



**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMIC EXECUTIVE**

MBA Program

**Factors Contributed to the Success of Business Strategy Implementation
Case Study Ethio- International Footwear Cluster Cooperative Societies**

**A Research Project submitted to the Department of Management in
The Partial Fulfillment of the Requirements for the Degree of
Executive Master of Business Administration**

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Lists of Acronym

EIFCCOS	Ethio-International footwear cluster cooperative societies.
COMESA	Common market for East and South Africa
SME	Small and Micro Enterprise
CSC	Cluster Supply China
ELIDI	Ethiopia Leather Industries Development Institutes
SPSS	Statistical Package for Social Science.
ILO	International Labor Organization
CSA	Central statistical Authorities
GTP	Growth and Transformation

Certification

This is to certify that the research project prepared by Mesfin Gebretsadik entitled Factors contributed to the Success of business strategy implementation in ethio-international footwear cluster cooperative society and Submitted in partial fulfillment of the requirement of the degree of Executive Master of Business Administration.

Approved by the examining Committee

Approved by Board of Examiners

_____ Signature _____ Date _____

Advisor Name

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Internal Examiner Name

_____ Signature _____ Date _____

External Examiner Name

Statements of Declaration

I, certify that the research project work entitled “Factors contributed to the success of business strategy implementation in Ethio-international footwear cluster cooperative society is my own work. The work had not presented elsewhere for assessment. Where material has used from other sources, it has been properly acknowledged.

Signature of student

Mesfin Gebretsadik

Abstract

The objective of this study was to investigate what factors contributed to the success of Ethio-international footwear cluster cooperatives in implementing their business strategies. In this study, the descriptive research design was adopted. Top and middle-level managers, BOD, members, EIFCCOS employees, LIDI specialists, AACA and YCA, COMES and UNIDO experts have been among the study's target group. The purposive sampling approach was used to determine the intended sample size for both groups. To collect data, a questionnaire was employed. A PI-chart with frequency and percentages was used to depict the demographic data. Pearson's correlation was used to characterize the data. Statistical Product and Services Solutions (SPSS) were utilized to provide the sampled data in the form of tables.

The cooperatives statute did not adequately address the EIFCCOS organizational structures. The organizational structure lacked clear direction and decision -making authority, lacked proper resource flows, did not address resource availability, and lacked chine of commands and conflicting departments from cooperatives law. The process of determining the proper combination of organizational structure is one of the most important aspects of organizational structure.

In addition, the study established that culture as a factor in accounting for organizational performance has been ignored because it encompasses the taken-for-granted values; that trust and communication, acceptance or rejection blaming toward mistake contribute to outcomes that are more productive; EIFCCOS, resources are not prioritized as important as the strategy's success, and that financial, human, and material resources are not adequately allocated in the department to the strategy's implementation.

The findings revealed that EIFCCOS lacks an institutional coordination system for determining key decision makers (whether on the board, in executive management, in supervision, or at lower levels) who are responsible for activating information sharing and communication on strategy implementation, as well as a system for members. The study further said that EIFCCOS has to reform its organizational structure, as well as new or updated cooperative rules and cluster policies, to help it become more productive and fulfill its goals.

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Chapter one

1 Introduction

1.1 Background of the study

Systematically and regular strategy formulation may be very hard for any manager; however, strategy implementation is an awful lot harder (Hrebiniak, 2006). Empirical evidence indicates that it is problem completely determine the factors affecting strategy implementation process. Unlike strategy formulation focusing on thinking ability, strategy implementation specializes in competencies, organization structures, and competencies to put into effect it. A well-planned strategy does not make sure effective strategy implementation. The allocation of sufficient resources, such as financial, human, and time, as well as the establishment of a chain of command or organizational structure, are all part of strategy implementation. It involves assigning responsibility of specific tasks or methods to particular people or groups. Even the natures of organizations and legal structures have an impact on strategy implementation.

When the organization established, it should be built on deferent legal formation as embodied in its vision and mission. These businesses understand that they need to take different approaches to solve their challenges. The most well-known approach is cluster development, which aims to eliminate shared constraints by combining their activities. Regardless of the form of organization, whether it is a cluster, a partnership, a corporation, a sole proprietorship, or a cooperative, effective strategy implementation is required to attain its objectives.

When attempting to establish a cluster, cluster initiators and leaders face a number of challenges. The most visible is in encouraging cluster participants and members to work together. Building trust is a difficult task, so command and control mechanisms, rules, and the "way we will work together" should carefully considered and agreed upon by each cluster member from the beginning. It is essential to integrate and monitor a coordinated decision-making mechanism.

Clusters might be natural or artificial; however, this study focuses on artificial cooperatives clusters, which were established with the goal of addressing shared constraints among footwear producers (micro and small scale enterprises) working in the Mercato (Natural cluster).

Ethiopia, like other countries across the world, has industrial clusters for micro- and small-scale businesses. Natural clusters are the most common type of cluster in Ethiopia. Although the exact number of natural clusters in Ethiopia is unknown, they are frequent in labor-intensive manufacturing sectors and are usually found in urban centers, rural communities, and tourist destinations.

The footwear cluster in Mercato, Addis Ababa, the metal and woodwork cluster in Mekel, the bamboo work cluster in Hawassa, and the handloom cluster in Addis Ababa are some examples of such clusters (Merima Ali 2012). The footwear cluster in Mercato, Addis Ababa, is a dynamic and natural cluster located in the largest open market known as Mercato. More than 1500 micro and small scale shoe making enterprise, as well as adjacent businesses and complementary activities such as input suppliers (soles, leather, shoe accessories), and service providers, make up the cluster (repair and maintenance, machinery rent etc.). Shoe producing enterprises in the natural cluster buy their raw materials, labor supplies and other services like machinery and equipment maintenance and designing from the cluster.

The majority of the businesses in the natural cluster lack modern management skills and the ability to manage and improve output in a methodical way. The cluster's corporate culture is likewise heavily built on imitation rather than invention, with basic business skills passed down from generation to generation. The natural cluster also lacks a high degree of specialization and inter-firm interaction.

To address the aforementioned problems, EIFCCOS was formed by bringing together about 1000 footwear and related materials producers, suppliers, and marketers, as well as small, medium, and micro units that produce shoe and shoe materials for the local market in a disorganized and dispersed manner. Aside from that, under the cooperative society proclamation number 147/91 published in Addis Ababa, Ethiopia in June 2006, individual shoe producers could be organized as a cluster.

EIFCCOS, as a cluster cooperative society, has organized a very clear line of value chain procedures based on legal agreements, with the goal of eventually being able to produce competitive and high-quality shoes by achieving the highest possible level of integration and

specialization among members, which will undoubtedly lead to increased efficiency improvements in its footwear production.

Though, EIFCCOS used to have good results in terms of generating large local and international shoe sales by mobilizing and integrating the various players in the shoe producer (MSE), this trend can no longer be sustained, and the cluster cooperative is only producing at 20% of its capacity, losing market share in the local market, and nearly stopping exporting shoes abroad. Because there is no proper business strategy to avoid Quality problems, Supply Chain issues, Sales and Marketing problems, Financing issues, and Policy Gaps (lack of guided principles and administration procedures).

COMESA is a partner in improving the Ethiopian leather sector by providing technical assistance and financial support to EIFCCOS. As a result, COMESA developed a business strategy for the SME members of the cluster cooperative (EIFCCOS) to integrate various interrelated activities among the SME in the cluster cooperatives, and the cluster became competent in the local and international markets. Unfortunately, the strategy's implementation was failed. The objectives of this paper was to find out what factors contributed to the Success of business strategy implementation in Ethio-international footwear cluster cooperative societies.

1.2 Statement of the problem

Government-created clusters, particularly for SMEs, are relatively new phenomena in Ethiopia, having begun to emerge in 2003. EIFCCOS was founded with the primary intention of improving working conditions and resolving the numerous and intricate economic, technical, and social issues that have plagued footwear and footwear-related material producers, suppliers, and marketers (SME).

However, the cluster lacks specialized skilled labor in the immediate neighborhood, incurring additional costs for businesses to transport from Mercato (natural cluster) to Yeka location (government formed cluster). The expense of transportation for one laborer to travel from Mercato to EIFCOS is significant on a daily basis. Furthermore, the lack of more technical laborers across the value chain might have an impact on an enterprise's entire production system. In addition, at EIFCCOS, there is a shortage of adequate input suppliers who are unable to match

the expectations of the shoemakers. There are not enough output purchasers in the cluster. The marketing mechanism used by EIFCCOS businesses is to sell their products by going around to the Merkato's shop owners and having no marketing strategy at all. Even if these businesses believe that, in the long run, EIFCCOS will benefit them when it achieves its aim of building an integrated production system and selling its products largely to the export market.

Another problem facing EIFCCOS is the organization's cooperative nature, which begins with a lack of resources and evolves through a lack of cooperative professionalism among leaders, lack of capitalization, bureaucratic structure, intense competition in an increasingly globalized market, and low cooperative member participation in assemblies is the major challenging for EIFCCOS. Wright, Kroll and Parnell (2000) point out that a company can implement a corporate strategy growth when resources are accessible or there are opportunities to increase its market share. The company must develop a procedure to identify attractive business opportunities that add value and improve the corporate strategy. In order to do this, that companies must renovate successful strategy principles into a divergence strategy. Which can serve as a viable effective strategy implementation.

It is defined as the process of converting a well-crafted strategy into actions that enable and ensure that the organization's vision, mission, and strategic objectives are accomplished as outlined in the strategy blue print (Hill & Jones, 2008). The process of strategy implementation is an important part of the overall strategic management process (Mazzolla & Kellermanns, 2010).

Many companies and organizations are much more in their operations and the strategies required succeeding. Many of them, particularly large companies, are always attempting to put theory into action plans. Plans that make it possible for a strategy to succeed. So they have a strategy, but according to studies, more than 70% of businesses that establish strategies fail to implement them (Cândido and Santos, 2015; Holowka, 2015). Indeed, a significant aspect in achieving strategic success is the effective implementation of the strategy.

As previously indicated, a number of factors influence strategy implementation. Political issues, organizational structure, coordination, information sharing, resource allocation, communications,

human resources, incentive systems, change management, organizational values, management authority and influence, and many other elements are all studied.

Few researchers have identified the challenges for EIFCCOS, for example, Sisay Habte's (2005) MBA thesis stated, "to assess the market segmentation practices and challenges of shoe producers organized under Ethio-International Footwear Cluster Cooperative Society" using quantitative and qualitative perspectives, he identified market segmentation gaps and proposed possible measures for improvement. This study, on the other hand, looked into the implementation of the EIFCCOS business strategy and its outcomes.

According to Tigist (2014), EIFCCOS products characterized by low productivity and poor product quality and structure makes it challenges for members to communicate, difficult to integrate, and create collaboration. SMEs in the cluster tend to run their own race, missing the wider picture of attaining higher goals as a group. She also looked into supply chain driver constraints such as inventory, facility, transportation, and information flow. She discovered that there is no coordinated inventory management system, order placement, production, or delivery system, no consistent marketing system, and a lack of working capital. Furthermore, a lack of awareness of the importance of collaboration makes collaboration between upstream and downstream partners difficult, reducing the cluster's overall competitiveness. Finally, she validated the cluster's depiction against characteristics of best-performing clusters such as geographical proximity, coordination, competition, specialization, and trust.

She concludes that the cluster system is highly disorganized and inefficient, as well as slow to respond to market and consumer demands. According to her advice, the cluster should adopt her recommended operational flow of the new CSC model and centralized production management system with a mathematical representation of the new CSC model or cluster supply chain. Tigits was not approached to explore the effects of supply chain management (cluster structure) on strategy implementation; instead, she validated the supply chain problem without demonstrating strategy implementation.

In general, the two researchers deviated from the EIFCCOS' legal and organizational natures, which appear to be cooperative. EIFCCOS is also a pioneering and pilot initiative of

government-formed hybrid cooperatives and enterprises (SME). For example, the organization has a collaborative nature, with a general assembly, boards of directors elected from the assembly, and many committees. Additionally, cooperative members function as individuals (MSE), selling exclusively and profitably. Because of the two different types of nature of the cluster, it is impossible to determine whether it is a cooperative or an enterprise, and thus the researcher is unable to compare organizations. However, using a theoretical analytical process, the researcher looked into the driving causes and inhibitors of EIFCCOS strategy implementation as much as possible, identified elements affecting strategy implementation, and made some recommendations for improving the strategy implementation process. The study identified several factors that influence EIFCCOS's strategy implementation in order to meet its goals, including the strategy itself, organizational structure, organizational culture, resource allocation, institutional and information sharing, and operational plan.

1.3 The purpose of the study

The purpose of the study identified critical factors affecting the implementation of Strategy in Ethio- international footwear cluster cooperative societies.

1.4 Objectives of the study

Unfortunately EIFCCOS is not achieved its objectives, the problems emanating from different perspectives such as lacks of government support, lacks of technical knowledge of cluster, lacks of proper cluster police and absent of proper strategy plan. In this consideration, the research focused on the strategy implementation. In addition, have the following specific objectives

- To study the effect of organizational design and structure on strategy Implementation.
- To investigate the effect of allocation of resources on strategy implementation.
- To identify the effect of the institutional coordination and information sharing on strategy implementation.
- To asserting the effects of organizational culture and operational plan on strategy implementation
- To analyzing the effects of strategy formulation on strategy implementation

1.5 Research Question

The focus of research was find out Factors contributed to the failure of business strategy implementation in Ethio international footwear cluster cooperative societies. The specific questions are as following:

- Could strategy implementation affect EIFCCOS to achieving its objectives?
- How has the company's organizational structure affected strategy implementation?
- How has the company's organizational culture affected strategy implementation?
- How has the company's Organizational resources affected strategy implementation?
- What are factor to affected strategy implementation in EIFCCOS.

1.6 Hypothesis of the Study

H0 :- Organizational structure have no positive relationship with Business strategy implementation.

H1;- Organizational structure have positive relationship with Business strategy implementation.

H0:- Organizational culture have no positive relationship with strategy implementation

H2:- Organizational culture have positive relationship with strategy implementation

H0;- organizational resource (resources allocation) have no positive relationship with business

H3;- organizational resource (resources allocation) have positive relationship with business

H0 :- institutional coordination and information sharing have no positive relationship with business strategy implementation

H4 :- institutional coordination and information sharing have no positive relationship with business strategy implementation

H0:- operational planning have no positive relation with business strategy implementation

H5 :- operational planning have positive relation with business strategy implementation

H0 :- Strategy formulation have no positive relation with business strategy implementation

H6 :- Strategy formulation have positive relation with business strategy implementation

1.7 The Scope and limitation of the research

Among the research on the elements that influence strategy execution are: The key examination topics of this research include organizational structure, organizational culture, organizational resource (resource allocation), institutional coordination and information sharing, operational plan and strategy formulation. The researcher focused on EIFCCOS and collected data from several organizations that have a direct relationship with the organization. It would have been worthwhile to investigate the variables influencing strategy implementation in cluster cooperative societies, but owing to time, money, and other constraints, the scope of this study was likewise confined to evaluate the elements influencing strategy implementation in EIFCCOS.

In terms of the study's limitations, some board members were unwilling to disclose some key information because they assumed the information necessary would be highly sensitive, even though it was not.

Moreover, the research was embodied effectiveness of strategy implementation in EIFCCOS, rather than use comparison of strategy implementations in to similar companies. Because, EIFCCOS organization structure, management system, legal establishment, ownership right and accountabilities, etc. have mixing natures of cooperative and enterprise. As the result, no other replicated these types of organization in Ethiopia. Therefore, the researcher incapable obtained similar organization to comprise in the research .Also the study area limited in Addis Ababa and considering EIFCCOS internal staff and external stakeholder and partners.

1.8 Significance of the study

EIFCCOS was founded in 2006 with the goal of eradicating the challenges faced by footwear producers and developing a model that could be replicated in other sectors and geographical areas. Unfortunately, different factors, such as government and non-government bodies' awareness of the natures of organizations (cluster cooperative societies) and strategy management thwarted this goal. So that this research can be used as a reference for designing strategy and implementing it in hybrid natures of clusters (such as cooperative and enterprise),

also, it can provide an initial idea for further research, government officials can use it as a reference for making policy for cluster cooperatives (hybrid natures of the organization), and it can help to understand what factors influence strategy implementation in the same cluster.

1.9 organization of the paper

This study focused on the factors that influence the implementation of strategy in Ethio-international footwear cluster cooperative societies. It is divided into four chapters: the first is an introduction that includes descriptions of the problems; the second is a literature review. Chapter three is research methodology, chapter four deals with research finding and results, Chapter five conclusion and recommendation, finally indicated the references of the research which was used as a reference in the research project.

Chapter two

2. Literature review

2.1 Theoretical review

2.3 Empirical evidence for the challenges for strategy implementation

The most effective tool for any organization's success is strategy. Proper strategy formulation and execution are needed. This project focused on the factors that influence strategy implementation of Ethio-international footwear cluster cooperative societies' (EIFCCOS), and it drew on the findings of various scholars who studied the factors that influence strategy implementation in foreign businesses.

A very well strategy does not guarantee successful implementation. According to the Central Institute of Economic Management's (CIEM) study on technology and competitiveness survey in Vietnam in 2013 (TCS), approximately 72 percent of Vietnam enterprises have trouble implementing business strategy due to inconsistency and inadequacy. Unlike strategy formulation, which is concerned with intellectual capacity, strategy implementation is concerned with the abilities and skills required to carry it out. The purpose of this study is to look into business strategy implementation and the elements that influence the study question posed here is in what way Ethio can -international footwear cluster cooperative societies implement business

strategy in an effective manner? The study focuses on analyzing and defining the factors that have impact on business strategy implementation, from that to establish research model with 06 independent variables: Organizational structure, Organizational Culture, organizational resources (resource allocation), Institutional coordination and information sharing (Communication), operational planning and strategy formulation. Different research indicated that good strategy implementation is a central activities lead to success and profitability's of any organization. Rather the implementation of strategy should be affected by the following factors.

2.3.1 Organizational structure

A structure that is proportional to the strategy is a critical component of strategy implementation. Based on Chandler theories (1990) imply that structure follows strategy and that structure should be altered to suit the needs of the strategy for successful implementation. There should be a proper balance between decision-making centralization and decentralization (Hrebiniak, 2013). There should also be a commitment to determining the costs and benefits, as well as organizational sections with greater duties and resources to meet the goals and commitments. Centralization, for example, can boost efficiency through specialization and better asset utilization, yet decentralization brings the company closer to the community (stakeholders) it serves. To create an organizational structure that considers both financial and human resource management (budgeting and allocating funds to each department, determining evaluation criteria to analyze the strategy implementation process, and so on) (selection, hiring, training, promotion, conflict management, etc.). As a result, we can say that the side of the structure receives a substantial percentage of the allocation of resources (human and financial) in terms of priority. The allocation of limited resources to a wide range of demands that originate from lower levels is an important duty that must eventually be done at the corporate level. Senior managers in many firms have difficulty picking between projects that have been suggested. Because the financial, technological, and human resources available to support all of the plans are insufficient. Limited resources are the fundamental reason why resource allocation is a highly centralized choice that cannot be outsourced to lower levels.

2.3.2 Organizational culture

Experts and scholars have proposed several distinct definitions. The following is one of the definitions that has been proposed. Positive (controls behavior, encourages stability, provides a source of identity) and negative (resists change and improvement, prevents cross-departmental and cross-organizational collaboration, prevents mergers and acquisitions) roles exist in culture (Scholl, 2003 ;).

Organizational culture is a shared meaning system shared by individuals that distinguishes the organization from others (Robbins, 2005). In any case, the impact of organizational culture on strategy implementation is inevitable (David, 2011; O'reilly, 2008). Because it has an impact on how we do things and how we think about them.

2.3.3 Organizational resources (resource allocation).

Organizational capacities are defined as an organization's shared skills and abilities for planning, organizing, leading, coordinating, and controlling explicit tasks. "Implementation" is known as organizational resources, and it refers to the activities and decisions that must be made in order to carry out strategic objectives (Kuchru, 2005). Physical resources, financial resources, and human resources are examples of tangible organizational resources (Henry, 2008). According to the resource-based view (RBV), competitiveness is based on an organization's existing capabilities and resources, as well as those that it plans to grow in order to gain a sustainable advantage (Henry, 2008).

According to Henry (2008), RBV, focuses on an organization's internal capabilities when establishing a strategy to achieve both higher performance and long-term sustainability in service delivery. According to Pavlou and Sawy (2010), Dynamic capabilities, are defined as the ability to integrate, develop, and reconfigure both internal and external capabilities to deal with rapidly changing situations.

2.3.4 Institutional Coordination and Information Sharing

When it comes to coordination and information sharing, how reliant are organizational units on one another? Do you want to be more self-sufficient? Isn't it true that a coalition coordinates? On

the other hand, is the organization's supply chain internal, requiring a lot of coordination? Creating a functional plan to determine how information and knowledge will be shared and transferred. To fully comprehend and influence the manner in which information is shared, it is vital to understand the characteristics of the sender, the user, the type of information conveyed, and the regions of the organization to which it is related. While a culture of refusing to accept mistakes and blaming others for poor results will have a negative impact on strategy implementation and identifying key decision makers (whether on the board, in executive management, in supervision, or at lower levels) who are responsible for activating the coordination process. EIFCCOS faces challenges in establishing positive institutional coordination with Addis Ababa Cooperatives, even when interdepartmental relations are tough and departments blame each other for failing to take responsibility.

2.3.5 Operational planning

Even if a strategy is correctly formulated, it does not guarantee that it will be implemented successfully. It is necessary to plan for the successful implementation of the strategy. Operational planning is the process of deciding how to attain short-term objectives. It is vital to establish and implement proper operational programs in order to put the strategy into action (Hrebiniak, 2013).

because operational programs are typically short-term in nature and strategies have a long-term horizon, it is necessary to determine appropriate criteria and control methods for evaluating the operational program's results in order to determine whether the strategy is properly implemented and will achieve its objectives, we won't get any results otherwise.

2.3.6 Strategy formulation

The first effective part is good plans that understand the position of the business in the market, define it, and correlate executive components with quantifiable goals strategies should be related to the portfolio of the company and planned to make good use of institutional strengths to gain an edge over market opportunities and challenges, as well as to reveal internal deficiencies (Rahmanseresht, 2005). A successful implementation journey begins with the formulation stage, and good execution cannot compensate for the flaws of a poor strategy or a lack cluster strategic

planning endeavor (Hrebiniak, 2006). The strategy is created by considering the organization's strengths and weaknesses, as well as the possibilities and threats that exist in the environment. This issue influences the implementation of the company's strategies, such as expansion, diversification, integration, joint ventures, divestment strategy, and so on. In other words, implementation may fail if the strategies are not adapted to the organization's strengths and weaknesses, as well as environmental opportunities and threats. Strengths and weaknesses, as well as opportunities and threats, may appear to be useful variables, but it should be remembered that they are only effective when a factor such as the strategy uses them. As a result, the inadequacies of strategy implementation were reflected in strategy planning.

2.4 Conceptual Framework and Definition

This research is to look at the execution of business strategies and the factors that influence it. The research question are, how can EIFCCOS implement its business strategy into practice? The study has to identify and describe the factors that influence business strategy implementation, and then create a research model with six independent variables.

- 1 Organizational structure
- 2 Organizational culture
- 3 Resource allocation
- 4 Institutional coordination and information sharing
- 5 Operational planning
- 6 Strategy formulation (Strategy planning itself)

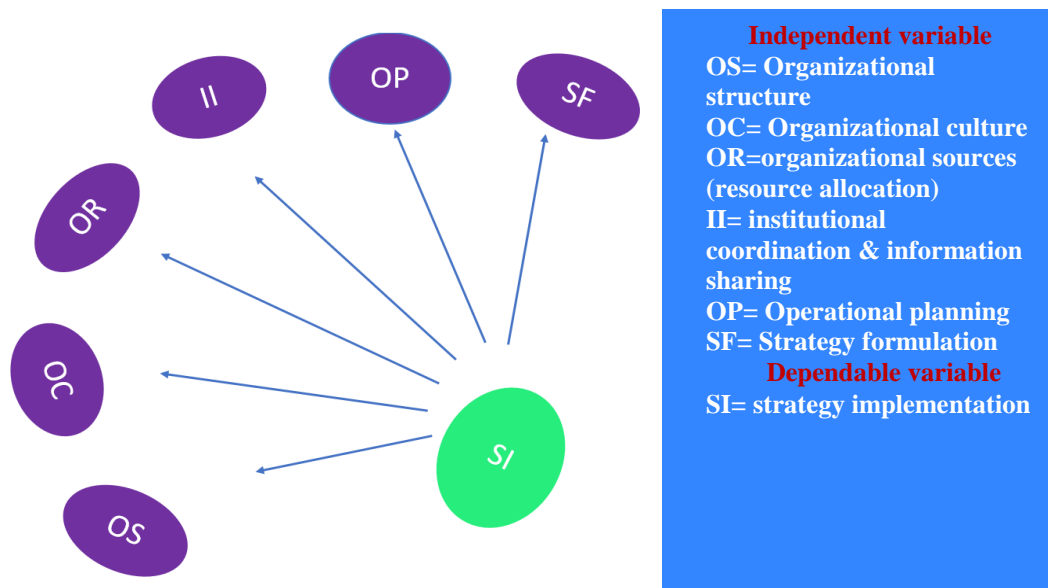


FIGURE 1 CONCEPTUAL FRAMEWORK (SOURCE: OWN LITERATURE REVIEW, 2020).

Chapter three

3 Methodology

3.1 Research Design

This research project will employ a descriptive research design to fulfill the set of objectives. , according to Kothari (2005), Descriptive research comprises surveys and fact-finding questions. The construction and description of variables of concern in a scenario, as well as the portrayal of those features, are aided by descriptive study design. As a result, the researcher synthesized the findings in a way that provides information on the factors that influence EIFCCOS strategy implementation.

3.2 Target Population

The target population for the research study included employees, senior management encompass boards of directors employed in EIFCCOS, Members of the cluster, COMESSA, UNIDO, Addis Ababa cooperative agency officers and ELIDI officers.

3.3 Sampling size and Sampling Approach (techniques).

The researcher employed a purposive sample approach based on the characteristics of the specified study area, and the researcher's interest allowed us to address the research question

utilizing qualitative methods of research design. In addition, the researcher must be able to justify making generalizations based on the samples under study. The study used purposeful sampling because the elements from which data had been gathered to uniform cases (Cheese, 2010). The final sample size is determined by accessibility and the possibility of voluntary involvement of respondents.

We used a Judgmental sampling (purposive sampling) or authoritative sampling, could be a non-probability sampling technique during which the sample members are chosen only on the idea of the researcher's knowledge and judgment. Because the researcher's knowledge is instrumental in creating a sample during this sampling technique, there are chances that the results obtained are going to be highly accurate with a minimum margin of error. The method of choosing a sample using judgmental sampling involves the researchers carefully picking and selecting each individual to be an element of the sample. The researcher's knowledge is primary during this sampling process because the members of the sample don't seem to be randomly chosen. When the researcher execute Judgmental Sampling, while other sampling techniques will consume longer which researcher has confidence in his knowledge to pick a sample for conducting research, the target population comprises of highly intellectual individuals who can't be chosen by using the other probability or non-probability sampling technique. When using judgmental sampling to select a sample, the researchers carefully pick and select each individual who will be a part of the sample. Because the members of the sample do not appear to be chosen at random, the researcher's knowledge is crucial during this sampling process. Purposive sampling is helpful when the target population consists of intellectual individuals who cannot be selected using other probability or non-probability sampling techniques, and the researcher has trust in his expertise to select a sample for research purpose.

According to table 3.1 the respondents are a seven-member board, one general manager, four department heads, and four employees, two a strategy designer partner (COMESSA), eight Addis Ababa cooperative agency, two Ethiopia leather industry, and two UNIDO, and five respondents from members of the clusters who have knowledge of the challenges of implementing the EIFCCOS strategy. Total 35 samples were used in the study. Purposive

sampling allows researchers to extract a lot of information from their acquired data. This enables researchers to describe the broad impact of their results on the public.

Table 3.1 show summery of Sample size and sampling techniques.

N	Segment/sectors	No	Responsibilities(position)	Education	Experi ence in years	Data collection instrument	Sampling Techniques
1	Members of the cluster(owners)	5	Strategy implementer and owner	6 grade-12	10	Close ended question	Purposive
2	Employees, Managers, BOD	16	Strategy implementer and employees	12 grade-MA	2-5	Questionnaire	Purposive
3	Stack holders	14	Support to EIFCCOS			Questionnaire	Purposive
	4.1 COMSA	2	Support to EIFCCOS	MA-PHD	4-5	Questionnaire	Purposive
	4.2 UNIDO	2	Support to EIFCCOS	MA	2-4	Questionnaire	Purposive
	4.3 LIDI	2	Support to EIFCCOS	MA	4-8	Questionnaire	Purposive
	4.4 AACA	4	Support to EIFCCOS	BA	4-10		
	4.5 YC	4	Support to EIFCCOS	BA	4-10	Questionnaire	Purposive
	Total numbers of respondents	35				Questionnaire	Purposive

3.4 Data Collection Instrument and its source.

A standardized self-administered questionnaire was utilized as the primary data collection method in order to conduct the study. Organizational structure, resource allocation, institutional coordination and information sharing, operational planning and strategy design, and other variables of strategy implementation are addressed in the questionnaire. Direct questioning and observational techniques were also used.

3.4.1 Secondary data

The researcher looked at secondary documents on cluster development, cooperative management, and strategy management, with a focus on strategy implementation, authored by various researchers. Websites, the internet, national and international periodicals, and newspapers will all be used in the research.

3.4.2 Primary Data

Respondents must be seen and talked face to face due to the research's design in order to achieve reliabilities and easy access to information. For the survey, I utilized a non-probability sampling method. Questionnaires include a general profile (education, experience, and position) as well as a measurement of strategy implementation in general. The researchers' inquiries are specifically designed to elicit information that will help me with my research. The researchers acquired the information through interviews and firsthand observation. A researcher observed members of the Board of Directors, the General Manager, department managers such as human resource, sales and marketing, finance, and production, as well as EIFCCOS members, at work.

A rating scale called a Likert scale is used to analyze people's opinions, attitudes, and behaviors. In survey research, Likert scales are popular because they make it simple to operationalize personality traits or perceptions. A Likert scale is made up of five or more questions that assess a single attitude or trait when response scores are combined. Each question may assess a different aspect of the overall subject (<https://www.scribbr.com>).30 questionnaires were sent directly to strategy designers and implementers, and all questionnaires were returned to the researcher. In addition, the researcher prepared open-ended and closed-ended questions for five EIFCCOS members in order to collect data on the strategy's effectiveness.

3.5 Description of variable and measurement

The analysis process applied both qualitative and quantitative techniques of data presentation. Data integrity assessments will execute through application of appropriate statistical methods with SPSS. The data will analyze using the statistical techniques such as percentages, frequencies, mean scores. Descriptive statistics has been used to quantify the strength of the relationship between the independent variables (factors strategy implementation) and the

dependent variable (strategy implementation). The degree of influence has been tabulated in order to determine the relationship between factors for strategy implementation and success of strategy implementation. In the regression model, the independent variables are Strategy formulation (strategy itself), organizational structure, organizational culture, organization resource, institutional coordination and information sharing, operational planning; the dependent variable is business strategy implementation. The model's representation is given in the equation below:

$$Y = B_0 + B_1 OS + B_2 OC + B_3 ORS + B_4 II + B_5 OP + B_6 SF + \epsilon_t$$

Where:

Dependent variable, Y = Strategy Implementation

Independent variables:-

B_0 = Constant

B_1 - B_6 = regression coefficients;

SF = Strategy formulation

OS = Organizational Structure

OC = Organizational Culture

ORS = Organization Resource

II = Institutional coordination and information sharing

OP = operational Planning

ϵ_t = error term;

Tables 3.2 Items of independent variable

No	Variables	Components (aspects)	Symbols
1	Organizational structure	<ul style="list-style-type: none"> - EIFCCO's structure are organized with coordination that are facilitating for implementing of a strategy. - Structure is adjusted based on cluster organizational structure that strategy implementations is unblemished and accurate. - There are more resources to achieve the goals and commitments in terms of priority are placed on the side of the structure - An important task that an available financial human resource is sufficient to support all the proposals - EIFCCOS structures are designed to make it easy for strategy implementers to share resources by adhering to cooperative proclamations 	<ul style="list-style-type: none"> - OS1 - OS2 - OS3 - OS4 -OS5
2	Organizational culture	<ul style="list-style-type: none"> - would you have a good culture in avoiding to accept the mistakes and blaming others for poor results - There is certain of inevitable practice for the managerial values in order to putting into practice EIFCCO's strategy - EIFCCO's has a culture that positively controls employee's behavior. - It also have encourages change management by improving the barrier of cross-departmental and organizational collaboration. 	<ul style="list-style-type: none"> OC1 OC2 OC3 OC4

3	Organizational resource(resource allocation)	<ul style="list-style-type: none"> - Adequate resources are available in EIFCCO's - Resource allocations is obtained more management concern for the success of implementation of EIFCCOS strategy - EIFCCO's allocate budget, equipment, people, tools, and data to the project areas where it's most needed - EIFCCO's is assigning and scheduling an available resources in the most effective and economical way - There is veer good management in available resources while working within the task's time, cost, and scope constraints. 	<p>ORS1</p> <p>ORS2</p> <p>ORS3</p> <p>ORS4</p> <p>ORS5</p>
4	Institutional coordination and information sharing	<ul style="list-style-type: none"> - Thiers is a designed functional plan f or determining strategic implementations by means of information sharing and knowledge transfer. - There is Organizational culture that developing a system of sharing ideas with members in order to implement strategies as organization plan lead in into the future. - Do you have an Institutional coordination that is determining the key decision makers (whether on board, the executive management, the supervision or low levels) Responsible for activating the information sharing - A communication on strategy implementation is made to all members - Information is passed through memos to all members 	<p>II1</p> <p>II2</p> <p>II3</p> <p>II4</p> <p>II5</p>
5	Operational plan	<ul style="list-style-type: none"> - EIFCCO's choose the means to achieve short-term goals. - There is operational plan that formulated properly and it does guarantee successful implementation. - It has a successful implementation of the strategy that operatively planned by EIFCCO's. - Operational planning is bring into being that designed to implements the appropriate functional strategies - There are an appropriate criteria and control methods for evaluating the results of the operational program. 	<p>OP1</p> <p>OP2</p> <p>OP3</p> <p>OP4</p> <p>OP5</p>

6	Strategy formulation	- EIFCCO's successful strategic implementation journey starts in the formulation stage of good strategic planning effort	SF1
		- Strategies is linked to the EIFCCO's portfolio and designed for effective use of institutional strengths	SF2
		- The strategy is designed taking into account the strengths and weaknesses of the organization and the opportunities and threats in the environment.	SF3
		- EIFCCO's strategies are chosen by the enterprise, which is enabling growth and integration that influence its implementation.	SF4
		- EIFCCO's strategies are selected tailored to the SWOT considering the natures of the organization..	SF5

3.6 Statistical Analysis

Because of the truth fullness and the effectiveness of data, the researcher conducting purposive sampling tools with experts and proper respondents. I distribute questionnaire as well as take counsel with cooperative experts, chief director's officers of the leather industry development institute. The interviews are designed to get opinion from cooperative members on the factors that influence EIFCCOS' business strategy implementation. Data integrity assessments were carried out using proper statistical procedures with the SPSS version 25 program in order to reap the benefits of research triangulation. The data was analyzed using the following statistical techniques:

3.6.1 Reliability and validity

According to Denzin and Lincoln (2005) , the issues of validity and reliability are significant in qualitative research. According to Stenbacka, (2001), reliability as 'purpose of 'generating understanding' in qualitative approach to research.. Researchers can address dependability by running a second study with identical demographic information, asking similar questions, and data coding in the same manner as the original study (Firmin, 2008). Therefore, clearly stating the demographic of the variables and research questions used to collect data and the coding techniques should be explained clearly.

To ensure reliability, the interview procedure (timing, content, etc.) and data analysis process are clearly discussed; the profile of interviewees is explained in detail; and the interview questions used to collect data from interviewees are clearly prepared and incorporated into the report's annex section. There is a full note in which each interview session is held, however recording the interviews is not allowed because the participants were unwilling to do so. The study's external validity can be improved in the following ways: Purposive sampling allows the researcher to choose samples that represent the aspect of the study that he or she is interested in (Silverman, 2001). The interviewees are mostly individuals who can contribute significantly to the study; thus, the selection is purposeful rather than random. This guarantees that professionals and regulators who are considered knowledgeable about the study problem are consulted. The study investigates data gathered from various stakeholders who support EIFCCOS. The case selection is done to include different groups segregated by ownership and degree of involvement in strategy formulation and implementation in the industry. As a result, using these groups of interviewees can help to improve validity.

In qualitative research, internal validity refers to how well the observations and measurements reflect social reality. It is concerned with the research process and data sources utilized to ensure that the raw data and the researcher's interpretations and conclusions are in harmony.

McMillan and Schumacher (2006) propose a list of strategies for improving validity in qualitative research paradigms, including those related to credibility: data that is accurately and thoroughly described. As a result. In this study, the researcher carefully investigates the inferences obtained from qualitative data by using thematic analysis (categorizing qualitative inputs into multiple themes) to lead the discussion of findings.

3.6.2 Structural Validity

Factor analysis was used to investigate the measurement instrument's structural validity. The entire correlation analysis of items is done using factor analysis. The Kaiser-Meyer-Olkin (KMO) study was used to determine the adequacy of the sample size for factor analysis. Factor analysis was used to investigate the measurement instrument's structural validity. The entire correlation analysis of items is done using factor analysis. Preceding factor analysis, the Kaiser-

Meyer- Olkin (KMO) analysis was assumed to determine suitability of the size of sampling to factor analysis. The KMO value was used to determine if the data was suitable for factor and principal component analysis. Similarly, the Bartlett's test of sphericity was often saw that factor analysis could be used sufficiently be conducted on the data (Ekuma, 2012).

Chapter Four

4 Data Analysis and Interpretation for the Survey

According to Shamoo and Resnik (2003), the process of systematically applying statistical and/or logical approaches to explain and demonstrate, condense and recap, and assess data is referred to as data analysis. Various analytic processes “provide how of generating inductive inferences from data and differentiating the signal (the phenomenon of interest) from the noise (statistical fluctuations) inherent within the data.”

The research data analysis and interpretation methods focus on assigning objectives to the gathered data and identifying the findings' conclusions, relevance, and ramifications. During data analysis, the stapes involved are a function of the type of data obtained, and the analysis data is expressed in statistical terms. On the data, mean, standard deviation, frequency percentage, KMO factor analysis, correlational analysis, regression, and ANOVA are frequently used.

4.2 Respondents information

The descriptive statistics and information on the general data gathered from the questionnaires are presented in this section. The data comprised the respondent's profile, the cluster's strategy, and the effects of its implementation. The results of the questionnaires are then explained in detail as follow.

4.2.1 Data Collection (survey questionnaires)

Prior to constructing the questionnaire, the approach was discussed with the appropriate supporter government body, board members, and managers to analyze the preliminary conditions, and then a primary draft questionnaire was designed based on the interview results. This questionnaire was distributed as again to select respondents and my senior researcher for

advice and comments. After addressing their comments and recommendations, the questionnaires were given to my adviser for his helpful input and suggestions on how to improve their clarity. Following this, the questionnaires were distributed to thirty respondents in accordance with the procedures outlined in Chapter 3s.

The Likert scale was utilized in this study to verify respondent opinions on strategy execution. The questionnaires are then divided into three sections. The primary goal of this section is to learn more about the respondents and create a profile based on their organization and educational level, and background. The second section of the questionnaire looks into strategy implementation-related issues. Factors affecting strategy execution are also covered in the third section of the questionnaire.

4.2.2 Respondents Rate

Thirty questionnaires were sent out to the respondents, and 30 of them were returned. When it came to delivering the most important data, the respondent's response rate was once 100%. In addition, five members of the cluster responded positively to the question (interview), and the researcher observed the work place.

4.2.3 Profile and description of the Respondents in the Survey

As figure 3 indicated that , 3.3 percent have a Ph.D., 30 percent have an MA/MSc, 33.3 percent have a BA, 13,3 percent have a Diploma, 16.7 percent have completed 12th grade, and 3.3 percent have completed TVT. This show that all respondents have been providing reliable information to the researcher.

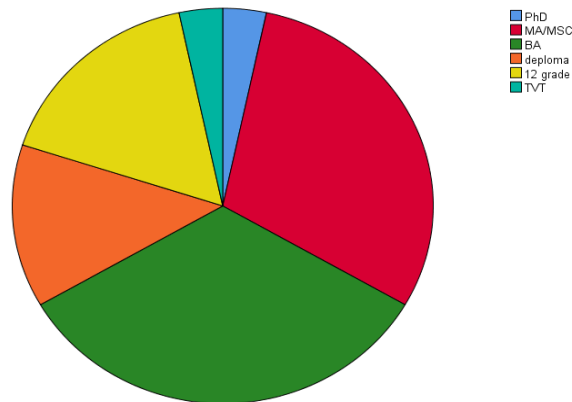


Figure 2 :- Respondents, Educational Levels

As shown in figure 4 , the respondents have a wide range of experience and represent a variety of organizations. They have had direct and indirect interactions with EIFCCOS and have included a variety of individuals with varying levels of responsibility. This diversification made it possible to obtain a great deal of data from a significant source.

From the total number of respondents, 16 (or 53.3%) are EIFCCOS workers (BOD, Managers, and staff), eight individuals (or 26.66%) are Addis Ababa Cooperative Agency experts, including Yeka sub city cooperative experts, and two (or 6.7%) are LIDI experts with leather industry knowledge. In addition, two or 6.7 percent of COMESA individuals and the same amount to UNIDO as a donor. As a result, the researcher was able to make a sound conclusion and generalization for factors influencing EIFCCOS strategy implementation.



Figure 3 Respondents organizations

4.3 EIFCCOS Profile

Clustering is supposed to help with a better understanding of industry's structural evolution and expansion, as well as identifying potential industrial clusters (Yla-Anttila, 1994). EIFCCOS is a cluster cooperative that was formed to assist in the transition of open market footwear artisans in and around Addis Ababa. EIFCCOS was founded primarily to solve the supply and demand constraints that were impeding the expansion of these informal firms into fully-fledged businesses capable of contributing to Ethiopia's growth and development agenda. As a cluster cooperative society, EIFCCOS has brought together those who have been producing shoes and shoe-related products for the local market in a disorganized and dispersed manner. The cluster's objective is to establish very clear value chains based on legal agreements, with the goal of eventually being able to produce competitive and high-quality shoes by achieving the highest

possible level of integration and specialization among members, which will undoubtedly lead to greater and greater productivity improvements in its footwear production systems. This will surely provide the Society an advantage in both domestic and international markets. As a result, the following are its Vision and Mission Statement.

Vision

To make EIFCCOS the National leader in the production of modern and high quality shoes and one of the world class shoe produces, in the future

Mission

To integrate the traditional shoe producers and transform their production system to the very modern ones.



PICTURE 2 EIFCCOS PREMISES

4.4 Data validity and Reliabilities

4.4.1 Reliabilities

The terms reliability and validity are used to assess the quality of research. They describe how well a method, methodology, or examination measures something. The consistency of a measure is called reliability, whereas the accuracy of a measure is called validity (<https://www.scribbr.com>). Prior to performing the analysis, the reliabilities and validities of the data were indicated table 4.3

Table4.3 reliability test with result for dependent and independent variable.

Variables	No, Item	Cronbach's Alpha	Reliability
Strategy Implementation	6	0.87	Reliable
Organizational structure	5	0.91	Reliable
Organizational Culture	4	0.90	Reliable
Organizational Resource (resource allocation)	5	0.90	Reliable
Institutional coordination and information sharing	5	0.90	Reliable
Operational planning	5	0.90	Reliable
Strategy Formulation	5	0.91	Reliable
Total	35		

Source my survey: SPSS, V25.

The reliability with which a method measures something is concerned with the consistency. The measurement is considered reliable if the same result can be consistently achieved using the same methods under the same conditions. As a result, the measuring attribute concerned with accuracy, precision, and consistency is referred to as reliability (Cooper & Schindler, 2014). Cronbach's alpha was once utilized in the calculation to ensure the measuring scales' reliability. Whereas a higher value above 0.6 indicated that the variables were reliable, and a value above 0.9 was considered the most reliable, anything below 0.6 was regarded as inconsistent with the reliability scale, as noted by George Mallery (2003), who stated that the Cronbach's Alpha value should be above 0.6 in order for the scale to be dependable.

The reliability tests of the independent variables EIFCCOS strategy implementation, organizational structure; organizational culture, institutional coordination and information

sharing, organizational resource, operational planning, and strategy formulation are shown in the tables above. The internal consistency reliability check of all individual questions was completed in this method. The reliability test for organizational structure consisted of five questions, with a score of 0.91 signifying a 91% scale reliability. The Alpha Coefficient Range considers this result very high, excellent, and reliable, and the researcher concludes that the questions about organizational structure are acceptable. The reliability test for organizational culture consisted of four questions, with a reliability score of 0.9 or 90 percent. The reliability test for institutional coordination and information sharing consisted of five questions, with a result at about 0.9 or 90%. The operational planning reliability test consisted of five questions, with a result at about 0.9 or 90%. The reliability test for organizational resources (resource allocation) consisted of five questions, with a score of 0.09 (90%). The reliability test for strategy formulation consisted of five questions, with a score of 0.91, or 91%. Finally, the reliability test for strategy execution (dependent Variable), which consisted of six questions and yielded a score of 0.87 or 87 percent, should be considered trustworthy. We can concluded from the preceding table that all things have internal consistency and have become extremely reliable.

Table4.4 Inter item correlation item

Reliability Statistics			
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Based on	N of Items
0.91	0.92		7

Source my survey: SPSS, V25.

When we look at the above table 4.4 inter item correlation matrix results, we can see that the reliability test of the average of all individual items is around 0.91, or 91%. As a result, all independent variables and individual questions are reliable, and Cronbach's Alpha Coefficient is within an acceptable range. It may be determined from an assessment of the research scales and constructs that each variable reflects a reliable construct.

4.4.2 Data Validity

Validity refers to how well a method measures what it is supposed to measure and how accurate it is. When research has a high level of validity, it delivers results that correspond to actual properties, characteristics, and variances. The methods you employ to collect data must be valid in order to produce valuable results: The correctness or truthfulness of an inference drawn from a research study is referred to as research validity (Cooper & Schindler, 2014). The most important criterion is validity, which reveals how well an instrument measures what it claims to measure. This research questionnaire was carefully prepared and tested with a small group of professionals to ensure that it might be improved further. Professionals and the research advisor confirmed the survey questionnaire's content validity. To avoid invalidity, the majority of the questionnaire's contents were derived from secondary sources and EIFCCOS's current problems.

4.5 Descriptive Statistics

The table 4.5 shows a summary of the descriptive statistics for the dependent and independent variables for 30 respondents who are involved in the strategic planning, implementation, and consulting activities. The strategy period is five years long, beginning in 2015 and ending in 2019. The mean, standard deviation, minimum and maximum values for the dependent and independent variables are listed in Table. This data was created to provide an overview of the data utilized in the model.

Table 4.5 Descriptive statistic

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Respondent organization and their responsibilities	30	1.00	6.00	2.2000	1.62735
Respondents levels of education	30	1.00	6.00	3.2000	1.24291
Valid N (listwise)	30				

Source: my own survey, SPSS version 25

There are certain key descriptive statistical analyses that must be mentioned when considering the explanatory variables. The identified respondents' educational level and responsibilities allowed us to obtain knowledge-based responses about the independent variables (such as organizational structure, organizational culture, organizational resources (resources allocation), institutional coordination and information sharing, operational planning, and strategy formulation) all of which have an impact on strategy implementation.

The average educational level of respondents is 3.2, with a maximum efficient scale of six points and a standard deviation of 1.2 from the mean. This suggested that the educational level of the respondent had sufficient information to explain why strategy implementation failed.

The standard deviation reveals that the respondents' Authorities and responsibilities were 1.6 standard deviations from the mean. In terms of authority and responsibilities, the average is 2.2. This Indicating that responsibilities and authorities such as expertise knowledge (experience), and Decision making power to ward strategy execution or strategy design are dispersed by 1.6 from the average. With the minimum impact on authority and responsibilities being one point scale and the maximum impact being four-point scale .As a result of the above descriptive statistic, the researcher was able to infer that the standard deviation variations from the mean are almost identical and the respondent's response is seen around the mean. Therefore, the responses of the respondents are practically look like right and appropriate sources of the research.

4.6 Factor Analysis: KMO (Measure of Data Adequacy)

The suitability of data for effect analysis is assessed using a variety of methods. A prominent diagnostic test is the KMO (Kaiser-Meyer-Olkin) measure of sampling adequacy. KMO is a technique for evaluating how closely the indicators of a construct are associated. It is a measure of a variable's homogeneity. If the KMO is .6 or greater, it is considered an appropriate measure (Sharma 1996). For all domains, the Kaiser-Meyer-Olkin sample adequacy measure is larger than.6. The KMO test indicates that items in each category belong together, since the KMO for all variables is greater than the cut-off value. Besides, it also explains the adequacy of the data to run table 4.6.

Table4.6 Factor Analysis: KMO (Measure of Data Adequacy)

Kaiser-Meyer-Olkin measure of sampling				
Variable name	Factors measurements			Results
Strategy Implementation	Kaiser-Meyer-Olkin	Measure	of	0.99
	Sampling			
Organizational structure	Kaiser-Meyer-Olkin	Measure	of	0.71
	Sampling			
Organizational culture	Kaiser-Meyer-Olkin	Measure	of	0.81
	Sampling			
Organizational resource (resource allocation)	Kaiser-Meyer-Olkin	Measure	of	0.78
	Sampling			
Institutional coordination and information	Kaiser-Meyer-Olkin	Measure	of	0.83
	Sampling			
Operational planning	Kaiser-Meyer-Olkin	Measure	of	0.81
	Sampling			
Strategy Formulation	Kaiser-Meyer-Olkin	Measure	of	0.82
	Sampling			

Extraction Method: Principal Component Analysis.

Source. My own survey SPSS, version 25

Running effect analysis (Principle Component Analysis) was used to check the accuracy of the measurements. After determining the domain of the measures, the goal of component analysis was to see if the items were measuring the same construct and if they were tapping into the same construct. Before conducting impact analysis, items have been classified into six domains, namely: (organizational structure, organizational culture, organizational resource (resource allocation), institutional coordination and information sharing, operational planning and strategy formulation and strategy implementation.

Therefore, Factor analysis followed by varimax rotation was run by using principal component analysis, according to items in each domain across. Since this analysis was designed to study whether items tapping into the domain itself, the extracted variables was used and explained according to factor loading of items in each domain. A Factor loading is the correlation between a variable and impact that has been extracted from the data. The study identified the variables based on the results of the component matrix output. Each variable that gives acceptable impact loading towards factors was considered as tapping and measuring the domain.

As it can be evidenced from Table 4.6, the factor loading for each of the items in the categorized variables is greater than the minimum requirement 0.6 (Sharma 1996). It could be inferred that the items tap the impacts and can measure the variables, which they were designed to explain. A useful byproduct of factor analysis is effect scores. Factor normality scores are composite measures that can be computed for each subject on each impact. They are standardized measures with a mean = 0.0 and a standard deviation of 1.0, computed from the impact score coefficient matrix. The factor scores were employed in the study's following analyses.

4.7 Factors affecting strategy implementation

4.7.1 Organizational structure

A structure that is proportional to the strategy is a necessary component of strategy implementation. Structure comes after strategy, and for successful execution, structure should be adjusted to reflect the needs of the strategy. There should be a healthy balance between centralization and decentralization in decision-making (Hrebiniak, 2013).

Whether the organization structure is designed to be centralized or decentralized is determined by the nature of the activities (technical) that will be undertaken and the objectives of accomplishing organizational goals. Structures clearly identify centralized and decentralized organization powers and duties, providing clear direction for implementing actions that should be outlined to Entrepreneurial firms in these networks benefit because, once developed, the linkages allow firms to enhance their strategic marketing options and compete effectively in, or circumvent, channels normally controlled by larger firms, providing a competitive advantage. The creation of networks of firms as self-help devices for small and medium-sized enterprises

(SMEs) is based on the idea that contacts and cooperation with other firms is the best way for a SME to succeed. There should also be a commitment to determining the costs and benefits, as well as organizational sections with greater duties and resources to meet the goals and commitments.

Unfortunately, the organizational structure of EIFCCOS is not very well connected with theory. The current activities networking among cluster members (departments) is based on the value chain of shoe manufacturing from raw material supply to finished product; however, the networking among actors/members is not clearly indicated to make their respective activities and taking responsibilities to achieve strategy objectives. As a result, organizational structure, is not whether centralized or decentralized, should be taken into account when developing a strategy .Tabel 4.4 revealed that 53.3 percent of respondents believe the EIFCCOS organizational structure does not organize monitoring, planning, coordination, and responsibilities sharing to make strategy implementation easier. 3.3 percent of respondents said that the EIFCCOS organization is capable of good strategy implementation, but they were not given a rationale for their response. As a result, the major factor affecting strategy execution in EIFCCOS are centralized or decentralized (structure) activities with co - operation.

Clustering is supposed to aid in a better understanding of industry's structural evolution and expansion, as well as the identification of potential growth areas (Yla-Anttila, 2007). In line with this notion, EIFCCOS was founded to jointly address supply and demand constraints that were impeding the growth of these informal enterprises into full-fledged firms capable of contributing to Ethiopia's growth and development agenda.

Members will be able to make competitive and high-quality shoes by achieving the highest level of integration and specialization feasible, based on a legal agreement and a very transparent value chain (EIFCCOS Business Model, 2019). The cluster's business model is focused on the value chain of shoe manufacturing, from raw material supply to final product delivery

This is done in such a way that member interests and experience are taken into account, and they are able to participate in the value chain production process based on their packages. Design package, raw material supply package, cutting package, upper making package, lasting and

finishing package, and marketing package are among the participation packages. However, the structure was not designed in accordance with the strategy, and it was unable to meet the stated objectives. Table 4.7 shows that 60% of respondents believe the EIFCCOS organizational structure is neither appropriate nor compatible with cluster organizational structure to meet their objectives. Only 3.3 percent of the respondents agree that strategy confirmability is linked to cluster nature.

The collection of producers, customers, and competitors, whether geographically close or linked by complementary expertise, boosts efficiency and specialization. Agglomeration increases innovation and, in particular, technology spill overs, which generate positive externalities. Small firms don't need to bear the whole burden of developing new technologies, finding new markets, training skilled workers, or raising capital. Many of the costs of specialization are shared by or embedded in a dense network of institutions. Unfortunately, due to inadequate cluster arrangements, making it difficult to apply strategy efficiently and effectively, as well as the violet theory of cluster structural development, EIFCCOS is unable to get this clustering benefit. Clusters are made up of a number of corporate members and partners whose input, communication, norms of involvement, and rules of cooperation should all be properly organized and structured to promote openness, fairness to all members, and member accountability. Clusters are structured in three ways: legal form/status, structure (member competencies, roles, and responsibilities: who does what, and who is responsible for what inside a cluster), and systems (formal organization of processes within a cluster). This organizational structure allows for easy movement of allotted resources within the cluster network; nonetheless, EIFCCOS lacks such organizational structures for allocating resources and enabling strategy implementation. 50% of respondents disagree that resource allocation should be based on priorities identified for effective strategy implementation. Only 3% of respondents agree that resources are allocated according to priorities. As a result, the EIFCCOS organizational structure is not a priority for activities that need financial or technological resources. Even so, there is no clear organizational structure in place to carry out the strategy.

The organizational structure of a cooperative is predicated on democratic principles. As owners of the business, the members are the choice makers. Members chosen a Board of Directors from amongst themselves to administer their cooperative. The Board of Directors makes the policies subject to approval of the members through the overall Assembly. The Board of Directors hires a Manager to supervise the daily operations of the cooperative (Cooperative Societies Proclamation No. 985/2016).

EIFCCOS was established in Addis Ababa in June 2008 by bringing together approximately 1000 footwear and related material producers, including small, medium, and micro units, under the Proclamation for Cooperative Society number 147/1991. Regrettably, the EIFCCOS structure has not properly articulated how to implement the cooperative proclamation. Members operate as they are running their own business, but they are also supposed to be members of cooperatives.

The existing EFCCOS organizational structure is made up of the General Assembly/GA, a supervision and compliance committee that reports to the GA, a council of representatives that reports to the GA, a management committee that reports to the council of representatives, and a general manager who is responsible for five departments and reports to the management committee. Rather of working together, each person works independently based on their profession.

The international governance principles of cooperatives even in Ethiopia, it should be noted that cooperative governance consists of a three-tiered system: General Assembly (decision-making body), Board of Directors (policy-making body) and Management (day-to-day operations). From this perspective, the existing EIFCCOS governance structure comprises of General Assembly/GA/, supervision and compliance committee accountable to GA, council of representatives accountable to GA, Management committee accountable to council of representative and general manager having five departments under it and accountable to management committee. This structure is found to be not in line with international cooperative governance system. We are able to generalized organizational structure are effect strategy implementation because 86.7 % of respondents claimed that EIFCCOS structure is not suitable with cooperative organizational structure.

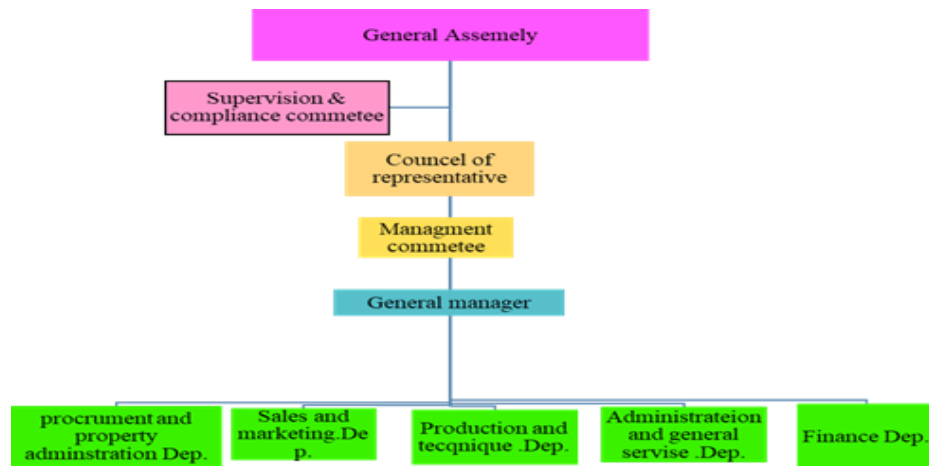


Figure 5 EIFCCOS, organizational Structure

Table4.7 Organizational structure effects on strategy implementation

NO	Variables/factors	Questions	Respondents Answer in percent(Response categories)		
			Answer categories	F	%
	Organizational Structure	- EIFCCO's structure are organized with coordination that are facilitating for implementing of a strategy.	Strongly is Agree	16	53.3
			Dis Agree	10	33.3
			Neutral	3	10
			Agree	1	3.3
			Strongly Agree	-	-
			Total	30	100
		- Structure is adjusted based on cluster organizational structure that strategy implementations is unblemished and accurate.	Strongly Dis agree	8	26.7
			Dis Agree	18	60
			Neutral	3	10
			Agree	1	3.3
			Strongly Agree	-	-
			Total	30	100
		- There are more resources to achieve the goals and commitments in terms of priority are placed on the side of the structure	Strongly Dis Agree	16	50.3
			Dis Agree	10	33.3
			Neutral	3	10
			Agree	1	3.3
			Strongly Agree	-	-
			Total	30	100
		- An important task that an available financial resource is sufficient to support all the proposals	Strongly Dis Agree	15	50
			Dis Agree	11	36.7
			Neutral	3	10
			Agree	1	3.3
			Strongly Agree	-	-
			Total	30	100
- EIFCCOS structures are designed to make it easy for strategy implementers to share resources by adhering to cooperative proclamations	Strongly Dis Agree	15	50		
	Dis Agree	11	36.7		
	Neutral	3	10		
	Agree	1	3.3		
	Strongly Agree	-	-		
	Total	30	100		

4.7. 2 Organizational Culture

According to Miller mentioned in (Gachie, 2014), Organizations fail to implement around 70% of their unique strategy due to inadequate organizational culture, Previous strategy research has consistently identified organizational culture as a factor influencing strategy implementation (Isaboke, 2015; Gachua &Orwa,2015;Abok,etal.2013; Muthoni, 2012; Wanjiku, 2012).Successful strategy implementation requires doing an excellent job of establishing and strengthening competitive skills through people motivation and reward in a strategy-supporting manner, all of which is dictated by a well-built organizational culture(Mr. Smith (2011). The true worth of a strategy can only be realized through its implementation; the ability to implement a strategy is more important than its excellence (Kiplagat, 2014).

An organizational philosophy describes how employees work, what they offer, whether they accept or reject performance feedback, and how they are organized to reach organizational goals and achieve their objectives. The implementation of the EIFCCOS strategy was influenced by organizational philology. According to table 4.8, 66.7 percent of respondents answered that if they make a mistake on their job, they will not respond positively. For answering the questions, 33.3 percent of respondents chose neutral. One element of culture that contributes to the success of strategy execution is the employees' norms and values to accept their mistakes. Unfortunately, EFCCOS staff, including the board of directors, are unable to accept responsibility for their mistake. This key aspect of culture has an impact on the implementation of the EIFCCOS strategy. When the researcher spoke to an expert from the Addis Ababa cooperative agency, EIFCCOS management refused to accept advice when it came to keeping cooperative laws. Finally, the Addis Ababa cooperative agency has decided to suspend support and has moved to dissolve the cooperatives if they do not correct their mistakes. Organizational culture is a collective behavior of people who are part of an organization and it is formed by the organization values, visions, norms, working language, structures, codes, beliefs and customs Schein, (2004). As a result, organizational culture appears to have a major impact on an organization's strategy (Van Buul, 2010). According to 66.6 percent of the research respondents, EIFCCOS employees in general, managers' in particular values to ward cooperatives haven't putting in practices and

contribute to the success of strategy implementation. Organizational culture has the power to shape an organization's capacity for change as well as the ability to nurture the speed and effectiveness with which things are done, which necessitates the abilities and competences of the appropriate managers for strategy implementation (Ayiecha & Senaji, 2014). According to the EIFCCOS respondents, there is no positive organizational culture to guide and control employee behavior, and people are resistant to management changes.

Table4.8 Organizational Culture effects on strategy implementation

NO	Variables/factors	Questions	Respondents Answer in percent (Response categories)		
			Answer categories	F	%
2	Organizational Culture	- would you have a good culture in avoiding to accept the mistakes and blaming others for poor results	Strongly Dis Agree	12	40
			Dis Agree	8	26.7
			Neutral	10	33.3
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- There is certain of inevitable practice for the managerial values in order to putting into practice EIFCCO's strategy	Strongly Dis Agree	13	43.3
			Dis Agree	7	23.3
			Neutral	10	33.3
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- EIFCCO's has a culture that positively controls employee's behavior.	Strongly Dis Agree	12	40
			Dis Agree	8	26.7
			Neutral	10	33.3
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- It also have encourages change management by improving the barrier of cross-departmental and organizational collaboration.	Strongly Dis Agree	13	43.3
			Dis Agree	7	23.3
			Neutral	10	33.3
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100

4.7.3 Organizational resource availabilities (resource allocation)

This section looks into the impact of resource allocation on strategy execution. The resource-based perspective hypothesis views the firm as a combination of resources and capabilities made up of physical, financial, human, and intangible assets, all of which are critical to the institution's success and growth (Kazmi et al, 2008). According to Murithi (2009), Resources, are required for the successful implementation of the strategy and strategies. It is true in EIFCCOS that implementing a strategy is difficult when resources become scarce. According to the respondents, 90% of them believe that appropriate resources are not available to carry out the strategy. As seen in Table 4.9 management does not give much attention for resource allocation, even during the formulation process; financial analysis toward finance does not identify the source of funding. In summary, we can infer that the most significant obstacles to strategic implementation were a lack of resources.

Table4.9 Organizational resource availabilities effects on strategy implementation

NO	Variables/factors	Questions	Respondents Answer in percent(Response categories)		
			Answer categories	F	%
3	Organizational resource availabilities	Adequate resources are available in EIFCCO's	Strongly Dis Agree	20	66.7
			Dis Agree	7	23.3
			Neutral	3	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- Resource allocations is obtained more management concern for the success of implementation of EIFCCOS strategy	Strongly Dis Agree	20	66.7
			Dis Agree	7	23.3
			Neutral	3	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- EIFCCO's allocate budget, equipment, people, tools, and data to the project areas where it's most needed	Strongly Dis Agree	22	73.3
			Dis Agree	5	16.7
			Neutral	3	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- EIFCCO's is assigning and scheduling an available resources in the most effective and economical way	Strongly Dis Agree	19	63.3
			Dis Agree	8	26.7
Neutral	3		10		
Agree	-		-		
Strongly Agree	-		-		
Total	30		100		
- There is veer good management in available resources while working within the task's time, cost, and scope constraints.	Strongly Dis Agree	21	70		
	Dis Agree	6	20		
	Neutral	3	10		
	Agree	-	-		
	Strongly Agree	-	-		
	Total	30	100		

4.7.4 Institutional coordination and information sharing impacts on strategy implementation

The institutional coordination and information sharing is important aspect of strategy implementation. Coordination is done through a coalition, or the organization's supply chain is internal and requires a high level of coordination, such as developing a functional plan for defining how information sharing and knowledge transfer will take place. (Griffin and Moorhead, 2011). Identifying the key networks of information sharing systems in order to obtain the correct information and establish positive relationships among departments, even those outside the organization (whether on the board, in senior management, or at lower levels of management) who are responsible for establishing coordination and information sharing with and without the organization. According to table 4.10, More than 90% of respondents indicated that Institutional coordination and information sharing systems are not acknowledged one of the success factors of strategy implementation. There are no defined departmental networks to implement the strategy as a common goal, and there are no ways or systems to link for external organizations even in internal cooperation. They are unable to identify the nature of information transfer to and keep as an organizational secret due to a lack of understanding and a lack of a proper communication framework for information sharing. Therefore, the success or failure of strategy implementation is contingent on this system of information sharing and institutional coordination as well.

Table4.10 Institutional coordination and information sharing impacts on strategy implementation

N O	Variables/factors	Questions	(Response categories)		
			Answer categories	F	%
4	Institutional Coordination And Information	- Thiers is a designed functional plan f or determining strategic implementations by means of information sharing and knowledge transfer	Strongly Dis agree	16	53.3
			Dis Agree	14	46.7
			Neutral	-	-
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		.- There is Organizational culture that developing a system of sharing ideas with members in order to implement strategies as organization plan lead in into the future	Strongly Dis Agree	16	53.3
			Dis Agree	12	40
			Neutral	2	6.7
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- Do you have an Institutional coordination that is determining the key decision makers (whether on board, the executive management, the supervision or low levels) Responsible for activating the information sharing	Strongly Dis Agree	16	53.3
			Dis Agree	11	36.7
			Neutral	3	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		A communication on strategy implementation is made to all members	Strongly Dis Agree	14	46.7
			Dis Agree	14	46.7
			Neutral	2	6.7
			Agree	-	-
			Strongly Agree	-	-
			Total	30	10
Information is passed through memos to all members	Strongly Dis Agree	14	46.7		
	Dis Agree	14	46.7		
	Neutral	2	10		
	Agree	-	-		
	Strongly Agree	-	-		
	Total	30	100		

4.7.5 Operational Plan impacts on strategy implementation

Even if the strategy is well crafted, it does not guarantee that it will be implemented successfully (Hrebiniak, 2013). For a successful execution, the strategy should be matched with operational planning. Operational planning is the process of deciding how to attain short-term objectives. In order to achieve the goal, it is critical to develop and implement an effective operational plan. Because the operational plan is largely short-term, it is vital to define acceptable criteria and control techniques for evaluating the operational plan's performance in order to determine whether the strategy is adequately implemented and will achieve its goals. Otherwise, we will not receive the expected benefits from the strategy. According to table 4.11, 75% of respondents believe that the operational plan is not derived from the strategy plan, that it is deviated or not aligned with the strategy, and that there are no evaluation criteria to determine whether operational plan contribute to the strategy's achievement or not. So that we can conclude that, the failures of strategy implementation in EIFCCOS are due to the operational plan.

Table 4.11 Operational Plan impacts on strategy implementation

NO	Variables/factors	Questions	Respondents Answer in percent (Response categories)		
			Answer categories	F	%
5	Operational Plan	- - EIFCCO's choose the means to achieve short-term goals.	Strongly Dis Agree	23	76.7
			Dis Agree	5	16.7
			Neutral	1	3.3
			Agree	1	3.3
			Strongly Agree	-	--
			Total	30	100
		- There is operational plan that formulated properly and it does guarantee successful implementation.	Strongly Dis Agree	21	70
			Dis Agree	6	20
			Neutral	3	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- It has a successful implementation of the strategy that operatively planned by EIFCCO's.	Strongly Dis Agree	22	73.3
			Dis Agree	6	16.7
			Neutral	2	10
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
		- Operational planning is bring into being that designed to implements the appropriate functional strategies	Strongly Dis Agree	22	
			Dis Agree	6	
Neutral	2				
Agree	-		-		
Strongly Agree	-		-		
Total	30		100		
- There are an appropriate criteria and control methods for evaluating the results of the operational program.	Strongly Dis Agree	23	76.7		
	Dis Agree	5	16.7		
	Neutral	2	6.7		
	Agree	-	-		
	Strongly Agree	-	-		
	Total	30	100		

4.7.6 Strategy Formulation

Because a successful implementation journey begins with the formulation stage (Rajasekar, 2014), and since good execution cannot substitute for the flaws of a weak strategy or strategic planning endeavor (Hrebiniak, 2006). The five-year EIFCCOS strategy plan failures began with the crafting stages, as indicated by the fact that 80 percent of respondents said that the EIFCCOS strategy implementation journey began with a lack of appropriate strategy formulation. As evidenced by the research, good strategy formulation contributes to strategy implementation success. Unfortunately, adopting good strategy formulation to achieve its vision and objective has not benefited EIFCCOS.

Strategies should be linked to the organization's portfolio and aimed to capitalize on institutional strengths to gain a competitive advantage in market opportunities and challenges, as well as to expose internal flaws (Rahmanseresht, 2005). It is required to setting up effective skill assessment and anticipation systems, such as the ability to identify clear objectives, abilities, and an awareness of the necessity of considering current events while strategizing. Consider Current Events effective strategy creation must take into consideration the information and knowledge you have about your organization, other firms, and the fundamental theories of economics, just as it must take into account the economic, social, and political context (Consider Data, Case Studies, and Trends, Set and Effectively Communicate Goals).

Table.12 demonstrates that the majority of respondents lack the necessary experience to design strategy, as some have theoretical understanding but no experience, while others lack an educational background but have traditional shoemaking experience. According to 83.3 percent of respondents, Strategies are not adequately, adapted cluster linkage to the EIFCCO's portfolio, and developed for effective use of institutional strengths, there is no other equivalent organization in Ethiopia, or even across the continent, according to the reply. However, more research is needed to confirm or deny the respondents' explanation.

Environmental opportunities and threats, as well as organizational strengths and weaknesses, are like instruments that have no force or value on their own, but are used as a mechanic by strategy (Rahmanseresht, 2005). Many businesses continue to have significant failure rates when it comes

to putting their strategy into action. This occurs as a result of a failure to pay attention to both internal and external environmental factors. According to 86.7 percent of respondents, EIFCCOS strategy design is not detailed evaluated and does not take into consideration the organization's strengths and weaknesses, as well as opportunities and threats from the environment. Furthermore, when the cooperative's strategy was developed, the cooperative's professionals were not among the members. This group of experts was unable to participate in the strategy creation process, and the resulting strategy lacked cooperative natures and failed to adhere to cooperative principles. In this scenario, most of cooperatives professionals are blaming EIFCCOS structures and the overall strategy documents.

The strategy is formulated with the organization's strengths and weaknesses in consideration, as well as opportunities and threats in the environment. This issue affects the implementation of the company's strategies, such as growth, diversification, integration, divestiture strategy, and so on. But, 83.3% of the respondents indicated that EIFCCO's strategies are not chosen by the enterprise which is enabling growth, diversification, integration, that influence its implementation

While strengths and weaknesses, as well as opportunities and threats, may appear to be successful variables, it should be noted that they are only useful when a factor like the strategy employs them.

In general, given the organization's natures, EIFCCO's strategies are not adapted to the organization's strengths and weaknesses, as well as environmental opportunities, considering the natures of the organization. As a result, the current organizational structure and management system are incompatible with the cooperative or enterprise's nature of organization.

Table 4.12 strategy formulation effects on strategy implementation

NO	Variables/factors	Questions	Respondents Answer in percent(Response categories)		
			Answer categories	F	%
6	Strategy formulation	- EIFCCO's successful strategic implementation journey starts in the formulation stage of good strategic planning effort	Strongly Dis agree	24	80
			Dis agree	5	16.7
			Neutral	1	3.3
			Agree	-	-
			Strongly Agree	-	-
			Total	30	100
			- Strategies is linked to the EIFCCO's portfolio and designed for effective use of institutional strengths	Strongly Dis agree	25
		Dis agree	3	10	
		Neutral	2	6.7	
		Agree	-	-	
		Strongly agree	-	-	
		Total	30	100	
		- The strategy is designed taking into account the strengths and weaknesses of the organization and the opportunities and threats in the environment..	Strongly Dis agree	26	86.7
		Dis agree	4	13.3	
		Neutral	-	-	
		Agree	-	-	
		Strongly Agree	-	-	
		Total	30	100	
		- EIFCCO's strategies are chosen by the enterprise, which is enabling growth and integration that influence its implementation.	Strongly Dis agree	25	83.3
		Dis agree	4	13.3	
		Neutral	1	3.3	
Agree	-	-			
Strongly agree	-	-			
total	30	100			
		- EIFCCO's strategies are selected tailored to the SWOT considering the natures of the organization	Strongly Dis agree		
			Dis agree		
			Neutral		
			Agree		
			Strongly agree		
			Total		

4.8 Strategy Implementation Insight

Largely speaking, strategy implementation is a motivated, complicated and repetitive process including a number of manager and staff's decisions and activities affected by a variety of internal and external factors for the proposed strategy. Once strategy has been determined, it is the job of the general manager to ensure that the strategy is embodied in all that his or her organization does. Simply said, the main purpose of strategy implementation is to ensure that the company's goals and other operations are in harmony. In general, there are two types of fits that must be created: 1) alignment of strategy with functional policies; 2) alignment of strategy with organizational structure, processes, and systems (Nag, 2011).

According to the findings, strategy's impacts are far from its goals. The overall strategy implementation was unsuccessful in achieving its goals. According to the table13,70% of respondents stated that EIFCCO's coordination and implementation of actions that aid in the implementation of the strategy are insufficient. The management committee's leadership and direction are insufficient throughout the strategy's implementation within the allotted timeframe, and the management committees, members' roles are not clearly defined, and cooperative principles are not followed during the strategy's implementation.

According to 73.33 percent of the respondents, the management committee for playing safe establishing a conducive working climate in EIFCCO's and for its working with Addis Ababa cooperatives agency officials is dismantled and full of disagreements. So we can deduce from the respondents' perspectives on strategy implementation that the EIFCCOS strategy is not implemented effectively and efficiently.

Table 4.13strategy Implementation insights

No	Variables/factors	Questions	Respondents Answer in percent (Response categories)		
			Answer categories	F	%
1	Strategy implementation insight	EIFCCO's has adequate coordination and implementation of activities	Not at all	21	70
			less extent	3	10
			Moderate extent	5	16.66
			large extent	1	3.33
			Very large extents	-	-
			Total	30	100
		Leadership and direction provided by the management committee is adequate during the implementation of the strategy takes place within the allocated time	Not at all	21	70
			less extent	1	3.33
			Moderate extent	7	23.33
			large extent	1	3.33
			Very large extents	-	-
			Total	30	100
		Roles of the management committee and members are clearly indicate and follow cooperatives principles in the implementation of the strategy	Not at all	21	70
			less extent	1	3.33
			Moderate extent	7	23.33
			large extent	1	3.33
			Very large extents	-	-
			Total	30	100
		The management committee create a climate for the EIFCCO's and for its values working with Addis Ababa cooperatives agency officials	Not at all	22	73.33
			less extent	3	10
			Moderate extent	4	13.33
			large extent	1	3.33
			Very large extents	-	-
			Total	30	100
		Management committee contribute to the EIFCCO's in terms of time, expertise and money	Not at all	23	76.66
			less extent	3	10
			Moderate extent	3	10
large extent	1		3.33		
Very large extents	-		-		
Total	30		100		
An assessment on strategy implementation is carried out frequently and key issues are addressed on time.	Not at all	23	76.66		
	less extent	3	10		
	Moderate extent	3	10		
	large extent	1	3.33		
	Very large extents	-	-		
	Total	30	100		

4.9 Correlation analysis

Table4.14 correlation

		SI	OS	OC	OR	II	OP	SF
SI	Pearson Correlation	1						
	Sig. (2-tailed)							
	N	30						
OS	Pearson Correlation	0.717*	1					
	Sig. (2-tailed)	0.000						
	N	30	30					
OC	Pearson Correlation	0.801	.458	1				
	Sig. (2-tailed)	.000	.011					
	N	30	30	30				
OR	Pearson Correlation	.805	.545	.679	1			
	Sig. (2-tailed)	.000	.002	.000				
	N	30	30	30	30			
II	Pearson Correlation	.837	.481	.547	.589	1		
	Sig. (2-tailed)	.000	.007	.002	.000			
	N	30	30	30	30	30		
OP	Pearson Correlation	.778	.447	.652	.409	.694	1	
	Sig. (2-tailed)	.000	.013	.000	.025	.000		
	N	30	30	30	30	30	30	
SF	Pearson Correlation	.790	.555	.552	.526	.635	.705	1
	Sig. (2-tailed)	.000	.001	.002	.003	.000	.000	
	N	30	30	30	30	30	30	30

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

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

In its broadest sense, correlation is a measure of a relationship between variables. In correlated data, a change in one variable's magnitude is linked to a change in another variable's magnitude, either in the same (positive correlation) or opposite (negative correlation) direction, it give us the strength and direction of the monotonic relation between the connected variables. The correlation coefficient examines the strength and direction of the linear relationship between two variables (Christen et al. 2014). The correlation coefficient can range between -1 and +1, the larger the absolute value of the coefficient; the stronger the relationship between the variables. Zero (0) shows no connection among two variables. The relationship's visible way the relationship's direction. $P\text{-value} \leq \alpha$: The correlation is statistically significant; if the p-value is less than or equal to the significance level, then we can conclude that the correlation is different from 0. If the p-value is greater than the significance level, the correlation is not statistically significant, then you cannot conclude that the correlation is different from 0 (Cooper & Schindler, 2014).

According to Hutcheson, (2011) and Daniel (2014), When Pearson's r is close to #1, this means that there is a strong relationship between your two variables. This means that changes in one variable are strongly correlated with changes in the second variable, which is not meant that have multi collinearity problem. As such, the following table shows the correlation between factors with strategy execution.

According to correlation table, 4.13 we can see that most of the independent constructed variables were correlated with strategy implementation. Among the variables the highest and strong correlation coefficient was found between Institutional coordination and organizational structure($r=0.717$) and strategy implementation, Organizational culture and strategy implementation($r= 0.801$) organizational resource (resource allocation) and strategy implementations($r=0.805$), Institutional coordination and information sharing and strategy implementation($r=0.837$), operational plan and strategy implementation($r= 0.778$) and strategy formulation and strategy implementation($r= 0.790$). In this correlation result , the highest Pearson's (r) which is interpreted as; institutional coordination and information sharing are powerfully correlated with strategy implementation ($r=0.837$, $p<0.01$). This means that the two variable have been a strong positive relationship. In addition, organizational structure is lower correlation

to strategy implementation compare to the rest of the variable($r=0.717$).So we can conclude that all constructed variables have positive correlation and the p (sig) value is less than $=0.05$ level. Therefore, the constructed independent variables correlation with strategy implementation is significant.

4.10 Analysis of Multiple Liner Regression Results

After examining the relationship between the independent variables of organizational structure, organizational culture, organizational resources (resource allocation), institutional coordination and information sharing, operational planning and strategy formulation, and the dependent variable of Strategy implementation in EIFCCOS, multiple regression analysis was performed using overall strategizing. The regression result can be used to evaluate the relationship between a dependent variable and independent variables.

Table 4.15 depicting the results.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.990a	.979	.974	.16094

a. Predictors: (Constant), OS, OC,OR, II, OP,SF.

Source, my own survey, SPSS version 25 2021.

R and R2 are two crucial factors in the preceding table 4.14. R reveals a significant positive relationship of 0.99, which means there is a 99 percent correlation between the variables. The R2 value of 0.972 indicates that the independent variables can predict 97.2 percent of the variance in the model, or that the generated independent variables can explain 97.2 percent of strategy implementation. However, the remaining 2.8% change in strategy implementation in EIFCCOS caused by other variables that are not included in the model. Therefore, the constructed factors affecting strategy implementation variables (such as, organizational structure, organizational culture, organizational resource, institutional coordination and information sharing, operational planning and strategy formulation) good explanatory variables of the strategy implementation of Ethi-international footwear cluster cooperatives societies.

4.10.1 ANOVA Analysis result

Table 4.16 a nova results

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.198	6	4.700	181.447	.000b
	Residual	.596	23	.026		
	Total	28.793	29			
a. Dependent Variable: SI						
b. Predictors: (Constant), OS,OC,OR,II,OP.SF						

Source: my own survey SPSS version 25, 2021

According to the ANOVA test in table 4.15, The Sig. value 0.05 is more than the computed Sig. value of.000. At the 5% significance level, this table illustrates the statistically significant relationships between the six independent variables (organizational structure, organizational culture, reorganizational resource, institutional coordination and information sharing, operational planning and strategy formulation) and strategy implementation. This implies that the six explanatory variables have a significant influence on strategy execution. Nonetheless, this does not imply that each of these variables has an equal impact on the strategy's execution. Besides the F statistics (F=181.447), which were used to measure the overall test of significance of the model, the model was well fitted at the 5% level of significance.

4.10.2 Regression Coefficient Analysis

Table 4.17 regression analysis

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.270	.104		-12.234	.000
	OS	.265	.051	.203	5.227	.000
	OC	.244	.059	.205	4.109	.000
	OR	.384	.077	.248	4.973	.000
	II	.491	.086	.277	5.709	.000
	OP	.291	.104	.155	2.807	.010
	SF	.318	.102	.148	3.124	.005

a. Dependent Variable: Strategy implementation

Source: my own survey, SPSS version 25, 2021

When all other independent variables are held constant, the coefficients in table 4.16 reflect how much the dependent variable varies with an independent variable. The Beta coefficients showed how much the independent variables influenced the dependent variable (Kapetaniou, 2014). As a result, the highest influencing independence factors with strategy implementation were identified by the coefficient value of regression analysis.

Institutional coordination and information sharing are the most influential independent variables (Beta=0.277), organizational resource is the second most influential (Beta=0.248), and organizational culture is the third most influential (Beta=0.205). Organizational structure (Beta value = 0.203), operational plan (Beta value=0.155), and strategy formulation (Beta value = 0.148) are the factors that influence strategy implementation respectively. Thus, from the finding all factor affecting strategy implementation variables have positive and statistically Significant influence on strategy implementation because the p (sig) value in Correlation table is less than $\alpha=.05$ level. As a result, we can say, all of the variables were statistically significant. Among the

variables, institutional coordination and information sharing have the highest statistical significance and have the greatest influence on strategy implementation in Ethio- international footwear cluster Cooperative society.

4.10.3 Regression Equation

Based on the above table 4.16 we can develop the following Regression equation:

$$SI = -1.2 + 0.265X_1 + 0.244X_2 + 0.384X_3 + 0.491X_4 + 0.291X_5 + 0.318X_6$$

Where, X_1 = Organizational Structure

X_2 = Organizational culture

X_3 = Organizational resource (resource allocation)

X_4 = Institutional coordination and information sharing

X_5 = Operational planning

X_6 = Strategy formulation

Based on the above model result, all the explanatory variables have significant and positive influence on strategy formulation. The considerable un-standardized B coefficient shows that increasing organizational structure by one unit has a 0.265 influence on strategy implementation. .0.244 indicating that organizational culture leads to 24.4% impacts on strategy implementation. Organizational resource =0.384 implies that a one unit change in organizational resource availability leads to 38.4% unit effects on strategy implementation. Institutional coordination and information sharing = 0.491 signifies that a one unit change in Institutional coordination and information sharing 49.1% unit increase effectiveness of strategy implementation. Operational planning=0.291 significant shows one unit changes in Operational planning effectiveness 29.1 % unite increase the effectiveness of the strategy implementation. In addition, Strategy formulation =0.318 significant indicated that, one unit changes of effectiveness in Strategy formulation 31.8% increase the effectiveness of the strategy implementation. These findings provide significant support for the reliability, transaction efficiency and ease of use literature, which advocates that the variables (factors of strategy implementation) have an influence on Strategy implementation in Ethio-international footwear cluster cooperative societies.

4.10.4 Testing Hypothesis from the Regression Result

Using multiple regression analysis result, the following hypothesis was tested.

4.10.4.1 Organizational structure

H1: The standardized coefficient regression table 4.16 indicates that the relationship between organizational structure and strategy implementation is positive, with a Beta coefficient of 0.203 and a p-value of 0.000. Organizational structure has a statistically significant positive relationship with strategy implementation when all other explanatory variables are held constant. To put it another way, the structures are a complement to strategy implementation; As a result, the researcher accepted the H1 hypothesis. This finding is in line with earlier research, As per Chandler theories (1990), structure follows strategy, and structure should be designed to suit the strategy's success factors implementation Employee empowerment, quick and informed decisions and quick and strategic responses to environmental changes should all have an impact on strategy implementation, whether positive or negative. Effective coordination and employee participation are critical to the success of strategy execution. Furthermore, the firm's organizational structure has an impact on strategy implementation. As a result, EIFCCOS organizational structure had a positive impact on strategy implementation.

4.10.4.2 Organizational culture

H2: Organizational culture and strategy implementation have a positive relationship. According to the standardized coefficient Beta value and P-value in regression table 4.16, organizational culture has a Beta coefficient of 0.203 and a p-value of 0.000, holding other explanatory variables constant. Organizational culture was found to have a statistically significant positive relationship with Strategy implementation. The descriptive analysis shows that organizational culture are affected strategy implementation. Therefore, the researcher accepted the H2 hypothesis. Culture has positive (Controls behavior, Encourages stability, Provides a source of identity) and negative (Discourages change and improvement, Obstacle to diversity, Barrier to cross-departmental collaboration, Prevents mergers and acquisitions) functions (Scholl, 2003); This showed that the positive or negative relationships between different departments in an organization had an impact on the organization's performance (Strategy Implementation). As a

result, this research supports by theory, that organizational culture has a positive impact on strategy implementation.

4.10.4.3 Organizational resource (resource allocation)

H3: Organizational resource (resource allocation) is expected to have positive relationship with strategy implementation. The standardized coefficient Beta value and P-value in regression of the organizational resource are 0.248 and 0.000, respectively, as shown in Table 4.16. Organizational resource (resource allocation) was found to have a statistically significant positive link with strategy implementation when other explanatory variables were held constant. In other words, available resources such as human capital and financial resources are critical to strategy implementation success and vice versa. This suggests that the Presence of full resources contributing to the effectiveness of strategy implementation. The hypothesis for resource allocation predicts that there is a significant positive relation between organizational resource and strategy implementation. Thus, there is a significant positive relationship between organizational resources and strategy implementation in EIFCCOS. Therefore, the researcher accepted the H3 hypothesis. This research is supported by (Kuchru, 2005) "Implementation" is also known as organizational resources, and it refers to the activities and decisions that must be made in order to carry out strategic objectives. According to the resource-based view (RBV), competitiveness is based on an organization's existing capabilities and resources, as well as those that it plans to grow in order to gain a sustainable advantage (Henry, 2008). Organizational capacities are described as an organization's shared skills and abilities for planning, organizing, leading, coordinating, and controlling explicit activities. Physical resources, financial resources, and human resources are examples of tangible organizational resources (Henry, 2008). According to Henry (2008), RBV focuses on an organization's internal capabilities when establishing a strategy to achieve both higher performance and long-term sustainability in service delivery.

More importantly, resources must be aligned with the strategy in order to support the implementation process. More needs to be done to ensure proper financial resource allocation and alignment with the strategy's implementation. In EIFCCOS, the distribution of financial

resources to strategy functions is still not properly connected with the strategy implementation functions. Therefore; organizational recourses (resource allocation) have been positive relationship with strategy implementation and has accepted H3.

4.10.4.4 Institutional coordination and information sharing

H4: The relationship between institutional coordination and information sharing and strategy implementation is expected to be positive. The standardized coefficient Beta value and P-value in regression table 4.22 shows that, institutional coordination and information sharing has a Beta coefficient of 0.277 and a p-value of 0.000 with holding statistically significant. This study supported by (Griffin and Moorhead, 2011).Therefore; the researcher accepted the H4 hypothesis.

4.10.4.5 Operational plan

H5: It is expected that operational planning and strategy implementation would have a positive relationship. According to regression table 4.22's standardized coefficient Beta value and P-value, operational planning has a Beta coefficient of 0.155 and a p-value of 0.010, this indicating operational plan has a statistically significant positive relationship with strategy implementation. (Hrebiniak, 2013) supported this study, he stated that operational planning is the process of deciding how to attain short-term objectives, It is vital to establish and implement proper operational programs in order to put the strategy into action. As a result, H5 might be acceptable.

4.10.4.6 Strategy formulation

H6: The relationship between strategy formulation and strategy implementation is expected to be positive. Based on the standardized coefficient Beta value and P-value in regression table 4, strategy formulation has a Beta coefficient of 0.148 and a p-value of 0.005, having a statistically significant positive relationship with the implementation of a strategy. This research is confirmed by the fact that a successful implementation journey begins with the formulation stage (Rajasekar, 2014), and that good execution cannot substitute for the deficiencies of a faulty strategy or a lack of strategic planning effort (Hrebiniak, 2006). As a result, H6 is acceptable.

CHAPTER FIVE

5. Summery discussions, conclusions and recommendations

5.1. Introduction

This chapter concludes the study and it will offer the study summary and the study discussions in relation to the literature. The chapter will also offer the conclusion from the study results and offer recommendations for improvement and for further studies.

Hypothesis	Decision
Organizational structure has been positively affect Business strategy implementation for EIFCCOS	Accepted
Organizational Culture has been affected Business strategy implementation for EIFCCOS	Accepted
Organizational resource (resource allocation) is affected Business Strategy implementation for EIFCCOS	Accepted
Institutional Coordination and Information Sharing is affect Business strategy implementation for EIFCCOS	Accepted
Operational Planning is I affect Business strategy implementation for EIFCCOS	
Strategy formulation is affect strategy implementation for EIFCCOS	Accepted

5.2. Summary of Finding

The purpose of this study was to investigate Factors contributed to the failure of business strategy implementation for the case of Ethio international footwear cluster cooperative society. The way an organization structures itself in order to execute its strategic plan efficiently and achieve its goals is referred to as strategy implementation (Alkhafaji, 2013). Many strategies fail in their implementation (Dunlop, Firth, and Lurie 2013) divides strategy implementation factors into four categories: strategy content, context (for example, organizational context: organizational structure, organizational culture; business environment: macro environment and

industrial environment), implementation process (plan, resources, personnel, communication, control, and response), and strategy result (tangible or intangible result). On the basis of literature and the current business strategy of Ethi-international footwear cluster cooperative society, the researcher decides to analyze 06 factors affecting business strategy implementation, including: Strategy formulation, organizational structure, organizational culture, organizational resource, institutional coordination and information sharing's(communication), operational planning and strategy formulation(strategy itself).

According to the findings, there are no other similar organizations in Ethiopia, and I have not reached similar organizations anywhere else in the globe despite my efforts. EIFCCOS was founded by 265 members and is registered with the cooperative society. The members have diverse backgrounds, including shoe upper producers, lasting and finishing producers, designers and marketers and raw material suppliers. (See Appendix II.). The following research questions led the research: The impact of the company's organizational structure on strategy implementation. How did the company's culture influence strategy implementation? What impact did the company's resource allocation have on strategy execution? How does institutional coordination and information sharing influence strategy implementation, how does operational planning influence strategy implementation, and how strategy formulation influencing strategy formulation does. **Organization structure:** - is the system of task, reporting, and authority relationships within which the work of the organization is done (Griffin & Moorhead, 2010). EIFCCOS was established under the cooperative proclamation 147/1091 or 985/2016 to function under cooperative law, which is relevant to this literature. Unfortunately, Effaces is not structurally compatible with cooperatives; rather, it lacks a distinct organizational structure, regardless of whether the organization is a cooperative or an enterprise. Table 4.7 shows that EIFCCO's structure is unharmonious with Monitoring, planning, coordination, and sharing of tasks that facilitate strategy implementation and are not altered depending on our organizational needs and strategy implementation did not compatible with legal boundaries. The majority of respondents indicated that resources for achieving goals and commitments, as well as the prioritization of human and financial resources, are not placed on the structure's side. Even

though the structure is not invited, a resource is available to ensure that the financial, technological, and human resources are adequate to support all of the proposals.

The fundamental reason why resource allocation is a highly centralized choice that cannot be delegated to lower levels is a lack of resources because of a unified organizational structure and strict cooperative law. EIFCCOS, on the other hand, does not appear to be following the cooperative society proclamation. Structure follows strategy, and structure should be modified to suit the needs of the strategy for successful implementation. Modifications in the competitive environment necessitate changes in a company's organizational structure. Unfortunately, EIFCCOS structure is not constructed related to cooperative proclamation with unclear hierarchy and departmentalization, as well as an inefficient resource flow and decision-making mandate..

Organizational culture: - Culture is a collective behavior of people who are part of an organization and it is formed by the organization values, visions, norms, working language, structures, codes, beliefs and customs Schein, (2004). As a result, organizational culture appears to have a major impact on an organization's strategy Van Buul, (2010). Then culture has the ability to shape organization's capacity for receptiveness to change as well as the ability to nurture the speed and effectiveness with which things are done which calls for skills and competencies of the respective managers which is required for strategy implementation (Ayiecha & Senaji, 2014). According to the majority of respondents, employees or members of cooperatives do not have a good culture of accepting mistakes and blaming others for poor performance, emphasizing that it is an unavoidable practice for managerial values to be implemented. EIFCCO's culture lacks a positive control over employee conduct, encourages stability, and provides a source of distinctiveness. It also lacks a culture that encourages change management by reducing the barriers to cross-departmental and organizational collaboration. Then culture is reflected in the structure, system, and approach to developing a business strategy, and it has an impact on the strategy implementation.

Resource allocation:- the alignment of resources to the strategy so as to support the implementation process. More needs to be done to guarantee adequate allocation of financial resources and their alignment to the implementation of the strategy. Distribution of financial

resources to strategy functions is still not clearly aligned to the strategy implementation functions in EIFCCOS. According to the respondents, resources are not available to produce quality products, apply technology to facilities, and improve operations in order to meet strategy objectives, such as a lack of budget, inability to provide equipment, inability to recruit professional and providing technologies to the organization, and a lack of clear scheduling of available resources in the most effective and cost-effective manner. There was no good resource management while working within the task's time, cost, and scope limitations.

Institutional coordination and information sharing:-One of the most fundamental aspects of coordinating is information sharing. It allows organizations to learn about each other's operations at the most basic level. It may enable strategic planning and improve multi-agency efficiency and program implementation at higher levels. How EIFCCOS share information in outside partners, and how that information is transmitted throughout cooperatives and other supporter's agency networks,

Coordination and information sharing systems are common features of strategies. For a long time, the influence of information sharing and coordinating methods has been studied in depth. Information sharing between departments and outside organizations, such as public, private, or non-governmental organizations, is considered an effective strategy for resolving bullwhip effects and improving supply chain performance (Lee and Tang, 2000).

For strategy implementation, internal and external communication mechanisms, as well as information sharing, are crucial elements. The literature reveals two types of coordinating mechanisms that are interrelated. The first type entails coordinating product flows both upstream and downstream .The second type includes information cooperation among partners .This research only studying on the impact of institutional coordination and information sharing on the strategy implementation.

According to the respondents, EIFCCOS, has no a designed functional plan for determining strategic implementations by means of information sharing and knowledge transfer. no proper Organizational culture that developing a system of sharing ideas with members in order to implement strategies as organization plan lead in into the future. They have no an Institutional

coordination that is determining the key decision makers (whether on board, the executive management, the supervision or low levels) Responsible for activating the information sharing communication on strategy implementation and no system for members Information is passed through communications to all members. Furthermore, there are no institutional coordination and information-sharing channels with stockholders who have a legal obligation to oversee the organization's entire operations.

Operational planning:-Even if the strategy is formulated properly, it does not guarantee successful implementation. For successful implementation of the strategy should have proper operational plan derived from the strategy. Operational planning is to choose the means to achieve short-term goals. It is essential to establish and implement proper operational programs in order to put the plan into practice. (Hrebiniak, 2013). According to the respondents, EIFCCO's has not to consider choosing the means to achieve short-term goals; operational plan is does not formulated properly and it unable to guarantee successful strategy implementation. Also operational planning is not considered and appropriate functional strategies as well as have no appropriate criteria and controls methods for evaluating the results of operational plan wither strategy is effective or not. As a conclusion, the operational plan must be generated from the strategy; otherwise, the strategy will not be implemented effectively, and the company will not achieve its goals.

Strategic Formulations:-The strategy is formulated by considering the organization's strengths and weaknesses, as well as the opportunities and threats that exist in the environment. This issue focused on the company's growth, diversification, integration, joint ventures, divestiture strategy, and other strategies etc. influence its implementation. The EIFCCOS strategic planning effort is not linked to the EIFCCO's portfolio, and it is unable to create effective use of institutional strengths. The strategy is not designed with the organization's strengths and weaknesses, as well as no detail consideration for opportunities and threats in the environment. EIFCCO's strategies are chosen by the enterprise, which is hinder to growth, diversification, integration, joint ventures, divestiture strategy that influence its implementation, the strategies does not selected

tailored to the strengths and weaknesses of the organization and environmental opportunities considering cooperatives and clusters.

5.3. Conclusion

This study considered that Factors contributed to the success of business strategy implementation in Ethi-international footwear cluster cooperative societies. EIFCCOS is recognized as Ethiopia's pioneer cooperative clustering. The organizations' goals were to improve the quality of footwear industries operated by micro and small business owners. The company has a five-year strategy plan that is being developed in partnership with donors, government agencies, and EIFCCOS employees and management. This study concludes that EIFCCOs are unable to realize their corporate vision and goal due to strategy implementation. Good strategy formulation does not imply success because it takes into account the total activities and process as well as the context of the strategy implementation environment while developing the strategy. Unfortunately, EIFCCOS' strategy has failed to achieve its mission, as summarized below.

Since 2006, EIFCCOS has been established under cooperative proclamation no. 985/2016, even though the cooperatives' organizational structures do not clearly indicate that they would follow this law, and they have not operated in accordance with the country's cooperative society's proclamation and regulations. The Cooperatives structures did not adequately address the EIFCCOS organizational structures. The study concludes that the organizational structure lacked clear direction and decision -making authority, lacked proper resource flows, did not address resource availability, and lacked chine of commands and conflicting departments from cooperatives law. In this situation, a conflict arose between AACA and EIFCCOS management, resulting in the organization's inability to gain government support and, as a consequence, a strategy implementation failure. The findings of this study show that organizational structure has an impact on strategy implementation.

The study's second objective was to see if organizational culture had an impact on strategy implementation. According to the study's findings, employees and managers' attitudes toward accepting mistakes, learning from others', leadership philosophies, and members' work and attitudes toward cooperatives have all had positive effects on strategy implementation (Vice

versa). As per the findings, cultures have an impact on strategy implementation, and cooperatives lack the necessary cooperative organizational cultures to carry out their mandate.

The study's third objectives was to look into the effects of organizational resources (resource allocation). Based on the analysis, we can deduce that in EIFCCOS, resources are not prioritized as important as the strategy's success, and that financial, human, and material resources are not adequately allocated in the department to the strategy's implementation. According to the finding, organizational resources are insufficient to implement the strategy; hence, organizational resources have an impact on strategy implementation.

The four objectives of this study is determined the effects of institutional coordination and information sharing with strategy implementation. The findings revealed that EIFCCOS lacks an institutional coordination system for determining key decision makers (whether on the board, in executive management, in supervision, or at lower levels) who are responsible for activating information sharing and communication on strategy implementation, as well as a system for members. Information is disseminated to all members via communications, and even institutional cooperation outside the organization does not help with strategy implementation. Therefore institutional coordination and information sharing is affecting the strategy implementation.

The fifth objective of this study is to look into the effects of the operational plan on strategy implementation. We can conclude from the findings that the operational plan is not derived from the strategy. Even some employees says to have not knowledge about the existences of strategy documents' availability. The researcher concluded that the operational plan has an impact on EIFCCOS strategy implementation.

The six objectives of the research was to identify the impacts of strategy formulation on strategy implementation. EIFCCO's strategies are chosen by the enterprise, which is hinder to growth, diversification, integration, joint ventures, divestiture strategy that influence its implementation, the strategies does not selected tailored to the strengths and weaknesses of the organization and environmental opportunities considering cooperatives and clusters.

According to (MacLennan, 2012), strategy implementation is the action that moves the company along the path it has chosen to reach its goal – the accomplishment of its mission and vision.

Unfortunately, due to the aforementioned factors, the EIFCCOS strategy implementation does not achieve the organization's mission.

5.4. Recommendation

This study has focused on factors influencing the implementation of strategic plans in organizations with a focus on EIFCCOS. It has explored the impact of organizational structure, organizational culture, Organizational resource, institutional coordination and information sharing, operational planning and strategy formulation. In general thus suggests that further studies be carried out on external factors like the organizational environment and type of industry to give a better aspect of these factors. Specifically The study also recommends that the following major issues.

For EIFCCOS managements

- Before developing a strategy, management should ensure that professionals with relevant expertise or knowledge are assigned to the task.
- The management will be discussed with AACA about the natures of the business and how to create value chine (clustering) network to facilitate the SME.
- The management should be understand and evaluate SWOT analysis result before constructing the objectives.
- The management redesigned the existing organizational structure collaborating with AACA or other donors who has skills toward cooperatives and cluster development

For stockholders who are EIFCCOS partners, such as the government

- EIFCCOS must be supported by policies in order for the strategy plan to be easily implemented. And able to expand its experience to the rest of the countries
- Government officials will play a leadership role as much as feasible, rather than becoming an obstacle to cooperation.
- Carry out similar studies on other organizations before stablishing cooperative the country

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APPENDIX

Questionnaire

This questionnaire is designed to provide the researcher with the required information to do MBA in Executive master of business administration program at Addis Ababa University. The first part including general question related to the respondent background, location and demography, the second deals with respondents work experience in the organization they are working and the last one comprises factor affecting strategy implementation in EIFCCOS. So long as this questionnaire is used for a sole academic purpose, you are cordially request to genuinely respond to the questions comprised in the given questionnaire.

Thanks a lot!

Your cooperation is worth noting

PART ONE: GENERAL BACKGROUND QUESTIONS

1.1 What filed did you study Management Economics Accounting
 Public Administration If other, please specifying -----

1.2 What levels of qualification did you earn? PhD MA BA,
 Diploma If other, please specify -----

1.3 What roles and responsibilities do you have in your organization? Please specify name of your organization -----

PART TWO: STRATEGY IMPLEMENTATION FACTORE

Organizational structure	1	2	3	4	5
EIFCCO's structure are organized with coordination that are facilitating for implementing of a strategy.	1	2	3	4	5
Structure is adjusted based on cluster organizational structure that strategy implementations is unblemished and accurate.	1	2	3	4	5
There are more resources to achieve the goals and commitments in terms of priority are placed on the side of the structure	1	2	3	4	5
An important task that an available financial resource is sufficient to support all the proposals	1	2	3	4	5
EIFCCOS structures are designed to make it easy for strategy implementers to share resources by adhering to cooperative proclamations	1	2	3	4	5
Organizational culture	1	2	3	4	5
would you have a good culture in avoiding to accept the mistakes and blaming others for poor results	1	2	3	4	5
There is certain of inevitable practice for the managerial values in order to putting into practice EIFCCO's strategy	1	2	3	4	5
EIFCCO's has a culture that positively controls employee's behavior.	1	2	3	4	5
It also have encourages change management by improving the barrier of cross-departmental and organizational collaboration.	1	2	3	4	5
Organizational resource(Resource allocations)	1	2	3	4	5
- Adequate resources are available in EIFCCO's	1	2	3	4	5
- Resource allocations is obtained more management concern for the success of implementation of EIFCCOS strategy	1	2	3	4	5
- EIFCCO's allocate budget, equipment, people, tools, and data to the project	1	2	3	4	5

areas where it's most needed					
EIFCCO's is assigning and scheduling an available resources in the most effective and economical way	1	2	3	4	5
There is veer good management in available resources while working within the task's time, cost, and scope constraints.	1	2	3	4	5
Institutional coordination and information sharing	1	2	3	4	5
Thiers is a designed functional plan f or determining strategic implementations by means of information sharing and knowledge transfer.	1	2	3	4	5
There is Organizational culture that developing a system of sharing ideas with members in order to implement strategies as organization plan lead in into the future.	1	2	3	4	5
Do you have an Institutional coordination that is determining the key decision makers (whether on board, the executive management, the supervision or low levels) Responsible for activating the information sharing	1	2	3	4	5
A communication on strategy implementation is made to all members	1	2	3	4	5
Information is passed through memos to all members	1	2	3	4	5
Operational planning	1	2	3	4	5
EIFCCO's choose the means to achieve short-term goals.	1	2	3	4	5
There is operational plan that formulated properly and it does guarantee successful implementation.	1	2	3	4	5
It has a successful implementation of the strategy that operatively planned by EIFCCO's.	1	2	3	4	5
Operational planning is bring into being that designed to implements the appropriate functional strategies	1	2	3	4	5
There are an appropriate criteria and control methods for evaluating the	1	2	3	4	5

results of the operational program.					
Strategic Formulations	1	2	3	4	5
EIFCCO's successful strategic implementation journey starts in the formulation stage of good strategic planning effort	1	2	3	4	5
- Strategies is linked to the EIFCCO's portfolio and designed for effective use of institutional strengths	1	2	3	4	5
- The strategy is designed taking into account the strengths and weaknesses of the organization and the opportunities and threats in the environment.	1	2	3	4	5
EIFCCO's strategies are chosen by the enterprise which is enabling growth and integration that influence its implementation.	1	2	3	4	5
EIFCCO's strategies are selected tailored to the SWOT considering the natures of the organization.	1	2	3	4	5

PART THREE: STRATEGY IMPLEMENTATION INSIGHTS

Please Indicate to extent strategic implementation of the strategy in EIFCCO's?

Very large extent (5), large extent (4), Moderate extent (3), less extent (2), Not at all (1)

strategy Implementation insights	1	2	3	4	5
EIFCCO's has adequate coordination and implementation of activities	1	2	3	4	5
Leadership provided by the management committee is adequate during the implementation of the strategy takes place within the allocated time	1	2	3	4	5
The management committee and members are follow cooperatives principles in the implementation of the strategy	1	2	3	4	5

The management committee create a climate for the EIFCCO's and for its values working with Addis Ababa cooperatives agency officials .	1	2	3	4	5
Management committee contribute to the EIFCCO's in terms of time.	1	2	3	4	5
An assessment on strategy implementation is carried out frequently and key issues are addressed on time.	1	2	3	4	5

Source: From Thompson and Strickland (2007).

What is your recommendation for overcoming the challenges of strategy implementation in similar organization with EIFCCOS-----

