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Abstract

This study examined the influence of organizational culture on the implementation of strategic plans among commercial banks in Kenya: A case study of Co-operative Bank of Kenya. The study adopted descriptive research design covering a sample of 252 respondents drawn from 715 employees of Co-operative Bank branches within Nairobi County. Stratified and simple random techniques were adopted. Data was collected by use of questionnaires and was later analyzed using descriptive and inferential statistical analysis tools. According to the study findings, organizational culture was found to be strongly correlated to implementation of strategic plans and was significant (r=0.813; p<0.01). The study recommends that team work should be encouraged so as to enable staff to support each other and to share ideas as this may foster implementation of strategic plans. Further organizational culture should be compatible with strategy so as to reduce chances of resistance as when culture influences the actions of the employees to support current strategy, implementation is strengthened.

Keywords: Implementation of strategic plan, organizational culture, strategic plan

1. Introduction

Formulation and implementation of strategies are the core management functions which determine the success of organizations. Strategy analysis, strategy formulation and strategy implementation are the three main components of strategic management. A company's strategy is crafted, implemented and executed through these processes (Anyango, 2012). A strategic plan enables an organization to achieve and maintain competitive advantage over other organizations (St-Hilaire, 2011). Depending on the details of the actual strategic plan, there can be variance on the particular implementation process from one organization to another (Mwinzi, 2015). The process by which strategic plans are translated into organizational actions may be hindered by many factors as hurdles may arise during the implementation process.

Organizational culture is defined as a system of assumptions, values, norms, and attitudes, manifested through symbols which the members of an organization have developed and adopted through mutual experience and which help them determine the meaning of the world around them and how to behave in it (Janicijevic, 2011). Brenes and Mena (2008) concluded that organizational culture supportive of principles and values in the new strategy resulted in successful strategy implementation in the sampled firms. They also revealed that 86% of the most successful companies see culture aligned to strategy as highly significant, against only 55% of less successful companies. Corporate culture is manifested in the values and business principles that management practices as well as in the attitudes and behaviors of employees.

Strategy implementation is defined as the manner in which an organization should develop, utilize, and amalgamate organizational structure, control systems, and culture to follow strategies that lead to competitive advantage and a better performance (Johnson & Whittington, 2008). According to Raps (2009) unless properly implemented, strategies do not add value. More often organizations focus on strategic planning and formulation and less in the implementation process the reason for many unrealized strategies across the board. Organizations seem to have difficulties implementing their strategies (Rao, Rao & Sivaramakrishna, 2009). Implementation of strategies is equally important as the planning and formulation of the strategies. Yet organizations often fail to operationalize their strategies in ways that improve the likelihood that they will implement effectively (Halonen & 2011).

Implementation of strategy has challenges which include the fact that implementation takes long than anticipated in many cases, insufficient coordination within the organization, other matters that arise which
take resources away from the implementation phase, insufficient capabilities of the management and employees to implement the changes, lack of training for management and employees in order to implement the changes, external factors that affect the implementation which were not anticipated and management failure to take lead (Cunningham & Harney, 2012). Political challenges, cultural challenges and resistance on the part of the staff to accept the new strategy are some of the challenges that were found to affect implementation of growth strategies at Equity Bank Kenya (Gworo, 2012).

Creation of employment, creation of deposits that affect money supply for business activities and provision of safety to financial deposits are some of the functions which the banking industry plays in the Kenyan economy. The Banking Act, Companies Act, the Central Bank of Kenya Act and the various guidelines issued by the Central Bank of Kenya govern banking industry. There are 43 licensed commercial banks and 1 mortgage finance company. According to the Central Bank of Kenya annual report (2015) out of the 44 institutions 13 are foreign owned and 31 are locally owned. In 1965 through the Co-operative Societies Act, the Co-operative Bank of Kenya was incorporated in Kenya. In 2008 the bank’s legal status was converted to a public limited liability company so as to meet the legal criteria at the Nairobi Securities Exchange for listing and further to raise capital through an initial public offer. In terms of asset base it’s the fourth largest bank in Kenya (Co-op bank, 2015).

1.1 Statement of the Problem

Banking industry around the world is experiencing intensified competition whereby banks are facing slow balance sheet growth, growing threat from new entrants, immense pressure and uncertain economic outlook (Boohene et al., 2013). Banks are therefore forced to continually create, implement, assess and improve on strategies so as to be competitive and remain relevant in the market. It has not been easy to attain optimal strategy implementation and this can be seen from the fact that banks have struggled from various stages alongside the embracing of diverse organizational strategies (Mukhalasie, 2013). Cater and Pucko(2010) concluded that while 80% of firms have the right strategies, only14% have managed to implement them well. Ahmadi, Salamzadeh, Daraei and Akbari, 2012; Mutie and Irunugu, 2014; Mukhalasie, 2014 and Kibicho (2015) found a positive correlation between culture and strategy implementation. In contrast Abdalla (2014) found that organizational culture had no significant influence on implementation of strategies at the Kenyan oil market industry thus providing a gap to be filled. Further the present study differed from the above studies on the con text, focus and the depth of coverage on the implementation of strategic plans. It’s against this background that this study proposed to investigate the influence of organizational culture on the implementation of strategic plans at Co-operative Bank of Kenya.

1.2 Research objective

To examine the influence of organizational culture on the implementation of strategic plans at Co-operative Bank of Kenya.

1.3 Research Hypotheses

$H_0$: There is no significant relationship between organizational culture and implementation of strategic plans at Co-operative Bank of Kenya.

2. Literature Review

2.1 Competing Values Framework (CVF)

This framework was linked to organizational culture in this study. The competing values framework (CVF) developed by Cameron and Quinn (1999) was adopted with the aim of describing the values and beliefs underlying an organization’s culture. It has been widely used to examine organizational culture in the literature (Karimi & Kadir, 2012; Ahmadi, Salamzadeh, Daraei, & Akbari, 2012). Cameron and Quinn (1999) proposed a model (Figure 2.1) by taking into account two dimensions, internal focus versus external and stability versus flexibility position. The proposed model describes four types of culture: Hierarchy, clan, market and adhocracy.

![Figure 2.1: CVF Framework (Cameron and Quinn, 1999)](image)

In the above figure a list of attributes related with each cultural orientation are provided. For example, clan concentrates on, team work, human development commitment, personal relations, loyalty, mentoring. Hierarchy focuses on Security, stability, formal rules, internal efficiency, control and structure, coordination. Adhocracy concentrates on risk taking, innovation uniqueness, leadership, entrepreneurship and Market is based on achievement, goal accomplishment, market leadership, results oriented, competitiveness, aggressiveness (Karimi & Kadir, 2012). This study looks into the cultural dimensions of team work and result orientation.
2.2 Organizational Culture

Organizational culture is formed by the organization values, visions, norms, working language, systems, and symbols, beliefs and habits and it is a collective behavior of people that constitute an organization (Schein, 2009). According to Nganga and Nyongesa (2012) organization culture is a set of important assumptions which are beliefs and values shared commonly by members of an organization. Further trust or confidence is placed in some person or thing through a state or habit of mind known as belief whereas when a group of members share a set of ideals it’s known as values.

Organizations have a culture that determines people’s behavior in areas such as standard of performance, customer service and innovation, regardless of its size (Ahamed, 2015). According to a study by Ahmadi, Salamzadeh, Daraei, and Akbari (2012) it was concluded that there’s an association between organization culture and strategy implementation. It was found that there was a significant relation between all types of organizational cultures and the implementation process but the extent of the culture’s influence varied from the most effective (clan culture) to the least effective (hierarchy culture).

Mutie and Irungu (2014) proved that organizational culture influences strategy implementation to a great extent. Flexible organization culture encourages the growth and successful implementation of the strategic planning process. The current cultural value in a specific institution plays an important purpose in the implementation process and could also be an obstacle at the same time. Values that support implementations provide the institution’s personnel with clear guidance regarding what behaviors and results constitute good job performance and encourages workers to conform to culturally acceptable norms. Carlopio and Harvey (2012) focused on social-psychological principles and their influence in successful strategy implementation and found that the strategy implementation process will fail if an organization’s structure and culture are not aligned with a proposed strategy and the new behaviors required.

Li, Guohui and Eppler (2008) explained that commitment to the firm’s goals and strategies was an outcome of interaction and participation among the organization’s team and this ensured that a firm’s strategy was successfully implemented. They also reported that having committed decision teams and an understanding of the strategic goals amongst all the staff which includes those at the operational level, middle management and top management teams is essential for the effective implementation of strategies. According to Menzel, Churchill, Tulip and Maureen (2008) information sharing is an essence of teamwork as it allows organization members’ opinions and views to be heard and also allows for transfer of knowledge.

According to Sofijanova and Zabijakin-Chatleska (2013) an effective way of reducing the organizational hierarchy and increasing the employee involvement is by teamwork which enables organizations to meet set target through experiencing high performances and producing valuable innovations. For a team to be successful it requires an effective leader who is skilled in nurturing a united team and is able to bring the team to maturity and further who is able to help the team work through issues that may arise. In running an organization also full membership and direct involvement is required (Ahamed, 2015).

Results orientation culture is the second dimension of organizational culture. It measures the level of productivity or performance expected inside an organization. To achieve changes in the way organizations operate and improve performance in terms of results an organization needs a management strategy known as results based management (Vähämäki, Schmidt & Molander, 2011). Tools for strategic planning, performance monitoring, risk management and evaluation are provided by results oriented management so as to achieve results. Further according to Vähämäkiet al. (2011) improving efficiency and effectiveness through organizational learning and fulfilling accountability obligations through performance reporting are the primary objectives of results based management.

To articulate result oriented dimension clearly, Beshay and Sixsmith (2008) distinguishes between process oriented organization and results oriented organizations. Attributes of process oriented organization is monotonous such that each day is similar, avoidance of risks and less effort is put in to the job whereas in results oriented organizations each day is different, great effort is put and people enjoy working in a turbulent environment.

Al-alak and Tarabieh (2011) posited that in order for organizations to compete against one another in the worldwide global market results orientation is important. Decision makers are able to align a situation to the intended results if they are aware of the dynamic conditions inside and outside the organization. Having regards to the result oriented culture, strategy implementers are kept on track in that they stick to the original goals and focus on the intended outcome even if the situation changes.

Flexible, well-built and integrated cultures advance strategy implementation and influence execution in a constructive manner by supporting the set goals. Goals can become aligned to each other when the cultures of the organization work to concentrate on efficiency and accomplishing the organization’s principal mission (Darminet al., 2013). This may comprise of having products being delivered to clients on time, selling out more goods than the chief rivals of the organization. This brings results to the organization, as it makes sure that all jobs done by every person in the organization concentrates on achievement and on the strategic significance of the organization.

2.3 Implementation of strategic plans

Simmerson (2011) indicated that effective execution of strategic plan in the organization will enable the entire organization and the stakeholders to acquaint themselves
with the undertaking of the organization. Implementation of the formulated strategies ensures that the set organization objectives are met and thus contributing towards the performance of the organization (Barksdale & Lund, 2006). Organization culture, organization structure, motivation and reward systems, information and communication technology and reporting system, decision-making processes, provision of adequate resources, decision-making processes, effective communication, education, capabilities and skills motivation and reward systems, providing adequate resources, effective communication, education, capabilities and skills are the factors that affect successful execution of strategies (Thompson, Gamble & Strickland, 2012).

2.4 Conceptual Framework

The relationship between the independent and dependent variable has been conceptualized as shown in figure 2.2 below. The constructs under organizational culture were team work and result orientation whereas the constructs under implementation of strategic plans were actualization of strategy and attainment of target within time limit.

![Conceptual Framework](image)

**Figure 2.2:** Conceptual Framework

3. Research Methodology

The study used a descriptive research designs to collect data from a sample of 252 staff (managers and employees) of Co-operative bank of Kenya within Nairobi County who were selected to participate in the study. It utilized stratified and simple random sampling methods to pick the samples. Open ended and closed ended questionnaires were the main data collection tool that sought information on organizational culture and implementation of strategic plans. Most of the items on the questionnaires were adopted from the measurement scale designed by Sashkin and Rosenbach (1996) and Ahamed (2015). The items of the questionnaires were subjected to Cronbach Alpha coefficient test whereby organizational culture and implementation of strategic plans yielded an r-value of 0.894 and 0.875 respectively. This indicated a high reliability value of the questionnaire. Data was analyzed using descriptive and inferential statistics. For descriptive statistics frequencies, mean, standard deviation and percentages were used and for inferential statistics Karl pearson’s correlation and regression analysis were used. The simple regression formulae used was:-

\[ Y = \beta_0 + \beta_1 X + \epsilon \]

Whereby \( Y \) =implementation of strategic plan, \( \beta_0 \)=Constant, \( \beta_1 \)=Coefficients of determination, \( X_1 \)=Organizational culture, \( \epsilon \)=Error term

4. Results and Analysis

4.1 Response rate

Through the questionnaire the study targeted 252 respondents. A total of 252 questionnaires were distributed to the managers and employees of Co-operative bank of Kenya. Mugenda and Mugenda (2003) posited that a response rate of 50% is sufficient for analysis and reporting; a response rate of 60% is good while a response rate of 70% and over is excellent. The study achieved 71% response rate. Previous scholars had different response rates for example Abdalla (2015) had a response rate of 100%; Ahamed (2015) had a response rate of 75%.

4.2 General Profile of Respondents

56.42% of the respondents were males while females were 43.58%. Majority of the respondents were employees at 90% followed by managers at 10%. Further regarding length of service, majority of the respondents had served in the organization for more than 10 years [29.60%] followed by 4 to 6 years [24.02%], 7-9 years [22.34%], 1-3 years [17.9%] and less than one year [6.14%]. In relation to education level of respondents, 77.65% of the respondents had bachelor’s degrees as their highest education level, 16.75% masters 5.6% diploma, for secondary certificate and doctorate degrees there was none.

4.3 Descriptive Analysis for Study Variables

The study investigated factors influencing implementation of strategic plans among commercial banks in Kenya a case study of Co-operative bank of Kenya. This was on a five (5) point Likert scale (where 1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree and 5= Strongly agree).

4.3.1 Organizational Culture and Implementation of Strategic Plans

The study sought to assess how organizational culture influences implementation of strategic plans at Co-operative Bank of Kenya. Regarding team work culture as an indicator, majority of the respondents 98(54.7%) were in agreement with the statements that staff support each other in order to implement strategies as shown by a mean score of 4.19, 101(56.4%) agreed that the existing culture encourages team work which enhances implementation of strategies as shown by a mean score of 4.27, 101(56.4%) strongly agreed that team success is
celebrated as a group achievement as shown by a mean score of 4.45, 91(50.8%) agreed that the organization emphasizes on trust, openness and participation amongst employees to facilitate implementation of strategies as shown by a mean score of 4.26, 76(42.50%) agreed that team members are encouraged to share ideas and opinions during implementation of strategies as shown by a mean score of 4.17.

As for result orientation as an indicator the respondents 84(46.90%) strongly agreed that they constantly stretch their goals to ensure strategies are implemented as shown by a mean score of 4.35, 105(58.5%) agreed that the organization rewards teams according to how well the strategies have been implemented as shown by a mean score of 4.00, 104(58.1%) were in agreement that in the organization people are very competitive and achievement oriented as shown by a mean score of 4.04, 90(50.3%) agreed that staff in the organization have clearly defined goals that relate to the mission of the organization as shown by a mean score of 4.08 and 96(53.6 %) were in agreement that the organization emphasizes on achievement of target and goal accomplishment as set out in the plan as shown by a mean score of 4.23.

Table 4.1: Descriptive Statistics on Organizational Culture

<table>
<thead>
<tr>
<th></th>
<th>Frequency and Percentage (%)</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SDA</td>
<td>D</td>
<td>N</td>
</tr>
<tr>
<td>Staff support each other</td>
<td>0</td>
<td>6(3.4)</td>
<td>14(7.8)</td>
</tr>
<tr>
<td>Culture encourages teamwork</td>
<td>0</td>
<td>6(3.4)</td>
<td>6(3.4)</td>
</tr>
<tr>
<td>Success is celebrated</td>
<td>0</td>
<td>6(3.4)</td>
<td>8(4.5)</td>
</tr>
<tr>
<td>Trust, openness and participation</td>
<td>0</td>
<td>6(3.4)</td>
<td>12(6.7)</td>
</tr>
<tr>
<td>Share ideas</td>
<td>0</td>
<td>0</td>
<td>36(20.1)</td>
</tr>
<tr>
<td>Stretch goals</td>
<td>0</td>
<td>6(3.4)</td>
<td>10(5.6)</td>
</tr>
<tr>
<td>Rewards team</td>
<td>0</td>
<td>6(3.4)</td>
<td>28(15.6)</td>
</tr>
<tr>
<td>People are competitive</td>
<td>0</td>
<td>6(3.4)</td>
<td>25(14.0)</td>
</tr>
<tr>
<td>Staff have defined goals</td>
<td>0</td>
<td>12(6.7)</td>
<td>19(10.6)</td>
</tr>
<tr>
<td>Achievement of target</td>
<td>0</td>
<td>6(3.4)</td>
<td>12(6.7)</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>179</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.2: Descriptive Statistics on Implementation of Strategic Plans

<table>
<thead>
<tr>
<th></th>
<th>Frequency and Percentage (%)</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SDA</td>
<td>D</td>
<td>N</td>
</tr>
<tr>
<td>Implementation affects organization operations</td>
<td>0</td>
<td>3(1.7)</td>
<td>24(13.4)</td>
</tr>
<tr>
<td>Organization has a clear definition of outcomes of strategy implementation</td>
<td>0</td>
<td>6(3.4)</td>
<td>33(18.4)</td>
</tr>
<tr>
<td>Organization usually achieves the milestones</td>
<td>0</td>
<td>18(10.1)</td>
<td>38(21.2)</td>
</tr>
<tr>
<td>Organization implements formulated strategies</td>
<td>0</td>
<td>0</td>
<td>21(11.7)</td>
</tr>
<tr>
<td>Objectives of strategic plans are normally realized</td>
<td>0</td>
<td>6(3.4)</td>
<td>24(13.4)</td>
</tr>
<tr>
<td>Implementation happens within anticipated timeframe</td>
<td>0</td>
<td>6(3.4)</td>
<td>53(29.6)</td>
</tr>
<tr>
<td>Timeframe set is realistic</td>
<td>0</td>
<td>0</td>
<td>31(17.3)</td>
</tr>
<tr>
<td>Short term goals are achieved</td>
<td>0</td>
<td>0</td>
<td>33(18.4)</td>
</tr>
<tr>
<td>Medium term goals are achieved</td>
<td>0</td>
<td>0</td>
<td>15(8.4)</td>
</tr>
<tr>
<td>Long term goals are achieved</td>
<td>0</td>
<td>0</td>
<td>30(16.8)</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>179</td>
<td></td>
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</tr>
</tbody>
</table>

4.3.2 Implementation of Strategic Plan

The respondents 91(50.8%) strongly agreed that implementation process affects organization’s operations and hence the performance of the organization as shown by a mean score of 4.34, 77(43%)% agreed that the organization has a clear definition of outcomes of strategy implementation to be realized as shown by a mean score of 4.10, 80(44.7%) agreed that the organization usually achieves the milestones as set out in the strategic plan as shown by a mean score of 3.83, 91(50.8%) agreed that the organization implements formulated strategies effectively as shown by a mean score of 4.26.

Further majority 79(44.1%) agreed that the objectives of the strategic plan are normally realized as shown by a mean score of 4.19, 78(43.6%) were in agreement that in my organization implementation of strategies happens within the anticipated timeframes as shown by a mean score of 3.87, 92(51.4%) agreed that the time frame set
by the organization for implementing strategies is realistic as shown by a mean score of 4.14, 80(44.7%) agreed that in my organization short term goals are achieved on time as shown by a mean score of 4.18, 129(72.1%) agreed that in my organization medium term goals are achieved on time as shown by a mean score of 4.11 and 103(57.5%) were in agreement that in my organization long term goals are achieved within the time horizon set in the strategic plan as shown by a mean score of 4.09.

4.4 Inferential Statistics

4.4.1 Correlation results

Pearson’s product moment correlation analysis was used to assess the relationship between the variables. Table 4.10 shows that organizational culture displays a strong positive correlation with implementation of strategic plans at Co-operative bank of Kenya at 99 % confidence level (r=0.813; p<0.01). The findings of this study are in tandem with those of Ahmadi, Salamzadeh, Daraei and Akbari, 2012; Mutie and Irungu, 2014; Mukhalasie, 2014 and Kibicho (2015) who found a positive correlation between culture and strategy implementation. In contrast Abdalla (2014) found that organizational culture had no significant influence on implementation of strategies at the Kenyan oil market industry.

4.4.2 Regression Analysis

A linear regression analysis was conducted in this study to determine the effect of the organizational culture on the implementation of strategic plans at Co-operative Bank of Kenya.

The model summary tells us that R squared = 0.660 implying that 66 % of the variations in dependent variable is explained by the independent variable. This therefore means that other factors not studied in this research contribute 44 % of implementation of strategic plans.

a. Durbin Watson test

Durbin-Watson is a test statistic that is used to detect the presence of autocorrelation. The Durbin-Watson for all variables is 1.719 which means there’s no autocorrelation problem. According to the rule of thumb Durbin-Watson should be between one and three (Alseed, 2005).

b. ANOVA results

P=0.000 which implies that the model is feasible at 99% confidence level. This implies that the regression model is significant and can be used to assess the association between the dependent and independent variables.

c. Multicollinearity test

From the table above there is no multicollinearity since the tolerance is not more than one as organizational culture has 1.000. If tolerance value is greater than 0.1 but less than 1.0 then there was no multicollinearity problem (Hair et al, 2006). Further according to the Rule of thumb the VIF should be between one and three (Hair et al, 2006).

Table 4.4: Model Summary

A linear regression analysis was conducted in this study to determine the effect of the organizational culture on the

Table 4.3: Correlation Matrix

Table 4.5: ANOVA

Table 4.6: Coefficients

From the regression findings the substitution of the equation

\[ Y = \beta_0 + \beta_1 X_1 + \epsilon \]

Assuming the independent variable is 0.000 implementation of strategic plan will be 0.792. A unit increase in organizational culture will lead to 0.789 increase in implementation of strategic plans.

5. Discussion of Results

The organizational culture at Co-operative Bank of Kenya has successfully supported the implementation of the strategic plans. The culture of team work and result orientation significantly contributed to successful implementation of the strategic plans at Co-operative Bank of Kenya. The findings are in agreement with Mukhalasie (2014) who conceded that teamwork enhanced strategic implementation though shared beliefs, norms and values within an organization and therefore employees should work to achieve a common goal.

The respondents indicated that due to the strong cultural values engrossed in the organization, strategic plans were implemented successfully. The respondents also indicated that the organization encouraged a culture of innovation which enhanced implementation of strategies. The finding is in agreement with Dunning and Dunham (2010) who argue that created innovation leads to the lower production cost of the organization, new beneficial knowledge, new products, new production process, new working technique and new working procedure which in turn would generate competitive advantage in the long run. Moreover Wiklund and Shepherd (2010) asserted that operations can benefit from being entrepreneurially oriented by taking risks, being innovative, and changing products, processes, markets and firms.

Further the respondents indicated risk tolerance as another aspect of culture which enhanced implementation of strategic plans. This finding was corroborated by Mukhalasie (2014) who proved that risk tolerance helps in strategy implementation at Kenya Commercial Bank. Moreover the findings of this study are in tandem with Rajesakar (2014) and Mwinzi (2015) who noted that implementation of strategies was usually successful. The findings are also consistent with Mwinzi (2015) and Nabwire (2014) who proved that the set strategies were implemented in a timely manner.

Conclusion

The study sought to assess the influence of organizational culture on implementation of strategic plans at Co-operative bank of Kenya. The study established that organizational culture influenced implementation of strategic plans at Co-operative bank of Kenya through team work and result orientation. Basing on the hypothesis of the study, the null hypothesis is therefore rejected and the alternative hypothesis confirmed that there is a positive relationship between organizational culture and implementation of strategic plans at Co-operative bank of Kenya P (0.000) < 0.01.

6.1 Recommendations

Team work and innovation should be encouraged as this will help in fostering commitment amongst the employees and thus the organization will be able to focus more on productivity rather than resistance to changes. Team work should be encouraged so as to enable staff to support each other and to share ideas as this may foster implementation of strategic plans. Further the organization should reward the teams so as to motivate them to achieve the results.

Organizational culture should be compatible with strategy so as to reduce chances of resistance as when culture influences the actions of the employees to support current strategy, implementation is strengthened. Further the study recommends that managers should also take active part in shaping the organization’s culture so as to ensure it benefits the company as a whole including employees through implementation of strategies. They should encourage staff to be competitive.

6.2 Proposed Areas for Further Study

It is recommended that a study be done to cover the entire banking industry which will allow for generalization of factors that influence implementation of strategic plans in the industry as the study was limited to Co-operative bank of Kenya. Moreover a similar study should be carried out in other industries.

Moreover the study focused on organizational culture. Other aspects of an organization could be reconsidered in future studies in the same organization or in different organizations for example monitoring and evaluation, information technology and financial resources.

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