STRATEGY IMPLEMENTATION DETERMINANTS AND PERFORMANCE OF INTERNATIONAL COMMERCIAL BANKS IN KENYA

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ABSTRACT

The increasing competition in the national and international banking market has prompted the need for a comprehensive search for effective strategic management practices to be adopted by commercial banks. Over the past two years, Kenya's financial sector has experienced remarkable growth, notwithstanding some significant challenges. Nevertheless, these gains were offset by steep declines in trade and project financing deals last year, suggesting a decrease in the number of companies seeking to establish a presence in Kenya compared to 2019. This study aimed at finding the strategy implementation determinants and performance of international commercial banks in Kenya. This study purposed to analyze how strategic communication, strategic planning, action plan, and strategy monitoring affected the performance of international commercial banks in Kenya. The study was guided by agency theory, theory of planning, goal setting theory and Ansoff strategic success theory. This study used descriptive research design. The targeted population of this study was international commercial banks in Kenya. The unit of analysis was the 14 international commercial banks found in Nairobi since they are easily accessible being that it is their headquarters. The unit of observation was the senior managers (branch managers, service/operations managers), middle level managers (senior service desk officers, cash officers), and bank clerks (service desk officers, business bankers, personal bankers, sales executive). The sample size of 172 respondents was determined using stratified proportionate random sampling technique. The study used primary data collection methods. The primary data was collected through interviews and questionnaires. Qualitative data obtained from the interviews was transcribed and analyzed using thematic analysis using NVivo 13. The quantitative data in this research was analyzed by descriptive statistics using IBM Statistical Package for the Social Sciences (SPSS) version 27. Descriptive statistics included mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. In addition to measures of central tendencies, measures of dispersion and graphical representations was used to tabulate the information. To facilitate this Likert Scale was used to enable easier presentation and interpretation of data. In addition, the researcher conducted a multiple regression analysis. The analyzed data was then interpreted and presented in frequency tables. The study found that the organization's communication strategy enhances transparency and trust, and the communication channels used by the organization facilitate easy access to information. Further, the study found that employees have a clear understanding of the organization's strategic objectives, and employee engagement initiatives align with the organization's strategic goals. The study also found that the resources are not allocated efficiently, and they are not effectively utilized to achieve strategic goals. The study found also that clear accountability for strategic tasks are not established and adhered to. The research concluded that strategic communication had the greatest influence on performance of international commercial banks in Kenya, followed by action plan, then strategic planning, while strategy monitoring had the least influence on the performance of international commercial banks in Kenya. The study recommended that for the organization to perform effectively on its performance clear strategies that guides it operation should be formulated and guidelines be provided to all the concerned departments in order to eradicate occurrence of compromise. International commercial banks need to enhance communication in strategy implementation throughout the organization and improve on senior managers commitment towards the same.

Key Words: strategic communication, strategic planning, action1 plan, strategy monitoring, strategy implementation, international commercial banks

INTRODUCTION

The global banking industry is dynamic and highly competitive, with international commercial banks playing a significant role in various economies (Aguoru, Umogbai & Ozowa, 2018). International commercial banks play a vital role in facilitating cross-border transactions, supporting trade, and providing financial services to multinational corporations, foreign investors, and local businesses. According to Mazikana (2019), large profitability is a sign of a commercial bank's strong performance, albeit there are some variations between performance and profitability. A bank's performance is deemed good if it achieves high profits. As a result, strengthening the performance of the commercial banking sector is crucial for a nation's economic development. The performance of the banking system determines the stability and growth of a healthy economy in a nation, and commercial banks' acceptable performance is essential to the growth of any nation's overall economy (Edet, 2018). Akhisar, Tunay and Tunay (2019) observe that a strong banking system gives shareholders, managers, consumers, and other stakeholders the assurance that their money is secure, attracting greater foreign investment to the nation. Successful strategy implementation is crucial for banks to achieve their objectives, remain competitive, and navigate regulatory complexities in different markets.

Strategy implementation concerns the managerial exercise of putting a freshly chosen strategy into place. The strategic plan devised by the organization proposes the manner in which the strategies could be put into action. Strategies by themselves do not lead to action. They are in a sense a statement of intent. Implementation tasks are meant to realize the intent. Strategies therefore have to be activated through implementation (Beikzad & Taghi Soltani, 2023). The initial phase in strategic management is to create a plan and set goals (Trigeorgis & Reuer, 2021). Setting goals and objectives, analysis, strategy formulation, strategy implementation, and strategic monitoring are all components of the strategic management process. The strategic management process is an ongoing culture of appraisal that a company adopts to outperform its competitors (Palladan, 2018). Integrating behavioral assumptions in real option models enables a more comprehensive examination of how aspirations, skepticism and other forms of unpredictability interact in the strategic management process (Posen, Leiblein & Chen, 2018). In this study, strategy implementation will be measured using strategic communication, strategic planning, action plan, *and* strategy monitoring.

Globally, effective strategic communication is crucial for banks to articulate their vision, mission, and goals both internally and externally. Clear and transparent communication with stakeholders, including employees, investors, regulators, and customers, fosters understanding, trust, and alignment. JPMorgan Chase Bank maintains a strong reputation for effectively communicating its long-term strategic direction, sustainability initiatives, and risk management practices to stakeholders' worldwide (Thomas, 2023). Monitoring and evaluating the progress of implemented strategies are essential for banks to identify deviations and make timely adjustments. Bank of America, a major U.S.-based bank, utilizes a comprehensive strategy monitoring system to assess the effectiveness of its various business lines, risk management practices, and compliance procedures. This approach helps the bank stay agile and responsive to changing market conditions (Alhammadi, Archer & Asutay, 2020).

Regionally, Ecobank Transnational Incorporated (ETI), a pan-African bank, demonstrates robust strategic planning by tailoring its offerings to cater to diverse African markets while promoting regional economic integration (Ecobank, 2021). Standard Bank Group, with a strong regional footprint, implements its action plans by leveraging its deep understanding of African markets, deploying innovative digital banking solutions, and supporting regional infrastructure projects (Standard Bank, 2021). Rand Merchant Bank (RMB), a division of FirstRand Group, effectively monitors its strategies in Africa by closely tracking macroeconomic trends, regulatory changes, and customer feedback to optimize its operations (RMB, 2021).

Within the African continent, Kenya stands as one of the leading financial hubs, attracting several international commercial banks seeking to tap into East Africa's burgeoning economy. To build and sustain competitive advantage, business enterprises' practice strategic management. The banking industry in Kenya is governed by the Banking Act of Kenya Cap 488. The CBK which falls under the Minister of finance's docket is responsible for formulating and implementing monetary policy directed to achieving and maintaining stability in the general price levels and fostering liquidity, solvency and proper functioning of a stable market-based financial system (Leshore & Minja, 2019). The primary classification of banks in Kenya is by ownership. Some banks belong to local individuals or companies while others belong to foreign individuals or organizations. Barclays Bank (now Absa) in Kenya maintains strong strategic communication by tailoring its marketing campaigns to resonate with local customers, highlighting its commitment to supporting small businesses and financial inclusion initiatives (Absa Kenya, 2021). Further, KCB Bank Kenya effectively executes its action plans by investing in technological advancements, facilitating seamless digital transactions, and offering innovative financial products (KCB Bank Kenya, 2021).

As international commercial banks expand their operations in the country, understanding the factors that influence strategy implementation and its impact on performance becomes vital. According to Simon and Rono (2021), creating a good strategy is nothing compared to its successful implementation and that top management is responsible for the design of information systems for the business enterprise. In this responsibility, managers control the environmental variables most probably to get attention in the firm. They further added that, they have to also make sure that information concerning the said key variables is available to responsible managers. Top-level managers must also avail timely and accurate feedback concerning the organizations' performance as well as the performance of individual business units within the organization. Finally, the organization members require information to maintain a pragmatic view of their performance, the organization's relationship to the environment and the performance of the organization. Successful implementation of strategies to manage the competitive environment is therefore vital to international commercial banks in Kenya as it enables them turn their plans into action (Olaka, Lewa & Kiriri, 2018). This study therefore aimed at exploring the strategy implementation determinants and performance of international commercial banks in Kenya.

Statement of the Problem

The increasing competition in the national and international banking market has prompted the need for a comprehensive search for effective strategic management practices to be adopted by commercial banks. This is essential for their growth and survival in the ever-changing and turbulent market environment (Semuel, Siagian & Octavia, 2021). Kenya's banking sector is no exception; it faces intense competition from both local and international banks due to the liberalization of the banking sector. The liberalization has resulted in an influx of foreign banks, intensifying the pressure on domestic banks to remain competitive in this dynamic market. However, over the past two years, Kenya's financial sector has experienced remarkable growth, notwithstanding some significant challenges.

This growth has not been without its setbacks. Notably, three banks, namely Imperial Bank, Dubai Bank, and Chase Bank, faced receivership, sending shockwaves throughout the banking subsector (Schafer & Varano, 2021). These episodes have underscored the critical need for robust strategic management practices to mitigate risks and ensure sustainable growth and performance. Commercial banks play a pivotal role in money creation, financial intermediation, and overall economic stability. Given this significance, there's a pressing need for a thorough examination of the determinants of strategy implementation to enhance their performance and mitigate potential crises (Hugonnier & Morellec, 2021).

The consequences of banking challenges and subsequent failures can be catastrophic for the national economy. Such failures can impact businesses, consumers, and investor confidence on a significant scale. Furthermore, research conducted by the Kenya Bankers Association (KBA) revealed that during the implementation phase, 37.7% of the value of a strategy in commercial banks is lost, highlighting the urgency of investigating the factors that influence successful strategy execution (KBA, 2018). Recent data from the Central Bank of Kenya (CBK) in their 2021 annual banking supervision report indicates that nine representative offices of foreign banks in Kenya conducted business worth $3.3 billion (Sh385.2 billion at today’s exchange rate). This figure was slightly lower compared to $3.4 billion (Sh397 billion) in 2020 and significantly below the $4.67 billion (Sh545.2 billion) transacted in 2019. Specialized finance deals, however, saw a notable increase, rising from Sh23 billion in 2020 to Sh50.7 billion last year. Additionally, there was a Sh2.5 billion increase in corporate finance deals to Sh12.7 billion (Central Bank of Kenya, 2022). Nevertheless, these gains were offset by steep declines in trade and project financing deals last year, suggesting a decrease in the number of companies seeking to establish a presence in Kenya compared to 2019.

International commercial banks operating in Kenya often face a significant challenge – their global or regional strategic approaches, which prove effective elsewhere, often lack alignment with the unique local dynamics and regulatory environment. The collective impact of these misalignments manifests in decreased profitability, customer dissatisfaction, and difficulties in retaining local clients, ultimately affecting the overall performance of international commercial banks in Kenya. Compliance issues, reputational damage, and strained relationships with local stakeholders, including regulators, are the potential consequences of this misalignment. Moreover, the presence of foreign-owned banks in the Kenyan market has raised questions about their potential impact on the financial access and performance of local firms. It's commonly perceived that foreign banks alleviate financial constraints, improve access to credit, and reduce borrowing costs, thereby enhancing firm performance in host countries. These institutions often have access to a larger pool of capital, which potentially increases the supply of loanable funds to domestic firms. This, in turn, eases financial constraints on their operations and promotes higher real growth (Kimunio, Muniu & Kinuthia, 2021). This loan-supply effect can be particularly valuable during local banking crises when foreign-owned lenders, funded by their parent companies, can continue extending credit to firms facing a credit crunch.

Despite existing studies on strategy implementation elements and financial success in various contexts, there's a noticeable gap in research that specifically investigates the impact of strategy implementation determinants on the performance of international commercial banks in Kenya.

Previous studies have primarily focused on strategy implementation in Kenyan universities and domestic banks, leaving a significant research gap regarding international banks operating in Kenya (Mwanthi, 2018; Mbogo, 2019). These international banks possess unique characteristics and face different challenges, operating within a complex global landscape. This distinct context necessitates a separate investigation into the influence of strategy implementation determinants on their performance within the Kenyan market. To address this research gap comprehensively, this study aimed to specifically examine the influence of strategic communication, strategic planning, action plan execution, and strategy monitoring as independent variables on the performance of international commercial banks in Kenya, using performance as the dependent variable.

Research Objectives

The general objective of the study was to look at the strategy implementation determinants and performance of international commercial banks in Kenya. The specific objectives were:

1. To assess to what extent strategic communication affects the performance of international commercial banks in Kenya.
2. To investigate how strategic planning affects the performance of international commercial banks in Kenya.
3. To establish how action plan affects the performance of international commercial banks in Kenya.
4. To assess to what extent strategy monitoring affects the performance of international commercial banks in Kenya.

Theoretical Perspective

This study proposed to use the theories: - agency theory, theory of planning, goal setting theory and Ansoff Strategic Success theory. These theories effectively clarified the research according to the subject.

Agency Theory

The Agency Theory set forth by Jensen and Meckling (1976) proposes that the operator follows up in the interest of the head and to propel the key's destinations. Agency theory is a management approach where one individual (the agent) acts on behalf of another (the principal) and is required to advance the principal's goals (Jean, 2002). The agent is required to advance both the interests of the principal and his own interests in that particular organization. Normally, a balance of these interests should be combined so that the objectives of the organization can be achieved through the agent because he/she is in charge of the vast resources of the organization.

According to Laffort and Martimost (2002), the agency theory of strategic management is very important since the action chosen by an individual (the agent) affects not only one, but several other parties (the principals). The role of an agent in strategy and the overall strategic management process and practices cannot be underestimated. They say that the firm is often characterized as a nexus of both explicit and implicit contracts linking the management and its different stakeholders, including employees, customers, bondholders, suppliers, unions and the state among others.

The Agency Theory holds that there should be proper synergy between the management and its stakeholders in order to work towards an achievable common goal. The Agency Theory has also been defined as the central approach to managerial behavior. Ross (1987) states that the Agency Theory is used in the managerial literature as a theoretical framework for structure and managing contract, which is among the emerging issues in strategic management. Hence, the behavior of principals and agents relationships in performance contracting in management is explained.

The agency theory tends to be more considered against other strategic management theories. Krueger, (2004) in his paper in strategic management and management by objectives postulates that the plethora of strategic management is the agency theory in practice at all levels of the strategic management process. He argues that starting from the corporate strategy to operational strategy the objectives designed at all these levels must be supervised by the agents or managers for an organization to achieve its organizational objectives. For the organization to attain its objectives , management by objectives which observes that organization must formulate objectives at all strategic hierarchy levels according to the studies by Henry (2006) which upholds that, for these objectives to be achieved there has to be joined efforts between the managers as agents and the subordinate staff in the organization.

Top managers are required to provide clear and visible support to the strategic management Program. Without that support of the managers as the agent the synthesis between the individual and the organization goals does not develop. Krueger (2004) upholds that strategic management depends upon a team approach that flows from the corporate level to the functional level of the organization. Therefore, the process depends on input from all levels of management both (top to bottom and bottom up). The Chief Executive Officer (CEO) as the agent should highly embrace synergy by searching for information resulting in an evaluation of the task to be carried out (strategy planning) and also to proposes a strategy to the board (principals), for their agreement and then carry out the agreed task (strategy implementation) in order to gain competitive advantage and perform well in relation to other similar firms in the same field of operation. In conclusion, the Agency theory of strategic management stands to be superior to any other theory of strategy when it comes to strategy management hierarchy. This is an affirmation that at each level of the strategic formulation hierarchy, there has to be an agent charged with the responsibility of representing other stakeholders at other levels. For the organization to achieve its objectives efficiently and effectively it is therefore prudent to put into consideration that there should be synergy using the Agency theory and proper understanding between the principal and the agent. Hence, the agency theory should be embraced particularly at the strategy formulation stage of strategic management and to the overall process of strategic management generally to enhance the organizational performance.

Theory of planning

The Theory of Planning, in this research study is associated with the influence of strategic planning as a determinant of strategic management in the performance of international commercial banks in Kenya. Strategic planning involves defining a bold vision and creating a plan with objectives and goals in order to attain the desired future that an organization would want to reach.

The theory of planning concerns itself with the following aspects namely: - 1) Rational model, 2) Organizational development 3) Incrementalism and 4) Collaborative Rationality. Rational model defines planning as a logical process in which choices are made after careful study of the facts at hand and logical analysis. It highlights the value of methodical thought and problem-solving. In hierarchical companies with centralized decision making, the rational formulation and execution procedures of defenders are more likely to be successful by giving the top management team a planned and coordinated approach to the development and implementation of strategies (Meier et al., 2010). Organizational development approach includes a human relations perspective on innovation and change in management style, employee satisfaction, decision-making procedures, and the overall health of the organization.

Incrementalism also known as ‘’disjointed incrementalism ‘’or “the science of muddling through” (Hudson, 1979) .In this model, planning is seen more of a mixture of intuition and experience. Further, incrementalism, advises implementation of significant policy changes incrementally over a long period of time. Collaborative rationality in planning is defined as a key theory in planning in which several stakeholders convene to discuss shared issues and use consensus building and public engagement techniques to decide on policies. The strategy aimed to balance participant power and boost public involvement. In a time of rapid change, social and political fragmentation, global interdependence, and competing ideals, consensus building and other types of collaborative planning are increasingly used to produce policy solutions (Booher & Innes, 2002).

This theory is considered appropriate in this research study as it explains strategic planning in the various organizational levels that can be embraced to make sure that goals setting, making and implementing plans, determining of objectives, and reviewing outcomes are done. This is done to realize optimal organization performance.

Goal setting theory

This theory suggests that there are two cognitive factors that influence behavior: values and intentions (goals). A goal is simply what a person is intentionally attempting to do. The form in which one perceives one's value judgments is emotional, according to Locke and Latham (1990). Increased productivity and better outcomes are the results of setting relevant and persistent goals. Unambiguous, visible, transparent goals with a completion date help to prevent misunderstandings.

Goal setting theory emphasizes on the important relationship between goals and performance. The most effective performance seems to result when goals are specific and challenging. Goals require commitment and acceptance (Locke & Latham, 2002). A person's goal determines the most immediate course of action. Through their impact on personal goals, external incentives have an impact on action. When a person evaluates their existence in relation to criteria set by pertinent values, emotional responses are the result (Locke & Latham, 2019). An action plan must enumerate the steps that need be taken to achieve a specific goal. Additionally, a goal must be broken down to actionable steps that can be effortlessly followed and tracked. Further, an action plan clarifies what resources are needed to attain the goal and therefore an employee needs to indicate the timelines when specific tasks are to be accomplished.

Ansoff Strategic Success Theory

Ansoff Strategic Success theory is a planning model that is used in an organization to determine its product and service strategy. The model is credited to the father of strategic management school of thought, Igor Ansoff. According to the theory, there is a strong causal association between formalized strategic planning and the achievement of optimal success of an organization. For a company to be effective in its strategy, there is a need to match the level of environmental turbulence.

The level of turbulence strongly affects its strategy, and its understanding provides a good foundation in developing a better performing organization (Ansoff, 1971). Often, the determination of strategy is dependent on environmental turbulence. Ansoff’s theory acts as a tool for the facilitation of data translation from qualitative to quantitative numbers that help the management to develop a direction (Moussetis, 2011). Ansoff Strategic Success theory was valuable to the current study in explaining the effect of the strategy monitoring on the performance of international commercial banks in Kenya.

RESEARCH METHODOLOGY

This study used descriptive design. The targeted population of this study was international commercial banks in Kenya. The unit of analysis was the 14 international commercial banks found in Nairobi since they are easily accessible being that it is their headquarters. The unit of observation was the senior managers (branch managers, service/operations managers), middle level managers (senior service desk officers, cash officers), and bank clerks (service desk officers, business bankers, personal bankers, sales executive). The sample size of 172 respondents using stratified proportionate random sampling technique.

The study used primary data collection methods. The primary data was collected through interviews and questionnaires. Qualitative data obtained from the interviews was transcribed and analyzed using thematic analysis using NVivo 13. The transcripts were reviewed multiple times to identify key themes and patterns related to strategic management practices and their impact on bank performance. Codes were assigned to these themes, and the data was organized into categories to identify recurring patterns and trends.

The quantitative data in this research was analyzed by descriptive statistics using IBM Statistical Package for the Social Sciences (SPSS) version 27. Descriptive statistics included mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. In addition to measures of central tendencies, measures of dispersion and graphical representations was used to tabulate the information. To facilitate this Likert Scale was used to enable easier presentation and interpretation of data. In addition, the researcher conducted a multiple regression analysis so as to determine the relationship between variables. The analyzed data was then interpreted and presented in frequency tables.

RESEARCH FINDINGS AND DISCUSSIONS

The researchers distributed 154 questionnaires out of which 118 were filled. This constituted a 76.7% response rate. This meant that the response rate obtained was good and allowed the results to be generalized as it is in line with Flick (2015) who maintains that a response rate above 50 percent is good for the analysis of data. Moreover, the interviews had a response rate of 100%.

Multiple Regression Analysis

Multiple regression analysis was conducted to determine the influence of strategic planning on performance of international commercial banks in Kenya. Specifically, the study sought to achieve the following objectives: to determine the influence of strategic communication, strategic planning, action plan, and strategy monitoring on performance of international commercial banks in Kenya.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.929	0.862	0.858	0.977

From the findings, the adjusted R square was 0.858 implying that the model was statistically significant. This implied that 85.8% variations in performance of international commercial banks in Kenya are explained by strategic communication, strategic planning, action plan, and strategy monitoring. The remaining 14.2% was explained by other factors influencing performance of international commercial banks in Kenya that were not covered in this study.

Table 2: ANOVA Results

	Sum of Squares	df	Mean Square	F	Sig.
Regression	909.918	4	227.480	233.595	4.22E-63
Residual	145.099	149	0.974		
Total	**1055.017**	**153**			

The findings showed that the p-value was 4.22E-63 and was less than 0.05. The F-calculated was 233.595 and was greater than F-critical (2.4324). This revealed that the model could predict the outcome of the relationship between the independent variables (strategic communication, strategic planning, action plan, and strategy monitoring) and performance of international commercial banks in Kenya.

Table 3: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.267	0.182		6.962	.000
Strategic communication	0.812	0.196	0.714	4.143	.000
Strategic planning	0.712	0.208	0.611	3.423	.001
Action plan	0.771	0.312	0.672	2.471	.015
Strategy monitoring	0.568	0.208	0.462	2.731	.007

The established model for the study was:

$Y= 1.267 + 0.812X_1 + 0.712X_2 + 0.771X_3 + 0.568X_4$

Where: -Y= Performance of international commercial banks

X_1= strategic communication

X_2= strategic planning

X_3= action plan

X_4= strategy monitoring

The study found that if all independent variables were held constant at zero, then the performance of international commercial banks in Kenya will be 1.267 which is significant since $p= 0.000<0.05$. The findings obtained also show that strategic communication is 0.812 which is significant since $p=0.000$ was less than 0.05, meaning that when a unit change in strategic communication led to a 0.812 unit change in performance of international commercial banks in Kenya.

The study further found that a unit change in strategic planning would lead to a 0.712 units change in performance of international commercial banks in Kenya. The variable was significant since $p=0.01<0.05$. Further, the findings show that a unit change in action plan would lead to a 0.771 change in performance of international commercial banks in Kenya. The variable was significant since p-value= 0.015 was less than 0.05. Moreover, the findings show that a unit change in strategy monitoring would lead to a 0.568 change in performance of international commercial banks in Kenya. The variable was significant since p-value= 0.007 was less than 0.05.

Overall, strategic communication had the greatest influence on performance of international commercial banks in Kenya, followed by action plan, then strategic planning, while strategy monitoring had the least influence on the performance of international commercial banks in Kenya. All the variables were significant since their p-values were less than 0.05.

Conclusions

The research concluded that strategic communication significantly affect the performance of international commercial banks in Kenya. The study also concluded that strategic communication practices vary in their effectiveness, with some aspects such as promoting open and honest communication and enhancing transparency and trust performing well. However, there are challenges related to information dissemination, alignment with values and mission, and the use of outdated communication tools. The use of social media for strategy implementation is promising, but its alignment with stakeholder preferences requires further attention. The research concluded that miscommunication can also be recognized and addressed, and an understanding of stakeholders' perspectives is essential to effective communication in strategy implementation.

The study deduced that strategic planning significantly affects the performance of international commercial banks in Kenya. The research concluded that when employees are engaged, goals are well-defined, and there is alignment across departments, the organization is better positioned to achieve its strategic objectives. A well-structured strategic plan provides a roadmap for the future, addresses potential risks, and enhances decision-making. However, the study concluded that goal-setting process often lacks specificity, and employee engagement can be inconsistent. The integration of strategic goals and objectives within departmental planning processes is uncertain. A comprehensive strategic business plan can provide clarity, but its absence can lead to decision-making uncertainties.

The research concluded that action plan significantly affects the performance of international commercial banks in Kenya. The study deduced that employee understanding of roles and responsibilities within action plans is generally clear, and the organization often meets deadlines and utilizes resources efficiently. The research further concluded that delays, missed deadlines, and resource allocation inefficiencies are common issues.

The research concluded that strategy monitoring significantly affects the performance of international commercial banks in Kenya. The research deduced that effective strategy monitoring is a dynamic process that involves not only evaluating performance but also recognizing accountability, proactively managing risks, and ensuring that the chosen strategy aligns with the organization's mission and objectives. The research also deduced that the frequency of reporting may not align with the need for real-time decision-making. Potential risks are sometimes overlooked, leading to unexpected challenges.

Recommendations

The study recommended that international commercial banks in Kenya enhance their strategic communication by developing and implementing a comprehensive internal and external communication strategy. This strategy should align closely with the organization's core values and mission, fostering open and honest communication to enhance transparency and trust. It was advised to invest in modern communication tools and methods to improve the effectiveness and reach of communication efforts. Additionally, the study urged banks to regularly assess stakeholder preferences and ensure that communication channels align with these preferences. Continuous evaluation of the impact of communication on transparency and trust was suggested, with a commitment to making necessary adjustments for improvement.

On employee performance, the study recommended that since employees are the key assets in organizations, strategies adopted by organization should be flexible to the employees working place so that operations may not be affected by them. Additionally, the study recommended that employees should be enlightened on the strategies that the organization aim to adopt so as to eradicate the possibility of opposition to its implementation and other challenges faced in the process of changes.

Moreover, the study recommended improvements in action plan execution by strengthening milestone and objective achievement. Banks were advised to identify the root causes of progress issues and implement corrective measures. It was suggested that resource allocation efficiency be enhanced by carefully assessing resource needs and ensuring optimal utilization to achieve strategic objectives. Challenges related to delays and missed deadlines should be addressed by streamlining processes and providing support where necessary. Regular reviews to identify and address potential risks and challenges during strategy execution were also encouraged.

International commercial banks need to enhance communication in strategy implementation throughout the organization and improve on senior managers commitment towards the same. They wish to fully achieve strategy implementation that would lead to increased profitability and reduced costs. In order for international commercial banks to remain competitive, they need to be more innovative and invest on human capital to ensure sustainable competition.

The study also proposed enhancements in strategy monitoring by improving the frequency and timeliness of monitoring and reporting to facilitate real-time decision-making. Developing a culture of risk management by proactively identifying, addressing, and mitigating risks during the strategy execution phase was advised. The study underscored the need to establish clear accountability for strategic tasks and responsibilities, ensuring that individuals and teams are held responsible for their contributions. Regular training and development programs were recommended to keep employees updated with the latest communication tools, strategic planning methodologies, action plan execution strategies, and risk management techniques.

Furthermore, it was recommended that international commercial banks implement regular assessments and feedback mechanisms to gauge the effectiveness of their strategic elements and make data-driven adjustments. Insights from employees, stakeholders, and customers should be gathered to ensure that strategies are meeting their needs and expectations. Engaging in benchmarking exercises and staying informed about industry best practices to continuously improve strategic elements was also advised. Customization for local dynamics was emphasized, with a focus on tailoring global strategies to the specific context and regulatory environment in Kenya, ensuring that plans, communication, and monitoring are locally relevant. The study highlighted the importance of strategic investment in technology to enhance communication, planning, execution, and monitoring, exploring innovative solutions for data analysis, risk management, and real-time reporting.
The study further recommends that policies and legislation to be enacted to consider the need for enhancing implementation and management of strategy implementation in the international banking sector. Based on the research findings, strategy implementation should enhance banks performance through the following ways: effective application of new modern technologies, effective leadership, efficient resource utilization and constant innovation

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