



**FACTORS AFFECTING STRATEGY IMPLEMENTATION IN THE
PUBLIC SECTOR:A CASE STUDY ON MINISTRY OF URBAN
DEVELOPMENT AND CONSTRUCTION.**

**THESIS SUBMITTED TO ADDIS ABABA UNIVERSITY COLLEGE OF
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**ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT**

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STATEMENT OF DECLARATION

I, Gizaw Kifle, hereby declare that this thesis entitled “**Factors affecting strategy implementation in the public sector:- The case of Ministry of Urban Development and Construction**”. Submitted by me for the award of the degree of Master of Science in Management, Addis Ababa University at Addis Ababa, Ethiopia, is my original work and it has never been presented in any university. All sources and materials used for this thesis have been duly acknowledged.

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STATEMENT OF CERTIFICATION

This is to certify that Gizaw Kifle Alemu has carried out his research work on the topic entitled

“Factors affecting strategy implementation in the public sector: A case study on Ministry of Urban Development and Construction”.

This Work is original and suitable for the submission in partial fulfillment of the requirement for the award of Master Degree in Management (MSC in Management).

Advisor:- Dr. Yitbarek Takele

Signature _____ Date _____

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ABSTRACT

The general purpose of this study was to identify the significant factors that affect strategy implementation in the public sector, Ministry of Urban Development and Construction. The research design was a descriptive survey. The study adopted a stratified random sampling technique to select the sample size. Primary and secondary data's were used to conclude the study. Leadership quality, that is lack of proper educational background and work experience, poor managerial skills are unable to analysis cases, problem solving, and decision making are the most factors affecting ministry strategy implementation. The ministry too much hierarchy which delays decision making, didn't aligned with the strategy and also lacks flexibility. Shortage of competent human & technology, and inefficient utilization of budget which is a hindrance to its strategy implementation. The communication in the ministry was found inadequate, untimely and one way which didn't allow participation of staffs and stakeholders during strategy implementation. Further the ministry had less culture of tolerating new ideas and innovativeness. The study recommended that the ministry should enhance leadership capabilities, employees qualified human resource and avail the required tools and technologies which can foster the implementation of strategy. Besides, develop effective communication system to communicate the strategy adequately, on time and embracing all stakeholders and staffs. It is further recommended that the `ministry should encourage better ways of undertaking and innovation which can facilitate the implementation of its strategy in an improved manner.

Key words:- Strategy implementation, Public sector.

LIST OF TABLES

Table 3 1. Sample Size.....	20
Table 4.1. Respondents profile	22
Table 4. 2. Reliability statistics.....	24
Table 4.3. Effect of leadership quality on strategy implementation	24
Table 4.4.Assessment of leadership qualities	25
Table 4.5.Effect of resource availability and utilization on strategy implementation	27
Table 4.6.Assessment of resource availability and utilization.....	28
Table 4.7.Effect of effective and timely communication on strategy implementation.....	30
Table 4.8.Assessment of effective and timely Communication	30
Table 4.9.Effect of Organizational structure on strategy implementation.....	32
Table 4.10.Assessment of Organizational structure	33
Table 4.11.Effect of Organizational culture on strategy implementation.....	33
Table 4.12. Assessment of Organizational culture	34
Table 4.13. Assessment of Implementation strategies.....	36
Table 4.14.Assessment of main Strategic pillars of the ministry	38
Table 4.15.Budget Availability,and Utilization of the ministry	42
Table 4.16. Correlations between variables.....	44
Table 4.17. Model Summary	45
Table 4. 18. Statistical significance (ANOVA ^a)	45
Table 4.19. Estimated model coefficients.....	46

LIST OF FIGURES

Figure 2. 1 Dependent and independent variables 16

Figure 4.1 The extent of leadership qualities effect on the strategy implementation 25

Figure 4.2. Assessment of leadership qualities 27

Figure 4.3 The extent of resource effect on strategy implementation 28

Figure 4.4 The extent of communication affects implementation of strategy in the ministry 30

Figure 4.5 The extent of organizational structure effect on strategy implementation 32

Figure 4.6. The extent of organizational culture effect on strategy implementation 34

Figure 4.7. Assessment of Organizational culture 35

Figure 4.8. The extent of which the ministry properly implemented its overall strategic plan. ... 36

Figure 4.9 Assessment of Implementation strategies 37

Figure 4.10. Time and cost over, Project quality management comparison 41

ACRONYMS AND ABBREVIATIONS

ANOVA:- Analysis of variance

E.C:- Ethiopian Calendar

GTP:Growth and Transformation Plan

MOUDC: Ministry of Urban Development and Construction

SPSS:-Statistical Package for Social Sciences

Table of Contents

STATEMENT OF DECLARATION ii

STATEMENT OF CERTIFICATION..... iii

ACKNOWLEDGEMENTS iv

ABSTRACT..... v

LIST OF TABLES vi

LIST OF FIGURES vii

ACRONYMS AND ABBREVIATIONS viii

CHAPTER ONE 1

INTRODUCTION 1

 1.1. Background of the study 1

 1.2. Background of the Organization 2

 1.3. Statement of the problem 3

 1.4. Research questions 5

 1.5. Objectives of the study 5

 1.5.1. General objective 5

 1.5.2. Specific objectives 5

 1.6. Scope and limitation of the study 6

 1.6.1. Scope of the Study 6

 1.6.2. Limitation of the study 6

 1.7. Significance of the study 6

 1.8. Definition of Terms 7

 1.9. Organization of the paper 8

CHAPTER TWO 9

LITERATURE REVIEW 9

 2.1. Strategy Implementation 9

2.2 Theoretical Models of Strategy Implementation.....	10
2.2.1. Max Weber’s Bureaucratic Model	10
2.2.2. Resource Allocation Process Model	10
2.2.3. The New Public Management Theory	11
2.2.4. Systems Model.....	11
2.3. Empirical Evidence of Strategy Implementation	12
2.3.1. The Role of Leadership in Strategy Implementation	12
2.3.2. The role of resource Availability in Strategy Implementation.....	13
2.3.3. The role of Communication in strategy implementation	13
2.3.4. The Role of Organizational Structure in Strategy Implementation.....	14
2.3.5. The Role of Culture in Strategy Implementation.....	15
2.4. Conceptual Framework for Understanding Strategy Implementation	16
CHAPTER THREE	17
RESEARCH METHODOLOGY	17
3.1. Research design	17
3.2. Research Approach	17
3.3. Study Population	17
3.4. Sampling Technique	18
3.5. Sample size	18
3.6. Data collection methods.....	19
3.7. Methods of data analysis.....	20
3.8. Reliabilityand Validity.....	20
3.9. Ethical considerations	21
CHAPTER FOUR.....	22
DATA PRESENTATION, ANALYSIS AND INTERPRETATION	22
4.1. Background of respondents.....	22

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

4.2. Reliability test	24
4.3. The effect of leadership qualities on the ministry strategy implementation	24
4.4. The effect of resource availability and utilization on the ministry strategy implementation	27
4.5. The effect of effective and timely communication on the ministry strategy implementation	29
4.6. The effect of organizational structure on the ministry strategy implementation	31
4.7. The effect of organizational culture on the ministry strategy implementation	33
4.8. Strategic Implementation of the Ministry	35
4.9. Major findings from Interview Analysis	38
4.10. Major findings from document Analysis	40
4.11. Inferential statistics Analysis	43
4.11.1. Correlation Analysis	43
4.11.2. Multiple Regression Analysis	44
CHAPTER FIVE	48
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION	48
5.1. Summary of Findings	48
5.2. Conclusion	50
5.3. Recommendation	52
5.4. Future Research Direction	53
REFERENCES:	54
Appendices 1. (Questionnaire & interview)	61
Appendices 2. (Testing result)	68

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Strategic management is defined as the exercise of crafting plans, organizing tasks, leading employees, controlling results and coordinating work processes to accomplish preferred outcomes (Dessler, 2008). Strategic plans are considered to be very important in the management and success of organizations.

Strategy implementation is considered to be the process that converts the crafted strategy into actions which facilitate and guarantee that the vision, mission and strategic objectives of the organization are positively realized as laid out in the strategy blue print (Hill & Jones, 2008).

The strategy literature claims that between 50% and 80% of strategy implementation efforts fail (Ashkenas & Francis, 2000; Beer & Nohria, 2000). According to Bell, Dean, and Gottschalk (2010), strategy execution is commonly the most complicated and time consuming part of strategic management, while strategy formulation is primarily an intellectual and creative act involving analysis and synthesis. According to Zaribaf and Bayrami (2010), the majority of large organizations had problems with strategy implementation.

The environments of public organizations according to Bryson (2011) have become not only increasingly uncertain in recent years but also more tightly interconnected; thus changes anywhere in the system reverberate unpredictably, and often chaotically and dangerously throughout the environment. This increased uncertainty and interconnectedness requires a fivefold response from public organizations. First, these organizations must think strategically as never before. Second, they must translate their insights into effective strategies to cope with their changing circumstances. Third, they must develop the rationale necessary to lay the ground work for the adoption and implementation of their strategies. Fourth, they must build coalitions that are large enough and strong enough to adopt desirable strategies and protect themselves during implementation. And finally, they must build capacity for ongoing management of the strategic change (Dvir, 2010).

Considering the importance of investigate factors affecting strategy implementation in the public sector. The study aimed to determine the influence of leadership qualities, resource availability and utilization, effective and timely communication, organizational structure and organizational culture on implementation of strategic plan in the public sector.

1.2. Background of the Organization

The Ministry of Urban Development and construction was established during Emperor Haile Selassie in 1948 E.c in the name of working ministry (MOUDC, Public Relation & Communication directorate, 2020). The ministry called with different names, duties and responsibilities in different times. At one time they separated each other, and then merge together in other times for many times. From 1967 E.c- 1973 E.c, 1984 E.c- 1993 E.c and 1998 E.c- 2007 E.c acts as one ministry. From 1974 E.c - 1983 E.c, 1994 E.c- 1997 E.c & 2008 E.c- 2010 E.c acts as separate entity (MOUDC, Public Relation & Communication directorate, 2020). Currently it was re-established and titled in the name of ministry of urban development and construction.

The Ministry is entrusted with the responsibility of ensuring proper and planned growth of urban centers with adequate infrastructure, employment, urban land management, construction and services to the citizens (MOUDC, GTPII 2015/16-2019/20). The Ministry is also mandated to implement Policies, Strategies, development packages & Programs relating to urban development & Construction (MOUDC, 2011). The World Bank's (2015) urbanization review on Ethiopia described it as the fastest urbanizing country at a rate of 5.2% annually. The apparent implication of this is clear. Cities will face more pressure from the rising population and struggle to provide jobs, housing, infrastructure, services, and many more unless planned proactively. Rapid urbanization in the country is putting a lot of pressure in urban centers in terms of service provision.

The government of Ethiopia is currently implementing its second Growth and Transformation Plan 2015/16–2019/20, which sets a long-term goal for Ethiopia to become a middle-income country by 2025 (plan commission, 2015). Our urban centers are characterized by high level of unemployment, lack of basic infrastructures, inadequate quantity and quality of social services, critical shortage of housing unbalanced growth and shortage of recreational centers and

incidence of pollution due to a number of interwoven challenges. Key strategic areas for urban development are poverty and unemployment reductions, deliver efficient, effective, and fair infrastructure and services to urban citizens sustainably, and improve the urban environment for living and work (MOUDC,GTPII 2015/16-2019/20). Implementing the GTP in turn depends on sector policies, strategies and programs

1.3. Statement of the problem

A number of factors can potentially affect the process by which strategic plans are turned into organizational actions. Noble (1999) argued that unlike strategy formulation, strategy implementation is most of the time seen as something of a craft rather than a science. He further states that best strategies may fail to bring out superior performance if not successfully implemented. The three common pillars of effective strategy execution are direction (which provided a map for where to go), structure (a holistic approach on how the implementation will be conducted) and people (the resources for doing the work) (Getz and Lee, 2011).

The public sector is charged with the responsibility of offering effective and efficient service to the public of any given economy or country (Wachera, Jane and Benard,2017). In recent times, many public sector organizations have been engaging in activities that will improve their service delivery to their clients. One such activity is the development of strategic plans (Wachera, Jane and Benard,2017). Public sector organizations have strategies but results of all organizations are not rewarding in accordance to long term objectives (Sial, Usman, Zufiqar, Satti & Khursheed, 2013). Today many public sectors have failed to implement well thought out strategies. Implementation of the strategic plan is more important than formulation; otherwise it is nothing except well documented pieces of paper in an organization (Jooste and Fourie, 2009).

With regards to strategy implementation in public sector, some researches have been done in this area. Mbaka and Mugambi (2014) research result shows that involving the employees during the strategy implementation process, engaging employees through frequent updates, providing adequate resources, aligning of organization structure with the new strategy, proper structures, clear and well developed strategies, motivation, support by top level management, technological infrastructure are recommended to ensure successful implementation of strategies in the Water

Sector in Kenya. Rajasekar (2014) finding shows that leadership is by far the most important factor influencing successful implementation strategy in the service sector.

Nyakeriga (2015) the finding show that existing human resources practices, organizational culture, organizational leadership, effective communication and consensus influences implementation of strategic in newly established public universities. Shibru, Bibiso, and Ousma (2017) their finding show that Leadership experience, academic rank of the managers, applied policy and procedures, making professional learning community and ensuring efficient financial management and accountability influencing the performance of Wolaita Sodo University. Ngairah (2018) his finding shows that Leaderships, organizational culture, and organizational structure have own effect on strategic plan implementation in the Ministry of lands and physical planning in Kenya.

However there was no study made on addressing factors affecting effective strategy implementation in the public sector in the case of Urban Development and Construction Ministry. So there is a need for further research in the areas of factors affecting strategy implementation in public sector to fill the knowledge gap about public sector practices.

According to the ministry of Urban development and Construction first gross and transformation performance report (2007), and second mid-term gross and transformation plan performance report (2011) shows that most of the ministry strategy implementation does not implement accordingly they set. Though some factors are mentioned as reasons for factors affecting strategy implementation in the ministry, it was not supported by comprehensive & sufficient data. There is evidence of gaps that discusses the factors affecting strategy implementation in the ministry. This study therefore intended to fill this gap.

The main purpose of conducting this research was to investigate the major factors affecting strategy implementation in the public sectors and to recognize those factors that need more consideration to develop measurement so as to avoid those factors that hinders the implementation of strategy in the public sectors.

1.4. Research questions

This research designed to addresses the following basic research questions:-

1. What is the influence of leadership quality on strategy implementation in the Ministry of Urban development and Construction?
2. What is the influence of resource availability and utilization on strategy implementation in the Ministry of Urban development and Construction?
3. What is the influence of effective and timely communication on strategy implementation in the Ministry of Urban development and Construction?
4. What is the influence of organizational structure on strategy implementation in the Ministry of Urban development and Construction?
5. What is the influence of organizational culture on strategy implementation in the Ministry of Urban development and Construction?

1.5. Objectives of the study

This study has the following general and specific objectives

1.5.1. General objective

The general objective of the research was to identify the significant factors that affect effective strategy implementation in the Ministry of Urban Development and Construction in order to improve the ministry strategy implementation.

1.5.2. Specific objectives

The specific objectives of the research include:-

1. To examine the effect of leadership quality on strategy implementation in the Ministry of Urban development and Construction.
2. To assess the influence of resource availability and utilization on strategy implementation in the Ministry of Urban development and Construction.
3. To examine the effect of effective and timely communication on strategy implementation in the Ministry of Urban development and Construction.
4. To assess the effect of organizational structure on strategy implementation in the Ministry of Urban development and Construction.

5. To examine the effect of organizational cultural on strategy implementation in the Ministry of Urban development and Construction.

1.6. Scope and limitation of the study

1.6.1. Scope of the Study

The scope of this study is to identify the significant factors affecting effective strategy implementation in the Ministry of Urban development and Construction public sector. The study encompasses five factors which are considered to be the major causes for poor strategy implementation; these are leadership quality, Resource availability and utilization, effective and timely communication, Organization Structure, and Organization culture. This study constrained by a number of boundaries. Firstly, the study focuses on public sector organizations. Private, profit and nonprofit organizations were not included in the study. Secondly, the study investigates factors affecting strategy implementation; the effect of strategic planning formation process was not covered. Thirdly, the study focuses entirely on the Ministry of Urban development and construction, other public sector organizations were not under considered.

1.6.2. Limitation of the study

Hence the topic of strategy implementation has been given less attention in the developing world to that of developed country the researcher faced lack of available literature on strategy implementation challenges that was done in the context of developing country especially in the Ethiopia context from which lessons can be drawn. To overcome the limitation, studies in the developed world literatures were used to draw lessons to support empirical data. Issues of mistrust arose from a few respondents in the questionnaire but the researcher managed by explaining the purpose of the research, and assuring respondents of confidentiality.

1.7. Significance of the study

The research finding is significant to public sector organizations in general and to Ministry of Urban development and Construction in specific. The research finding help for top management to solve the practical problem faced regarding with strategy implementation in the public sector and it also help policy makers to have new orientation in the area of factors affecting strategy

implementation to review the way of monitoring and evaluation system of public sector. Furthermore, it is supposed to alert public service sectors to acknowledge the dominant influencing factors and the respective actions they need to take.

The study also helps other researchers as a standing point to do further research in the areas of factors affecting effective strategy implementation in the public sector.

1.8. Definition of Terms

Strategic Plan:- A step by step guide, created by a business or organization, to map out how it will reach goals, and set a foundation so the entire company knows what will happen and what is expected of them (Mintzberg, 2014).

Strategic implementation:- strategy implementation is a process that turns implementation strategies and plans into actions to accomplish objectives (Pride and Ferrell, 2003).

Leadership qualities:- Leadership qualities that is education background, leadership skills (technical and management), Leadership experience, capabilities, attitudes, and other characteristics of people required by a specific position (Bryson, 2012).

Resource availability:- Organizational resources can take a tangible nature such as physical resources, financial resources and human resource (Hill, C. & Jones, 2008). It is well known that resource availability is considered to be a key factor in influencing the success of any strategy implementation (Obeidat, Al-Hadidi and Tarhini, 2017).

Effective communication:- Communication is an act of transmitting information. Hierarchical correspondence assumes a vital part in preparing, information spread and picking up amid the procedure of system execution (Beach, 2014). effective communication is a key requirement for effective strategy implementation (Peng and Litteljohn, 2001).

Organization structure:- Organizational structure refers to the clustering of tasks and people into smaller groups. The way labor is divided within an organization influences how strategic change will be implemented (Robins and Coulter, 2012).

Organizational culture:- Corporate culture refers to the set of common values and belief that members of a company share in common (Pearce & Robinson, 2014).

1.9. Organization of the paper

The research paper is organized in to five chapters.

Chapter One: Introduction: - this chapter covers introduction to the research area, background of the organization, statement of the problem, research questions, research objectives, significance and the scope and limitation of the research.

Chapter Two: Literature Review: - this chapter consist review of literatures. Conceptual and contextual literatures regarding with factors affecting strategy implementation are reviewed.

Chapter Three: Research Design and Methodology: - this chapter comprises the research design and approach, sampling and data collection techniques and data analysis method used for the research.

Chapter Four: Data Presentation, Analysis and Interpretation: - this chapter covers data presentation and analysis techniques, and also interpretation of the results obtained.

Chapter Five: Summary, Conclusion and Recommendation: - this chapter comprises the summary and conclusion of the research output, and also recommendation of the research and for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1. Strategy Implementation

Nobble (1999) argues that even good strategies may fail to give superior performance for the organization if not successfully implemented. According to Pride and Ferrell (2003) strategy implementation is a process that turns implementation strategies and plans into actions to accomplish objectives. These address the questions of who, where, when, and how to carry out successful strategic implementation. Thus, it is better to effectively implement a second grade strategy than to ruin a first class strategy by implementation that is ineffective. Managers and the employees should all be involved in implementation decision and good communication should be enhanced across all parties for effective strategy implementation (David, 2003). The implementation of a strategy depends on the ability of the managers to coordinate activities to transform strategic intent into action (Shah, 2005).

According to Yabs (2007), a number of factors must be looked into when implementing a strategy. These are prerequisites' for implementation, resources for implementation, leadership skills, leadership qualities and temperamental characters. Prerequisites looked into are factors that emanate from both external and internal environment. External factors include all inputs that are turned into finished goods such as raw materials, energy and manpower whereas internal factors are machinery, qualified employees, financial strength, internal structure and management capability. In conclusion, successful implementation of a strategy depends on the following major factors, the action plan which stipulates the steps and specific individual tasks and responsibility for accomplishing each of the activities in action plan. Secondly, skilled human resource is another major factor in enabling the implementation of the strategies. Thirdly, the strategy should fit in the current organization structure. Fourthly, availability of adequate funds to fund the intended strategies through the annual business plans (Cole, 2006). Lastly, successful implementation of the strategy will depend on monitoring, controlling and evaluation of the strategy under implementation. This is to make sure the strategy is being implemented within the allocated resource and time frame.

2.2 Theoretical Models of Strategy Implementation

2.2.1. Max Weber's Bureaucratic Model

Max Weber characterized bureaucracy as a system of administration where, for the purpose of achieving efficiency, an organization's operations for achievement of results are guided by laid down rules, regulations, procedures and methods. It is a system where emphasis is placed on legal-rational leadership, knowledge, qualification and experience as the criteria for selection into organizations. Positions which are hierarchically organized are determined by knowledge, qualification, skills and experience. Rewards and promotions are awarded on merit. According to Weber (1946), bureaucracy is, from a purely technical point of view, capable of attaining the highest degree of efficiency and is in this sense formally that most rational known means of carrying out imperative control over human beings.

This theory relates to this study as it emphasis on leadership, knowledge, qualification and experience as the criteria for selection into organizations. Positions which are hierarchically organized are determined by knowledge, qualification, skills and experience.

2.2.2. Resource Allocation Process Model

Resource has been defined in this literature as assets tied semi-permanently to firms and includes tangibles and intangibles (Wernerfelt 1984). The central proposition is that the way the resources are allocated in the firm shapes the realized strategy of the firm. Understanding the resource allocation process allows one to understand how strategy is made. The processes that lead to strategic outcomes are remarkably stable even as environments change (Wernerfelt 1984). Despite the complexity of the process, many of the forces can be managed if they are understood. This theory relates to this study since resources allocation and utilization are great impact on organization implement strategy.

2.2.3. The New Public Management Theory

The New Public Management (NPM) has in its central design the idea of flexibility in the use of private management tools to improve performance in public organizations (Lambro,2007). Characteristic elements of the new public management can be systematized as follows: the introduction and the use of performance indicators and quality standards for public services; the preference for specialized administrative structures, with well-defined purpose, at the expense of large bureaucratic structures, with rigid hierarchies, with multiple purposes; the use of contractual models to define the hierarchical relationships of administrative institutions; the widespread use of market and market mechanisms for providing public services; the disappearance of clear borders between management solutions used in public and private organizations; the flexibility in supporting alternatives to direct offers of goods and services from the public sector, giving priority to solutions that value on efficiency in spending public money; creating a new competitive environment for organizations, and; new forms of budgetary and financial management to support features such new public management approach presented (Lambro,2007).

This theory was relevant to this study as strategic management is essential for public sector in pursuit of enhanced service delivery. Specialized administrative structures with well-defined purpose, and new forms of budgetary and financial management for providing public services. The enabling organizational cultural framework that animates the actions of all employees in pursuit of common goals and objectives.

2.2.4. Systems Model

The system model emphasizes the means needed for the achievement of specific ends in terms of inputs, acquisition of resources, leadership, structures and processes (Henri, 2003). The model explains the effectiveness and the ability to obtain necessary resources from the environments outside the organization (Schermerhorn, Davidson and Woods, 2004). The application of system resource can be effective if a vivid relation exists between the resources which an organization receives and the goods or services it produces. This model invites managers to consider the organization not only as a whole but as a part of a larger group as well. This theory was relevant to

this study since it emphasizes the internal factors like leadership, resources, structures and cultures that is indeed essential to enhance service delivery.

2.3. Empirical Evidence of Strategy Implementation

2.3.1. The Role of Leadership in Strategy Implementation

Leadership and specifically strategic leadership, is widely described as one of the key drivers of effective strategy implementation (Wachera, Jane and Benard, 2017). According to Koske (2003) leadership is considered to be one of the most important elements affecting organizational performance. However, a lack of leadership, and specifically strategic leadership by the top management of the organization, has been identified as one of the major barriers to effective strategy implementation. Strategic leadership is defined as “the leader’s ability to anticipate, envision, and maintain flexibility and to empower others to create strategic change as necessary” (Wachera, Jane, and Benard,2017). Rajasekar (2014) indicates that leadership is by far the most important factor influencing successful implementation strategy in the service sector. Noble (1999) describes the abilities needed by managers as a combination of technical skills, interpersonal skills and sensitivity to the needs of other functions. 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. Lorange (1998) argued that the chief executive officer (CEO) and top management must emphasize the various interfaces within the organization therefore, the need for effective leadership outweighs any other factor. Beer and Eisenstat (2000) referred to poor coordination across functions and inadequate down-the-line leadership skills and development as killers of strategy implementation. The implementation of the strategic plans is influenced by Managerial Skills (ndegwah,2014).

The most important reason for the failure of the strategic plan implementation in public sectors organization is incompetent management and staff (Sial, Usman, Zufiqar, Satti, and Khursheed, 2013). As much as possible, the leadership of the organization should fill relevant positions with qualified people committed to the change efforts (Bryson, 2012).

2.3.2. The role of resource Availability in Strategy Implementation

Organizations have at least four types of resources that can be used to achieve desired objectives namely; financial resources, physical resources, human resources, and technological resources (David, 2003). Miller (1997) and Hickson et al. (2003) considered resource availability in terms of personnel, finance, and time as one of the most important factors affecting the success in implementation of strategies. Ismail,Uli and Abdullah (2012) recommend that internal capabilities and their resources are necessary to achieve competitive advantage. According to Lorange (1998) People are the key strategic resource; therefore it is essential for organizations to effectively utilize the know-how of their employees at the right places. There is also a need to choose the right people for the right responsibility (Lorange,1998). According to Beaumaster (2009) technology has had a great impact on human development and implementation of strategies all through the history.

Nkosi (2015) revealed that inadequate financial resources remain the most noteworthy impediment to successful strategy implementation. The implementation of the strategic plans is influenced by resources allocation (ndegwah,2014). Reid, Brown,Nerney, & Perri, (2014) found that shortage in financial and human resources were the main obstacles for successful implementation.

Obeidat, Al-Hadidi, Tarhini, and Masa'deh (2017) indicates resources that should be available to help for successful strategy implementation are the allocated time for implementation; sufficient financial resources, sufficient human resources, sufficient administrative resources, sufficient technological resources and sufficient physical resources. According to Wachera, Jane, and Benard (2017) concludes that financial resource constraints, and information technology significantly affect implementation of strategic plans. It is well known that resource availability is considered to be a key factor in influencing the success of any strategy implementation (Obeidat, Al-Hadidi and Tarhini,2017).

2.3.3. The role of Communication in strategy implementation

Effective communication is a key requirement for effective strategy implementation (Peng and Litteljohn,2001). Organization communication plays an important role in training, knowledge

dissemination and learning during the process of strategy implementation. Therefore effective communication should clearly explain the new responsibilities, duties and tasks which will be done by targeted employees (Peng and Littlejohn, 2001). Throughout the implementation process, communication should flow bottom-up to allow management to monitor the implementation process and determine whether changes to the approach are needed Beer and Eisenstat (2000). According to Beer and Eisenstat (2000) blocked vertical communication has a particularly pernicious effect on a business's ability to implement and refine its strategy.

Feurer, Chaharbaghi & Wargin, 1995) identified that lack of communication among the strategy makers and staff and management of the organization are significant factors for the failures of the strategic plan. According to Mbaka and Mugambi (2014) there is lack of communication between the strategy formulators and the employees. Employees are not well informed about the strategies and the various tasks they are supposed to perform. In certain cases, the employees are not even aware of the vision and the mission of their organizations. Schaap (2006) indicates that frequent communication up and down in organization enhances strategic consensus through the fostering of shared attitudes and values.

2.3.4. The Role of Organizational Structure in Strategy Implementation

Organizational structure can increase strategy implementation using: (1) decision-making processes; (2) role clarity and responsibilities; (3) human resource allocation, and (4) organization flexibility (Rajasekar, 2014). Bushardt, Glascoff and Doty (2011) showed that organizational structure had a positive effect on strategy implementation through facilitating decision-making processes and resource allocation. Mbaka and Mugambi (2014) recommends that aligning of organization structure with the new strategy, and proper structure are crucial for successfully strategy implementation. Root (2017) highlights that the structure of an organization sets the hierarchy for responsibility and creates the various levels of communication within an organization. The study shows that organizational structures that are inorganic and less versatile tend to cause miscommunication in the overall strategy of the organization while open, fluid organizational structures have exemplary performance measurements.

2.3.5. The Role of Culture in Strategy Implementation

Corporate culture refers to the set of common values and belief that members of a company share in common (Pearce & Robinson, 2014). Culture can either be strength or weakness. As strength, culture can facilitate communication, decision making, and control, and can create co-operation and commitment. As a weakness, culture may obstruct the smooth implementation of strategy by creating resistance to change (Pearce & Robinson, 1988). Ahmadi, Salamzadeh, Daraei, and Akbari (2012) studied the impact of organizational culture while implementing strategies in Iranian banks and concluded that a meaningful relationship exists between organizational culture and strategy implementation. Results of their study showed that all types of organizational cultures have significant relationships with the implementation process, but the extent of the culture's influence varies from the most effective (clan culture) to the least effective (hierarchy culture).

Alpander and Lee (1995) investigated how the organizational development program and its application influence a company to change its culture, structure, and operating procedures and concluded that a flexible structure and adaptable employees who are willing to initiate process and procedure changes are necessary to produce high-quality products or services at the lowest possible cost. In a study involving Latin American firms, 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.

Ahmed and Shafiq (2014) further highlight that all the dimensions of the culture influence the different perspective of organizational performance. According to Oduol (2015), for performance of firms to improve, present organization culture should be supportive and compatible with intended strategies and day to day running of activities of employees. Kamaamia (2017) postulates that all constituent components of organizational culture including goal oriented measures, work oriented measures, employee oriented measures, open culture system, and professional work culture enhance organizational performance.

2.4. Conceptual Framework for Understanding Strategy Implementation

The figure below will show the relationship between dependent (Strategy implementation) and independent variables (Leadership qualities, Resources availability and utilization, effective, and timely Communication, Organizational structure, and organizational culture).

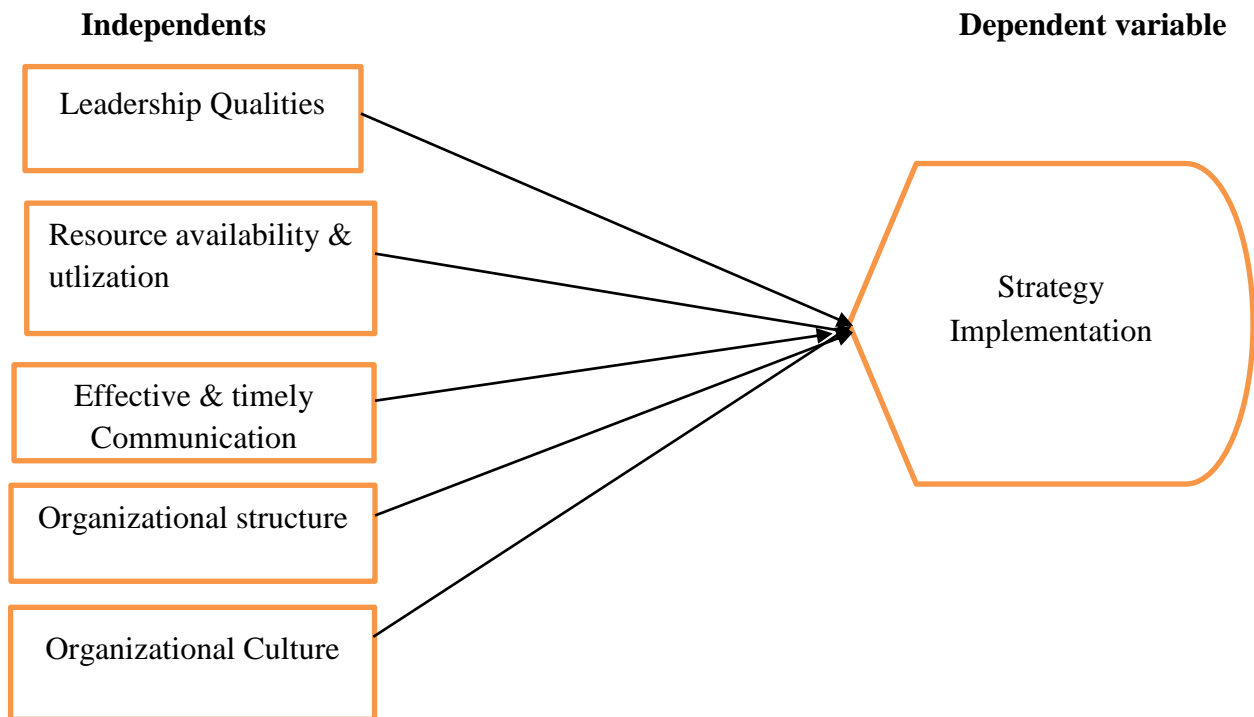


Figure 2.1. Conceptual framework

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Research design

A research design is a systematic plan to study a scientific problem. Singah (2006) research designs are types of inquiry within qualitative, quantitative, and mixed methods approaches that provide specific direction for procedures in a research design.

The study adopted descriptive survey and inferential statistical design to investigate the factors affecting effective strategy implementation in the public sectors. The descriptive design was used in this study because it allowed the researcher together numerical and descriptive data to assess the relationship between the variables.

3.2. Research Approach

There are quantitative and qualitative approach in research Borland (2001). The quantitative approach involves the collection of quantitative data, which are put to rigorous quantitative analysis in a formal and rigid manner while as the qualitative approach uses the method of subjective assessment of opinions, behavior, factors and attitudes Borland (2001). Quantitative research engages in systematic and scientific investigation of quantitative properties and phenomena and their relationships Borland (2001). The researcher used a mixed approach consisting of qualitative and quantitative strategies. Borland (2001) asserts that the differences between quantitative and qualitative researches are not exclusive. He argues that using both paradigms in a study yields important in result.

3.3. Study Population

A population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated (Ngechu, 2004). The sampling frame is a physical representation of the target population and comprises all the units that are potential members of a sample (Kothari, 2004).

The target population for the study was the employees of Urban development and Construction Ministry. According to the Human resources department of Urban development and Construction Ministry there are 582 employees working in the ministry.

3.4. Sampling Technique

The study adopted a stratified random sampling technique to select the sample size. Stratified random sampling is considered to be a technique that attempts to restrict possible samples to those which are ‘less extreme’ by ensuring that all parts of the population are represented in the sample in order to increase the efficiency. Stratified random sampling is preferable because the population may be arranged in sub-groups and then a random sample may be selected from each of these sub-groups (Lohr, 2010). It comprises different subgroups, known as strata together they comprise the whole population. The strata in this study were the various levels of management and employees working in different bureau/department in the Ministry of Urban development and Construction.

3.5. Sample size

Muganda (2010) describe the sample size as a smaller set of the larger population. According to Kothari (2013), for population approximately 500, 30% of the population should be sampled. At least 30% sample of the population will be considered in such a study with a population size of 582. Therefore a sample size of 175 respondents was consisted. The sample size from each bureau/department is computed according to the proportion as shown in the table below.

Table 3.1. Sample Size

Department	Population	Proportion	Sample size
Urban Plan preparation and implementation bureau	40	0.069	12
Urban land development and management bureau	21	0.036	6
Urban good governance & capacity building bureau	37	0.064	11
Housing development & Administration bureau	41	0.070	12
Construction wing competition development bureau	17	0.031	5
Construction industry working improvement bureau	18	0.031	5

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

Urban revenue improvement & infrastructure development finance project bureau	44	0.076	13
Urban Air pollution change controlling bureau	26	0.044	8
Urban development and construction sector policy research and advisor bureau	8	0.013	2
Corporate resource management bureau	125	0.215	38
Information technology and data base development bureau	40	0.069	12
Reform and Human resource development & management bureau	31	0.053	10
Plan and program budget bureau	56	0.096	17
Minister office and mini cabine affairs bureau	63	0.108	19
Deputy Ministries office	15	0.025	5
Total	582	1.00	175

Source: Ministry of Urban development and construction Human resource development & management Directorate (2019).

3.6. Data collection methods

Both primary and secondary source of data were used. The primary sources of data were collected from management and experts of Ministry of Urban development and Construction by using questionnaires and interview.

A well-structured open and closed questionnaire are distributed and collected from the study samples. The questionnaires are planned to gather data's on the level of strategy implementation of the ministry, and the effects of leadership qualities, effective, and timely communication, resource availability and utilization, organization structure and organization culture on the effective strategy implement in the MOUDC.

Besides interview was made to the total of 7 ministry members (3 bureau head, advisory, and 3 senior experts) targeted to get in-depth discussion regarding with the factors affecting strategy implementation of the ministry. Secondary data were collected from relevant sources such as literature review, reports of the ministry, different studies done concerning ministry, and brochures.

3.7. Methods of data analysis

For the purpose of data analysis both descriptive and inferential statistics is applied. Descriptive statistics such as graphs, charts, percentages were applied to characterize the sample units.

Questionnaires were used to collect quantitative data and it was analyzed by the use of descriptive statistics using SPSS (Statistical Package for Social Sciences) and presented through percentages, means and frequencies. In addition, the study conducted a multiple regression analysis to determine the relationship between strategy implementation and the variables of the study. The regression model was given by

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Whereby Y = strategy implementation

X1 = Leadership qualities

X2 = Resource availability and utilization

X3= Effective and timely communication

X4 = Organization Structure

X5 = Organizational Culture

β_0 = constant term; ε = Error term and

β_1 , β_2 , β_3 , β_4 and β_5 are the regression equation coefficients for each of the variables.

The results of the regression analysis were interpreted based on the R square, significance of F statistics and the significance of beta values from the coefficients of the X variables at 95% level of confidence. Also data collected via interview and organization's document review are interpreted using narrative analysis method.

3.8. Reliability and Validity

Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalization (Zinbarg, 2005). An alpha coefficient of 0.75 or higher indicated

that the gathered data are reliable as they have a relatively high internal consistency and can be generalized to reflect opinions of all respondents in the target population (Zinbarg, 2005).

According to Joppe (2000) Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, validity is the degree to which results obtained from the analysis of data actually represents the phenomenon under study. The data was a true reflection of the variables and the inferences based on such data were accurate and meaningful. To reduce subjectivity, the questionnaires were revised many times after repeatedly discussed with advisor and other experts. The questionnaire was evaluated and commented by different professionals and classmates were asked to give comments and opinion on statements used in the questionnaire in terms of clarity and completeness.

Pilot testing was conducted to check the reliability and validity of the questionnaire. Adjustments were made on the questionnaire items and necessary corrections were done, and it was found to be valid and reliable.

3.9. Ethical considerations

The respondents may be vulnerable because of their ages, work experiences, or position. I considered the following points as the general philosophy while conducting this research. Transparency, accountability, confidentiality and integrity. During the whole process of the research data and information will be kept confidential and used only for this research purpose.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter deals with the analysis of data gathered through both quantitative and qualitative means. As stated in the research methodology, both approaches were analyzed in a single study. A total of 175 questionnaires were distributed to the staffs of MOUDC at different departments, and out of which 166 questionnaires were returned which constituted response rate of 94.9 percent. The response rate of 94.4 percent was considered as adequate for statically generalization of the study findings. The researcher also conducted a structured interview with seven ministry members (three bureau head, advisory, and three senior experts) regarding the factors affecting strategy implementation of the ministry. And also reviewed as references the ministry reports.

4.1. Background of respondents

This section presents the respondents' background information in terms of their gender distribution, education level, years of experience in the ministry, current work position and participation in the strategy implementation.

Table 4.1 shows that majority of the respondents were male comprising of 61.4 percent while females were 38.6 percent,implying that more males than females are involved in the ministry strategy implementation.

Table 4.1. Respondents profile

No	Item	Respondent Category	Frequency	Percentage
1	Sex:	Female	64	38.6
		Male	102	61.4
2	Education level	Certificate	0	0
		Diploma	8	4.8
		First Degree	89	53.6
		Master's Degree	69	41.6

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

		PHD	0	0
3	Duration of Experience in the ministry	less than 1 year	14	8.4
		1-5 year	76	45.8
		5-10 year	58	34.9
		above 10 years	18	10.8
4	Current position of respondents	Expert	47	28.3
		Senior expert	83	50.0
		Lower Manager	23	13.9
		Middle manager	10	6.0
		top manager	3	1.8
5	Participation in the implementation of strategy.	Yes	152	91.6
		No	14	8.4
	Total		166	100

Source: Compiled from the questionnaire (2019)

According to the findings shown in table 4.1, the level of education of majority of respondents are first Degree holders (53.6%), followed by Master's Degree (41.6%), and diploma holders (4.8%). Joppe (2000) stated that during research process, respondents with technical knowledge on the study problem assist in gathering reliable and accurate data on the problem under investigation. Concerning with duration of experience in the ministry, majorities are with 1-5 years (45.8%), followed by 5-10 years (34.9%), above 10 years (10.8%) and the remaining 8.4% of respondents had less than one year experience in the MOUDC. As the result shown in table 4.1, the majority (50% of respondents) are senior experts, followed by Experts (28.3%), lower manager (13.9%), middle manager (6%) and 1.8% of respondents are top managers. This indicates that most of the respondents are senior experts, and hence it is believed that they can understand the level of ministry's strategy implementation and related challenges faced during implementation helps to provide relevant information.

Regarding with respondents participation in strategy implementation, majority (91.6%) of respondents have participated in the ministry strategy implementation while 8.4% haven't participated as shown in table 4.1. This may assure that the respondents are the right persons to provide reliable information pertaining to the topic investigated.

4.2. Reliability test

Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalization (Zinbarg 2005). An alpha coefficient of 0.75 or higher indicated that the gathered data are reliable as they have a relatively high internal consistency and can be generalized to reflect opinions of all respondents in the target population (Zinbarg, 2005). As shown in table 4.2 the overall Cronbach's alphas coefficients for expected scale item are 0.83. Therefore, the expected scales used in this study demonstrate high reliability.

Table 4. 2. Reliability statistics

Dimensions	Cronbach's Alpha	N of Items
Effect of leadership	.764	5
Effect of resource	.410	4
Effect of communication	.802	6
Effect of organizational structure	.727	5
Effect of organizational culture	.785	4
Overall scale reliability	.834	24

Source: Compiled from the questionnaire (2019)

4.3. The effect of leadership qualities on the ministry strategy implementation

Primarily, the respondents were asked to their perceptions on the effect of leadership on the strategy implementation of the ministry. Accordingly the result shown on table 4.3, majority of respondents (93.4%) confirmed that leadership capabilities had an effect on ministry strategy implementation.

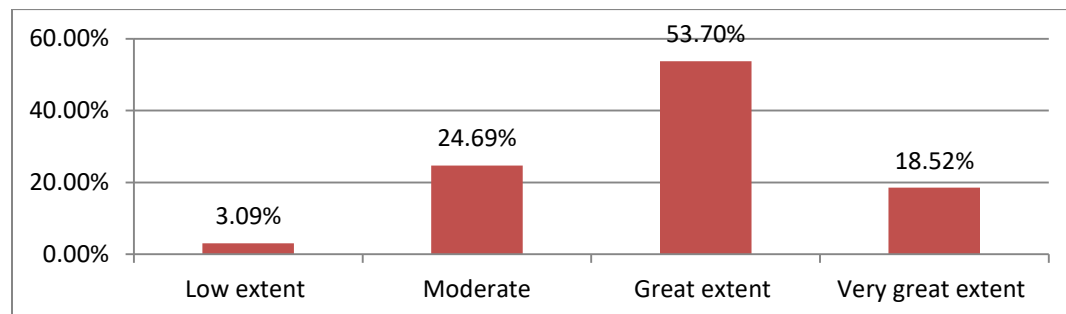
Table 4.3. Effect of leadership quality on strategy implementation

Do you think leadership capabilities affects strategy implementation in the ministry?	Yes	155	93.37%
	No	11	6.63%
	Total	166	100.00%

Source: Compiled from the questionnaire (2019)

Further, they are requested to rank the extent (i.e. low, moderate, and great, very great) to which the leadership capabilities influence the ministry strategy implementation. The study finding as shown in figure 4.1, majority of respondents (53.70%) confirmed that leadership qualities influence the strategy implementation to a great extent, followed by moderate extent (24.69%), very great extent (18.52%) and the remaining 3% stated low extent.

Figure 4.1 The extent of leadership qualities effect on the strategy implementation



Source: Compiled from the questionnaire (2019)

The respondents were also asked to indicate their level of agreement to the statements explaining the qualities of leadership in the ministry. The results are tabulated in percentage for each statements with respect to the level of agreement (strongly agree, agree, neutral, disagree, and strongly disagree) as shown in Table 4.4 below.

Table 4.4. Assessment of leadership qualities

Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
The leaders in the ministry don't have sufficient education background, and work experience.	7.23%	44.58%	22.89%	18.07%	7.23%
The ministry leaders don't equipped with a good conceptual, technical and human skill.	19.88%	46.39%	15.66%	15.06%	3.01%
The ministry leaders' lacks commitment to perform their roles, leads to the lower ranks of employees missing support and guidance.	20.48%	54.22%	17.47%	6.63%	1.20%
The leadership, direction and instructions provided by the ministry's managers were inadequate.	18.67%	53.01%	17.47%	10.84%	0.00%
The ministry leaders' lacks decision making, case analysis, problem solving and Innovation skills.	16.87%	58.43%	14.46%	9.64%	0.60%

Source: Compiled from the questionnaire (2019)

The majority (45%) of respondents have agreed that the leaders in the ministry don't have sufficient education background and work experience followed by 23% responded neutral, 18% disagreed, and 7% strongly agreed while 7% responded strongly disagreed. This indicated that the leaders in MOUDC had inadequate education background and work experience which affects the strategy implementation of the ministry.

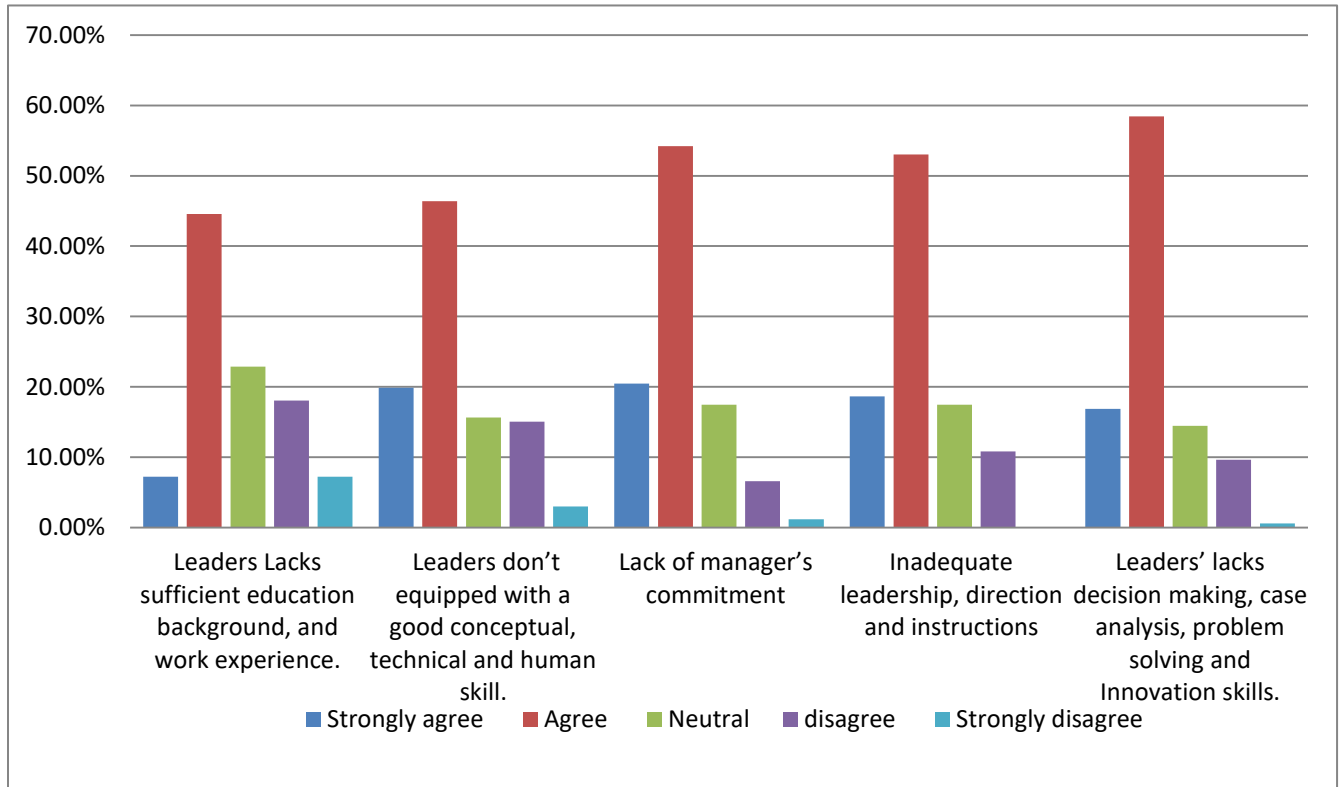
Regarding with managerial skills of leaders, the majority of respondents 46% agreed and 20% strongly agreed that the ministry leaders doesn't equipped with a good conceptual, technical and human skill; whereas the remaining 16% neutral, 15% disagreed and 3% strongly disagreed. This revealed that the ministry leaders doesn't equipped with a good conceptual, technical and human skill that helps to foster strategy implementation of the ministry.

The result shown that the majority of respondents 54% agreed and 21% strongly agreed that the ministry leaders' Lacks commitment to perform their roles leads to missing support and guidance to the lower ranks of employees; while 17% responded neutral, 7% disagreed, and 1% strongly disagreed. This revealed that the ministry leaders lack commitment to perform their roles, support and guidance to the lower rank of employees.

The result revealed that the majority of respondents 53% agreed and 19% strongly agreed with the statement that states the leadership, direction and instructions provided by the ministry's managers were inadequate; where as 17% and 11% of respondents were neutral and disagreed respectively. This shown that the leadership, direction and instruction provided by the ministry leaders are not adequate.

The finding above also shown that, the majority of the respondents 58% agreed and 17% strongly agreed that the ministry leaders lack decision making, case analysis, problem solving and Innovation skills; while only 10%disagreed. This revealed that theleaders' lack decision making, case analysis, problem solving and Innovation skills.

Figure 4.2. Assessment of leadership qualities



Source: Compiled from the questionnaire (2019)

Thus, from the above discussion and also on the figure 4.2 shown above, it is concluded that the overall leadership qualities of the MOUDC leaders are ranked as poor.

4.4. The effect of resource availability and utilization on the ministry strategy implementation

The respondents were asked to their perceptions on the effect of resource allocation and utilization on the strategy implementation of the ministry. Majority of respondents (91%) stated that resource allocation and utilization had an effect on ministry strategy implementation.

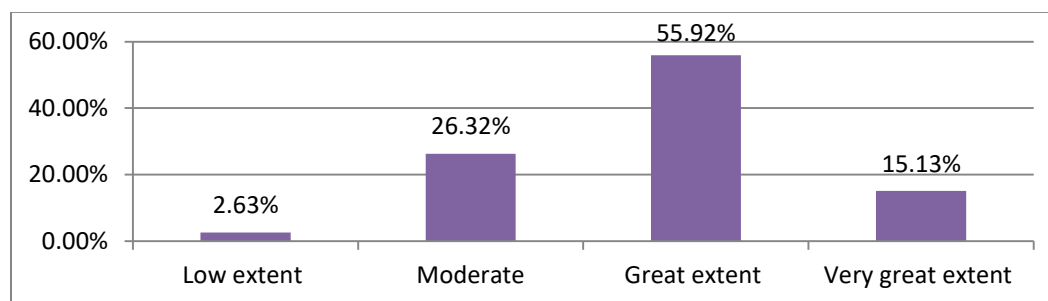
Table 4.5. Effect of resource availability and utilization on strategy implementation

Do you think resource availability and utilization affects strategy implementation in the ministry?	Yes	151	90.96%
	No	15	9.04%
	Total	166	100.00%

Source: Compiled from the questionnaire (2019)

Furthermore, in response to the extent to which the resource allocation and utilization influences the ministry strategy implementation, the majority of respondents (55.92%) confirmed to great extent, followed by moderate extent (26.32%), very great extent (15.13%) and the remaining 2.63% stated low extent as shown on figure 4.3 below.

Figure 4.3The extent of resource effect on strategy implementation



Source: Compiled from the questionnaire (2019)

Moreover, the respondents were also asked to indicate their agreement to the statements explaining the resource availability and utilization in the ministry. Thus, the responses are tabulated in percentage for each statements with respect to the level of agreement (strongly agree, agree, neutral, disagree, and strongly disagree) as shown in Table 4.6.

Table 4.6.Assessment of resource availability and utilization

Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
The ministry has no a clear resource planning, allocation and utilization system.	7.23%	37.35%	21.69%	25.90%	7.83%
The ministry had often a shortage of competent human capital (employee) during strategic implementation.	7.23%	40.96%	19.88%	27.71%	4.22%
The ministry often faced shortage of financial resources to execute the planned strategies.	7.23%	18.07%	15.06%	50.60%	9.04%
The ministry had often a shortage of tools and technology required for strategy implementation.	10.24%	44.58%	9.64%	30.72%	4.82%

Source: Compiled from the questionnaire (2019)

The study result shows that 37.35% agree, 7.23% strongly agree, and 21.69% responded neutral with the statement that the ministry has no resource planning, allocation and utilization system;

while 25.9%, and 7.83% of respondents disagree and strongly disagree respectively. This implies that somehow there is a system of resource planning, allocation to the bureau, and mechanism of controlling system in the ministry.

It is widely acknowledged that resources are vital inputs to achieve the desired strategy implementation. The four basic resources considered in this study are; physical resource, human resource, financial and technological resource. Regarding with human capital majority (41%) responded agree, followed by 27.7% disagree, 19.9% neutral with a statement that states the ministry faced shortage of human resource during strategy implementation; while the remaining 7.23% and 4.2% responded strongly agree and strongly disagree respectively. Concerned with financial resources majority (50.6%) responded disagree, followed by 18.1% agree, 15.1% neutral with a statement that states the ministry often faced shortage of finance resource during strategy implementation; while the remaining 9% and 7.2% responded strongly disagree and strongly agree respectively. Regarding to technological resources majority (44.6%) responded agree, followed by 30.7% disagree, and 10.2% strongly agree with a statement that states the ministry often faced shortage of technologies for strategy implementation; while the remaining 9.6% and 4.8% of respondents responded neutral and strongly disagree respectively. In conclusion from the above discussion, the ministry had a large shortage of competent human capital, and tools and technological resource which are necessary for effective implementation of strategy, whereas it is good in financial resource allocation. A number of factors commonly prohibit effective resource allocation. These include an overprotection of resources, too great an emphasis on short run financial criteria, organizational politics, vague strategy targets, a reluctance to take risks, and a lack of sufficient knowledge.

4.5. The effect of effective and timely communication on the ministry strategy implementation

Once the strategy has been formulated, communication is one of the most important vehicles for successful implementation. In response to the importance of communication for effective strategy implementation in the ministry, the majority (95.2%) of the respondent confirmed that communication would play an important role in the effective strategy implementation in the ministry.

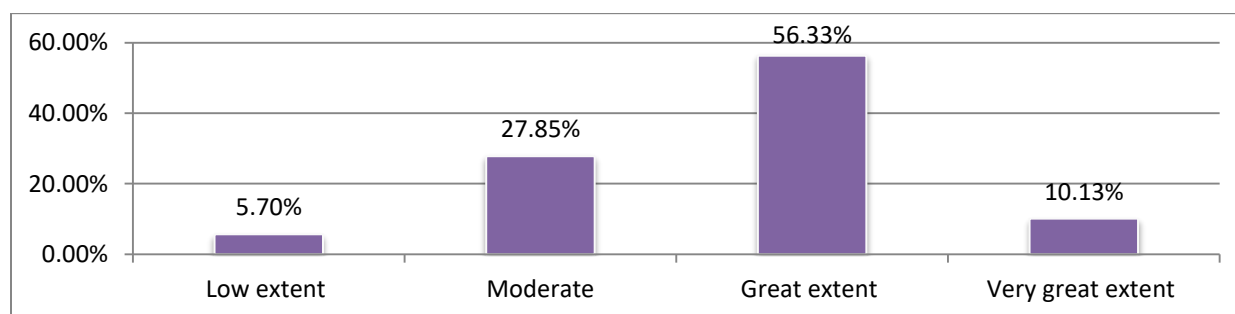
Table 4.7. Effect of effective and timely communication on strategy implementation

Do you think effective Communication influence strategic implementation in the ministry?	Yes	158	95.18%
	No	8	4.82%
	Total	166	100.00%

Source: Compiled from the questionnaire (2019)

Regarding to the extent to which communication influences the ministry strategy implementation, the majority of respondents (56.33%) confirmed to great extent, followed by moderate extent (27.85%), very great extent (10.13%) and the remaining 5.70% stated low extent as shown on figure 4.4 below.

Figure 4.4 The extent of communication affects implementation of strategy in the ministry.



Source: Compiled from the questionnaire (2019)

Moreover, the respondents also indicated their agreement to the sort of statements explaining the effective and timely communication in the ministry. Thus, the responses are tabulated in percentage for each statements with respect to the level of agreement (strongly agree, agree, neutral, disagree, and strongly disagree) as shown in Table 4.8.

Table 4.8. Assessment of effective and timely Communication

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
There is inadequate internal communication of strategy among different offices and staffs.	12.05%	58.43%	11.45%	15.66%	2.41%
There is no a frequent and timely communication among the ministry offices and staffs.	9.64%	55.42%	9.64%	24.70%	0.60%
Information systems used to monitor strategy implementation is not adequate in the ministry.	10.84%	56.63%	11.45%	19.28%	1.81%
One-way communication, only from top to down, is practiced in the ministry which didn't allow participation of staffs in questioning, criticizing and	21.08%	51.81%	10.84%	15.06%	1.20%

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

giving feedback on the ministry strategy implementation.					
There is a poor horizontal communication among the offices and staffs in the ministry.	17.47%	54.82%	12.05%	13.25%	2.41%
The ministry has a poor external communication with external organizations on the common and supportive strategy implementation.	10.24%	59.04%	12.65%	16.87%	1.20%

Source: Compiled from the questionnaire (2019)

The finding shows that, majority of respondents (58.4% agree, and 12% strongly agree) confirmed that the ministry has got inadequacy of internal communication among different offices and staffs. In addition, the majority of respondents (55.4% agree and 9.6% strongly agree) stated that the ministry has failed to communicate strategy on time and in a frequent manner. Regarding to the way of communication, the majority of respondents (51.81% agreed and 21.08% strongly agreed) confirmed that the ministry practices one-way, i.e. top to down, communication which don't allow a room for participation of staffs in criticizing and giving feedback on the strategy implementation. Furthermore, the result also shows that there is a poor horizontal communication among the offices and staffs in the ministry (54.82% agree, and 17.47% strongly agree). Similarly the external communication made with external organizations on the common and supportive strategy implementation was found to be poor (59% agree and 10.24% strongly agreed).

In conclusion the communication of strategy in the ministry characterized as inadequate internal communication, poor external communication, one-way, and untimely. Thus, it has got a great influence on the effective strategy implementation in ministry.

4.6. The effect of organizational structure on the ministry strategy implementation

The organizational structure provides a visual explanation of two main things: the decision-making process and resource allocation. On the assessment of respondents' perception on the influence of organizational structure on strategy implementation in the ministry, majority (92.8%) of the respondents confirmed that the organizational structure of the ministry had an effect on the strategy implementation.

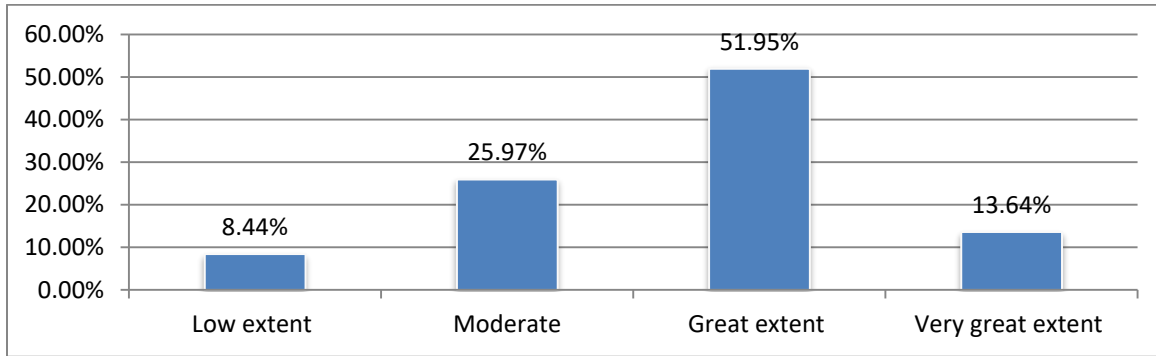
Table 4.9. Effect of Organizational structure on strategy implementation

Do you think organizational Structure influence strategy implementation in the ministry?	Yes	154	92.77%
	No	12	7.23%
	Total	166	100.00%

Source: Compiled from the questionnaire (2019)

Regarding to the extent to which organization structure influences the ministry strategy implementation, the majority of respondents (51.95%) confirmed to great extent, followed by moderate extent (25.97%), very great extent (13.64%) and the remaining 8.44% stated low extent as shown in figure 4.5. This revealed that organizational structure had a great impact on strategy implementation in the ministry.

Figure 4.5 The extent of organizational structure effect on strategy implementation



Source: Compiled from the questionnaire (2019)

Moreover, the respondents were also asked to indicate their level of agreement to the sort of statements about the current organizational structure of the ministry. Thus, the responses are tabulated in percentage for each statements with respect to the level of agreement (strongly agree, agree, neutral, disagree, and strongly disagree) as shown in Table 4.10.

The finding shows that, majority of respondents (59% agree, and 10.8% strongly agree) stated that the current organizational structure of the ministry doesn't adequately support or aligned with the strategies in addition they (68% agree and 9.6% strongly agree) also confirmed that it is not flexibly adjusted to strategic plan. This indicates that the ministry organizational structure do not fit and not flexible to adjust with strategy implementation.

Table 4.10. Assessment of Organizational structure

Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
The current Organizational structure of the ministry was not aligned with the strategy	10.84%	59.04%	13.25%	14.46%	2.41%
The Organizational structure of the ministry isn't flexibly adjusted according to strategic plan.	9.64%	68.07%	10.84%	11.45%	0%
The organizational structure of the ministry didn't allow horizontal communication, and team working.	6.02%	24.70%	3.61%	62.05%	3.61%
The organizational structure of the ministry is highly formalized, rigid and centralized.	9.64%	16.27%	6.02%	65.06%	3.01%
The ministry has highly hierarchy structure that delays decision making.	10.24%	65.06%	3.01%	19.28%	2.41%

Source: Compiled from the questionnaire (2019)

The majority (65%) of respondents disagree with the statement that states the organizational structure of the ministry is highly formalized, rigid and centralized. On the other hand, Majority respondents (65% agree, and 10.24% strongly agree) stated that the organizational structure of the ministry has got too much hierarchy which can delays decision making. The majority (62%) of respondents disagree with the statement that states the organizational structure of the ministry didn't allow horizontal communication, and team working. On other word, they are conforming that the ministry's organizational structure doesn't affect the horizontal communication and team workings among the staffs.

4.7. The effect of organizational culture on the ministry strategy implementation

Corporate culture refers to the set of common values and belief that members of a company share in common (Pearce & Robinson, 2014). The respondents were asked to put their perception on the effect of organization culture on the strategy implementation of the ministry. Accordingly, the majority (90.3%) of the respondent confirmed that the current organizational culture in the ministry had influence on the strategy implementation.

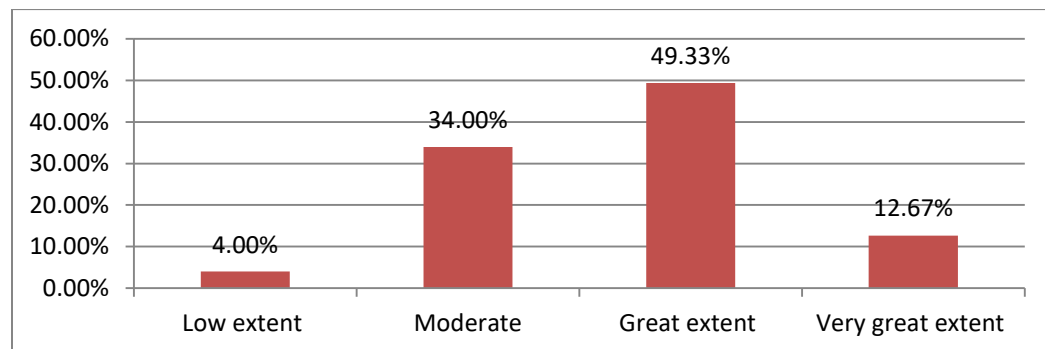
Table 4.11. Effect of Organizational culture on strategy implementation

Do you think Organizational culture influence strategic plan implementation in the ministry?	Yes	150	90.36%
	No	16	9.64%
	Total	166	100.00%

Source: Compiled from the questionnaire (2019)

Regarding to the extent to which organization culture influences the ministry strategy implementation, the majority of respondents (49.33%) confirmed to great extent, followed by moderate extent (34%), very great extent (12.67%) and the remaining 4% of respondent stated low extent as shown in figure 4.6. This result revealed that organizational culture had a great impact on strategy implementation in the ministry.

Figure 4.6. The extent of organizational culture effect on strategy implementation



Source: Compiled from the questionnaire (2019)

Furthermore, the respondents were also asked to indicate their level of agreement to the sort of statements about the current organizational culture of the ministry. Thus, the responses are tabulated in percentage for each statements with respect to the level of agreement (strongly agree, agree, neutral, disagree, and strongly disagree) as shown in Table 4.12.

Table 4.12. Assessment of Organizational culture

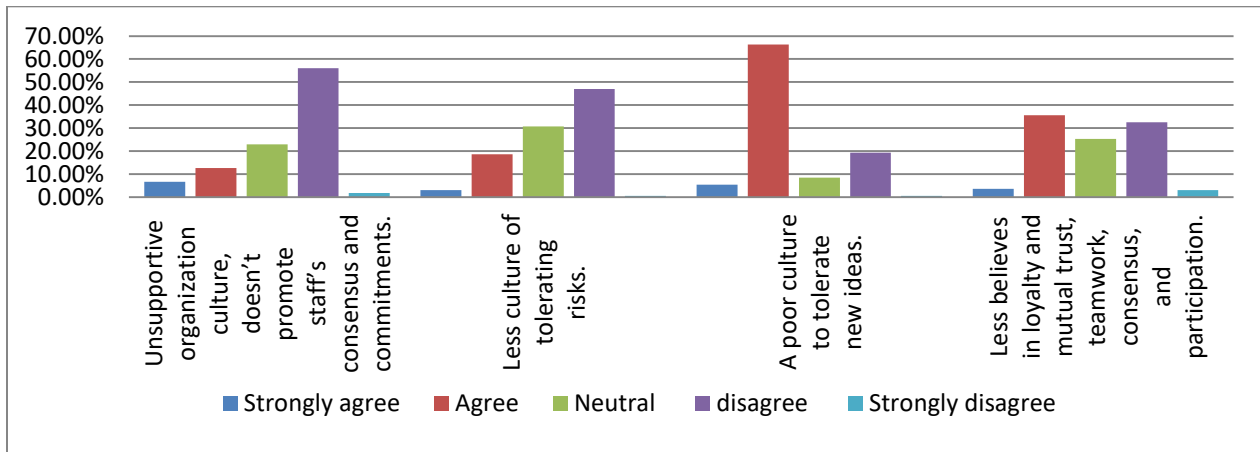
Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
The ministry has totally unsupportive organization culture, doesn't promote staff's consensus and commitments.	6.63%	12.65%	22.89%	56.02%	1.81%
The ministry has less culture of tolerating risks.	3.01%	18.67%	30.72%	46.99%	0.60%
The ministry has a poor culture to tolerate new ideas.	5.42%	66.27%	8.43%	19.28%	0.60%
The ministry less believes in loyalty and mutual trust, teamwork, consensus, and participation.	3.61%	35.54%	25.30%	32.53%	3.01%

Source: Compiled from the questionnaire (2019)

According to respondents replied that the majority 56% disagree while 12.7% agree to the statement that state the ministry has totally unsupportive organization culture. This infers to the ministry had a supportive organizational culture that promote the staffs consensus and

commitment. Regarding with a culture of tolerating risks, 50% responded disagree while 18.68% agree to the statement that implies the ministry has less culture of tolerating a risk. This implies that the ministry has a good culture of tolerating risks. On contrary, the majority (66% agree and 5.4% strongly agree) of respondents were agree that the ministry has a poor culture to tolerate new ideas. Similarly, the ministry had less culture of believes in loyalty, mutual trust and teamwork.

Figure 4.7. Assessment of Organizational culture

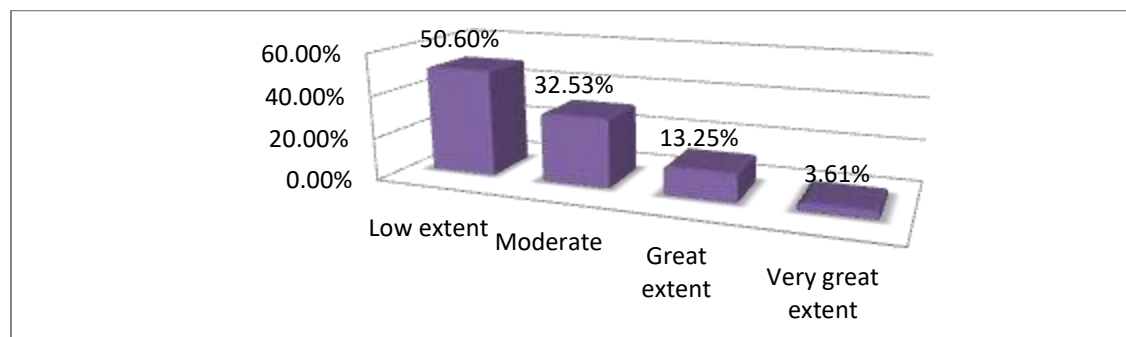


Source: Compiled from the questionnaire (2019)

4.8. Strategic Implementation of the Ministry

The respondents asked to put the extent to which the ministry properly implemented its overall strategic plan. Accordingly, the finding shown in figure below, the majority (50.60%) responded to low extent, followed by 32.53% moderate, 13.25% great and the remaining 3.61% responded very great extent. This implies that the level of overall strategy implementation of the ministry is low.

Figure 4.8. The extent of which the ministry properly implemented its overall strategic plan.



Source: Compiled from the questionnaire (2019)

Furthermore, the respondents were also asked to indicate their level of agreement to the sort of statements which explains about the effective strategy implementation in the ministry. Thus, the responses are tabulated in percentage as shown in Table 4.13.

The findings show that the ministry has yearly plans to implement strategies since the majority 79.5% of respondents (53% disagree and 26.5% strongly disagree) stated that the ministry has yearly plans to implement strategies. In addition, the majority (44.58% disagree and 5.42% strongly disagree) 50% of respondents replied that the ministry has got precise procedures followed for achieving strategy implementation and the result also attests (63% disagree and 4.22% strongly disagree) that regular progress review has been conducted during strategy implementing.

On contrary, the majority 65% of respondents stated that the ministry doesn't take initiation to amend to its strategy although it was necessary to be made. This implies that even though the ministry evaluates regularly its progress against the target, no adjustment has been made on the strategy.

Table 4.13. Assessment of Implementation strategies

Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
The ministry don't have yearly plans to implement strategies	3.61%	10.84%	6.02%	53.01%	26.51%
The ministry doesn't have precise procedures followed for achieving strategy implementation.	1.20%	24.70%	24.10%	44.58%	5.42%
When implementing strategies the ministry doesn't regularly review progress against targets.	1.20%	20.48%	10.84%	63.25%	4.22%
During the implementation process, the ministry doesn't	2.41%	65.06%	9.64%	21.08%	1.81%

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

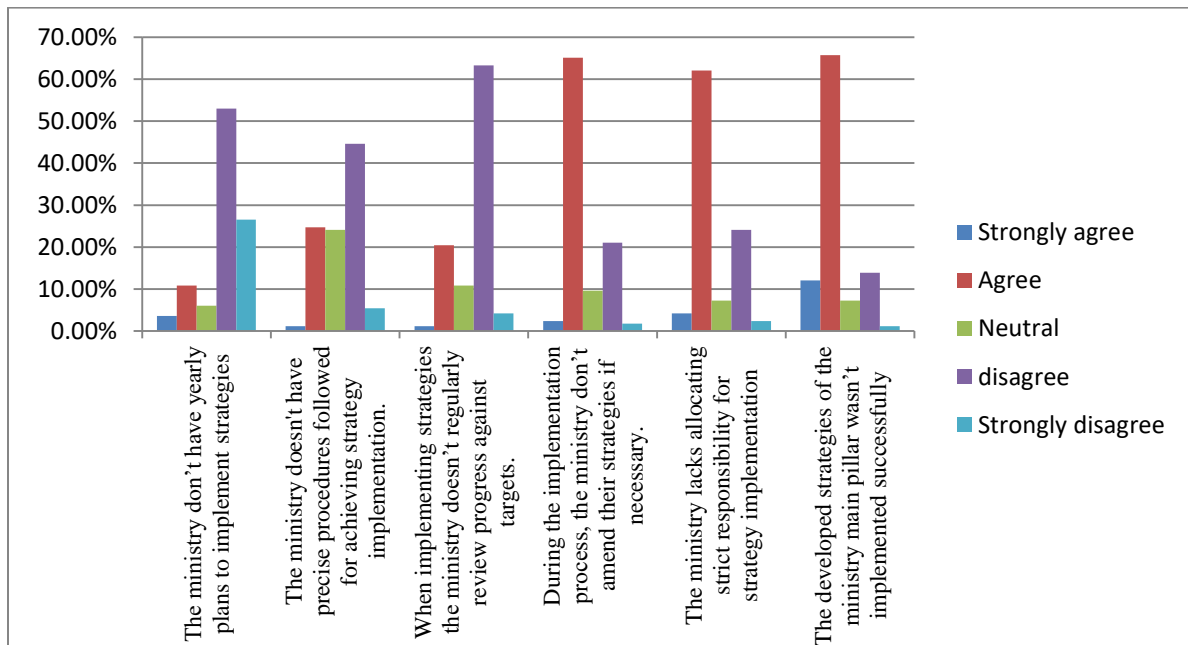
amend their strategies if necessary.					
The ministry lacks allocating strict responsibility for strategy implementation	4.22%	62.05%	7.23%	24.10%	2.41%
The developed strategies of the ministry main pillar wasn't implemented successfully	12.05%	65.66%	7.23%	13.86%	1.20%

Source: Compiled from the questionnaire (2019)

Similarly the majority (62%) of respondents agreed that the ministry lacks in allocating strict responsibility for strategy implementation. Without sharing or assigning of responsibility among the stakeholder it is difficult to achieve the strategic objectives which will results in failure to strategy implementation.

The main strategic pillars of the ministry are grouped in to five; these are job creation and urban food security, housing development and administration, urban plan preparation & implementation, Construction industry capacity building and regulator, and integrated infrastructure and solid waste management. Regarding with the implementation of the ministry main strategic pillars, the finding shows that 77.7% (65.66% agree and 12.06% strongly agree) of respondents responded that the ministry main pillar wasn't implemented successfully

Figure 4.9 Assessment of Implementation strategies



Source: Compiled from the questionnaire (2019)

Further the study was made to identify the level of implementation of main strategic pillars of the ministry. The result shown on table 4.14; Job creation and urban food security (64% poor), Housing development and Administration (72% poor), Construction industry capacity building and regulator (52.4%), and Integrated infrastructure and solid waste management (61% poor); declared that the strategic implementation of the main pillars are poor except Urban plan preparation & implementation (39% poor, 34% satisfactory) which indicates a relatively satisfactory implementation.

Table 4.14. Assessment of main Strategic pillars of the ministry

Main Strategic pillars of the ministry implementation rate	Poor	satisfactory	good	Very good	Extremely good
1. Job creation and urban food security	63.86%	21.69%	9.64%	4.82%	0%
2. Housing development and Administration	71.69%	12.65%	10.24%	5.42%	0%
3. Urban plan preparation & implementation	38.55%	33.73%	21.08%	6.63%	0%
4. Construction industry capacity building and regulator	52.41%	23.49%	17.47%	6.63%	0%
5. Integrated infrastructure and solid waste management	60.84%	22.29%	11.45%	5.42%	0%

Source: Compiled from the questionnaire (2019)

4.9. Major findings from Interview Analysis

The researcher also conducted a structured interview with seven ministry members (three bureau head, advisory, and three senior experts) regarding the factors affecting strategy implementation in the ministry.

Question 1. Extent of leadership quality affect the ministry strategy implementation

The result of interview shows that inadequate skills and abilities of the leadership team involved in the strategy implementation have major problems; especially the relevant skills leads to the ministry leaders' lacks decision making, case analysis, problem solving and Innovation skills. Ineffective leadership is one of the key hindering factors in strategy implementation due to ineffective coordination. The quality refers to the capabilities, experience, skills, attitudes, and other characteristics of people required by a specific position.

Question 2. Extent of resource availability and utilization affect ministry strategy implementation

According to most of the interviewee even though the ministry follow program based budget allocation system lacks clarity. Most of the time the ministry doesn't face shortage of budget rather than ineffective utilization of budget is the critical problem due to this the ministry return huge amount of budget at the end of each fiscal year to ministry of finance. On other hands even though the number of human capital (employees) are not such great problem in the ministry but there is lack of capable human capital especially those who have implementation skills. In relation to technology especially in the areas of construction industry using modern technology that helps to foster construction industry is remained at low stage. And also there is Phobey of technology adaptation like Automation of activities. Technological advancement in terms of speedy processes and procedures, as well as design, will make a positive contribution to the successful implementation of strategies.

Question 3. Influence of effective and timely communication in the ministry strategy implementation

Effective and timely communication are important in the process of strategy implementation. The ministry does not have well organized and strategic communication that helps to foster strategy implementation. Communication includes explaining what new responsibilities, tasks, and duties need to be performed by the employees in order to implement the strategy. participatory communication both internal, and external (stakeholders) strategically are not implemented in the ministry. When the strategy is not fully understood by those involved in implementation it becomes difficult for them to effectively work towards the set goals.

Question 4. Influence of organizational Structure in the ministry strategy implementation.

According to most interviewee the current organizational structure of the ministry is not fruitful for achieving the strategy objectives. The structure of an organization sets the hierarchy for responsibility and creates the various levels of communication within an organization. Heavy hierarchical structure delays in decision making as well as overlapping of some duties affecting strategy implementation of the ministry. And also lack of align with regions and city administration bureaus that works to achieve collaborate national plan.

Question 5. The ministry organizational culture influence the ministry strategy implementation.

Corporate culture gives employees a sense of how to behave and act and hence influencing employees to support current strategy in order to strengthen its implementation. According to most interviewee the ministry has not yet definitive organizational culture that leads to implement strategy in a good ways such as tolerating of new way of doing things culture. Providing employees with opportunities to explore, investigate and experiment creates an entrepreneurial organization culture that fosters innovative behavior are crucial one for strategy implementation.

Question 6. The main pillars of the ministry strategy implementation rate.

Most of the examinee replied that the main pillars of the ministry strategy implemented aren't implemented successfully the reason raised up by most interviewee fail to execute at high level the ministry strategy is basically the leader of the ministry is not capable in human, technical, and conceptual skills. There is not enough certified employees in the ministry that foster implementation skill. The ministry doesn't well communicate their strategy implementation for employees and stakeholders, there is no consistency of culture that innovative way of doing things helps strategy implementation of the ministry at high level are the major obstacles of the ministry strategy implementation accordingly major interviewee .

4.10. Major findings from document Analysis

Data from document review also showed some similar results. According to MOUDC GTP-II (2015/16 – 2019/20) mid-term evaluation performance report of the Ministry of Development and Construction show that permanent job created achieved 66% of plan. Social inclusion and urban productivity safety net important tools for building inclusive cities and raising the quality of life of city residents for 254,265 citizens planned to give direct support achieved only 70,542 (15.4%).

The housing development and management program is a key investment area with social and economic aspects, particularly alleviating housing problem, and job creation. According to the GTP-II mid term performance report of the Ministry of Urban Development and Construction,

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

there was a plan to construct through public housing development scheme 125,000 housing units in Addis Ababa with the achievement registered only 61,924 (49.5%)at the end.

Urban plan preparation & implementation:-the prime intent of this pillar is to strengthen municipal capacity in urban plan preparation, boundary demarcation and implementation, as well as in land use planning and spatial development. The major achievements ofthis pillar are:- by regions capacity 678(87%)city basic plan, 29(78.4%) city wide structure plan, &1,111 (28%) rural Keble sketch plan. In addition to this based on national spatial plan preparation 9 Regional Urban Development Spatial Planare not achieved.

Construction industry implementation capacity building is among the pillars under realization in the GTP-II med-term period. In general the construction sector does not render at the expected level due to lack of modern technology that helps to addresses efficient and effective construction.In addition to this the home grown construction capacity in terms of project management as well as financial capacity is very low.

Figure 4.10.Time and cost over, Project quality management comparison.



Source: - Ministry of Urban development and construction (2010 E.C)

Integrated infrastructure and solid waste management:- the pillar aims to mobilize resources for infrastructure development and to incentivize municipalities to develop the appropriate human and institutional capacity to maintain existing built-up infrastructure such as cobble stone roads, drainage systems, dry waste dumping sites, liquid waste collection sites, bridge building, parking etc.Improving solid waste management urban coverage also remain low.

Table 4.15. Budget Availability, and Utilization of the ministry

No	Budget Year	Approved Budget/Adjusted Budget	Utilization	Performance in Percentage	Remarks
1	2009 E.c	1,026,226,684.65	659,083,646.62	64.2%	This budget performance indicates only treasury source. Not include External assistance.
2	2010 E.c	1,254,889,326.27	744,051,041.13	59.3%	
3	2011 E.c	1,493,548,757.47	855,424,955.7	57.3%	
Total		3,774,664,768.39	2,258,559,643.45	59.8	

Source: - Ministry of Urban development and construction (2019)

From open ended questionnaire, interview, and ministry report the leading challenges observed in relation to implementation strategy especially the main pillar of the ministry are:- poor leadership quality (in terms of such as failure to prepare plans and reports, follow up, support and evaluation and feed backs to the expected level, quality and time), Low experience, skill and capacity of the leadership in terms of promoting stakeholders' participation (in terms of such as designing different proclamations, regulations and policies that help to effectively implement plans; clearly understanding and implementing policies, strategies and laws, etc); Gaps in terms of employing human resources with adequate capacity and skills, providing the necessary tools and creating conducive environment that enhance imitativeness for effective implementation of plans; Failures to perform the activities with full responsibilities and sense of urgency, Continuous turnover of urban managers; as well as weak follow-up and monitoring activities. Shortage of trained and certified manpower in the sector, limitation of cost effective construction technology; shortage and price inflation of construction inputs provision; poor participation of stakeholders and integration of works, inadequate construction management capacity to the level required for the current development as well as immature performance capacities of stakeholders.

The public sector is charged with the responsibility of offering effective and efficient service to the public of any given economy or country. Developing and having strategy alone is not enough. Implementation of a strategy is more important than formulation. Otherwise it is nothing except well documented pieces of paper in an organization (Jooste and Fourie, 2009).

4.11. Inferential statistics Analysis

Multiple regression analysis was used to determine the relationship between strategy implementation and the five independent variables for the case of MOUDC. The regression model was adopted for the study is:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Whereby Y = strategy implementation; X1 = Leadership qualities; X2 = Resource availability and utilization; X3= Effective and timely communication; X4 = Organization Structure; X5 = Organizational Culture; β_0 = constant term; β_1 , β_2 , β_3 , β_4 and β_5 are the regression equation coefficients for each of the variables; and ε = Error term

The researcher used SPSS (Statistical Package for Social Sciences) software to compute the measurements of multiple regression result for the study. Prior to analysis of the data, assumptions are tested such as checking of the data for linearity, normality, homoscedasticity and Multicollinearity was made. All diagnostic tested result show that fit to the model (attached in the appendices figure A, B, C & table A).

4.11.1. Correlation Analysis

Pearson correlation was used to measure the degree of association between variables under consideration i.e. independent variables and the dependent variables. Pearson correlation coefficients range from -1 to +1. A negative value indicates negative correlation and positive values indicates positive correlation.

Table 4.16. Correlations between variables

		Strategy Implementation	Leadership quality	Resource Utilization	Communication	Organizational Structure	Organizational Culture
Strategy Implementation (SI)	Pearson Correlation Sig. (2-tailed)	1	.796** .000	.617** .000	.605** .000	.755** .000	.564** .000
Leadership quality (Le)	Pearson Correlation Sig. (2-tailed)	.	1	.588** .000	.545** .000	.725** .000	.497** .000
Resource Utilization (Res)	Pearson Correlation Sig. (2-tailed)	.	.	1	.442** .000	.536** .000	.459** .000
Communication (Comm)	Pearson Correlation Sig. (2-tailed)	.	.	.	1	.505** .000	.431** .000
Organizational Structure (OS)	Pearson Correlation Sig. (2-tailed)	.	.	.	.	1	.508** .000
Organizational Culture (OC)	Pearson Correlation Sig. (2-tailed)	.	.	.	.	.	1

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

The correlation summary shown in the table 4.16 depicts that there is a positive relationship between strategy implementation and Leadership quality (0.796), Resource availability and utilization (0.617), effective and timely communication (0.605), Organizational Structure (0.755), and Organizational Culture (0.564). Therefore, it can be implied that there is a strong positive relationship between strategy implementation (dependent variable) and each of independent variables (Leadership quality, Resource availability and utilization, effective and timely communication, Organizational Structure, Organizational Culture)

4.11.2. Multiple Regression Analysis

Regression model is used here to describe how the dependent variable changes with changing conditions. Predictive regression Analysis was carried out for Leadership quality, Resource availability and utilization, effective and timely communication, Organizational Structure, and Organizational Culture and strategy implementation.

Table 4.17. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.864 ^a	.746	.738	6.940

a. Predictors: (Constant), Organizational Culture (OC), Communication (Comm), Resource Utilization (Res), Organizational Structure (OS), Leadership quality (Le)

b. Dependent Variable: Strategy Implementation (SI)

The model summary (table 4.17) indicates that there was a very strong positive relationship (R=0.864) between the dependent and independent variables. The value of R-square 0.746 indicates that 74.6% of the variation in strategy implementation is explained by the independent variables of the study (Leadership quality, Resource availability and Utilization, effective and timely Communication, Organizational Structure, and Organizational Culture). The remaining 25.4% of strategy implementation is determined by other factors not considered under this study. This is quite high so predictions from the regression equation are fairly reliable and the goodness of fit test is fulfilled.

Table 4. 18. Statistical significance (ANOVA^a)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	22609.266	5	4521.853	93.895	.000 ^b
	Residual	7705.342	160	48.158		
	Total	30314.608	165			

a. Dependent Variable: Strategy Implementation (SI)

b. Predictors: (Constant), Organizational Culture (OC), Communication (Comm), Resource Utilization (Res), Organizational Structure (OS), Leadership quality (Le)

The F-ratio in the ANOVA table (4.18) tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable, $F(5, 160) = 93.895, p < .0005$ the regression model is a good fit of the data).

Table 4.19. Estimated model coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
	(Constant)	17.877	1.666				10.728	.000	14.586	21.168
Leadership quality (Le)	6.057	1.011	.382	5.990	.000	4.060	8.054	.390	2.565
Resource Utilization (Res)	1.875	.769	.126	2.438	.016	.356	3.394	.596	1.677
Communication (Comm)	2.390	.773	.153	3.090	.002	.863	3.917	.646	1.547
Organizational Structure (OS)	4.665	1.023	.278	4.558	.000	2.643	6.686	.428	2.336
Organizational Culture (OC)	1.966	.881	.109	2.230	.027	.225	3.706	.662	1.510

a. Dependent Variable: Strategy Implementation (SI)

The generated model is given by:

$$\text{Strategy Implementation (SI)} = 17.877 + 6.057 * \text{Leadership quality (Le)} + 1.875 * \text{Resource Utilization (Res)} + 2.390 * \text{Communication (Comm)} + 4.665 * \text{Organizational Structure (OS)} + 1.966 * \text{Organizational Culture (OC)}.$$

The estimated model coefficient (Table 4.19) shows that the all independent variables of the study are significant at 5% level of significance and 95% level of confidence. The Unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. Thus, it infers the leadership quality and organization structure contributes the most to the effective strategy implementation in the MOUDC, followed by effective and timely communication, organization culture, and resource availability and utilization.

Other researcher findings also show the same result Rajasekar (2014) show that leadership is by far the most important factor influencing successful implementation strategy in the service sector. Lorange (1998) argued that effective leadership outweighs any other factor. Beer and Eisenstat (2000) suggested that in the absence of effective leadership poor coordination across functions and inadequate down-the-line leadership skills and development as killers of strategy implementation. Cater and Pucko (2010) shows that poor leadership is one of the main obstacles in successful strategy implementation. According to Koske (2003) leadership is considered to be

one of the most important elements affecting organizational performance. However, a lack of leadership, and specifically strategic leadership by the top management of the organization, has been identified as one of the major barriers to effective strategy implementation. Strategic leadership is defined as “the leader’s ability to anticipate, envision, and maintain flexibility and to empower others to create strategic change as necessary” (Wachera, Jane, and Benard, 2017). Noble (1999) describes the abilities needed by managers as a combination of technical skills, interpersonal skills and sensitivity to the needs of other functions. This relates with my research leadership qualities that is skills (technical, human relation & conceptual) are important for case analysis, decision making, and problem solving that helps for successful strategy implementation. As much as possible, the leadership of the organization should fill relevant positions with qualified people committed to the change efforts (Bryson, 2012).

John (2017) shows that organizational structures that are inorganic and less versatile tend to cause miscommunication in the overall strategy of the organization while open, fluid organizational structures have exemplary performance measurements. This research relates with my finding that the ministry organizational structure lacks flexibility, not align with strategy, and heavy hierarchical structure highly affects strategy implementation of the ministry. Further, Root (2017) highlights that the structure of an organization sets the hierarchy for responsibility and creates the various levels of communication within an organization. Mbaka and Mugambi (2014) recommends that aligning of organization structure with the new strategy, and proper structure are crucial for successfully strategy implementation.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

The general objective of the research was to identify factors that affect strategy implementation in the public sector case in ministry of Urban Development and Construction and to recommend possible solution. To this effect both primary and secondary data sources were accessed and relevant facts were gathered. The collected facts were presented, analyzed and discussed under different headings. The analysis and discussion results from these relevant data presented and interpreted can be concluded in the following section. In addition, based on the conclusions drawn, a researcher has made some recommendations for organizations and future researchers.

5.1. Summary of Findings

➤ The effect of leadership qualities on strategy implementation

Accordingly the majority of respondents (93.4%) confirmed that leadership capabilities had an effect on ministry strategy implementation. The majority of respondents agreed that the leaders in the ministry had insufficient competence (45% agree, 7.23% strongly agree); poor managerial skill (46% agree, 20% strongly agree); lacks commitment (54% agree, 21% strongly agree); provide inadequate leadership and instruction (53% agreed, 19% strongly agreed); and lacks problem solving and decision making skills (58% agree, 17% strongly agree). Interview and document analysis also indicates the same result leadership incapability contribute highly for unsuccessful implementation of ministry strategy. This infers the poor level of leadership quality in the MOUDC.

➤ The effect of resource availability and utilization on strategy implementation

Resource allocation is a central management activity that allows for strategy execution. Majority of respondents (91%) stated that resource availability and utilization had an effect on ministry strategy implementation. The finding of the study also shown that in the ministry has no a clear resource planning allocation and utilization system (37.3% agree, and 17.2% strongly agree. The respondent pointed out that the ministry had shortage of competent human capital (41% agree,

7.23% strongly agree) and tools and technological resource (44.6% agree,10.2% strongly agree), whereas it is good in financial resource allocation. Interview and document analysis also show that eventhough the ministry follow program budget allocation system lacks clarity, under utilization of budget ,Shortage of trained and certified manpower in the sector, limitation of cost effective construction technology are affects strategy implementation of the ministry.

➤ **The effect of effective and timely communication on strategy implementation**

It is widely recognized that communication is one of the most important vehicles for successful implementation. The majority of respondents stated that the internal communication way of the ministry is inadequate (58.4% agree, 12% strongly agree), one-way which don't allow a room for participation of staffs (51.81% agreed,21.08% strongly agreed)and untimely (55.4% agree and 9.6% strongly agree). Besides, the respondents also pointed out that the external communication of the ministry on the common and supportive strategies was found to be poor (59% agree and 10.24% strongly agreed). The interview analysis also infers that the ministry does not have well organized communication strategy to fosters strategy implementation. Poor communication of internal and external stakeholders.

➤ **The effect of organization structure on strategy implementation**

The organizational structure provides a visual explanation of two main things: the decision-making process and resource allocation. Majority of respondents stated that the current organizational structure of the ministry doesn't aligned with the strategies (59% agree, and 10.8% strongly agree) and also lacks flexibility adjusted to strategic plan (68% agree and 9.6% strongly agree). They also argued that the structure has got too much hierarchy which can delays decision making (65% agree, and 10.24% strongly agree). Interview and document anlysis also indicates that heavy hierarchical structure,overlapping of some duties and also lack of align with regions and city administration bureaus that works to achieve collaborate national plan affecting strategy implementation of the ministry.

➤ **The effect of organization culture on strategy implementation**

Corporate culture refers to the set of common values and belief that members of a company share in common (Pearce & Robinson, 2014). Most respondents agreed the ministry had a supportive

organizational culture that promote the staffs commitment and good culture of tolerating risks and on contrary the ministry had less culture of tolerating new ideas.

➤ **The ministry strategy implementation**

The finding shows that the developed strategies of the ministry main pillars were not implemented successfully. The respondents indicated that, Job creation and urban food security (64% poor), Housing development and Administration (72% poor), Construction industry capacity building and regulator (52.4% poor), and Integrated infrastructure and solid waste management (61% poor), the strategic implementation of the main pillars are poor except Urban plan preparation & implementation (39% poor, 34% satisfactory) which indicates a relatively satisfactory implementation. Document review also indicates the same results.

Furthermore, the research established regression model for strategy implementation with five independent variables of study (leadership quality, resource availability and utilization, effective and timely communication, organization structure, and organization culture). The result of the regression analysis indicated a significant relationship between the dependent and independent variables; and the leadership quality and organization structure contributes the most to the effective strategy implementation in the MOUDC.

5.2. Conclusion

A number of factors can potentially affect the process by which strategic plans are turned into strategy implementation. The study considered five variables that influence the strategy implementation of MOUDC: leadership quality, resource availability and utilization, effective and timely communication, organization structure and organization culture.

Leadership is considered to be one of the most important elements affecting organizational performance. The effective strategy implementation is largely influenced by the leadership qualities of the leaders in the ministry. The study revealed that the leadership qualities of the ministry leaders is poor which was manifested by insufficient competence, poor managerial skill, lacks commitment to perform their tasks, provide inadequate leadership and instruction, and lacks problem solving and decision making skills. Thus, the failure in strategy implementation is

directly related with the poor leadership qualities of the leaders in the ministry. Therefore the ministry should enhance leadership qualities so as to improve its strategy implementation.

Resource allocation is a central management activity that allows for strategy execution. The effective strategy implementation requires a continuous flow resources (the required quantity at the right time) and efficient utilization of the available resource. Based on the findings it is concluded that the resource availability and utilization had an effect on strategy implementation specifically due to shortage of competent human capital and technology. Thus, the ministry should give much emphasis to hire qualified human resource to the required quantity and avail the required tools and technology which can facilitate the implementation of its strategy.

Communication is one of the most important vehicles for successful implementation. The finding indicates that in the ministry inadequate internal communication, untimely communication and one-way communication from top to down which didn't allow participation of staffs in questioning, criticizing and giving feedback on the ministry strategy implementation. Besides, the external communication on the common and supportive strategies was found to be poor. This leads to poor and inefficient communication among ministry offices and staffs which in turns responsible to poor strategy implementation in the ministry. Thus, the ministry should develop effective and timely communication system to communicate the strategy adequately and two way communication along stakeholders and staffs.

The study also concludes that the current organization structure had a great influence on the strategy implementation in the ministry. The current organizational structure of the ministry didn't adequately support or aligned with the strategy and also lacks flexibility to adjust according to strategic plan. The ministry has got too much hierarchy which delays decision making. This indicates that the organizational structure of the ministry may become ineffective. The structural design of a company helps people pull together in their activities that promote effective strategy implementation.

The study further concludes that the organization culture had an influence on the effective strategy implementation in the ministry. The ministry had a supportive culture that promote the staffs' commitment and culture of tolerating risks. On contrary the ministry had less culture of tolerating new ideas, a new ways of doing undertaking and innovativeness is not encouraged

which is a hindrance to strategy implementation. Thus, the ministry should encourage innovation which can facilitate the implementation of strategy in a better way.

Moreover, based on the findings the study concludes that the main pillar strategies of the ministry were not implemented successfully. The regression model indicates that 74.6% variation in strategy implementation is expressed by the independent variables of the study (leadership quality, resource availability and utilization, effective and timely communication, organizational structure, and organizational culture). From the detail analysis on the pillars, the study also concludes that the implementation of main pillar of the ministry is poor except urban plan preparation & implementation which indicates a relatively satisfactory implementation.

5.3.Recommendation

Based on the findings of the study and conclusions drawn, the following recommendations are forwarded:-

- ❖ Leadership qualities that are education background, leadership skills (conceptual, technical and human skill), Leadership experience, attitudes, and other characteristics of people required by a specific position are great impact on the implementation of strategy. Therefore, it is recommended that the ministry leaders should be equipped with both professional and leadership competencies. Leader's professional competency rests on a particular expertise of certain professional area that helps decision making, case analysis, problem solving and Innovation skills. Leadership competency, which refers to how the leader understands different levels of leadership responsibility and kinds of leadership approach applied appropriately to the right level.
- ❖ The human resources and technologies are critical to achieve the strategies objectives of the ministry. The study recommends that the ministry should be better to launch continuous professional development and short term training programs to upgrade the competencies of employees to solve shortage of trained and certified manpower in the sector, and also implementing of advance technology like cost effective construction technology, City net etc.
- ❖ Communication is one of the most important vehicles for successful implementation. Therefore, it is recommended that the MOUDC should adapt an effective and timely

communication system. Two way communication systems should be used across the offices and departments which allow participation of staffs in questioning, criticizing and giving feedback on the ministry strategy implementation. This is helpful to create a team-spirit and shared accountability as well as enhance participation of stakeholders.

- ❖ Regarding with the organizational structure it is recommended that the top management and concerned bodies should take initiations to amend the current organizational structure of the ministry to make in line with and flexibly adjusted to the strategy, and not too hierarchical which will foster the decision making process.
- ❖ It is further recommended that the ministry shall better to introduce a culture of innovativeness or new way of doing things that helps to foster strategy implementation.

5.4. Future Research Direction

The following recommendations are forward for further research:

- This study encompassed only five independent factors, considering additional factors like Strategy formulation, leadership style, control and feedback. that can potentially affect strategy implementation can result in improved conclusion.
- It is well recognized that every public service organizations have certain unique futures; therefore it is recommended to conduct a study on strategy implementation for other public service organizations, also better to extend to government enterprises and private companies.

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Appendices 1. (Questionnaire & interview)

Questionnaire form



Dear respondents;

My name is Gizaw kifle Alemu. I am a graduate student in the Department of Management: MSC in management program at Addis Ababa University. Now I am conducting a research in the area of **“Factors affecting strategy implementation in the public sector: A case study on Ministry of urban development and construction”** for the purpose of partial fulfillment of Master of Science in Management. Your response for the following questions is highly important for the successful of this research. The response you give us used only for this research purpose and will be kept highly confidential. I would request you to kindly spare some time to fill up this questionnaire.

Instructions:-

- You don't need to write your name.
- Please Put in Side the Box “√ or ×” mark for choice questions
- For questions that demands your opinion, please try to honestly describe as per the questions on the space provided

I thank you very much for your cooperation in advance!!

Part one: Background Information

1. Sex: Female Male
2. Educational status: A). Certificate B). Diploma C). First Degree
D).Master's Degree E). PHD
3. For how long have you served in the ministry?
A). less than 1 year B). 1-5 year C).5-10 year D).above 10 years

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

4. In what position are you currently working? A). Expert B).Senior expert C). Lower Manager D). Middle manager E).top manager
5. Have you ever participated in the implementation of strategy in the past five years? Yes
No

Part Two: - Effect of Leadership to strategy implementation.

6. In your opinion do you think leadership capabilities affects strategy implementation in the ministry? Yes No
7. If your answer for question No.6 is yes, to what extent does the level of leadership affect implementation of strategy in the ministry?
A).Low extent B).Moderate C).Great extent D).Very great extent
8. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The leaders in the ministry don't have sufficient education background, and work experience.					
The ministry leaders don't equipped with a good conceptual, technical and human skill.					
Lack of manager's commitment to perform their roles leads to the lower ranks of employees missing support and guidance.					
The leadership, direction and instructions provided by the ministry's managers were inadequate.					
The ministry leaders' lacks decision making, case analysis, problem solving and Innovation skills.					

Part Three: - Effect of Resource on strategy implementation.

9. In your opinion do you think resource allocation and management affects strategy implementation within the ministry? Yes No
10. If your answer for Question No. 8 is yes, to what extent does the level of resource affect implementation of strategy in the ministry?
A).Low extent B).Moderate C).Great extent D).Very great extent

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

11. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The ministry has no a clear resource planning, allocation and utilization system.					
The ministry had often a shortage of competent human capital (employee) during strategic implementation.					
The ministry often faced shortage of financial resources to execute the planned strategies.					
The ministry had often a shortage of tools and technology required for strategy implementation.					

Part Four: - Effect of Communication on strategy implementation.

12. Do you think effective Communication influence strategic implementation in the ministry?

Yes

No

13. If your answer for Question No.10 is yes, to what extent does the level of communication affect implementation of strategy in the ministry?

A). Low extent B). Moderate C). Great extent D). Very great extent

14. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	disagree	Strongly disagree
There is inadequate internal communication of strategy among different offices and staffs.					
There is no a frequent and timely communication among the ministry offices and staffs.					
Information systems used to monitor strategy implementation is not adequate in the ministry.					
One-way communication, only from top to down, is practiced in the ministry which didn't allow participation of staffs in questioning, criticizing and giving feedback on the ministry strategy implementation.					
There is a poor horizontal communication among the offices and staffs in the ministry.					
The ministry has a poor external communication with external organizations on the common and supportive strategy implementation.					

Part Five: - Effect of Organizational Structure on strategy implementation.

15. Do you think organizational Structure influence strategy implementation in the ministry?

Yes No

16. If your answer for question No.14 is yes, to what extent does the level of organizational structure affect implementation of strategy in the ministry?

A). Low extent B). Moderate C). Great extent D).Very great extent

17. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The current Organizational structure of the ministry was not aligned with the strategy					
The Organizational structure of the ministry isn't flexibly adjusted according to strategic plan.					
The organizational structure of the ministry didn't allow horizontal communication, and team working.					
The organizational structure of the ministry is highly formalized, rigid and centralized.					
The ministry has highly hierarchy structure that delays decision making.					

Part Six: - Effect of Organizational Culture on strategy implementation.

18. Do you think Organizational culture influence strategic plan implementation in the ministry?

Yes No

19. If your answer for question No.17 is yes, to what extent does the level of organizational culture affect implementation of strategy in the ministry?

A). Low extent B).Moderate C). Great extent D).Very great extent

20. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The ministry has totally unsupportive organization culture, doesn't promote staff's consensus and commitments.					
The ministryhas less culture of tolerating risks.					
The ministryhas a poor culture to tolerate new ideas.					
The ministry less believes in loyalty and mutual trust, teamwork, consensus, and participation.					

Factors Affecting Strategy implementation in the Public Sector: A case study on MOUDC

Part Seven: Strategic Implementation of the Ministry's office

21. To what extent did the ministry properly implemented its overall strategic plan?

A). Low extent B). Moderate extent C). Great extent D). Very great extent

22. Please rate you level of agreement to the following statements:

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The ministry hasn't yearly plans to implement strategies					
The ministry hasn't precise procedures followed for achieving strategy implementation.					
When implementing strategies the ministry doesn't regularly review progress against targets.					
During the implementation process, the ministry doesn't amend their strategies if necessary.					
The ministry lacks allocating strict responsibility for strategy implementation					
The developed strategies of the ministry main pillar wasn't implemented successfully					

23. Please rate the extent of strategy implementation of five main pillars of the ministry.

Main Strategic pillars of the ministry implementation rate	Poor	satisfactory	good	Very good	Extremely good
1. Job creation and urban food security					
2. Housing development and Administration					
3. Urban plan preparation & implementation					
4. Construction industry capacity building and regulator					
5. Integrated infrastructure and solid waste management					

24. Please rate, from 1= Poor to 4= Very good ranges, the independent variables in the ministry.

Independent Variables:	poor	satisfactory	good	Very good
Leadership quality (Le)				
Resource availability and utilization (Res)				
Effective and timely Communication (Comm)				
Organizational Structure (OS)				
Organizational Culture (OC)				

25. Please rate the overall Strategy Implementation of the ministry out of 100%?

26. What suggestion(s) would you give that will help the ministry to avoid or minimize strategy implementation challenges? -----

27. Please give any other comment you may have regarding the subject of this research. -----

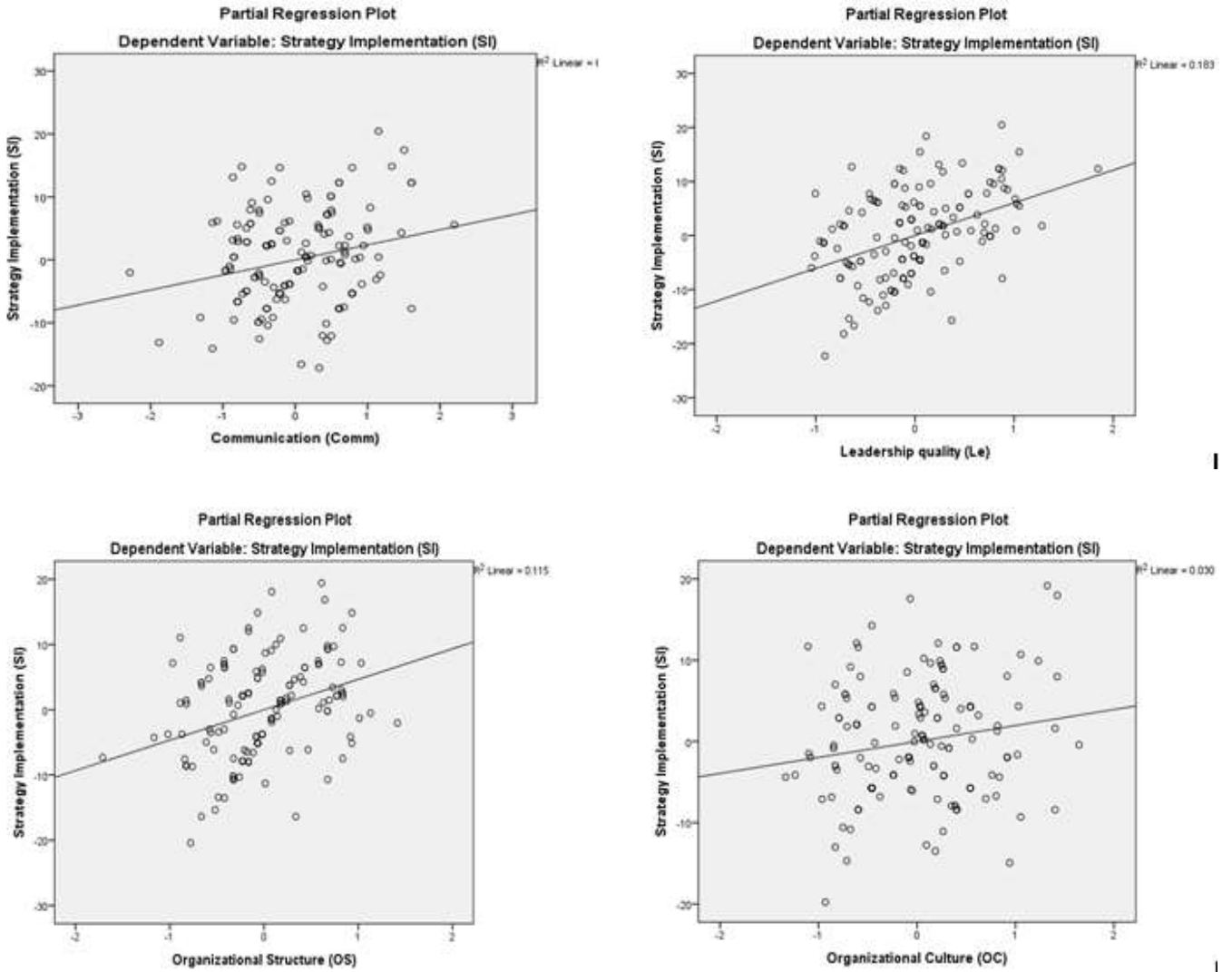
-----*Thanks for your contribution*-----*The end*-----

Interview questions

1. Do you think leadership qualities affect the ministry strategy implementation if yes to what extent?
2. Does the ministry follow determined procedures for resources allocation and management? If yes, explain the system they will follow? To what extent resource availability and utilization affect ministry strategy implementation?
3. What influence does effective and timely communication have on strategy implementation in the ministry?
4. What influence does Organizational Structure have on strategy implementation in the ministry?
5. Do you think the ministry organizational culture is foster strategy implementation? If not what is the reason?
6. Do you think the main pillars of the ministry strategy implemented successfully? If not what is the reason fail to execute at high level? What can be done to improve the ministry effectiveness of turning strategy into action?

Appendices 2. (Testing result)

Figure A. Scatter plot for linearity check



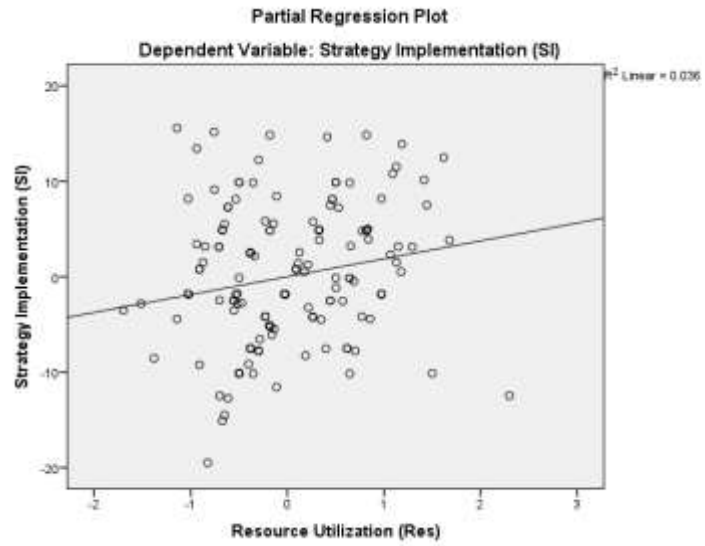


Figure B. Normal P-P plot of residual.

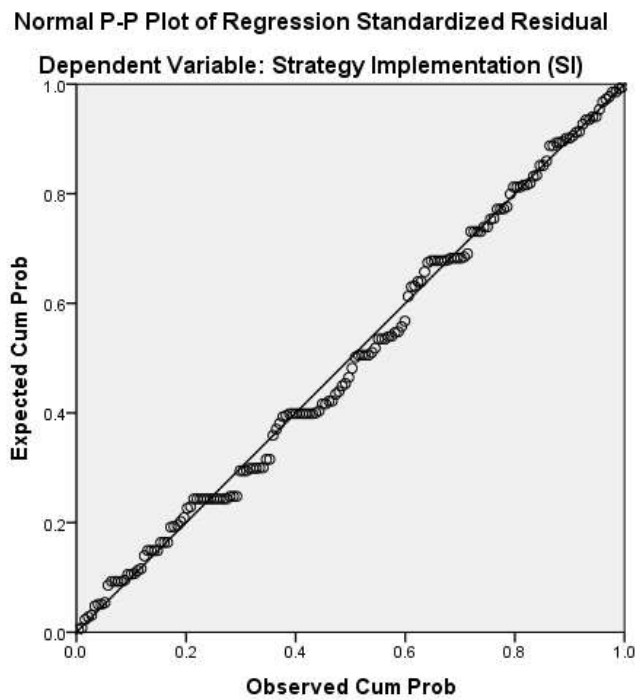


Figure C. Scatter plot for Homoscedasticity

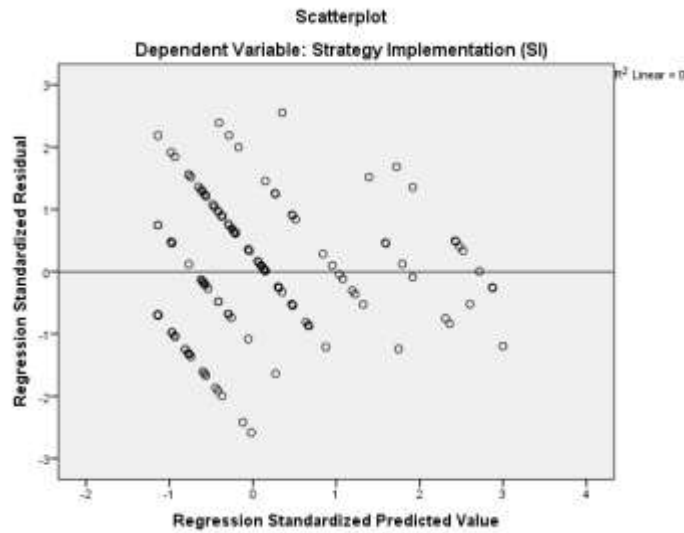


Table A. Estimated model coefficients (Multicollinearity)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
(Constant)	17.877	1.666		10.728	.000	14.586	21.168		
Leadership quality (Le)	6.057	1.011	.382	5.990	.000	4.060	8.054	.390	2.565
Resource Utilization (Res)	1.875	.769	.126	2.438	.016	.356	3.394	.596	1.677
Communication (Comm)	2.390	.773	.153	3.090	.002	.863	3.917	.646	1.547
Organizational Structure (OS)	4.665	1.023	.278	4.558	.000	2.643	6.686	.428	2.336
Organizational Culture (OC)	1.966	.881	.109	2.230	.027	.225	3.706	.662	1.510

a. Dependent Variable: Strategy Implementation (SI)