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STRATEGY IMPLEMENTATION PRACTICES AND PERFORMANCE OF COMMERCIAL BANKS IN KENYA: THE CASE OF GUARANTY TRUST BANK KENYA LIMITED

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Abstract

The general objective of the study was to establish the impact of strategy implementation practices on performance of commercial banks in Kenya: A case of Guaranty Trust Bank Kenya. Specific objectives were to examine the effect of top management support, strategic communication, strategic evaluation and strategic change on performance of commercial banks in Kenya. This study was conducted using a descriptive research design. The target population was 168 management level employees at GTBank. Stratified random sampling technique was used in choosing the sample size from the target population. The sample size was 118 respondents. Data was collected using questionnaires. A pilot study was conducted to determine the validity and reliability of the research instrument. Data collected was analyzed using descriptive statistics and inferential statistics. Cross tabulations, chi-square tests and metric measures were used in the analysis. The descriptive statistical tools helped in describing the data and determining the respondents' degree of agreement with the various statements under each factor. Descriptive statistics and regression analysis were carried out, analyzed and tabulated. The study found that top management support has a positive significant influence on performance of commercial banks in Kenya; strategic communications have a positive significant influence on performance of commercial banks in Kenya; strategic evaluation positively and significantly influences performance of commercial banks in Kenya and strategic change has positive influence on performance of commercial banks in Kenya. The study therefore recommends top management in commercial banks to ensure that they support any implementation taking place in the organization. It is also important for top managers and other supervisors to ensure that they provide immediate/timely feedback. In addition, commercial banks need to conduct frequent internal audits; this will help the bank to see its progress and also the information obtained from the audit can be used to make informed decisions.

Keyword: Strategy Implementation Practices, Performance, Top Management Support, Strategic Communication, Strategic Evaluation and Strategic Change.

Introduction

Organizational performance involves the recurring activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently (Miller, 2015). In order for an organization to remain viable over time, it must be both financially viable and relevant to its stakeholders and their changing needs. The Kenyan banking sector continues to exhibit resilience in the face of various local and global turbulences (Ndung'u, 2014). It has grown in terms of assets, deposits, employment and branch network. In addition, it exceeded the statutory minimum requirement in terms of capital adequacy ratio and sector average liquidity (Lares-Mankki, 2014). Banks increasingly need to have cost effective and innovative products, as well as improved access to financial services. This stiff competition has necessitated banking institutions to implement appropriately formulated strategies to survive and gain profits.

Strategy implementation takes place as a series of steps, programs, investments, and moves that occur over an extended period of time. Managers implement strategy by converting broad plans into the concrete, incremental actions and results of specific units and individuals (Gachuhi, 2014). Special programs are undertaken, functional areas initiate strategy related activities, key people are added or reassigned, and resources are mobilized (Mollick, 2012). In order for strategy to be effectively implemented it must be institutionalized, in that it must permeate the day-to-day life of the company (Herrmann & Nadkarni, 2014).

Implementing strategies successfully is about matching the planned and realized strategies, which together aim at reaching the organizational vision (Rajasekar, 2014). Despite the fact that organizations understand the significance of strategy implementation, in most of the organizations, implementation often falls short of the goals that organizations have set for themselves. This is because organizations and their managers forget this vital component of the strategic management process. They are not paying as much attention to planning the implementation of their strategies as they give to formulating them. The development and selection of strategies to be pursued is considered to be easier and less time consuming than implementing them. Implementation deserves considerable attention for the success of strategies (Vives, 2017).

Banking sector in Kenya has undergone drastic change in the last ten years mainly due to changes in number of banks, rapid technological changes such as invention of money transfer and utility bill payment through mobile phones. In addition, introduction of strict regulatory frameworks by the Central Bank of Kenya (CBK) as regards interest rates and the enlightened and exposed general public (Okoth, 2016) have led to the introduction of new products and services in the market thereby resulting to cut throat competition amongst the Banks.

Statement of the problem

Globally, banks are faced with increased competition in the sector. This is a result of increase in players in the sector. Therefore, the firms have to come up with new strategies to remain competitive and also to enhance performance. In Africa, banks are faced with high competition and tight regulations which highly impact their performance. Kenyan banks are facing increased pressure to deliver decent returns to shareholders as their key revenue sources record modest growth. The sector is still struggling with the implementation of new accounting standards that have impacted profitability and capital positions, further worsening their financial positions that have been heavily hit by the declines in interest income and fees and commissions (Kenya Bankers Association, 2019). Hence, the need of proper of strategy implementation practices to improve performance.

Commercial banks' ability to survive in a competitive business environment is dependent upon their ability to implement appropriate strategies that will enable them achieve their performance targets. Strategy implementation remains a big challenge in most organizations (Koske, 2013). Problems encountered with the implementation of strategy often lie not only with any flaws in the strategy itself, but rather in a failure to implement it effectively. Such failures can mean that strategic initiatives are only partially successful and lead to frustration as the hoped-for strategic benefits are not realized. Ultimately, they can result in the decline or even, failure of the business as a whole (Marginson, 2012).

Translating strategy aims into actionable processes in an ordered fashion is, however, not easy. The setting of priorities and the development of plans may present organizations with formidable management challenges. The effective execution of strategy can be impeded by many and varied difficulties including; weak or inconsistent senior-level commitment, a lack of support from managers and employees, cross-departmental conflicts, ambiguity in roles and responsibilities or a lack of accountability (Lares-Mankki, 2014).

Empirical studies include; Sabara (2018) researched on strategic management on firm performance in Indonesian water supply companies. It was found that supply chain strategic management is crucial to enhance water supply company's performance. Mafini (2016) researched on constraints to strategy implementation and their influence on business performance in South Africa. Seven constraints to strategy implementation; namely, management practices, human resource capabilities, customer service, external orientation, internal communication, innovation and employee motivation were identified. The study found that business performance is negatively affected as and when each constraint becomes more prevalent.

Murugu (2015) did a review on impact of strategy implementation on performance at Kenya Urban Roads Authority. The study established factors affecting strategy implementation to be inadequate funding, inadequate capacity both internal and industry capacity, ecological factors as well social political factors. Kariithi and Ragui (2018) researched on strategy implementation practices on performance of Huduma Centres in Nairobi City County, Kenya. The study revealed there exists a positive significant relationship between employee training, leadership, communication and performance of Huduma Centres despite a few challenges. The studies yielded different results. Further the studies were conducted in different industries. It is against this background that this study sought to establish the impact of strategy implementation practices on performance of Guaranty Trust Bank Kenya.

Objective of the Study

The general objective of the study was to establish the effects of strategy implementation practices on performance of commercial banks in Kenya: A case of Guaranty Trust Bank Kenya. The study was guide by the following objectives;

i. To examine the effect of top management support on performance of commercial banks in Kenya.
ii. To establish the effect of strategic communication on performance of commercial banks in Kenya.
iii. To assess the effect of strategic evaluation on performance of commercial banks in Kenya.
iv. To analyze the effect of strategic change on performance of commercial banks in Kenya.

Theoretical Literature

A theoretical review is a gathering of interrelated ideas. It guides research to figure out what things to quantify and what factual connections to search for (Defee *et al*., 2010). A good research ought to be grounded in principle. This study was guided by upper echelon theory, bureaucratic theory, open systems theory and contingency theory of change management. These theories basically clarified the research in accordance with the topic.

Upper Echelon Theory

The theory was pioneered by Hambrick and Mason in 1984. The main highlight of this theory is that, firms are replications of the intellect and deals of their top leaders. Principles and inclinations of top leadership will affect their review of the environment, and the selections they make about the strategy of the organization. Over a given duration, the firm comes to mirror the leader. Upper echelon theory clearly put the strategist back into the forefront of the discipline of strategic management. Upper echelon theory (Hambrick & Mason, 1984) puts forward the idea that strategic decisions are connected to the background characteristics of an organization's management. This involves a formulation of top-level managers and directors within a firm possessing specific expertise in areas that will enable an organization to make informed decisions. This expertise encapsulates the tangible and intangible knowledge and characteristics an individual possesses. According to Hambrick and Mason, individual characteristics and cognitions are developed by past experience, education, and personal values. Cognitions shaped by these, influence the way top managers analyze and respond to situations, and the strategy chosen for the organization (Kaplan, 2005).

The essentials of the Upper Echelon Theory are that demographic features are substantially interwoven to the psychological and cognitive elements of the leaders at the apex of the organization. The theory suffers criticisms, upper echelon theory and its subsequent refinement do not take into consideration the ethical requirements in the industry. Firms' operations are not necessarily a reflection of the actions and beliefs of the top management. In some instances, the operations and practice of the firm are dictated by the ethical considerations even if the characteristics of the leadership are contrary to that (Van der Zee & Swagerman, 2009). The main objective of a top management according to Upper Echelon Theory is to create value for the organization by increasing firm performance. One strategy often used to increase the value of a firm is to grow the business beyond its current position. Hence the study used the upper echelon theory to examine the effects of top management support on performance of commercial banks in Kenya.

McKinsey 7S Theory

Waterman and Peters (1980) advanced this model of organizational effectiveness in when they worked at the McKinsey & Company as consultants. This theory was based on the assertion that there exist seven internal organizational aspects that need to be streamlined for success to be realized namely, structure, strategy, system, style, staff, skills and shared values. The 7-S model is applicable in diverse scenarios where business processes sequencing is instrumental for instance to assist a strategist, grow the company's performance, align processes and departments during acquisition and merger, foresee the implications of future company changes and decide on the best criteria to implement a proposed strategy.

The framework is applied as a strategic planning tool by strategists to show how seemingly disparate aspects of an organization are, in fact, interrelated and reliant upon one another to best achieve overall success. According to the framework master plan structure and firm systems are hard elements, whereas skills, style, shared values, and staffs are referred as soft elements. In which hard elements focus on matters an organization can influence directly while the soft elements are seen in a firm in a more abstract way and can be found in the company's culture. Put together these elements can predict the direction in which a company will go (Hayes, 2014).

The premise of the model is that, for excellent organizational performance to be realized, seven elements must be mutually aligned and reinforced. The model can be used to establish the elements that should be realigned to improve and maintain good performances. This model argues that successful strategy implementation involves focusing on seven key elements. The model's preposition is that effective organizational structure is a prerequisite for successful strategy implementation. This framework guides managers on implementation of strategies.

Open Systems Theory

The open system theory was advanced by biologist Ludwig Von Bertalanfy LittleJohn (1983). The theory is basically centered on the view that organizations are social systems with constant interactions with the external environment and subsystems within itself. As open systems organizations derive inputs from their environments and release its outputs to the very same environment. This exchange relationship is considered vital for an organization. The system theory therefore places emphasis on the unity of organization with parts within itself and with the external environment. Mwenda (2015) notes that the main managerial task is to find a suitable fit between the organization and its surroundings and develop proper organization design that will lead to greater efficiency and effectiveness in an organization.

Organizations are strongly influenced by their environments which exert forces of a political, economic, social-cultural and legal nature but are also reliant on this same environment for its key resources necessary to sustain the organization and enhance its survival in the presence of a dynamic environment. This theory is relevant to the study in understanding how strategic evaluation mechanisms in organizations are used to provide feedback on the ever-changing environment. An entity can then readjust their implementation strategies to fit the changing environment. This study used the Open Systems Theory to explain the effect of strategic evaluation on performance of Commercial banks in Kenya.

Contingency Theory of Change Management

The contingency theory is an extended version of Lewin's three step in which Dunphy and Stace (1988, 1992 and 1993), explained the process of change from the transformational organization perspective. Dunphy and Stace (1993), put forth a situational or contingency model of change, which emphasized on the fact that organizations should vary their change strategies in accordance with the environmental changes for arriving at an 'optimum fit'. It further discussed that organizations differ in terms of structure, processes and key values which they espouse, and it is due to these differences; the organizations may not be influenced by the similar situational variables. Dexter Dunphy and Doug Stace, through their contingency model proposed that depending upon the environment, both the managers as well as the change agents should vary their change strategies. They focus on the environmental factors as well as the forces of leadership which play a crucial role in any change process.

Situational models of contingencies, under which different approaches to change assume one-best-way across business contexts or timescales (Kotter, 1995), present an ideal model of what happens in organizations at different points in time or in different contexts. Although a contingency approach to organizational change has encouraged practitioners to consider aspects of their environment, technology and size as a basis for deciding on the appropriate paths of change, it delineates deterministic assumptions about the nature of change in organisations, presents inadequate appreciation of the role of strategic choice, beliefs and power and neglects the fact that organisations are collections of diverse interests (Dawson, 1996). According to Burnes (1998), there are three schools of thought that form the central planks on which change management theory stands; first there is the individual perspective school, which assumes that individual behavior results from his interaction with the environment. Human actions are conditioned by expected consequences and behavior is rewarded to be repeated and vice versa. Psychologists argue that behavior is influenced by external stimuli. Second there is the group dynamics school, which argues that individuals' behavior is a function of group environment. Individuals behave in a way that conforms to group pressure, norms, roles and values. The study used the contingency theory of change management to analyze the effect of strategic change on performance of commercial state banks in Kenya.

Goal setting theory

In 1960's, Edwin Locke put forward the Goal-setting theory. This theory states that goal setting is essentially linked to task performance. It states that specific and challenging goals along with appropriate feedback contribute to higher and better task performance. The willingness to work towards attainment of goal is main source of job motivation. Clear, particular and difficult goals are greater motivating factors than easy, general and vague goals. Specific and clear goals lead to greater output and better performance. Unambiguous, measurable and clear goals accompanied by a deadline for completion avoids misunderstanding.

According to Locke and Latham's (2002) goal-setting theory, is based on the premise that conscious goals affect action (where goals are considered the object or aim or an action) (Locke & Latham, 2002). While goal setting theory is generally analyzed at individual level, its principles are considered relevant at organizational level, too. Locke (2004) further argues that goal-setting is effective for any task where people have control over their performance. Research in this field currently explores goal setting theory at both individual and organizational level. In organizational context, personal empirical observations highlight that the goals of individuals, teams and the entity as a whole can be in conflict. Goal conflict can motivate incompatible actions and this has the potential to impact performance. Thus, alignment between individual goals and group goals is important for maximizing performance.

Conceptual Framework

A conceptual framework is a concise description of the phenomenon under study accompanied by a graphical visual depiction of the major variables of the study (Cooper & Schingler, 2006). Young (2009), indicated that a conceptual framework is a representation of response and predictor variables in a diagrammatic form. In this study the conceptual framework will diagrammatically represent the association between practices of strategy implementation and performance.

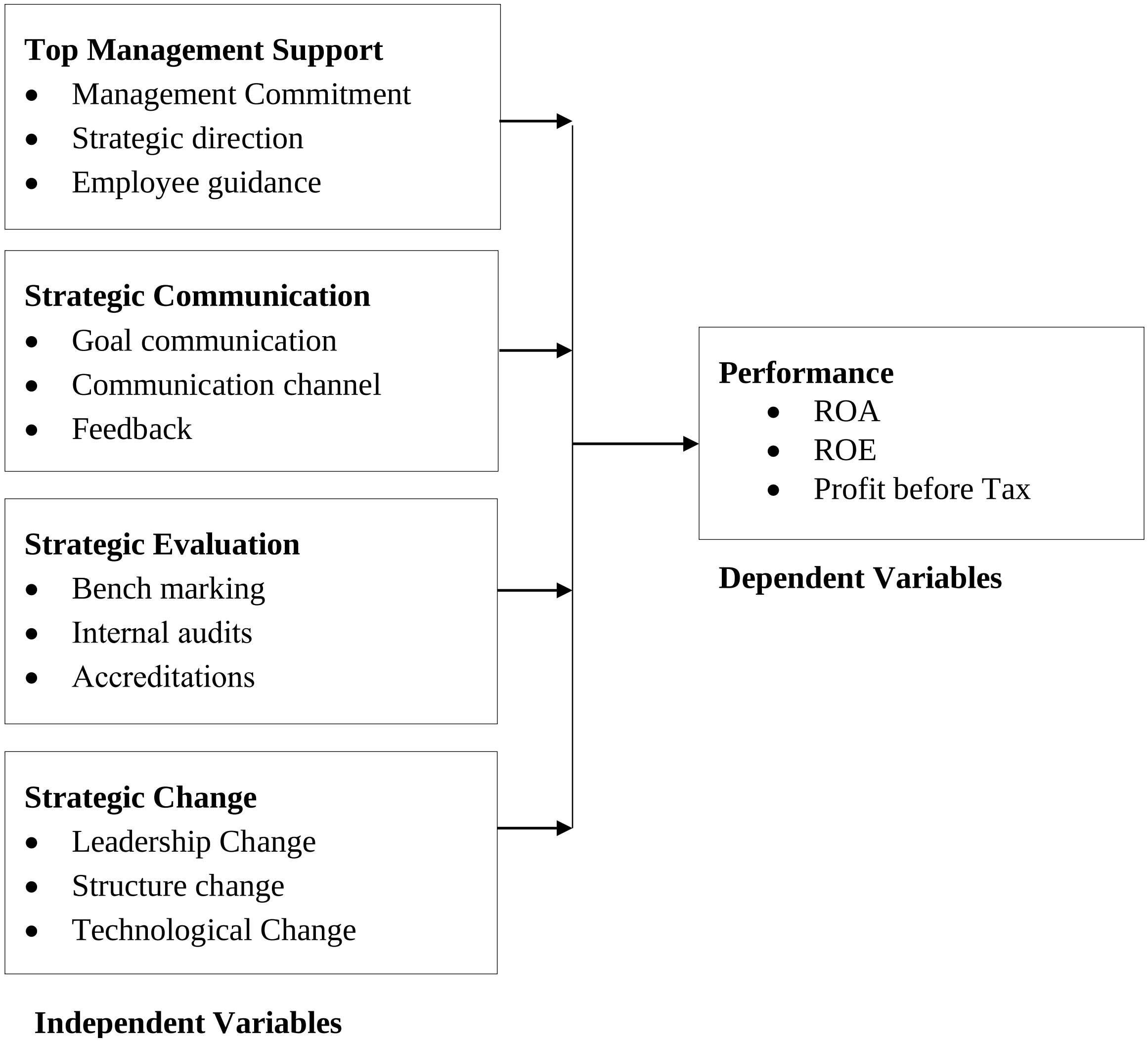

Figure 1: Conceptual Framework

Research Methodology

This study was conducted using a descriptive research design. The target population was management level employees at GTBank. According to the human resources report in early 2019 from Guaranty Trust Bank, there were 168 management employees in the organization. The target population was 168 respondents. The study used stratified random sampling technique in choosing the sample size from the target population. According to Mugenda a population sample of at least 10% is suitable for social study. This study adopted a sample proportion of 70%. Therefore, the sample size was 118 respondents.

Data was collected using questionnaires. The researcher administered the questionnaires individually to all respondents. Data collected was analyzed using descriptive statistics and inferential statistics. Quantitative data was analyzed using descriptive statistics which include frequencies, percentages, mean and standard deviation. The information was displayed in form of tables, figures and pie charts. Qualitative data was analyzed using narrative analysis methods. This method involves the reformulation of stories presented by respondents taking into account context of each case and different experiences of each respondent. Inferential statistics which include regression analysis was carried out to determine the relationship between the study variables.

Results and Discussion

The study computed descriptive and inferential statistics which guided in presenting study findings.The study selected a sample of 118 management level employees and all of them were issued with questionnaires for data collection. Out of all questionnaires issued, the researcher was able to collect back only 111 questionnaires having been dully filled. The response rate show that the returned questionnaires formed a response rate of 94.1%. According to Mugenda and Mugenda (2013), a response rate of 50% and above is adequate for analysis and reporting, a response rate of 60% and above is considered to be good while that of 70% and above is considered to be excellent. Therefore, our response rate of 11 out of 118 was considered excellent and was used for further analysis and reporting.

Descriptive Statistics

Top Management Support

Table 1:Top Management Support on Performance

Statements	Mean	Std. Dev.
The banks top management is in the front line in implementation process	3.982	1.37
The top management communicate new organization strategies early to avoid resistance	3.948	1.263
The bank's top management work together with other employees in implementing strategies	3.889	1.381
The top managers communicate the importance of a new strategy and how it will benefit everyone in the organization	3.863	1.326
The banks top management guide the implementation process	3.777	1.275
The top management ensures that the core competencies needed for implementation are available by hiring talented employees	3.738	1.320
The top management provides support to staff and provides direction to the all organization	3.698	1.331

From the findings presented in Table 1, the findings show that the respondents were very satisfied that the banks top management is in the front line in implementation process (M=3.982); the top management communicate new organization strategies early to avoid resistance (M=3.948); the bank's top management work together with other employees in implementing strategies (M=3.889); the top managers communicate the importance of a new strategy and how it will benefit everyone in the organization (M=3.863); the banks top management guides the implementation process (M=3.777); the top management ensures that the core competencies needed for implementation are available by hiring talented employees (M=3.738); the top management provides support to staff and provides direction to the all organization (M=3.698). The study findings are in agreement with Al Shaar, Khattab, Alkaied and Manna (2015) that top management support affects the synergy between organizational structure and information technology. It also agrees with Karungani and Ochiri (2017) that top management is charged with the responsibility of formulating policies, vision and goals of the organization; ensuring that employees are committed to organizational goals; provide guidance to support staff and providing direction to the entire organization. Additionally, to leadership and management cultivate collaborations among members of the organization within the procurement department in effect leading to improvement in organizational performance

Strategic Communication

Table 2: Strategic Communication on Performance

Statements	**Mean**	**Std. Dev.**
The banks have adopted technology mode of communication to improve organization operations	3.994	1.476
Important information in the organization is communicated at the right time	3.961	1.476
The use of technology in passing information has ensured efficiency and effectiveness in the organization	3.955	1.546
The organization has adopted vertical communication to improve coordination of activities	3.915	1.343
Clarity of information is ensured before conveying the information to the intended users	3.856	1.525
The bank provides timely feedback to improve operations in the organization	3.836	1.220
The organization has a department responsible of ensuring that there is proper communication in the organization	3.836	1.426

The findings presented in Table 2 show that the respondents were very satisfied that the bank has adopted technology mode of communication to improve organization operations (M=3.994); important information in the organization is communicated at the right time (M=3.961); the use of technology in passing information has ensured efficiency and effectiveness in the organization (M=3.955); the organization has adopted vertical communication to improve coordination of activities (M=3.915); clarity of information is ensured before conveying the information to the intended users (M=3.856); the bank provides timely feedback to improve operations in the organization (M=3.836); and that the organization has a department responsible of ensuring that there is proper communication in the organization (M=3.836). The study findings are in agreement with the findings of Kelvin-Iloafu (2016) that although effective communication guarantees organizational success, it is largely dependent on the pattern or methods of communication, effectiveness and suitability of the channel selected, and how receptive or accessible are the superiors to the subordinates, among other factors. It also agrees with Okuneye, Lasisij, Omoniyi and Shodiya (2014) that the extent of practices of effective business communication relates to the category of business (service and manufacturing) and its size.

Strategic Evaluation

Table 3: Strategic Evaluation on Performance

Statements	Mean	Std. Dev.
Strategic evaluation, through its process of control, feedback, rewards and review ensures successful strategy implementation	4.007	1.251
Strategic evaluation guides the organization toward achieving its longer-term mission and vision	3.994	1.343
Strategic evaluation helps the organization to assess the appropriateness of the strategy in dynamic world with socio economic, political and economic interventions	3.988	1.475
Strategic evaluation helps the organization to assess the decisions that match the intended strategy requirements	3.961	1.674
The bank provides training to its employees to ensure an efficient strategy implementation	3.902	1.235
Strategic evaluation guides the organization in Measuring performance to determine what has been achieved	3.830	1.441
Strategic evaluation in the organization provides a large amount of information useful in new strategic planning	3.817	1.142

The findings presented in Table 3 show that the respondents were very satisfied that strategic evaluation, through its process of control, feedback, rewards and review ensures successful strategy implementation (M=4.007); strategic evaluation guides the organization toward achieving its longer term mission and vision (M=3.994); strategic evaluation helps the organization to assess the appropriateness of the strategy in dynamic world with socio economic, political and economic interventions (M=3.988); strategic evaluation helps the organization to assess the decisions that match the intended strategy requirements (M=3.961); the bank provides training to its employees to ensure an efficient strategy implementation (M=3.902); strategic evaluation guides the organization in Measuring performance to determine what has been achieved (M=3.830); and that strategic evaluation in the organization provides a large amount of information useful in new strategic planning (M=3.817). The study findings concur with Ibrahim (2015) that strategy evaluation facilitates organizational direction setting at it ensures compliance to organizational vision, streamline operations to specific objectives, targets correcting strategic directions and establishes common tactics and purpose. Strategy evaluation results helps in inspiring and motivating employee as it enables employees measure their performance; helps employees in determining the nature of adjustments needed; helps employees relate their objectives to that of the organization; good results inspires hard work; and the information inspires better work.

Table 4: Strategic Change on Performance

Statements	Mean	Std. Dev.
The use of new technologies in the organization operations has improved service delivery	3.975	1.169
The organization rearranges its business structure to follow a new business model	3.955	1.199
The organization operations are flexible to improve strategy implementation	3.902	1.235
The organization changes how workers and departments report to meet new organization requirements	3.902	1.345
Employees in the organization are given new responsibilities for efficient implementation	3.836	1.207
The organization culture is able to incorporate new organization strategies	3.830	1.300
Leadership change in the organization determines the strategic direction in implementations	3.764	1.168

Table 4 show that the respondents were very satisfied that the use of new technologies in the organization operations has improved service delivery (M=3.975); the organization rearranges its business structure to follow a new business model (M=3.955); the organization operations are flexible to improve strategy implementation (M=3.902); the organization changes how workers and departments report to meet new organization requirements (M=3.902); employees in the organization are given new responsibilities for efficient implementation (M=3.836); the organization culture is able to incorporate new organization strategies (M=3.830) and that leadership change in the organization determines the strategic direction in implementations (M=3.764). The findings of the study concur with Makina and Keng'ara (2018 that there was positive correlation between improvement in performance and implementation of the strategies and that there was a negative correlation between resistance to change and involvement in resistance to change.

Performance

Table 5: Performance of Commercial Banks

Statements	Mean	Std. Dev.
The organization, sources of income have been on the increase	4.021	1.265
The organization assets base has been on the increase	3.961	1.149
The organization's customer base has been increasing.	3.896	1.210
The organization equity has been growing	3.836	1.234
The organization profits before tax have been on the rise	3.836	1.313
In the organization, the number of job opportunities has been on the rise	3.810	1.142
The operational cost has been reducing	3.803	1.248

Results in Table 5 show that the respondents were very satisfied that the organization, sources of income have been on the increase (M=4.021); the organization assets base has been on the increase (M=3.961); the organization's customer base has been increasing (M=3.896); the organization equity has been growing (M=3.836); the organization profits before tax has been on the rise (M=3.836); in the organization, the number of job opportunities has been on the rise (M=3.810); and that the operational cost has been reducing (M=3.803). The findings of the study are in agreement with Ekawati (2014) that corporate performance measures commonly used include the productivity of the organization, organizational effectiveness and industry rating. It also concurs with Galgallo (2015) that strategic change involves identifying the key tasks to be performed, allocation of these tasks to individuals, providing for coordination of separated tasks, the design and installation of appropriate management system; this results in enhanced performance.

Multiple Regression Analysis

Multiple regression analysis was computed to establish the effects of strategy implementation practices on performance of commercial banks in Kenya: A case of Guaranty Trust Bank Kenya. The findings were presented in three tables discussed in subsections below.

Model Summary

Model summary is used to show the number of variations in the dependent variable that can be explained by changes in the independent variables. In this study, the study sought to determine the amount of variation in performance of commercial banks in Kenya that could be explained by changes in strategic change, strategic communication, top management support, and strategic evaluation.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.852[a]	.726	.702	.05774

Source: Survey Data (2020)

The findings presented in Table 6 show that the value of adjusted R squared is 0.702; this suggests that 70.2% variation in performance could be explained by changes in strategic change, strategic communication, top management support, and strategic evaluation. The remaining 29.8% suggests that there are other factors that were not included in this study model that could be used to explain variations in performance of commercial banks in Kenya. The findings also show that the correlation coefficient (R) value is 0.852 which suggests a strong correlation; therefore, the study variables can be said to be strongly and positively correlated.

Analysis of Variance

ANOVA is used to test whether the model is significant; i.e., whether it is a perfect fit for the data. In this study, significance of the model was tested at 5% level of significance.

Table 7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	3.390	4	.847	254.152	.000[b]
1	Residual	.353	106	.003		
	Total	3.743	110			

The findings in Table 7 show that the significance of the model is 0.000 which is less than the selected level of significance (0.05); this therefore suggests that the model was significant. The findings further shows that the F-calculated value from the ANOVA table (254.152) was greater than the F-critical value from the f-distributions table ($F_{4,106}$=2.457). This supports the significance of the model and suggests that strategic change, strategic communication, top management support, and strategic evaluation can be used to predict performance of commercial banks in Kenya.

Beta Coefficients of the Study Variables

The beta coefficients were fitted in the modelled equation to form the regression equation used to predict performance of commercial banks using the variables strategic change, strategic communication, top management support, and strategic evaluation.

Table 8: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	0.815	0.092		8.859	0.000
	Top Management Support	0.386	0.073	0.545	5.288	0.001
1	Strategic Communication	0.125	0.038	0.146	3.289	0.031
	Strategic Evaluation	0.201	0.048	0.268	4.188	0.003
	Strategic Change	0.189	0.047	0.195	4.021	0.019
a. Dependent Variable: Performance						

From the findings in Table 8, the following regression equation was fitted;

$Y = 0.815 + 0.386X_1 + 0.125X_2 + 0.201X_3 + 0.189X_4 + \epsilon$

Where:

Y = Performance; X_1= Top management support; X_2= Strategic communication; X_3= Strategic evaluation; X_4= Strategic change; and ϵ = Error

From the regression equation above, it can be observed that when all the other variables (strategic change, strategic communication, top management support, and strategic evaluation) are held to a constant zero, then performance of commercial banks in Kenya will be at a constant value of 0.815.

On top management support, the findings show that it has a significant influence on performance; this is because the p-value (0.001) is less than the selected level of significance (0.05). The findings further show that top management support has a positive influence of performance (β=0.386). Therefore, it can be said that top management support has a positive significant influence on performance of commercial banks in Kenya. The findings also show that strategic communication significantly influences performance of commercial banks in Kenya as indicated by p-value (0.031) less than 0.05. Strategic communication is also seen to have positive influence on performance (β=0.125). Therefore, strategic communication can be said to have a positive significant influence on performance of commercial banks in Kenya.

On strategic evaluation, the findings showed that strategic evaluation has significant influence on performance of commercial banks in Kenya as shown by p-value (0.0003) less than selected level of significance (0.05). The findings further show that strategic evaluation positively influences performance (β=0.201). These findings suggest that strategic evaluation positively and significantly influences performance of commercial banks in Kenya. With regard to strategic change, the study established that strategic change has significant influence on performance as indicated by p-value (0.019) less than the selected level of significance (0.05). The study further established that strategic change has positive influence on performance of commercial banks in Kenya (β=0.189). These findings imply that strategic change positively and significantly influences performance of commercial banks in Kenya.

Conclusions

On top management support, the study found that top management support has significant influence on performance. The study further showed that top management support has a positive influence of performance. Therefore, the study concluded that top management support has a positive significant influence on performance of commercial banks in Kenya. Implying that a unit increase in top management support will result to an increase in performance of commercial banks in Kenya. The study also found that strategic communication significantly influences performance of commercial banks in Kenya. Strategic communication was also found to have positive influence on performance. Therefore, from those findings, the study concluded that strategic communications have a positive significant influence on performance of commercial banks in Kenya. This implies that an increase in strategic communication will result to an increase in performance of commercial banks in Kenya.

On strategic evaluation, the study found that strategic evaluation has significant influence on performance of commercial banks in Kenya. The study further found that strategic evaluation positively influences performance. From these study findings, the study concludes that strategic evaluation positively and significantly influences performance of commercial banks in Kenya. This simple means that an increase in strategic evaluation will result to an increase in performance of commercial banks in Kenya. With regard to strategic change, the study established that strategic change had significant influence on performance. The study further established that strategic change has positive influence on performance of commercial banks in Kenya. Based on these findings, the study concludes that strategic change positively and significantly influences performance of commercial banks in Kenya. Therefore, improvement in strategic change will result in an increase in performance of commercial banks in Kenya.

Recommendations

The study found that increase in top management support will result to an increase in performance. The study therefore recommends top management in commercial banks to ensure that they support any implementation taking place in the organization. This can be achieved by them showing their commitment toward the implementation process. The study also recommends management of banks to always offer directions that can guide the implementation process to ensure its success. In addition, it is the responsibility of top managers in the organization to direct its employees to ensure strategy implementation is successful. Increasing strategic communication results to improved performance. The study therefore recommends commercial banks to embrace effective and efficient forms/channels of communication. It is also important for top managers and other supervisors to ensure that they provide immediate/timely feedback; this will facilitate successful implementation of set strategies which in return ensures improved organizational performance.

Increase in strategic evaluation results to an increase in performance of commercial banks in Kenya. The study therefore recommends managements of commercial banks in Kenya to ensure that thy have collected enough information on the progress of strategic plans. This can be achieved by them having benchmarks on other successfully implemented strategies and use this information to assess where change is needed. The study also recommends the management of commercial banks to conduct frequent internal audits; this will help the bank to see its progress and also the information obtained from the audit can be used to make informed decisions. An increase in strategic change results to an increase in performance of commercial banks. The study therefore recommends management of commercial banks to conduct due diligence to establish which change can best suit its organization. The study recommends the adoption of new technology which will enhance performance by ensuring efficiency and effectiveness in service provision and could also lower operational costs. It is also important for the organization to embrace the best form of leadership; one that will encourage effective performance of employees within the organization.

Suggestions for Further Studies

The main objective of this study was to establish the effects of strategy implementation practices on performance of commercial banks in Kenya: A case of Guaranty Trust Bank Kenya. This was a case study; there is therefore need for other studies to be conducted in other commercial banks to facilitate comparison as well as generalization of the research findings. The strategic implementation strategies that were focused on in this study were able to explain only 70.2% variations in performance of commercial banks; the study therefore recommends a study to be conducted using other strategies that can explain the remaining percentage of variation in performance; this includes budgeting and resource allocation etc.

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