Njuguna (2015); Organizational factors influencing strategy implementation in the Anglican Church of Kenya: The case of Kirinyaga Dioceses, indicated for strategies to be effectively implemented the availability of resources, organizational culture, Human resources and leadership play great role.
In study by Anyieni and Areri (2016); Assessment of the Factors Influencing the Implementation of Strategic Plans in Secondary Schools in Kenya, findings implied that most public secondary schools could be having problems with strategic plan implementation due to leadership and lack of multidirectional communication flow.

### 2.3. Conceptual Frame work

A conceptual framework represents the researcher’s synthesis of literature on how to explain a phenomenon. It maps out the actions required in the course of the study. According to Miles and Huberman, (1994, P18) as sited in Vaughan (2008) Conceptual Frame Work is a written or visual presentation that: “explains either graphically, or in narrative form, the main things to be studied, the key factors, concepts or variables and the presumed relationship among them”. The conceptual framework represents the researcher’s understanding of how the particular variables in the study connect with each other. Every study has a set to variables that are independent and dependent of each other. An independent variable is that variable that a researcher has control over, it can be chosen and manipulated. It’s usually what researcher thinks will affect dependent variable. Dependent variable is what a researcher measures in an experiment or study and it’s what are affected during the study. In this study, the six independent variables were the ones that influence the strategic plan implementation in National tobacco enterprise (ETHO) S.C.

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factors Influencing Strategic plan implementation practice</td>
<td></td>
</tr>
<tr>
<td>• Organizational structure</td>
<td></td>
</tr>
<tr>
<td>• Organizational Resources</td>
<td></td>
</tr>
<tr>
<td>• Organizational Culture</td>
<td></td>
</tr>
<tr>
<td>• Organizational Leadership</td>
<td></td>
</tr>
<tr>
<td>Strategic plan implementation</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 2:1. Conceptual Framework**  
*Source: Researcher*
CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Research Design and Approach

In this study explanatory research design was employed. Explanatory research design helps to answer how things are going on and why? Thus being the study was focused on factors influencing the implementation of strategic plan in National Tobacco Enterprise (ETH) S.C with emphasizing on strategic plan implementation practices, factors influencing strategic plan implementation and challenges explanatory research design is appropriate for such studies.

The researcher used closed end questionnaire for quantitative data collection and interview for qualitative data collection. Thus mixed research approach was employed.

3.2. Source of Data

The main source of information for this study was primary sources. The primary data were collected from 59 employees working on management position of National tobacco Enterprise (ETH) S.C. using purposive sampling technique both at head office and tobacco farms through questionnaire. Interview was conducted with two key informants who are assigned to monitor and evaluate the implementation of strategic plan. Secondary data like strategic plan document (2013-2017) and performance reports were used in the study.

3.3. Data Collection and Analyses

The study will encompass employees working on management position both at head office and four tobacco farms. The target population as of 31 December 2017 was 72
employees working on management position of that 61 were selected using Yamane 
(1967:886) sampling method n=N/1+N (e)² with level of precision of 0.05.

\[
n = \frac{N}{1 + N(e)^2}
\]

Where n= is the sample size,

N = is the population size,

e = is the level of precision or sampling error = (0.05)

\[
n = \frac{72}{1 + 72 (0.05)^2}
\]

= 61

Quantitative data was collected through close ended questionnaires using purposive data
collection method. The questionnaires would expected to be filled by 61 employees
working on management position in the organization that comprehend 9 department
managers, 5 service heads, 4 farm managers, 3 farm station heads, 27 division heads and
13 section heads both at head office and tobacco farms. The management members would
entirely be included in the study because managements as a leader of the organization
were primarily responsible for setting strategic direction and strategic stewardship,
conceptualizing and future oriented, and enjoy medium-term and long-term thinking,
establishing and championing the shared values and promotes business ethics,
accountable for establishing and managing cascaded goal and team management. That
means the process of setting strategic direction incorporates strategic thought and action,
then extend through a systems view to strategic management are rely on the management
members (Mosia & Veldsman, 2004). In addition strategic management involves
formulation and implementation of the major goals and initiatives taken by a company’s
top management on behalf of owners, based on consideration of resources and an
assessment of the internal and external environment in which the organization competes
(Nag, Hambrick, & Chen, 2007) as cited in (Hyvari, 2016). Considering the above views
the researcher targeted the management members to be involved in data gathering.
Table 3.1: List of selected population of management positions

<table>
<thead>
<tr>
<th>No.</th>
<th>Descriptions</th>
<th>Department heads</th>
<th>Services heads</th>
<th>Farm manager</th>
<th>Farm stations heads</th>
<th>Divisions heads</th>
<th>Sections heads</th>
<th>Total population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Head office</td>
<td>9</td>
<td>5</td>
<td></td>
<td>19</td>
<td>9</td>
<td>4</td>
<td>42</td>
</tr>
<tr>
<td>2</td>
<td>Robi Farm</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td></td>
<td>7</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>Billate Farm</td>
<td>1</td>
<td>5</td>
<td></td>
<td>2</td>
<td>6</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Hawassa Farm</td>
<td>1</td>
<td></td>
<td>2</td>
<td>2</td>
<td>3</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>Wollayita Farm</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td>3</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>9</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>27</td>
<td>13</td>
<td>61</td>
</tr>
</tbody>
</table>

Interview was conducted with OM and PP service heads who were assigned to monitor and evaluate the implementation of strategic plan. The responses of interview were taken textually.

### 3.3.1. Procedure of Data Collection

The researcher was followed the following data collection procedure. First close ended questionnaires were prepared and sent to the adviser for comments. Subsequent to confirmation of the advisor the questionnaires were distributed at head office first, then to the four tobacco farms. The sample frame of employee working at management positions were developed in cooperation with human resource management divisions head. The researcher was interviewed key strategic team members side by side.

### 3.4.2. Technique of Data Analysis

Descriptive statistics that is the method of describing sets of numerical date such as frequency and percentage were employed for specific objectives number one and three while regression analyses were employed in addition for presentation and analyzing the raw data for specific objective number two using SPSS (Statistical Package for the Social Sciences). The information’s were presented by use of table (Mendenhall & Reinmuth, 1978).
3.4. Ethical Considerations

Prior to the research title selection, the researcher communicated the key informants and participants of the study. During data collection the researcher informed the respondents that only Ethiopian nationality management members were incorporated in the sample frame. A researcher considers confidentiality and privacy of the respondents.
CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1. Introduction

The focus of this chapter is on data analyses, presentation and discussion of results of strategic plan implementation practice, factors influencing strategic plan implementation and strategic plan implementation challenges in National Tobacco Enterprise (ETH) S.C. It extends to analyze whether organizational structure, resource, culture and leadership influence strategic plan implementation in the organization. The data collected through questionnaires from 59 employees working on management position at head office and four tobacco farms and interview of two key informants. Questionnaires were analyzed using computer program SPSS version 20. Analyses of primary data were made using tables. The data were classified, analyzed and interpreted using frequency, percentage, and regression analyses.

4.2. Response Rate

The study through the questionnaires targeted 61 respondents and interview with two key informants. While the questionnaires targeted all employees working on management positions, interview was used to collect data from OM and PP service heads. Out of the 61 projected respondents, data were collected from 59 respondents. This made a response rate of 96.7%. From the targeted respondents Hawassa Farm Manager Position was vacant because the manager had gone from the organization. In addition one section head at Wollayita Tabacco Farm was not around for being on leave during data collection. Some other management positions like Bilattie Farm Manager, Division and Section Head Positions were being carried out by delegates from employee working on other positions who responded the questionnaires on their behalf. Table 4.1: below shows the response rate.
Table 4.1: Response rate

<table>
<thead>
<tr>
<th>Response Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not distributed</td>
<td>2</td>
<td>3.3</td>
</tr>
<tr>
<td>Response</td>
<td>59</td>
<td>96.7</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: From field survey (2018)

4.3. General Information of Respondents

General information’s of the respondents that comprehend age, gender, level of education, duration in the organization, working places and job position were presented using frequency (F) and percentage (%) in table 4.2. below.
Table 4.2: General Information’s of Respondents

<table>
<thead>
<tr>
<th>Items</th>
<th>General Information</th>
<th>Description</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>Male</td>
<td>57</td>
<td>96.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>2</td>
<td>3.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>18 ---25 years old</td>
<td>12</td>
<td>20.30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>26 -35 years old</td>
<td>19</td>
<td>32.20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50 years and above</td>
<td>28</td>
<td>47.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>Level of Education</td>
<td>TVET/Diploma</td>
<td>8</td>
<td>13.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1&lt;sup&gt;st&lt;/sup&gt; Degree</td>
<td>34</td>
<td>57.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Degree and above</td>
<td>17</td>
<td>28.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
<tr>
<td>4</td>
<td>Duration in the organization</td>
<td>Below 3 years</td>
<td>4</td>
<td>6.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3-6 years</td>
<td>12</td>
<td>20.30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7-10 years</td>
<td>11</td>
<td>18.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11-15 years</td>
<td>5</td>
<td>8.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16-20 years</td>
<td>1</td>
<td>1.70</td>
</tr>
<tr>
<td></td>
<td></td>
<td>above 20</td>
<td>26</td>
<td>44.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
<tr>
<td>5</td>
<td>Working place</td>
<td>Head Office</td>
<td>42</td>
<td>71.20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Robi</td>
<td>7</td>
<td>11.90</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bellatie</td>
<td>6</td>
<td>10.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hawassa</td>
<td>2</td>
<td>3.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wollayita</td>
<td>2</td>
<td>3.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
<tr>
<td>6</td>
<td>Job Position of the Respondents</td>
<td>Department head</td>
<td>9</td>
<td>15.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service head</td>
<td>5</td>
<td>8.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Farm Managers</td>
<td>2</td>
<td>3.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Davison Head</td>
<td>23</td>
<td>39.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Farm station head</td>
<td>3</td>
<td>5.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Section head</td>
<td>11</td>
<td>18.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Supervisory</td>
<td>5</td>
<td>8.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shift leader</td>
<td>1</td>
<td>1.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>59</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: From field survey (2018)

Table 4.2 shows that regarding the gender compositions of the respondents, the study indicated that 96.6% of respondents were males while females were only 3.4%. Being
there was no affirmative action’s the management positions in the organization were still dominated by male employees.

With regard to age of respondent the table indicated the majority of the respondents were aged 50 years and above which constitute about 47.6%. The next larger age groups of respondents were between 36 and 49 years old that constitute 32.2% while the third respondents were aged between 26 and 35 years which constitute about 20.34 %. The data showed there was no management members aged below 26 years old. This indicated the managements were matured enough to scrutinize the decision that needed to be made and to give valid responses to this study.

Regarding the level of education the majority 57.63% of the respondents were first degree holders. The second groups in educations category were second degree holders which accounts about 28.81% while 13.56% were TETE/Diploma holders. Most of the participants in this study were professional employees who have a degree and above. This educational statistics of the respondents contribute for the organizational performance and they are knowledgeable to understand and respond to the study better.

The working duration of the respondents in the organization indicated that 44.07% of the respondents were stayed in the organization for a period of more than 20 years, 20.3% had worked between 3 to 6 years, 18.64% had worked for a period between 7 and 10 years, 8.5% were served for a period between 11 and 15 years, 6.78% less than 3 years and 1.7% had worked between 16 and 20 years. From the analysis the working duration of most of the respondents were above 20 that indicated they had sufficient knowledge about the organization and its operations. Most of the respondents were employees of the organization when the strategic plan was developed and had been implemented.

The job position of respondent showed that the majority of the respondents were Division Heads which accounted about 39% and the second large respondents were Section Heads that accounted about 18.6% and the third large respondents were Department Heads that
accounted about 15.3% while the rest five positions all accounted 27.1%. On the other
direction the middle managers that encompass Farm Managers, Division Heads, Farm
Station Heads, Section Heads, Supervisors and Shift Leader were accounted about 76.2%
of the total respondents while the top management that includes Department & Service
Heads accounted 23.8%. Supervisors and Shift Leaders were the delegates of different
management position such as Billatie Farm Manager, Bilatie Division Heads, and some
Section Heads Position at head office that were redesigned as Supervisor and Shift
Leaders as a result of full privatization. Employees working on these management
positions had played the most vital role in strategic plan implementation and were the
relevant and genuine sources for this study.

4.4. Strategic Plan Implementation Practice

This section focused on the study result for the first specific objective stated as ‘To assess
the strategic plan implementation practice in National Tobacco Enterprise (ETH) S.C?’
The researcher required the respondents to indicate their level of agreement on the
questionnaires. The frequency (F) and percentage (%) of levels of agreement collected
from the study participants were presented in Table 4.4 below.
### Table 4.3: Strategic plan implementation practice

<table>
<thead>
<tr>
<th>S/N</th>
<th>Practices</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F %</td>
<td>F %</td>
<td>F %</td>
<td>F %</td>
<td>F %</td>
</tr>
<tr>
<td>4.1</td>
<td>The organization had sound strategic plan.</td>
<td>13</td>
<td>22</td>
<td>43</td>
<td>72.9</td>
<td>2</td>
</tr>
<tr>
<td>4.2</td>
<td>The strategic plan was properly developed taking into consideration the external and internal environment of the organization.</td>
<td>11</td>
<td>18.6</td>
<td>37</td>
<td>62.7</td>
<td>6</td>
</tr>
<tr>
<td>4.3</td>
<td>The strategic goals and objectives were properly set taking into consideration organizational resources, capabilities and competencies.</td>
<td>5</td>
<td>8.5</td>
<td>39</td>
<td>66.1</td>
<td>9</td>
</tr>
<tr>
<td>4.4</td>
<td>Internal stakeholders such as Board of Directors, management members and employees were involved in the development of strategic plan.</td>
<td>6</td>
<td>10.2</td>
<td>36</td>
<td>61</td>
<td>6</td>
</tr>
<tr>
<td>4.5</td>
<td>The strategic plan gets approval by Board of Directors so as to secure necessary resource during the period of implementation.</td>
<td>17</td>
<td>28.8</td>
<td>38</td>
<td>64.4</td>
<td>2</td>
</tr>
<tr>
<td>4.6</td>
<td>The strategic plan gets acceptance by internal stakeholders (management members and employees) so that they endeavored their own effort for its implementation.</td>
<td>12</td>
<td>20.3</td>
<td>30</td>
<td>50.8</td>
<td>11</td>
</tr>
<tr>
<td>4.7</td>
<td>Yearly action plans were drawn from strategic plan.</td>
<td>21</td>
<td>35.6</td>
<td>31</td>
<td>52.5</td>
<td>5</td>
</tr>
<tr>
<td>4.8</td>
<td>Strategic plan implementation task force was formally established and empowered to guide, monitor and evaluate the strategic plan implementation practice.</td>
<td>6</td>
<td>10.2</td>
<td>22</td>
<td>37.3</td>
<td>17</td>
</tr>
<tr>
<td>4.9</td>
<td>The organization had established model that guides how best the strategic plan will be implemented, monitored and evaluated.</td>
<td>3</td>
<td>5.1</td>
<td>11</td>
<td>18.6</td>
<td>29</td>
</tr>
<tr>
<td>4.10</td>
<td>Performance measurement criteria and standards were clearly established, persistent monitoring and evaluation were performed accordingly.</td>
<td>1</td>
<td>1.7</td>
<td>30</td>
<td>50.8</td>
<td>20</td>
</tr>
<tr>
<td>4.11</td>
<td>Proper accountability was established at each managerial level to develop ownership during the strategic plan implementation.</td>
<td>4</td>
<td>6.8</td>
<td>23</td>
<td>39</td>
<td>18</td>
</tr>
<tr>
<td>4.12</td>
<td>The strategic goals and objectives (productivity improvement, cost reduction, market share growth) set in the strategic plan are failed.</td>
<td>4</td>
<td>6.8</td>
<td>9</td>
<td>15.3</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)
In the above table 94.9% of the respondents were agreed that the organization had sound strategic plan, 81.4% were agreed the strategic plan was properly developed, 74.6% of the respondents were agreed the strategic goals and objectives were properly set, 71.2% were agreed internal stakeholders were involved in the development of strategic plan, 93.2% of the respondents agreed the strategic plan had got approval by Board of Directors, 71.2% of respondents were agreed the strategic plan gets acceptance by internal stakeholders, 88.2% of the respondents were agreed yearly action plans were drawn from strategic plan. Generally the above results indicated; with regarding to the stated points, there were good implementation practices performed by the organization. These results are consistent with suggestions of David & David (2015) that state stakeholders from managers down to the first-line supervisor and every employee needed to be involved in strategic management.

In relation with the strategic plan implementation task force only 47.5% were agreed “Strategic plan implementation task force was formally established and empowered to guide, monitor and evaluate the strategic plan implementation practice” while 28.8% and 23.7% responded neither agreed nor disagreed and disagreed respectively. The interviewees agreed official task force was not formally established, however due to the relations of the activities to their regular jobs the OM and PP services were informed to act on behalf of the task force and they were actively followed up the implementation practices until the second strategic year (2014) which was not consistent with Dzemyda (2014), after the development phase of the organization’s strategy, the next stage is strategy implementation, which includes the tasks of preparing the actors.

Concerning performance measurement model 23.7% of respondents were agreed that the organization had established performance measurement model while 49.2% responded neither agreed nor disagreed and 27.10% were responded disagreed. According to the response with the interviewees the organization had not adopted any model that helped to evaluate the implementation of the strategic plan other than the existing traditional evaluation practices. Being most of the respondents (49.2%) were had no knowledge
about the existence of measurement models and the second large respondent disagreed
the researcher concluded that the organization had not obvious performance measurement
model which was not consistent to David (2011), once the strategy is formulated, the next
step is establishing models that guide and represents a clear and practical approach for
formulating and how best the strategy will be implemented, monitored and evaluated.

Regarding the performance measurement criteria and standards 52.5% of the respondents
were agree that performance measurement criteria and standards are clearly
established, persistent monitoring and evaluation are performed while 33.9% were
responded neither agreed nor disagreed and 13.6% responded disagreed. In addition the
interviewees agreed that performance measurement criteria and standards that helped to
evaluate the achievement of the anticipated results in relation with the strategic plan were
clearly set. However these performance measurement criteria and standards were related
with the organization’s long time experience of evaluating the plan with the actual
performance. It was this method that used in the evaluation strategic plan objectives and
goals against the actual performance.

Concerning the establishment of accountability 48.8% were responded agreed proper
accountability was established at each managerial level to develop ownership during
the strategic plan implementation while 30.5% were responded neither agreed nor
disagreed and 27.7% responded disagreed. The interviewees were agreed that proper
accountability was not established at each managerial level. They said even some
mangers did not consider as if the strategic plan were their concern. So that they were
endeavor to carry out only their routine tasks. This indicated that the strategic
implementation practice lacks agree upon a process and establishment of responsibilities
for the various steps in the process (McKay, 2001).

In relation with the achievement of strategic objectives and goal 47.5 % were responded
disagreed to the questionnaire ‘the strategic goals and objectives (productivity
improvement, cost reduction, market share growth) set in the strategic plan are failed’
while 30.5% were responded neither agreed nor disagreed and 22% were responded disagreed. The interviewees attempted the question from two perspectives. Some activities (leaf quality and able to sell what were produced) were seemed achieved regardless of the performance of the organization because of other external factors such as conducive weather condition, emerging of private investors in tobacco leaf production and intensive control of illicit cigarettes by the government as a result of command post established on porous boundary of the country. On the other hand activities anticipated in strategic plan such as full coverage of filler tobacco leaf demand by local leaf, exporting cigarette after satisfying the national demand, cost reduction, installation of contemporary technology and information communication system, wastage reduction and increasing productivity (at Factory & Farm) and introduction of new brand in the market were not totally achieved. This indicated the strategic plans of NTE were failed.

4.5. Organizational Factors Influencing Strategic Plan Implementation

This section presents the view of respondents on second specific objective that stated as, ‘To assess how organizational structure, resources, culture and leadership are influencing the strategic plan implementation process.’ The levels of agreement of the respondents were presented on the following sub-sections.

4.5.1. Organizational Structure

This sub-section focuses on the impact of organizational structure on strategic plan implementation. The table below shows the results the frequency (F) and percentage (%) of respondents view.
Table 4.4: Organizational structure

<table>
<thead>
<tr>
<th>S/N</th>
<th>Organizational structure</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.1</td>
<td>The organization developed the structure that aligned with strategic plan.</td>
<td>3 5.1</td>
<td>22 37.3</td>
<td>16 27.10</td>
<td>13 22</td>
<td>5 8.5</td>
</tr>
<tr>
<td>5.1.2</td>
<td>The organizational structure ensures effective communication, coordination, and integration across departments and tobacco farms and had clear lines of authority and responsibility.</td>
<td>5 8.5</td>
<td>29 49.2</td>
<td>7 11.9</td>
<td>18 30.5</td>
<td>0 0</td>
</tr>
<tr>
<td>5.1.3</td>
<td>The nature of the structure of the organization lacks flexibility to support strategic plan implementation practice.</td>
<td>4 6.8</td>
<td>23 39</td>
<td>18 30.5</td>
<td>13 22</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.1.4</td>
<td>Strategic teams were reorganized; jobs were redesigned and redefined by indicating tasks executed by all level of employees in the organization so that they support the strategic plan implementation.</td>
<td>3 5.1</td>
<td>15 25.4</td>
<td>13 22</td>
<td>26 44.1</td>
<td>2 3.4</td>
</tr>
<tr>
<td>5.1.5</td>
<td>To enhance the success of strategic plan implementation right people for right positions are appropriately appointed.</td>
<td>1 1.7</td>
<td>19 32.2</td>
<td>10 16.9</td>
<td>28 47.5</td>
<td>1 1.7</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)

With regard to organizational structure table 4.4 shows 42.4% of the respondents were agreed that the organization developed the structure that aligned with strategic plan while 30.5% disagreed and 27.10% neither agreed nor disagreed. This indicated that the organization did not develop noticeable structure that supports the implementation of strategic plan. With regard to the importance of structure 57.6% of the respondents were agreed that the organizational structure ensures effective communication, coordination, and integration while 30.5 disagreed. Regarding the flexibility of the structure 45.8% of the respondents agreed that the nature of the structure of the organization lacks flexibility 30.5% responded neither agreed nor disagreed and 23.7% disagreed. Concerning the organizing 30.5 % of respondents were agreed that Strategic teams were reorganized; jobs were redesigned and redefined by indicating tasks executed by all
level of employees in the organization that support the strategic plan implementation while 47.5% disagreed and 22% neither agreed nor disagreed. Regarding the appointment of employees 33.9% of the respondent agreed the questionnaire stated to enhance the success of strategic plan implementation right people for right positions were appropriately appointed while 49.2 % responded disagreed and 16.9% responded neither neither agreed nor disagreed. The interviewees were agreed that except quick fix restructuring was tried on some tobacco farms; restructuring the organization was planned to be performed in the second of strategic year (2014) and that was not implemented.

In relation with organizational structure the result indicated the organizational structure was not aligned with strategic plan, the structure was not flexible, strategic teams were not reorganized; jobs were not redesigned and redefined and right people for right positions were not appropriately appointed. This indicated that the strategic plan implementation practice contradicts with the scholars view “changes in strategy need to lead changes in organizational structure (David, 2011)”. According to Daft (2010) trying to execute a strategy that conflicts with structural design, particularly in relation to managers’ authority and responsibility, is a top obstacle to putting strategy into action effectively. Many new strategies require making changes in organizational structure, such as adding or changing positions, reorganizing to teams, redesigning jobs, or shifting managers’ responsibility and accountability.

4.5.2. Organizational Resources

This sub-section focuses on the implication of resources in strategic plan implementation in National Tobacco Enterprise (NTE) S.C. The table below shows the level of agreement on inquiries.
Table 4.5: Organizational Resources

<table>
<thead>
<tr>
<th>S/N</th>
<th>Organizational Resources</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2.1</td>
<td>Organizational resource is critical to strategic plan implementation.</td>
<td>31 52.5</td>
<td>21 35.6</td>
<td>3 5.1</td>
<td>5 5.1</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.2</td>
<td>The organization has capability to allocate all necessary resource for the implementation of strategic plan.</td>
<td>13 22</td>
<td>26 44.1</td>
<td>6 10.2</td>
<td>13 22</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.3</td>
<td>Effectiveness, Efficiency and Quality are associated with physical resource allocation.</td>
<td>11 18.6</td>
<td>29 49.2</td>
<td>9 15.3</td>
<td>10 16.8</td>
<td>0 0</td>
</tr>
<tr>
<td>5.2.4</td>
<td>The organization had allotted necessary physical resources that endorse effectiveness, efficiency and quality to implement the strategic plan.</td>
<td>2 3.4</td>
<td>21 35.6</td>
<td>10 16.9</td>
<td>25 42.4</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.5</td>
<td>The implementation of strategic plan of the organization was influenced due to lack of physical resources allocation.</td>
<td>5 8.5</td>
<td>27 45.8</td>
<td>9 15.3</td>
<td>18 30.5</td>
<td>0 0</td>
</tr>
<tr>
<td>5.2.6</td>
<td>The allocations of financial resources need to be aligned with the strategic plan.</td>
<td>22 37.3</td>
<td>28 42.5</td>
<td>6 10.2</td>
<td>2 3.4</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.7</td>
<td>The implementation of strategic plan of the organization was influenced due to lack of financial resource allocation.</td>
<td>3 5.1</td>
<td>13 22</td>
<td>12 20.3</td>
<td>29 49.2</td>
<td>2 3.4</td>
</tr>
<tr>
<td>5.2.8</td>
<td>Human resource is a distinctive basis for strategic plan implementation.</td>
<td>31 52.5</td>
<td>22 37.3</td>
<td>5 8.5</td>
<td>1 1.7</td>
<td>0 0</td>
</tr>
<tr>
<td>5.2.9</td>
<td>The organization has adequate number of human resources who have adequate competencies to implement the strategic plan.</td>
<td>6 10.2</td>
<td>24 40.7</td>
<td>15 25.4</td>
<td>14 23.7</td>
<td>0 0</td>
</tr>
<tr>
<td>5.2.10</td>
<td>Human resources were not effectively equipped with relevant skill and awareness to support strategic plan implementation.</td>
<td>3 5.1</td>
<td>28 47.5</td>
<td>8 13.6</td>
<td>19 32.2</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.11</td>
<td>The organization has technically efficient employee who can realize the strategic plan implementation.</td>
<td>3 5.1</td>
<td>28 47.5</td>
<td>8 13.6</td>
<td>19 32.2</td>
<td>1 1.7</td>
</tr>
<tr>
<td>5.2.12</td>
<td>Employees’ turnover is not a critical problem for the implementation of strategic plan in the organization.</td>
<td>2 3.4</td>
<td>14 23.7</td>
<td>6 10.2</td>
<td>30 50.8</td>
<td>7 11.9</td>
</tr>
<tr>
<td>5.2.13</td>
<td>The organization has a human resources management practices that attract and retains quality employees.</td>
<td>2 3.4</td>
<td>17 28.8</td>
<td>15 25.8</td>
<td>22 37.3</td>
<td>3 5.1</td>
</tr>
<tr>
<td>5.2.14</td>
<td>Employees in the organization feel that positive change in the organization is beneficial to the organization and to the employee so that they actively support the strategic plan implementation.</td>
<td>5 8.5</td>
<td>34 57.6</td>
<td>12 20.3</td>
<td>7 11.9</td>
<td>1 1.7</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)
According to table 4.5 above 88.10% of the respondents agreed that organizational resource is critical to strategic plan implementation, 66.10% agreed the organization has capability to allocate all necessary resource, 67.8% agreed that Effectiveness, Efficiency and Quality are associated with physical resource allocation. With regard to resources allocation only 39% of the respondents agreed the organization has allotted necessary physical resources while 44.1% disagreed and 16.9% neither agreed nor disagreed, 54.2% of the respondents agreed the implementation of strategic plan of the organization is influenced due to lack of physical resources while 30.5% disagreed. The interviewees agreed physical resources such as tobacco curing barns, grading and conditioning room, heavy duty vehicles, and efficient cigarette making and packing machineries were not made available according to the strategic plan majorly due to purchase process delay and foreign currency problem. The study indicated that the strategic plan implementation was influenced due to lack of physical resources. Resources are actually help a firm exploit opportunities and neutralize threats (David & David, 2015). Developing budget to steer ample resources in to those value chain activities are critical to strategic success. Successful implementation of strategy will involve the identification of the required resources and putting in place the necessary organizational changes needed to make the whole process a success (Thompson & Strickland, 2003).

In relation to financial resource 84.7% of the respondent were agreed the allocations of financial resources need to be aligned with the strategic plan, 52.6% of the respondent were disagreed on the questionnaire stated as the implementation of strategic plan of the organization was influenced due to lack of financial resource allocation while 27.1% agreed and 20.3% neither agreed nor disagreed. The study indicated the strategic plan was not influenced because of financial resources.

Regarding the human resources 89.8 % of the respondent agreed human resource is a distinctive basis for strategic plan implementation, 50.8% agreed the organization had adequate number of human resources, while 52.5% of the respondent agreed that
human resources were not effectively equipped with relevant skill and awareness to support strategic plan implementation, 45.8% agreed that the organization has technically efficient employee who can realize the strategic plan implementation while 18.6% disagreed and 35.6% neither agreed nor disagreed, 62.7% of the respondents disagreed that Employees’ turnover was not a critical problem for the implementation of strategic plan in the organization while 27.1 % disagreed and 10.2% neither agreed nor disagreed. With reference to human resource management 32.2% agreed the organization has a human resources management practices that attract and retains quality employees while 42.4% disagreed and 25.8% neither agreed nor disagreed. The interviewees agreed on the problems related to human resources. According to them the problem occurred as a result of lack of compatible organizational structure, incentive scheme, awareness creation and management practice that attract and retain competent employees. The study indicated that the organization had been in problem in relation with human resource. For successful strategy implementation right person must be place at right time and available resources have to be allocated. In addition, the reward systems have to be appropriate for the entire position (Arnold, 2011). A well-designed strategic-management system can fail if insufficient attention is given to the human resource dimension. The true potential of strategy formulation and implementation resides in people (David, 2011, David & David, 2015). The organizations need to attract employees with necessary experience, technical skills and other soft skills. In the implementation of strategy, hiring and retaining competent employees helps to develop core competencies (Johnson & Scholes, 1999). The effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process. Peng & Litteljohn (2001) as cited in Viet & Duc (2015). Concerning the feeling of the employee 66.10% of the respondents were agreed Employees in the organization feel, positive change in the organization is beneficial to the organization and to the employees so that they actively support the strategic plan implementation while 13.6% disagreed and 20.3% neither agreed nor disagreed. This indicated the employees had supportive or go geters attitudes according to (Collin, 1995).
4.5.3. Organizational Culture

This sub-section of the study was to determine the influence of organizational culture on strategic plan implementation. The researcher anticipated to establish the respondent’s level of agreement on whether organizational culture influences strategic plan implementation in NTE. The results were presented in Table 4.7 below.

Table 4.6: Organizational Culture

<table>
<thead>
<tr>
<th>S/N</th>
<th>CULTURE</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3.1</td>
<td>Organizational culture influences strategic plan implementation.</td>
<td>18</td>
<td>30.5</td>
<td>32</td>
<td>54.2</td>
<td>2</td>
</tr>
<tr>
<td>5.3.2</td>
<td>There was strong alignment between employee attitudes and strategic goals and objectives in the organization.</td>
<td>10</td>
<td>16.9</td>
<td>17</td>
<td>28.8</td>
<td>16</td>
</tr>
<tr>
<td>5.3.3</td>
<td>A system of shared value is a critical variable for strategic plan implementation.</td>
<td>19</td>
<td>32.2</td>
<td>32</td>
<td>54.2</td>
<td>5</td>
</tr>
<tr>
<td>5.3.4</td>
<td>There was a shared value among employee toward effective strategic plan implementation in the organization</td>
<td>5</td>
<td>8.5</td>
<td>18</td>
<td>30.5</td>
<td>22</td>
</tr>
<tr>
<td>5.3.5</td>
<td>Stability of organizational culture enhances employees commitment to strategic plan implementation</td>
<td>15</td>
<td>25.4</td>
<td>33</td>
<td>55.9</td>
<td>8</td>
</tr>
<tr>
<td>5.3.6</td>
<td>There was strong and stable working culture that helps to enhance employees’ citizenship and commitments toward strategic plan implementation.</td>
<td>6</td>
<td>10.2</td>
<td>20</td>
<td>33.9</td>
<td>17</td>
</tr>
<tr>
<td>5.3.7</td>
<td>The organization had developed a working culture that created an employee work with less supervision.</td>
<td>4</td>
<td>6.8</td>
<td>14</td>
<td>23.7</td>
<td>19</td>
</tr>
<tr>
<td>5.3.8</td>
<td>Ethical work force is important for strategic plan implementation.</td>
<td>28</td>
<td>47.5</td>
<td>26</td>
<td>44.1</td>
<td>5</td>
</tr>
<tr>
<td>5.3.9</td>
<td>There were ethical, committed and loyal work forces in the organization.</td>
<td>7</td>
<td>11.9</td>
<td>30</td>
<td>50.8</td>
<td>12</td>
</tr>
<tr>
<td>5.3.10</td>
<td>Social interaction determines the effectiveness of strategic plan implementation.</td>
<td>22</td>
<td>37.3</td>
<td>33</td>
<td>55.9</td>
<td>2</td>
</tr>
<tr>
<td>5.3.11</td>
<td>There was friendly and welcoming social interaction that allows employees participation in strategic plan implementation in the organization.</td>
<td>4</td>
<td>6.8</td>
<td>30</td>
<td>50.8</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)
Table 4.6 shows that 84.7% of the respondents agreed the organizational culture influences strategic plan implementation, 45.8% of the respondent were agreed there was strong alignment between employee attitudes and strategic goals and objectives in NTE while 27.1% disagreed and 27.1% neither agreed nor disagreed. Regarding shared value 86.4% of the respondents were agreed a system of shared value is a critical variable for strategic plan implementation, 39% of the respondent agreed that there was a shared value among employee toward effective strategic in NTE while 23.7% disagreed and 27.3% neither agreed nor disagreed. The interviewees agreed the organization’s values set in the strategic plan had not adequately communicated to the entire organizational members including some management members. In relation to the stability of organizational culture 81.4% of the respondents were agreed stability of organizational culture enhances employees’ commitment, on the other hand only 44.1% of the respondents agreed that there was strong and stable working culture while 27.1% disagreed and 28.8% neither agreed nor disagreed. The interviewees agreed the organization did not work on culture especially at head office. So that sometimes the organization’s culture looked like the dominant informal group in the organization. Regarding supervision 30.5% of the respondents were agreed that the organization had developed a working culture that created an employee work with less supervision while 37.3% disagreed and 32.2% neither agreed nor disagreed. The interviewees classified the case in to two. At tobacco farms there were a tendency of working with less supervision while at head office there were limitations on creating employees work with less supervision.

Concerning ethical work forces 91.5% agreed ethical work force is important for strategic plan implementation, 62.7% agreed that there were ethical, committed and loyal work forces in the organization while 16.9% disagreed and 20.3% neither agreed nor disagreed. In relation to Social interaction 93.2% agreed social interaction determines the effectiveness of strategic plan implementation, 57.6% of the respondents agreed that there was friendly and welcoming social interaction in the organization while 16.9% disagreed and 25.4% neither agreed nor disagreed.
The study indicated that the organization had limitation on organizational culture development that enhances the strategic plan implementation. Different scholars give attention to culture for successful strategic plan implementation. Hussey (1998), how the organization wants people to act is driven by strategy: how they actually act depends on reward systems, control mechanisms, and the climate of the organization. David & David (2015), the relationships among a firm’s functional business activities can be exemplified best by focusing on organizational culture, an internal phenomenon that permeates all departments and divisions of an organization, a firm’s culture can become antagonistic to new strategies, with the result being confusion and disorientation. Thompson & Strickland (2003) the principal strategy implementation tasks includes creating strategy supportive working environment and corporate culture. Planellas (2013), strategic plan implementation includes shaping the corporate culture to fit the strategy and exercising strategic leadership.

4.5.4. Organizational Leadership

The objective for this sub-section was to determine the influence of organizational leadership on strategic plan implementation of NTE. The levels of agreement of the respondents were presented in Table 4.8 below.
### Table 4.7: Organizational Leaderships

<table>
<thead>
<tr>
<th>S/N</th>
<th>factors</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.4.1</td>
<td>Leadership commitment is essential</td>
<td>42 71.2</td>
<td>17</td>
<td>28.8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>The leaders were committed for the strategic plan implementation in the organization</td>
<td>8 13.6</td>
<td>28</td>
<td>47.5</td>
<td>16</td>
<td>7 11.9</td>
</tr>
<tr>
<td></td>
<td>Leaders in the organization motivated employees toward successful strategic plan implementation.</td>
<td>4 6.8</td>
<td>18</td>
<td>30.5</td>
<td>19</td>
<td>18 30.5</td>
</tr>
<tr>
<td></td>
<td>The degree of supervision and coordination conducted for the strategic plan implementation was strong.</td>
<td>4 6.8</td>
<td>23</td>
<td>39</td>
<td>18</td>
<td>14 23.7</td>
</tr>
<tr>
<td>5.4.5</td>
<td>The leaders encouraged the building up of shared behavior, vision, mission, and values of the organization among the employees</td>
<td>4 6.8</td>
<td>24</td>
<td>40.7</td>
<td>17</td>
<td>12 20.3</td>
</tr>
<tr>
<td></td>
<td>A tendency of proactive thinking made leaders looking ahead, anticipating change, and developing a strategy to mitigate the dynamic change</td>
<td>11 18.6</td>
<td>22</td>
<td>37.3</td>
<td>15</td>
<td>10 16.9</td>
</tr>
<tr>
<td>5.4.7</td>
<td>Leadership in the organization was proactive with a coherent view of adhering external opportunities with internal capabilities, competencies and resources</td>
<td>3 5.1</td>
<td>17</td>
<td>28.8</td>
<td>18</td>
<td>21 35.6</td>
</tr>
<tr>
<td>5.4.8</td>
<td>Contingency plans are important to manage changes during strategic plan implementation.</td>
<td>23 39</td>
<td>32</td>
<td>54.2</td>
<td>4</td>
<td>0 0 0 0</td>
</tr>
<tr>
<td>5.4.9</td>
<td>Contingency plans were put in place to manage change.</td>
<td>4 6.8</td>
<td>17</td>
<td>28.8</td>
<td>20</td>
<td>17 28.8</td>
</tr>
<tr>
<td>5.4.10</td>
<td>Operational excellence is the element for the implementation of strategic plan.</td>
<td>24 40.7</td>
<td>34</td>
<td>57.6</td>
<td>1</td>
<td>0 0 0 0</td>
</tr>
<tr>
<td>5.4.11</td>
<td>The leadership in the organization was impartial to all employees toward development of a citizenship</td>
<td>4 6.8</td>
<td>29</td>
<td>49.2</td>
<td>13</td>
<td>12 20.3</td>
</tr>
<tr>
<td>5.4.12</td>
<td>Human and physical resources were effectively coordinated in the manners that it supports to achieve the implementation of strategic plan.</td>
<td>6 10.2</td>
<td>15</td>
<td>25.4</td>
<td>17</td>
<td>21 35.6</td>
</tr>
<tr>
<td>5.4.13</td>
<td>The leaderships in the organization has capacity to bring continues operational improvements that inspire productivity and efficiency</td>
<td>5 8.5</td>
<td>32</td>
<td>54.2</td>
<td>14</td>
<td>8 13.6</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)
The above table 4.7 shows 100% of the respondents were agreed that leadership commitment is essential, 61% agreed the leaders were committed for the strategic plan implementation. The interviewees disagreed to this question. According to them leaders were not committed to strategic plan other than routine operation and it was one of the challenges strategic plan implementation. In regard to employee motivation 37.3% of the respondents were agreed leaders in the organization motivated employees toward successful strategic plan implementation while 32.2% of the respondent neither agreed nor disagreed and 30.5% disagreed. This indicated that a leader in the organization miss employees’ motivation which was one of the functions of management to achieve the desired result. Regarding the strength of the degree of supervision and coordination 45.8% of the respondents were agreed the degree of supervision and coordination conducted was strong while 30.5% of the respondent neither agreed nor disagreed and 23.5% disagreed. This indicated that the degree of supervision and coordination conducted by the management were weak. Regarding the building of shared value 47.5% of the respondent agreed the leaders encouraged the building up of shared behavior, vision, mission, and values of the organization while 28.8% of the respondent neither agreed nor disagreed and 23.7% disagreed. The response to this questionnaire gave the same result with 5.3.4 for that there was low shared value among employee toward effective strategic plan implementation in the organization.

In relation with the tendency of proactive thinking 55.9 % agreed that a tendency of proactive thinking made leaders looking ahead, anticipating change, and developing a strategy to mitigate the dynamic change while 25.4% of the respondent neither agreed nor disagreed and 18.6% disagreed. Coming to the organization 33.9% of the respondents were agreed that leadership in the organization was proactive while 30.5% of the respondent neither agreed nor disagreed and 35.6 % disagreed. The interviewees agreed that the leaders were not proactive. They blamed the issue of privatization. According to them since the second year of the strategic plan (2014) the issue of privatization was highly aggravated, different local and international company were coming to the organization for due diligences to get information about the organization that make the leaders the future was uncertain to think ahead. With regard to questionnaire 5.4.9 above
93.2% of respondents were agreed that *contingency plan are important* while coming to the organization 35.6% of respondents were agreed *contingency plans were put in place to manage change* while 33.8% of the respondent neither agreed nor disagreed and 30.5% disagreed. The interviewees agreed that the habit of contingency planning was weak in the organization. According to them this emanates from the ownership of the organization. The organization had been owned by the government which made each operational activity and finance of the organization were approved and authorized by the government assignee BOD at the beginning of operational year. So the management had no room to be out of the approved plan by for fearing risks. This made the organization not able to exploit even wind fall opportunities. With regard to item 5.4.10 raised above 98.3% of the respondents agreed that *Operational excellence is the element for the implementation of strategic plan*, 55.9% of the respondent agreed the *leadership in the organization was impartial to all employees to attain operational excellence* while 22% of the respondent neither agreed nor disagreed and 23% disagreed. Concerning the coordination of resources 35.6% of the respondents agreed that *human and physical resources were effectively coordinated* while 28.8% of the respondent neither agreed nor disagree and 35.6% disagreed. The interviewees agreed that there were lack of coordination of resources. The reasons were the resources were not sufficient, the area of operations of the organization were highly dispersed to mobilize the resources. With regard to the capacity of the leaderships 62.7% of the respondents agreed the *leaderships in the organization have capacity to bring continues operational improvements* while 23.7% of the respondent neither agreed nor disagreed and 13.6% disagreed. The interviewees agreed that leaders in the organization had no problem from the side of competency and capacity but they had lack of commitment to the strategic plan because of routine operations and the issue of privatization.

The study indicated the existence of limitation regarding leadership in the organization. Thompson & Strickland (2003) the principal strategy implementation tasks include exerting the internal leadership needed to derive implementation forward and keep improving on how strategy is being executed. Leaders of business must be looking ahead, anticipating change, and developing a strategy to proactively and successfully navigate
through the turbulence created by change Lawlor (n.d.). Okumus (2003) strategy implementation may be affected by poor leadership and management, unhealthy organization politics, lack of motivation of staff, the lack of involvement and participation of staff, the negative perception and resistance emanating from staff and other stakeholders. Siddique and Shadbolt (2016), the problems identified in the process of strategy implementation include; misunderstanding of the strategy, lack of commitment to the strategy, lack of communication, insufficient time allocation for strategy implementation, poor coordination and sharing of responsibilities, weak management role in strategy implementation, inadequate capabilities, a lack of strategic thinking and implementation skills in middle management, poor cultural and structural alignment and other uncontrollable environmental variables.

4.6. Regression Analyses on Factors Influencing Strategic Plan Implementation

This subsection tried to explains the extent to which strategic plan implementation can be explained by the change in organizational structure, resource, culture and leadership.

Model summary

Table 4.8: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.938(^a)</td>
<td>.881</td>
<td>.872</td>
<td>.10468</td>
</tr>
</tbody>
</table>

\(^a\) Predictors: (Constant), struct, reso, cul, lead,

Source: survey result, 2018

Coefficient of determination \((R^2)\)

The regression model summary shows that the coefficient of determination \((R^2)\) or the proportion of variation in the dependent variable that is explained by explanatory
variables is .881, which means that 88.1% of the variation in strategic plan implementation is attributed to the effect of leadership, organizational structure, resource and culture. Whereas, 11.9% of the variation is due to other factors which are out of model.

**Estimation of the Model**

\[ Y = B_0 + B_1 X_1 + B_2 X_2 + B_3 X_3 + B_4 X_4 \]

Where \( Y \) = strategic plan implementation

\( B_0 \) = constant

\( B_1, B_2, B_3 \) and \( B_4 \) = the regression coefficient

\( X_1 \) = organizational structure, \( X_2 \) = resource, \( X_3 \) = culture and \( X_4 \) = leadership

**Regression Analysis**

Ho: \( \beta_1 = \beta_2 = \beta_3 = \beta_4 = 0 \), that means all regression coefficients are insignificant (There is no significant linear relationship between strategic plan implementation and organizational structure, resource, culture and leadership)

HA: Ho is not true, which means at least one \( \beta_j \neq 0 \), where \( j = 1, 2, 3, 4 \)

**Table 4.9: ANOVA Result**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>4.362</td>
<td>4</td>
<td>1.091</td>
<td>99.526</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>.592</td>
<td>54</td>
<td>.011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4.954</td>
<td>58</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: SPI

b. Predictors: (Constant), struct, reso, cul, lead,

Source: survey result, 2018
Based on the above table, Reject H₀ since P-value is less than α-value (0.000 < 0.05). So we can conclude that there is significant linear relationship between strategic plan implementation and organizational structure, resource, culture and leadership.

**Table 4.10: coefficient’s of variables**

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Model</th>
<th>Un-standardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
<td>.831</td>
<td>.099</td>
<td>.119</td>
<td>8.364</td>
</tr>
<tr>
<td>Structure</td>
<td></td>
<td>.062</td>
<td>.029</td>
<td>.119</td>
<td>2.095</td>
</tr>
<tr>
<td>Resource</td>
<td></td>
<td>.274</td>
<td>.049</td>
<td>.358</td>
<td>5.536</td>
</tr>
<tr>
<td>Culture</td>
<td></td>
<td>.140</td>
<td>.043</td>
<td>.242</td>
<td>3.262</td>
</tr>
<tr>
<td>Leadership</td>
<td></td>
<td>.214</td>
<td>.038</td>
<td>.411</td>
<td>5.623</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Plan implementation (SPI)

Source: survey result, 2018

Accordingly from the above table, strategic implementation (SPI):

SPI = .831+.062X₁+.274X₂+.140X₃+.214X₄.

**Organizational structure:**

H₀: B₁=0, organizational structure has no significant effect on strategic plan implementation

HA: B₁≠0, organizational structure has a significant effect on strategic plan implementation

Reject H₀, since p-value is less than α-value (0.041<0.05)

The conclusion is organizational structure has a significant effect on strategic plan implementation.
Resource

H₀: B₂=0, resource has no significant effect on strategic plan implementation
Hₐ: B₂≠0, resource has a significant effect on strategic plan implementation
Reject H₀, since p-value is less than α-value (0.000<0.05)
The conclusion is resource has a significant effect on strategic plan implementation

Culture

H₀: B₃=0, culture has no significant effect on strategic plan implementation.
Hₐ: B₃≠0, culture has a significant effect on strategic plan implementation.
Reject H₀, since p-value is less than α-value (0.002<0.05)
The conclusion is culture has a significant effect on strategic plan implementation.

Leadership

H₀: B₄=0, leadership has no significant effect on strategic plan implementation.
Hₐ: B₄≠0, leadership has a significant effect on strategic plan implementation.
Reject H₀, since p-value is less than α-value (0.000<0.05)
The conclusion is leadership has a significant effect on strategic plan implementation.
4.7. Test of correlation between SPI and factors

Correlation is used to measure the strength of linear relationship between two variables.

Table 4.11: Correlations between strategic plan implementation and factors

<table>
<thead>
<tr>
<th>.</th>
<th>SPI</th>
<th>Struct</th>
<th>Reso</th>
<th>cul</th>
<th>lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPI</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.545**</td>
<td>.788**</td>
<td>.789**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Structure</td>
<td>Pearson Correlation</td>
<td>.545**</td>
<td>1</td>
<td>.433**</td>
<td>.284</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.001</td>
<td>.029</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Resourse</td>
<td>Pearson Correlation</td>
<td>.788**</td>
<td>.433**</td>
<td>1</td>
<td>.631**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.001</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Culture</td>
<td>Pearson Correlation</td>
<td>.789**</td>
<td>.284</td>
<td>.631**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.029</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>leadership</td>
<td>Pearson Correlation</td>
<td>.835**</td>
<td>.493**</td>
<td>.550**</td>
<td>.700**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
</tbody>
</table>

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

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

Source: survey result, 2018

Based on the test results in the table above, p<0.05 for the correlation between strategic plan implementation and factors (organizational structure, resource, culture and leadership) with positive r. The researcher failed to accept H0: which states there is no significant relationship between implementation and factors. The conclusion is at 5% level of significance there is a significant relationship between strategic plan implementation and factors. The study approves that there is significant and positive relationship between implementation and factors at 5% level of significance, with
positive Pearson correlation coefficient (r). This positive sign of (r) indicates the existence of direct relationship between variables i.e. The more factors increased the more strategic implementation will be.

4.8. Challenges of Strategic Plan Implementation

This section establishes the answer for the third specific objective that focused on ‘investigating the challenges of strategic plan implementation practice.’ The following table indicated sorts of challenges and their frequency (F) and percentage (%) level of agreement of the respondents.
Table 4.12: Challenges of strategic plan implementation

<table>
<thead>
<tr>
<th>S/N</th>
<th>CHALLENGES</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
<tr>
<td>6.1</td>
<td>The nature of the business the organization engaged in is one of the challenges to think strategically and implement the strategic plan.</td>
<td>9</td>
<td>15.3</td>
<td>28</td>
<td>47.5</td>
<td>10</td>
</tr>
<tr>
<td>6.2</td>
<td>The strategy was formulated without robustly examining external and internal organizational environment.</td>
<td>4</td>
<td>6.8</td>
<td>7</td>
<td>11.9</td>
<td>14</td>
</tr>
<tr>
<td>6.3</td>
<td>The organizational competencies, capabilities, and resources were not aligned with the strategic plan.</td>
<td>2</td>
<td>3.4</td>
<td>25</td>
<td>42.4</td>
<td>10</td>
</tr>
<tr>
<td>6.4</td>
<td>The nature of the business the organization engaged in put employees in dilemma to exercise utmost effort in strategic plan implementation practice.</td>
<td>1</td>
<td>1.7</td>
<td>15</td>
<td>25.4</td>
<td>17</td>
</tr>
<tr>
<td>6.5</td>
<td>Strategic plan supportive technology and information communication were not installed.</td>
<td>7</td>
<td>11.9</td>
<td>31</td>
<td>52.5</td>
<td>10</td>
</tr>
<tr>
<td>6.6</td>
<td>There were weak external interaction to minimize the pressure of external stakeholders</td>
<td>6</td>
<td>10.2</td>
<td>32</td>
<td>54.2</td>
<td>11</td>
</tr>
<tr>
<td>6.7</td>
<td>The strategic plan of the organization is not adequately communicated to internal stakeholders</td>
<td>3</td>
<td>5.1</td>
<td>17</td>
<td>28.9</td>
<td>9</td>
</tr>
<tr>
<td>6.8</td>
<td>There was weak monitoring and evaluation practice.</td>
<td>4</td>
<td>6.8</td>
<td>26</td>
<td>44.1</td>
<td>13</td>
</tr>
<tr>
<td>6.9</td>
<td>There were change resistant working environment and corporate culture</td>
<td>1</td>
<td>1.7</td>
<td>18</td>
<td>30.5</td>
<td>9</td>
</tr>
<tr>
<td>6.10</td>
<td>The managements were concentrating on recurring tasks rather than strategic issues.</td>
<td>4</td>
<td>6.8</td>
<td>35</td>
<td>59.3</td>
<td>7</td>
</tr>
<tr>
<td>6.11</td>
<td>Proper policy and rules were not adopted to endorse the implementation of strategic plan.</td>
<td>4</td>
<td>6.8</td>
<td>26</td>
<td>44.1</td>
<td>14</td>
</tr>
<tr>
<td>6.12</td>
<td>Lack of effective implementation controlling procedure hampered the organization from realizing the strategic plan implementation.</td>
<td>4</td>
<td>6.8</td>
<td>25</td>
<td>42.4</td>
<td>16</td>
</tr>
<tr>
<td>6.13</td>
<td>Lack of alignment between employee’s incentives and strategic plan challenged the organization</td>
<td>4</td>
<td>6.8</td>
<td>25</td>
<td>42.4</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: From Field survey (2018)

Table 4.12 shows 62.7% of the respondents were agreed that the nature of the business the organization engaged in was one of the challenges. The interviewees agreed because of the nature of the business different local pressure groups such as local
government officials, religious institutions, national and global interest groups challenged the management’s effort due to the controversial nature of the business. This indicated the nature of the business was challenged the organization as it was given attention on Ethiopian Tobacco Control Directives (2015) & Tobacco Endgame Strategies (Thomas & Gostin 2017). Regarding the formulation of the strategy 57.6% respondents were disagreed that the strategy was formulated without robustly examining external and internal organizational environment. The interviewees agreed the strategy was carefully evaluated both internal and external factors and approved by the Boards of Directors (Strategic plan 2013-2017, 2013). In relation to organizational competencies, capabilities, and resources 45.8% of the respondents agreed that the organizational competencies, capabilities, and resources were not aligned with the strategic plan. The interviewees agreed though the organization had competencies and capability to avail necessary resources; they were not aligned with the strategic plan particularly making available at the right place at the right time because of some other external factors. It lacks the principal strategy implementation tasks that include building an organization with competencies, capabilities, and resource strengths to carry out the strategic plan successfully (Thompson & Strickland, 2003). With regards to questionnaire 6.4 indicated above 27.10% of the respondents agreed that the nature of the business the organization engaged in put employees in dilemma to exercise utmost effort while 44.10% disagreed and 28.8% were responded neither agreed nor disagreed. It incanted the managements have no sufficient knowledge regarding the moral questions of employees. Regarding the technology and information communication 64.4% of the respondent agreed that strategic plan supportive technology and information communication were not installed. The interviewees agreed that the organization stipulated to install contemporary technology and management information system during the middle of strategic plan year and ERP at the end which were none of these were possible for the organization where as “installing information, communication, and operating systems that enable company personnel to carry out their strategic roles successfully was necessary (Thompson & Strickland, 2003).”
In relation to the external interaction 64.4% of the respondents were agreed *that there were weak external interaction to minimize the pressure of external stakeholders in pursuit of strategic plan*. Regarding internal communication 50.90% disagreed that the *strategic plan was not adequately communicated to internal stakeholders* while 33.9% agreed. The interviewees responded these questions from two sides. The first one was the monopoly nature of the organization made the competent only illicit tobacco trade and government ownership of the organization make the management not to focus on external interaction, and the second was the absence of task force and the focuses of management routine operations made less attention to business interactions. David & David (2015) stated that strategy implementation relies on the structure of the organization, resources allocation, manager’s skills, organizational culture and communication system. According to Gavurova (2010) as cited in (Misankova & Kocisova, 2014) communication of the strategy through the whole company, involving employees in the implementation of the strategy, assignment of responsibilities for strategic projects, adaption of the organizational structure and implementation of effective controls are important for the success of strategic plan. Concerning monitoring and evaluation 50.8% agree that *there were weak monitoring and evaluation practices* while 22% neither agreed nor disagreed. With regard to the questionnaire number 6.9 above 52.6% of the respondents were disagreed that *there was change resistant working environment and corporate culture* while 32.2% responded agreed which indicated that there was no series change resistance working environment observed. Regarding the attention of management 66.10% of the respondents were agreed that *the managements were concentrating on recurring tasks* while 22% disagreed and 11.9% neither agreed nor disagreed. The interviewees agreed that the management was concentrating on routine operations that required the immediate solution.

With regarded to policy and rules 50.8% of the respondents were agreed that *proper policy and rules were not adopted* while 25.4% disagreed and 23.7% neither agreed nor disagreed, 45.8% of the respondents agreed that *lack of effective implementation controlling procedure hampered the organization from realizing the strategic plan implementation* while 30.8% disagreed and 23.7% neither agreed nor disagreed. The
interview agreed that rules, policy and procedure were not adopted for the purpose of strategic plan implementation. They said the existing ISO 9001:2008 procedures, criteria documents and work instructions were assumed to be used in the strategic plan. However they agreed that the absence of rules and policy challenged the implementation of the strategic plan by being made the management to give less attention to the strategic management. According to Andras (n.d) and Thompson & Strickland (2003) strategy implementation requires establishing strategy supportive policies and procedure. Concerning the cases of incentives 49.2% of the respondents agreed that lack of alignment between employee’s incentives and strategic plan challenged the organization while 27.1% neither agreed nor disagreed and 23.7% disagreed. The interviewees agreed there were no incentive scheme adopted in relation with strategic plan. It was assumed the alignment aimed to be together with new organizational structure that was expected to be performed during the second strategic year (2014) which was failed even though implementing strategy requires devising rewards and incentives that are tightly linked to objectives and strategy (Planellas, 2013). Implementing strategy requires devising rewards and incentives that are tightly linked to objectives and strategy (Andras, n.d.) and tying reward and incentive help to the achievement of performance objectives and good strategy execution (Thompson & Strickland (2003).
CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter mainly tries to explain summary of finding, conclusions and recommendations of the study based on the discussion, findings and analysis of data in preceding chapter.

5.1 Summary of Findings

The purpose of this paper was to assess factors influencing the implementation of strategic plan in National Tobacco Enterprise (Ethiopia) S.C. To achieve the objective of the study three research questions were raised to assess the area of the problems. Exploratory research design was employed to carry out this study. Based on the results of data analyses the summaries of major findings were presented below.

With regard to research question ‘What did the strategic plan implementation practices looks like in National Tobacco Enterprise (ETH) S.C?’ the result indicated;

- Strategic plan implementation task force was not formally established, and empowered to guide, monitor and evaluate the strategic plan implementation,
- Model that guides how best the strategic plan will be implemented, monitored and evaluated was not adopted,
- Proper accountability was not established at each managerial level to develop ownership during the strategic plan implementation.

Concerning the second question that stated as ‘To what extent organizational structure, resources, culture and leadership were influencing the implementation of strategic plans implementation practice?’ the study indicated following results.

- Organizational structure has a significant effect on strategic plan implementation.
- Organizational resource has a significant effect on strategic plan implementation
- Organizational culture has a significant effect on strategic plan implementation
- Organizational leadership has a significant effect on strategic plan implementation
In relation with research question ‘What were the challenges of strategic plan implementation practice in National Tobacco Enterprise (ETH) S.C? The study result indicated:

- Lack of strategic plan supportive technology and information communication,
- Lose monitoring and evaluation practice to check whether the strategic plans were implemented effectively and efficiently,
- The concentration of managements on recurring tasks rather than strategic plan,
- Lack of proper policy and rules that help to endorse the implementation of strategic plan,

5.2. Conclusions

The study intended to assess the strategic plan implementation practice, factors influencing the strategic plan implementation and challenges of strategic plan implementation practice in National Tobacco Enterprise (ETH) S.C. to the extent of how Organization structure, resources, culture and leadership were influencing the implementation of strategic plan. Expletory research design and mixed approach were employed in the study. Statistical tools such as frequency, percentages, as well as regression analyses were used for the analyses of quantitative data. Based on the discussion and findings of the study the following summarized conclusions were drawn.

- Establishment of strategic plan implementation task force, strategic plan implementations model and accountability were given less attention in strategic plan implementation practice.
- Implementations of strategic plan supportive technology and information communication, on time monitoring and evaluation, enhancing the leadership commitment and management scheme were overlooked during strategic plan implementation.
5.3 Recommendations

Based on the above conclusions the following recommendations need to get due attention in the next strategic planning process by National Tobacco Enterprise (Ethiopia) S.C.

- Formal task force, proper model and accountability establishment need not be overlooked in strategic management.
- Proper strategic plan supportive technology and information communication need to be put in place.
- External and internal communication need to be given attention.
- Proper strategic plan management policy, rules and procedures need to be established.
- Strategic management centered leadership system needs to be implemented.
- Though; the majority of the respondents were disagreed that the nature of the product was not a problem for the employees to carry out their tasks, the organization need to investigate whether the nature of the business could be a factor to employee turnover and getting the right people for the right position at the right time.

5.4. Areas Recommended for Further Studies

The researcher suggests that further research need to be done on the relationship between employees’ attitude and tobacco industries, External factors influencing strategic management in tobacco industries, proactive leadership versus tobacco industries towards organizational success. The researcher suggested further research on these points for that awareness creation on tobacco trade, tobacco consumption and packaging were being intensified by government bodies and other pressure groups all over the world which could negatively influence the employee working in tobacco industries.
REFERENCES


Prahalad, C.K. and Hamel, Gary (1990), the Core Competence of the Corporation, the President and Fellows of Harvard College.


Dear Respondents,

I am Alemayehu Negash, a MBA student in General Management at St. Mary’s University. Currently I am conducting a research on “An Assessment of Factors Influencing the Implementation of Strategic Plan in National Tobacco Enterprise (Eth) S.C.” To do this research your support by responding the questionnaire is essential. The questionnaire is purely for academic purpose and the information provided shall be kept confidentially. I kindly request you to spend your spare time and fill these questionnaires as objectively as possible. Please note that you need not have to write your name.
Thank you in advance for taking your time to respond the questionnaire.

Part I. GENERAL INFORMATION

Please tick in the appropriate box that represents you.
1. Gender. Male ☐ Female ☐
2. Age. ☐ 18 ---25 years old ☐ 36 -49 years old
   ☐ 26 -35 years old ☐ 50 years and above
3. Level of education. ☐ TVET/Diploma ☐ 1st Degree
   ☐ 2nd Degree and above
4. Your duration in the organization. ☐ Below 3 years ☐ 7-10 years ☐ 16-20 years
   ☐ 3-6 years ☐ 11-15 years ☐ above 20 years
5. Working place. ☐ Head Office ☐ Bellatie ☐ Wollayita
   ☐ Robi ☐ Hawassa
6. Your job position.

- Department Head
- Service head
- Farm Manager
- Division head
- Section head
- Farm station head
- Supervisor
- Shift leader

**Part II. Factors Related to Subject Matter**

The following statements indicate the view about strategic plan implementation practice, challenges of strategic plan implementation and factors influencing the implementation of strategic plan in National Tobacco Enterprise (Eth) S.C. You have alternatives: Strongly agree, Agree, Neither agree nor disagree, Disagree and Strongly disagree. Please put a ✔ mark parallel to your corresponding choice.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Descriptions</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategic Plan Implementation Practice</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>The organization had sound strategic plan.</td>
<td>✔</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>The strategic plan was properly developed taking into consideration the external and internal environment of the organization.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3</td>
<td>The strategic goals and objectives were properly set taking into consideration organizational resources, capabilities and competencies.</td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td>Internal stakeholders such as Board of Directors, management members and employees were involved in the development of strategic plan.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>The strategic plan gets approval by Board of Directors so as to secure necessary resource during the period of implementation.</td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>The strategic plan gets acceptance by internal stakeholders (management members and employees) so that they endeavored their own effort for its implementation.</td>
<td></td>
<td></td>
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<tr>
<td>7</td>
<td>Yearly action plans were drawn from strategic plan.</td>
<td></td>
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<tr>
<td>8</td>
<td>Strategic plan implementation task force was formally established and empowered to guide, monitor and</td>
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</tbody>
</table>
The organization had established a model that guides how best the strategic plan will be implemented, monitored, and evaluated.

Performance measurement criteria and standards were clearly established, persistent monitoring and evaluation were performed accordingly.

Proper accountability was established at each managerial level to develop ownership during the strategic plan implementation.

The strategic goals and objectives (productivity improvement, cost reduction, market share growth) set in the strategic plan are failed.

## II Organizational Factors Influencing Strategic Plan Implementation

### A Organizational Structure

1. The organization developed the structure that aligned with the strategic plan.

2. The organizational structure ensures effective communication, coordination, and integration across departments and tobacco farms and has clear lines of authority and responsibility.

3. The nature of the structure of the organization lacks flexibility to support strategic plan implementation practice.

4. Strategic teams were reorganized; jobs were redesigned and redefined by indicating tasks executed by all levels of employees in the organization so that they support the strategic plan implementation.

5. To enhance the success of strategic plan implementation right people for right positions are appropriately appointed.

### B Organizational Resources

1. Organizational resource is critical to strategic plan implementation.

2. The organization has capability to allocate all necessary resource for the implementation of the strategic plan.

3. Effectiveness, Efficiency, and Quality are associated with physical resource allocation.
<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>The organization had allotted necessary physical resources that endorse effectiveness, efficiency and quality to implement the strategic plan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>The implementation of strategic plan of the organization was influenced due to lack of physical resources allocation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>The allocations of financial resources need to be aligned with the strategic plan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>The implementation of strategic plan of the organization was influenced due to lack of financial resource allocation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Human resource is a distinctive basis for strategic plan implementation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>The organization has adequate number of human resources who have adequate competencies to implement the strategic plan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Human resources were not effectively equipped with relevant skill and awareness to support strategic plan implementation.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>11</td>
<td>The organization has technically efficient employee who can realize the strategic plan implementation.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>12</td>
<td>Employees’ turnover is not a critical problem for the implementation of strategic plan in the organization.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>13</td>
<td>The organization has a human resources management practices that attract and retains quality employees.</td>
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</tr>
<tr>
<td>14</td>
<td>Employees in the organization feel that positive change in the organization is beneficial to the organization and to the employee so that they actively support the strategic plan implementation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>C</strong></td>
<td><strong>Organizational Culture</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Organizational culture influences strategic plan implementation.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>There was strong alignment between employee attitudes and strategic goals and objectives in the organization.</td>
<td></td>
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</tr>
<tr>
<td>3</td>
<td>A system of shared value is a critical variable for strategic plan implementation.</td>
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</tr>
<tr>
<td>4</td>
<td>There was a shared value among employee toward effective strategic plan implementation in the organization</td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>Stability of organizational culture enhances employees commitment to strategic plan implementation</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>There was strong and stable working culture that helps to enhance employees’ citizenship and commitments</td>
<td></td>
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</tr>
</tbody>
</table>
toward strategic plan implementation.

7 The organization had developed a working culture that created an employee work with less supervision.

8 Ethical work force is important for strategic plan implementation.

9 There were ethical, committed and loyal work forces in the organization.

10 Social interaction determines the effectiveness of strategic plan implementation.

11 There was friendly and welcoming social interaction that allows employees participation in strategic plan implementation in the organization.

**D Organizational Leadership**

1 Leadership commitment is essential for effective strategic plan implementation.

2 The leaders were committed for the strategic plan implementation in the organization.

3 Leaders in the organization motivated employees toward successful strategic plan implementation.

4 The degree of supervision and coordination conducted for the strategic plan implementation was strong.

5 The leaders encouraged the building up of shared behavior, vision, mission, and values of the organization among the employees to enhance efficiency and effectiveness.

6 A tendency of proactive thinking made leaders looking ahead, anticipating change, and developing a strategy to mitigate the dynamic change of external organizational environments.

7 Leadership in the organization was proactive with a coherent view of adhering external opportunities with internal capabilities, competencies and resources to achieve the goals & objectives stipulated in the strategic plan.

8 Contingency plans are important to manage changes during strategic plan implementation.

9 Contingency plans were put in place to manage change during strategic plan implementation in the organization.

10 Operational excellence is the element for the implementation of strategic plan.

11 The leadership in the organization was impartial to all employees toward development of a citizenship to execute the strategic plan by attaining operational
Human and physical resources were effectively coordinated in the manners that it supports to achieve the implementation of strategic plan.

The leaderships in the organization has capacity to bring continues operational improvements that inspire productivity and efficiency during strategic plan implementation.

### III Challenges of Strategic Plan Implementation Practice

1. The nature of the business the organization engaged in is one of the challenges to think strategically and implement the strategic plan.

2. The strategy was formulated without robustly examining external and internal organizational environment.

3. The organizational competencies, capabilities, and resources were not aligned with the strategic plan.

4. The nature of the business the organization engaged in put employees in dilemma to exercise utmost effort in strategic plan implementation practice.

5. Strategic plan supportive technology and information communication were not installed.

6. There were weak external interaction to minimize the pressure of external stakeholders in pursue of strategic plan.

7. The strategic plan of the organization is not adequately communicated to internal stakeholders that participate in the implementation.

8. There was weak monitoring and evaluation practice to check whether the strategic plan was implemented effectively and efficiently.

9. There were change resistant working environment and corporate culture in the organization.

10. The managements were concentrating on recurring tasks rather than strategic issues.

11. Proper policy and rules were not adopted to endorse the implementation of strategic plan.

12. Lack of effective implementation controlling procedure hampered the organization from realizing the strategic plan implementation.

13. Lack of alignment between employee’s incentives and strategic plan challenged the organization in strategic plan implementation practice.
Part III. Interview Questions to Key Informants

1. You are one of the task force that assigned to monitor and evaluate the strategic plan implementation of NTE; what are the major internal problems encounters the organization in strategic plan implementation process?
   a. In relation with strategic plan implementation practice,
   b. In relation with challenges of strategic plan implementation,
   c. Internal factors influencing strategic plan implementation.

2. What do you learn from the problem?

3. Do you believe that the organizational capacity and competency influence the attainment of strategic plan in the organization?

4. If yes, on what strategic areas did organizational capacity and competency significantly influenced the implementation of strategic plan?

Thank you faithfully.