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**THESIS
PHD DEGREE IN TOURISM MANAGEMENT**

***From strategic planning to strategy implementation
in the hotel industry in South Africa***

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DECLARATION

I declare that this thesis is my own work. It is being submitted on the partial fulfilment of the requirements for the Doctoral Degree in Tourism Management to the University of Pretoria. It has not been submitted before for any degree or examination to any other university.

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5th September 2008



ABSTRACT

This study was initiated due to the need to address process of moving from strategic planning to strategy implementation within the South African hotel industry. The idea of strategy implementation might seem straightforward: namely that the strategy is formulated and then implemented. However, transforming strategies into action is a far more complex and difficult task. Numerous impeters hamper this process.

The main deliverable of the investigation was to develop a conceptual and practical strategy implementation model for the South African hotel industry. The intention of the strategy implementation framework was to serve as a tool that assists in the process of moving from strategic planning to strategy implementation.

Both qualitative and quantitative methods were employed for data gathering. The first phase involved five in-depth interviews with executives from three to five star rated hotels. The second phase involved the completion of a structured questionnaire by a sample of 61 three to five star rated hotel managers. Although the data gathering covered the entire strategic management process, there was a specific focus on strategy implementation and the impeters associated with this process within the South African hotel industry.

The data from both the phases were analysed and a draft conceptual and practical model was developed. The intention of the researcher was to present a model that is both user-friendly and easy to understand, as well as practical for use by all levels of management with varying educational qualifications, within the hotel industry. A draft model was subsequently presented during a focus group session to a group of hotel executives, managers and management consultants for review. The discussions focussed on a number of aspects relating to the model, including but not limited to the ease of understanding of the model and concepts and its practicality in assisting hotel practitioners move from strategic planning to strategy implementation.



Based on the discussions from the focus group, a revised and final model was developed.

While the research focussed on the hotel industry in South Africa and therefore its primary application is for the South African hotel industry, further research could be done to investigate the potential application of the model in hotels located in other countries. The model might also be adaptable for use in other service industries.

In addition, the research focussed on developing a model that would assist practitioners in the hotel industry move from strategic planning to strategy implementation. During the research, it became apparent that the need for customised hotel industry specific strategy implementation tools is a niche requirement. However, further research must be conducted to investigate, review and ascertain the availability of management and practical tools that could help hotel managers in the monitoring of strategy implementation and if not, a model or scorecard could be developed, taking into account the idiosyncratic nature of the hotel industry.



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A sincere word of thanks is also due to Dion and Eric van Zyl, who assisted me in the data gathering and statistical analysis phases.

This research project would not have been possible without the wonderful grace of God, who guided me through rough waters, and kept me focused, granted me the necessary wisdom and taught me the value of perseverance.

“There is no wisdom nor understanding nor counsel against the LORD”.

(Proverbs 21:30)



DEDICATION

To NIKKI, a loving and understanding wife who continually and without question supported and encouraged me through the entire programme.

To my son RYAN and my daughter CHARLOTTE, my loving children, who often gave up spending quality time with me to enable me to complete my PhD.

Lastly, to my late MOM and DAD, who taught me the value of hard work and dedication. You will be remembered forever!



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CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Welch (2001:390) postulated that business success is less a function of grandiose predictions than it is a result of being able to respond rapidly to real changes as they occur and that is why strategy has to be dynamic and anticipatory. Edgar and Nisbet (1996:6) also acknowledged the challenges brought about by a changing environment in which businesses operate, stating that businesses are operating in complex and turbulent environments with pressure to adapt and change in order to survive.

One such industry that is facing constant change and challenges is the hotel industry. Tourists and business travellers' needs across the globe are constantly evolving alongside changes in international markets as new travel destinations open up, improvements of telecommunication and advances in IT, and a convergence of different cultures in a more globalised environment. Wong and Kwan (2001:386), who made an analysis of the competitive strategies of hotels and travel agents in Hong Kong and Singapore, acknowledged this state of affairs. Hotels and travel agents struggle constantly to innovate and conceive new business strategies to meet the ever-changing travelling needs and diversity of demands from the increasingly discerning traveller. Results from a study conducted by Lu and Chaing (2003:343) of hotels in Ontario, Canada, showed that one of the most concerned issues by the hotels was changing customer needs and the increasing purchasing power of customers through the Internet.

Ballaira (2007) gave a further example of shifting consumer expectations on the website www.travelwires.com. Ballaira (2007) notes that 'no-frill chic' is a

new consumer trend that is going to deeply affect the hotel industry, by shifting consumer expectations and changing the traditional segmentations that marketers use. Ballaira (2007) argues that when it comes to hospitality, the concept is very well represented by a wave of new hotel companies that promise to (finally) bring some real innovation to the industry by combining style with budget, mixing the chic with affordable rates. 'No-frill chic' hotels is positioned to appeal to both budget consumers who will love to experience some extra chic at no extra costs, and to the more demanding travellers who are ready to welcome a non-traditional concept of luxury and service.

The changes evident in the examples mentioned above is reminiscent of two important parts of today's business environment, firstly the ever increasing acceleration of change in the business environment and secondly the ability to implement strategy successfully within this dynamic environment. To meet the demands of sustainability and challenges of demand in a changing environment, the strategy of a firm becomes the match between its internal capabilities and its external relationships (Kay, 1995:4). From the perspective of classical strategic management theory strategy is considered a deliberate or formal planning process, initiated by top management, based on an elaborate and rational industry analysis and aimed at designing a cohesive grand strategy for the organisation (Dincer, Tatoglu and Glaister, 2006:206). Mintzberg (1994), as cited by Pun (2004:904), defined strategy as 'a plan, or something equivalent – a direction, a guide or course of action into the future, a path to get from here to there', and as 'a pattern, that is, consistency in behaviour over time'.

Quinn (1980), as cited by Teare *et al* (1998:59) defined strategy as a pattern or plan that integrates an organisation's major goals, policies and action sequences into a cohesive whole. Teare *et al* (1998:59) noted that this could be regarded as the building block of strategic management. In this sense, strategy provides the link between where the organisation is at present and

where it would like to be in the future. Strategic management therefore oversees these alignments and facilitates the processes of moving from strategic planning to strategy implementation.

Ehlers and Lazenby (2004:1) postulated that strategic management is the process whereby all the organisational functions and resources are integrated and coordinated to implement formulated strategies. According to Fahey and Randall (1994:68), strategic management is the name given to the most important, difficult and encompassing challenge that confronts any private or public organisation: how to lay the foundation for tomorrow's success while competing to win in today's market place. However, more importantly, it embraces the processes of ensuring that strategic planning is implemented and executed efficiently and effectively in order to reap the intended results. But what constitutes the strategic management processes? The basic elements of the strategic management process consist of environmental scanning, strategy formulation, strategy implementation and evaluation and control (Trainer, 2004:131; Harrington, 2005:373). In fact, Ansoff (1969:131) already emphasised in 1969 the duality of strategy, namely its formulation (the originally conceived plan) and its implementation (the carrying through of that plan).

A number of authors have, however, noted that of the two processes, strategy implementation has attracted much less attention in strategic management research than strategic planning or strategy formulation (Alexander, 1991, as cited by Alashloo, Castka and Sharp, 2005:135; Al-Ghamdi, 1998:322; Okumus, 2001:327; Bigler, 2001:29; Aaltonen and Ikävalko, 2002:415).

The notion of strategy implementation might at first seem quite straightforward: the strategy is formulated and then it is implemented (Aaltonen and Ikävalko, 2002:415). However, as many practitioners and business executives can vouch, transforming strategies into action is a far

more complex and difficult task. In fact, Nutt (1983) as cited by Chimhanzi (2004:74), argued that empirical evidence suggests that implementation in practice is fraught with difficulties and generally falls short of expectations. Statistics noted by Bigler (2001:29) and Miller (2002:544) suggest that between 70 and 90 per cent of formulated strategies are not implemented on time and with the intended results. These results seem to be attributable to failures in the implementation process rather than in the formulation of strategy itself (Al-Ghamdi, 1998:322).

Essentially, until a strategy is implemented, it remains a plan and not an operational reality. The good intentions of a strategy can become insignificant if not implemented. This notion is encapsulated by the noteworthy statement “. . . great strategy, shame about the implementation . . . ” (Okumus and Roper, 1998:218). The ability and strength to execute a decision is thus more crucial for success than the underlying analysis of the strategy (Gummesson, 1974 as cited by Chimhanzi, 2004:73). Giles (1991), as cited by Chimhanzi, 2004:73), to such an extent, saw implementation as the most powerful part of the strategic management process.

Impeders of strategy implementation as found from a literature review include aspects such as the insufficient linking of strategy to goals, time limitations, unanticipated market changes, lack of consensus among decision makers and unsuitable resources allocation. The list is ongoing and the impeders identified from the literature were evident across a number of industries; however, none of the empirical research studies has focussed on the hotel industry. Although Okumus (2002:107) has noted that no researcher has provided research findings which indicate that there are any particular differences between strategic management in hospitality firms and in any other types of firms, the researcher is of the opinion that empirical research in the hotel industry can contribute towards assisting practitioners in the hotel industry to move from strategic planning to strategy implementation, and as

such overcome one of the main problem areas within the strategic management process.

This study therefore sets out to address the gap between strategic planning and strategy implementation with a particular focus on the South African hotel industry. The study addresses firstly the extent to which strategic planning is taking place within the South African hotel industry. Secondly, the impeders of strategy implementation are investigated. The findings from the study lay the foundation for the development of a conceptual and practical model that can assist management and practitioners in the South African hotel industry move from strategic planning to strategy implementation.

1.2 FORMULATING THE PROBLEM

Strategic management and the processes linking strategic planning, implementation, coordination and control are important for the hotel industry as it operates in a highly competitive environment, and is unique in various aspects compared to other industry sectors. This can be illustrated by the range and variety of products and services, such as accommodation, food, beverage, leisure, sporting and other retailing activities, and the appropriate servicing and maintenance of these products. In addition to this, there are many multi-unit corporations, which have specialised structural configurations and this impinges upon strategic decisions made at functional, operational and corporate level. The hospitality industry is distinctive, as indicated by Olsen, Tse and West (1992:18). The distinctive factors described by the authors are as follows:

- It is both capital and labour intensive.
- It is considered a fragmented industry.
- The ownership of assets used in this industry often does not belong to those who are managing them.

- A considerable amount of real estate across the globe is dedicated to supporting all types of hospitality organisations.
- Competitive advantage through innovation is short lived, as it is prone to being copied almost immediately.
- This specific industry encourages the spirit of entrepreneurship and the dream of owning one's own business.
- It is part of the service industry phenomenon with unique demand, supply and technology relationships.

In order for hotels to survive in a highly competitive environment, strategic planning and the effective and efficient implementation thereof is a critical facet for top management to ensure competitive advantage and long-term sustainability. However, a qualitative pilot survey that was internally conducted by the researcher for the Eskom Training Centre amongst a sample of 12 independent and chain-managed hotels in Gauteng revealed that hotel managers complained about a lack of understanding of the core principles of strategic management and of effective and efficient strategy implementation and control. In some cases, hotels operate without proper strategic planning taking place. At the same time, managers noted that ineffective strategy formulation and understanding hampered strategy implementation.

Findings from the pilot survey revealed that problem areas experienced by managers, included:

- a total lack of comprehensive strategic planning by top management;
- confusion amongst management regarding the various areas and levels of strategic planning, namely marketing, operational, human resources, and financial;
- a lack of strategic formulation from all levels of the organisation;
- ineffective communicating of strategic intent across all levels of the organisation and a clear understanding thereof; and

- a lack of developing long-term strategies to harness areas such as employee's intellectual, creative and innovative ability to the benefit of the organisation.

One manager noted that strategy implementation could only take place if management culture and climate are conducive and geared towards the process of moving from strategic planning to the implementing of a strategic intent, and the supporting facets of coordination and control. The lack of clearly formulated disciplines and operational guidelines contribute to the problem.

A review of literature by the researcher could not yield documented evidence of the strategic problem areas experienced in the South African hotel industry, as there is very little literature on strategy available, with a hospitality focus. The outcomes of poor strategic planning and implementation have, however been covered in the literature. Improper planning and a lack of effective and efficient strategy implementation can have detrimental effects on the sustainability of any organisation. These two facets, namely planning and implementation ultimately form primary pillars of any organisation's long-term survival in a highly competitive environment.

This study therefore investigated the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa. This included, inter-alia, an investigation into the challenges and barriers faced by management in the processes of moving from strategic planning to strategy implementation and the supporting facets of coordination and control. It should be noted that although Kumar, Markeset and Kumar (2006:107) emphasised that strategy implementation and execution are different in the sense that implementation has to do with making resources available and setting up detail plans for strategy execution, whereas the execution phase the plans are enacted and

the resources used, for the purpose of this research strategy implementation also encapsulate the process of execution.

The research utilised both qualitative and quantitative data gathering techniques to fully investigate the aspect under consideration. The scope of the research fell on star rated hotels in South Africa. The hotels encompass both independent hotels and hotels within international, national and regional chains.

Guidelines and a proposal towards a solution were sought to address the problem areas experienced towards planning and implementation and control. The ultimate aim of the study was to present a conceptual and practical framework for moving from strategic planning to strategy implementation and control within the hotel industry.

1.3 RATIONALE FOR THE STUDY

Strategic planning and successful implementation of strategies are critical to the capitalising of growth opportunities for any firm. For the South African hotel industry, the expected boom in tourism levels towards the 2010 Soccer World Cup and beyond marks such an important growth opportunity and it is necessary for firms to be strategically agile to be able to capitalise on this envisaged upturn in the tourism sector. The foundation for strategic agility lies in proper strategic planning across all levels of the respective organisation and effective and efficient implementation, measurement and control. During the review of literature it was uncovered that there is a definite lack of scientific literature on strategy formulation and implementation in the management of South African hotels. A study such as this would assist hotel managers and practitioners in the process of strategic management, and more specifically the implementation phases.

1.4 RESEARCH OBJECTIVES

Three main research objectives are covered within this study, namely:

1. The first research objective was to investigate the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa.
2. The second critical research objective was to investigate the challenges and barriers faced by management in the process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control.
3. The third objective was to develop a conceptual and practical strategic management model for the South African hotel industry. The model is to be based on the insights and findings obtained from the literature and empirical research. The intention of the strategic management framework is to serve as a tool that is conducive to the processes of strategic planning, implementation, coordination and control.

1.5 THE RESEARCH APPROACH

The study utilised both a qualitative and quantitative data gathering processes. A three-phase process for data gathering was planned and subsequently utilised.

The first phase of the study involved in-depth interviews with executives at three to five star rated hotels and hotel groups. This phase contributed in understanding the extent that strategic planning takes place within hotels and the impeding factors to strategy implementation. The in-depth discussions also focussed on the processes and tools employed during strategy implementation and control.

The second phase of the research design involved the gathering of quantitative data by means of a structured questionnaire from a sample of three to five star rated hotel managers within the top and middle management level. This phase aimed to gather quantitative data to support and expand on the findings from the first phase. Similar aspects, as covered during phase one, were addressed.

The results and findings were used for the development of a conceptual and practical model/framework for the South African hotel industry that might assist with the processes of moving from strategic planning to strategy implementation.

The last phase of the data gathering process involved a focus group discussion with hotel executives and managers and consultants. The discussions focussed on the newly developed draft model. Aspects that were discussed included ease of understanding, practicality and covering of issues. Although not encompassed within the scope of this study, the potential for the conversion of the model into a practical score card or monitoring instrument were also discussed.

The rationale behind the choice of employing qualitative and quantitative methods is that, qualitative research methods allow respondents to provide descriptive information about their thoughts and feelings that are not easily projected to the whole study population. Since the research, problem and objectives require a good understanding of the problem and actionable solutions, a combination of qualitative and quantitative research method is regarded as appropriate for this study. More so, the questionnaire data collection methods enable the researcher to quantify responses and views. This also helps to minimise researcher's own bias while enhancing efficiency in the analysis of complex information. In this context, reliability will be high.

1.6 DELIMITATIONS AND DELINEATION OF THE STUDY

1.6.1 Delimitation of the study

The focus of the research fell on the processes of moving from strategic planning to strategy implementation and the supporting facets of coordination and control. Aspects dealing with the operations of an organisation and operational planning were therefore excluded from the scope of the study. Specific elements dealing with strategic planning *per se* were also regarded as outside the scope of the study. Lastly, the scope of the study fell on the hotel industry in South Africa only, with a particular focus on three to five star rated hotels.

1.6.2 Study delineation

The gathering of data was delineated to include a representative sample of three to five star rated hotels as graded by the Tourism Grading Council of South Africa. The Tourism Grading Council provides a voluntary grading system whereby hotels are awarded stars based on the level of accommodation and services offered. This constituted a suitable delineation framework for the selection of graded hotels to be included in the sample frame. In addition, contact details of such hotels were available for the creation of a sample database of hotels.

1.7 THE STRUCTURE OF THE THESIS

Chapter two focuses primarily on the literature review pertaining to strategic planning and strategy implementation, with the entire strategic management process being discussed to a lesser degree.

Chapter three provides a discussion of the methodology employed, including data gathering methods, sampling, data preparation and analysis.

Chapter four presents the results derived from the analysis of the data. Tables and graphs are used to present results in support of the research objectives.

Chapter five provides a discussion of the findings and how it links to the findings from the literature review in chapter two.

In chapter six, the draft model is presented, the focus group session discussed and a final model presented. It highlights the study's contribution to the field of strategic management in presenting a conceptual and practical model that can assist practitioners in moving from strategic planning to strategy implementation within the hotel industry in South Africa. In conclusion, a brief summary of the research study is done, final conclusions are drawn and some recommendations are made with regards to areas for further research to build on this study.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This literature review provides a theoretical basis of the thinking and practice on the subject of strategy, strategic management and more importantly the processes of strategic planning and implementation. Although most recent sources on these subjects are sought, the researcher recognises that strategic thinking has been practiced over many centuries and some thinking employed years ago is still as valid today as it was then. This aspect is well illustrated by Welch (2001:390), who noted that he found the strategic beliefs of Helmut von Moltke, a Prussian general that lived in the latter parts of the 1800's more useful in the shaping of his own strategic thinking than all the data crunching done over the years in the strategic plans of General Electric.

Porter (1996:36) postulated that strategy has been around for thousands of years as a way of thinking about survival and achieving success through leadership in war or politics. However, he noted that there is no common agreement when it comes to what strategy or strategic thinking really entails. Over the years, academics and business have developed different interpretations to the definition of strategy.

A main aspect of this chapter however is concerned with the processes and impeters of strategy implementation. Aaltonen and Ikävalko (2002:415) noted that in the realm of strategic management, strategy implementation has attracted much less attention in strategic and organisational research than strategy formulation or strategic planning. Alexander (1991), as cited by Aaltonen and Ikävalko (2002:415) suggests several reasons for this, namely:

- strategy implementation is less glamorous than strategic planning;
- strategy implementation is overlooked as academics and practitioners believe that everyone can do it;
- people are not exactly sure what the strategic management process includes, where it begins and where it ends;
- there are only a limited number of conceptual models for strategy implementation.

Despite the lack of attention, strategy implementation has long been recognised as being critical for business success. Yet, more than half of new strategic initiatives failed to get implemented (Miller, 2002:544). This seriously puts a strain on business growth and long-term sustainability.

Before looking more in-depth into the thinking behind strategic implementation, the general fields of strategy and strategic management are covered in section 2.2. Out of this the two main focus areas of the study develops, namely strategic planning, which are dealt with in section 2.3, and strategy implementation, which are dealt with in section 2.4.

2.2 STRATEGY AND STRATEGIC MANAGEMENT

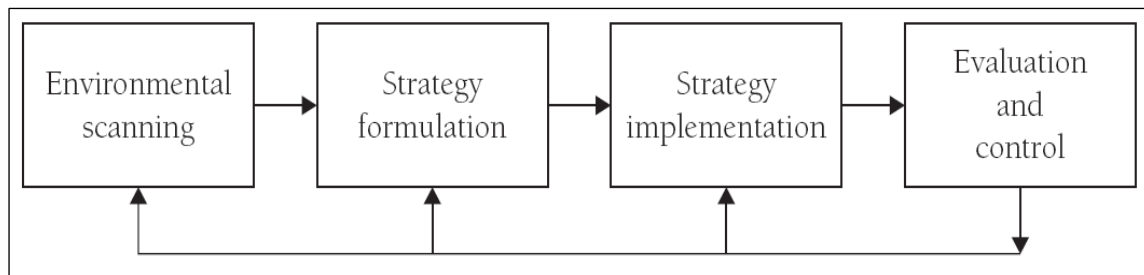
Welch (2001:390) postulated that business success is less a function of grandiose predictions than it is a result of being able to respond rapidly to real changes as they occur and that is why strategy has to be dynamic and anticipatory. The thinking of Welch (2001) emphasises two important parts of today's business environment, first, namely the ever increasing acceleration of change in the business environment and secondly the ability to implement strategy successfully within this dynamic environment.

Stock and Lambert (2001:219) postulated that given the challenges facing organisations, sustaining business growth to ensure long-term survival is one

of the critical challenges to any business executive. Organisations must at some stage in their lifecycle seek new growth opportunities in order to address realities such as maturing markets, competitive threats and taking advantage of opportunities by utilising new technologies, exploiting new markets and capitalising on changing customer demographics. Edgar and Nisbet (1996:6) also acknowledged the challenges brought about by the changing environment in which businesses operate, stating that businesses are operating in complex and turbulent environments with pressure to adapt and change in order to survive. To meet the challenges of changing demands, sustainability and the changing environment, the strategy of a firm becomes the match between its internal capabilities and its external relationships (Kay, 1995:4). Strategic management caters for these alignments and facilitates the processes of moving from strategic planning to strategy implementation.

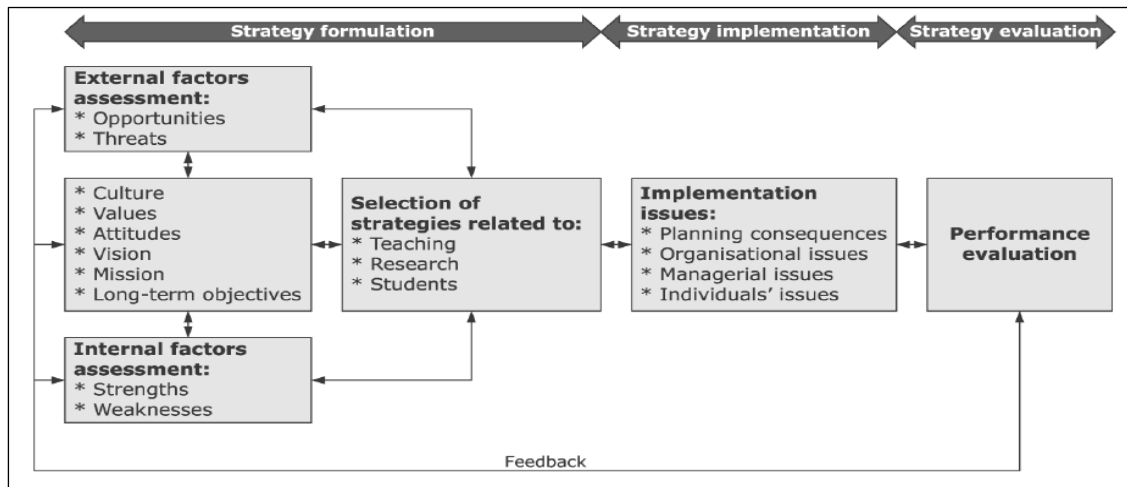
Ehlers and Lazenby (2004:1) postulated that strategic management could be defined as the process whereby all the organisational functions and resources are integrated and coordinated to implement formulated strategies. Ansoff (1969:131) already emphasised in 1969 the duality of strategy, namely its formulation (the originally conceived plan) and its implementation (the carrying through of that plan).

But what constitutes the strategic management processes? The basic elements of the strategic management process are shown in figure 2.1 and consist of environmental scanning, strategy formulation, strategy implementation and evaluation and control.



**Figure 2.1: The basic elements of the strategic management process
(Trainer, 2004:131)**

This framework forms the basis of many other more specific ones. For example Alashloo, Castka and Sharp (2005:133) proposed a generic strategic management framework for the higher education. Refer to figure 2.2. The framework consists of three main stages, namely strategy formulation, strategy implementation and strategy evaluation. During the first stage, strategists must consider factors such as culture, values, attitudes, vision, mission and long-term objectives. The social, political, economic, technological and demographic changes must also be assessed in order to identify environmental opportunities and threats. Opportunities and threats can only be pursued or blocked if the strengths and weaknesses of the organisation are known. Only then can the necessary strategies be formulated. Strategy implementation follows strategy formulation. This step involves the continuation of some ongoing strategies as well as the beginning of some new strategies. As a result, managers should consider analysis of organisational structures and systems before strategy implementation, as well as the analysis of culture, power and conflict. The final stage in the strategic management process is strategy evaluation and control. The aim of this phase is to ensure that stated objectives are being achieved. Reviewing internal and external factors, measuring performance, and taking corrective actions are the activities associated with this stage.



.2: Generic strategic management process (Alashloo, Castka and Sharp, 2005:133)

A number of other scholars have also proposed strategic management models. However, the focus of models of Andrews (1960), Feurer and Chaharbaghi (1995a), Hunger and Wheelen (1996) and Lewis (1996) fell more on strategy formulation, with little expansion on the implementation side. Many articles also refer to these models more as strategy development models than strategic management models.

The strategy models of Andrews (1960:27), Feurer and Chaharbaghi (1995a:12), Hunger and Wheelen (1996:123) and Lewis (1996:123) all proposed a unidirectional approach, consisting of a series of activities, which are tackled in a logical sequence that leads to the setting of strategies and the devising of plans to achieve such strategies.

Andrews (1960:27) pioneered the unidirectional approach in the 1960's. The model, which is represented in figure 2.3 highlights the main aspects of the strategic processes of a business.

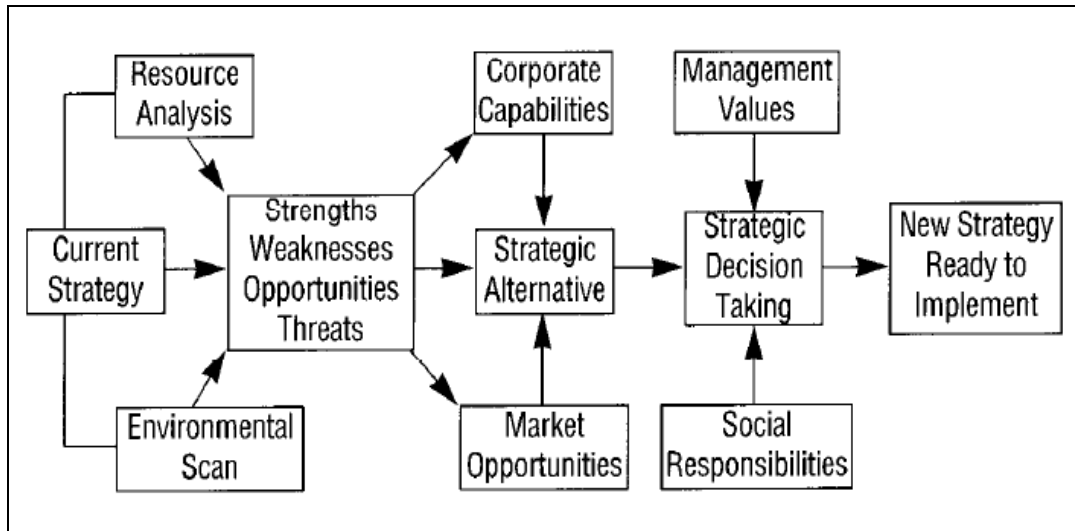


Figure 2.3: The Classic Strategy Model (Andrews, 1960:27)

The Hunger and Wheelen model (1996:123) consists of four inter-linking parts, namely environmental scanning, strategy formulation, strategy implementation and evaluation and control. The model is shown in figure 2.4.

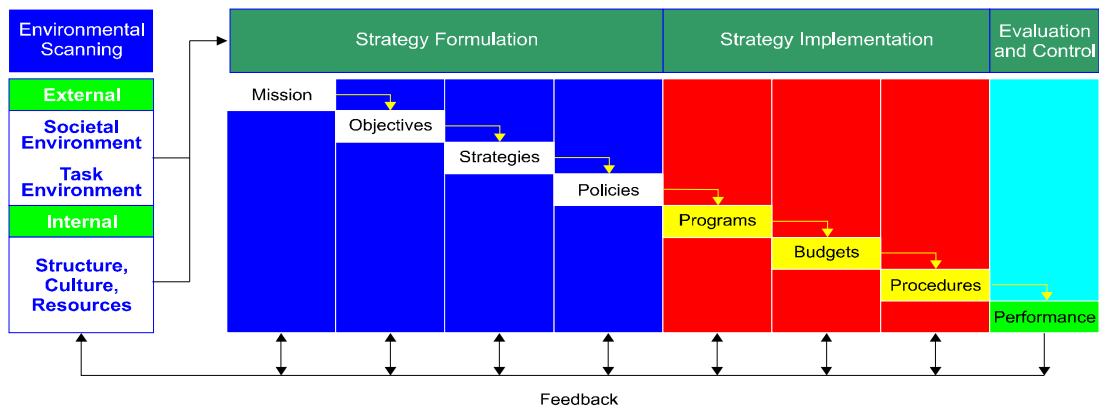
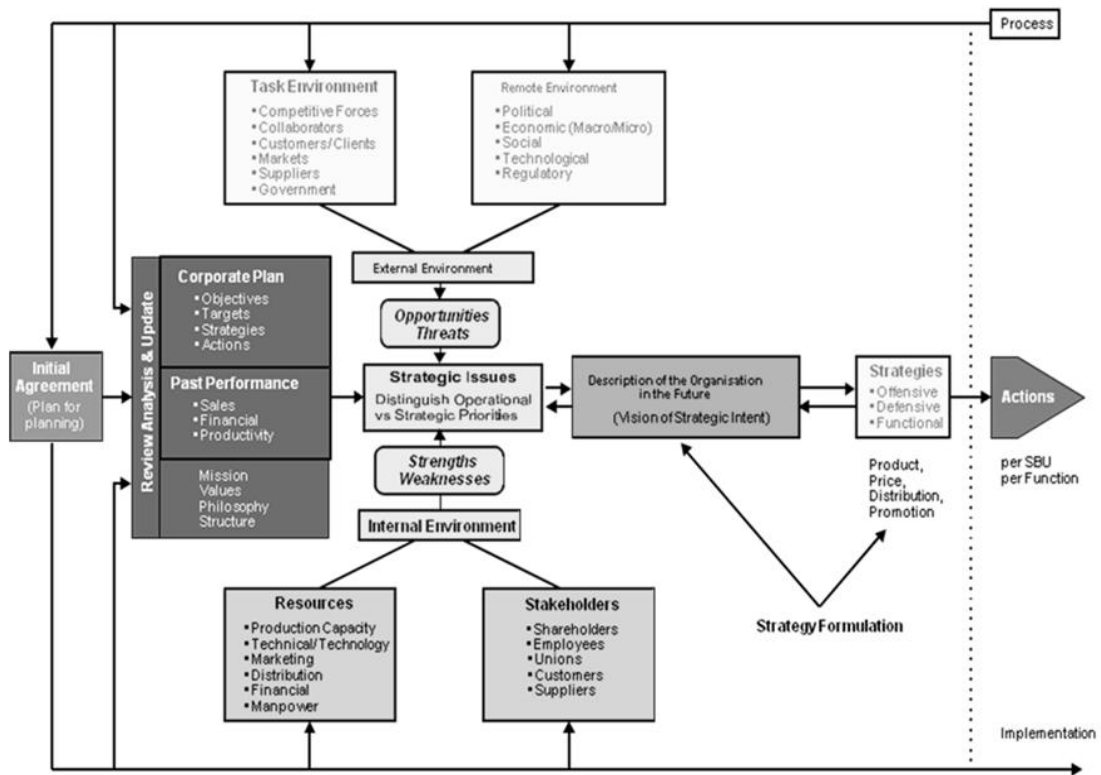


Figure 2.4: The Hunger and Wheelen Strategic Planning Model (Hunger and Wheelen, 1996:123)

The Lewis Model (1996:123), illustrated in figure 2.5, adopts a similar but more detailed approach. The approach takes a holistic view of the environment, analysing the past, identifying trends, core-driving forces, strategic issues and key uncertainties and looks into the future



model entails a number of well-defined steps carried out in sequence including data collection and analysis, strategy development, evaluation, selection and implementation. Refer to figure 2.6. Strategy becomes a rational decision-making process by which the organisation’s resources are matched with opportunities arising from the competitive environment. Feurer and Chaharbaghi (1995a:13) argued that the main limitation of the design concept relates to its inability to adjust to fast-changing conditions. Nonetheless, the processes in the model are still widely used in the business world today.

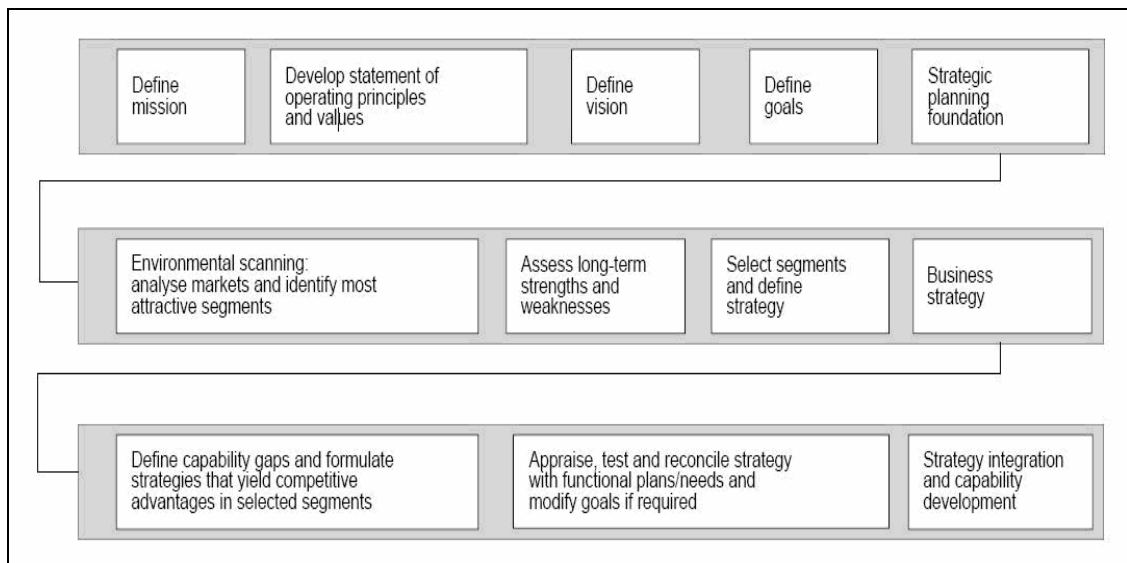


Figure 2.6: Strategy formulation and implementation based on the design school (Feurer and Chaharbaghi, 1995a:14)

Models that are more recent however started to move away from the unidirectional approach. This can be attributed to the general consensus that competitive environments are changing at an ever-accelerating rate resulting in high levels of uncertainty. As a result, competitive strategies and the way the strategy process works therefore come under scrutiny. In response to Feuerer and Chaharbaghi (1995a:13) concern towards the unidirectional approach of strategic management, Feuerer, Chaharbaghi and Wargin (1995) argued that organisations can no longer afford to adopt a unidirectional or step-by-step approach to strategy development. In the face of high levels of uncertainty and change, there is a need for a dynamic approach in which strategy formulation and implementation are carried out simultaneously. This represents an ongoing process of analysing the competitive environments and developing strategic options together with their evaluation.

Feurer, Chaharbaghi and Wargin (1995) also noted that a dynamic approach to strategy formulation and implementation are more effective if the processes are dispersed throughout the organisation. However, at the same time it becomes critical to maintain the right balance between establishing an overall

strategic direction for the whole organisation and having the flexibility to ensure swift reaction to changes in the competitive environment. This can only be achieved through effective communication and coordination within an organisation with the right structure and culture.

Other models where more dynamic approaches to the strategy development process were adopted include that of Okumus (2003:871), Ip and Koo (2004:553), Harrington (2005:384), McNamara (1997:32) and Alashloo, Castka and Sharp (2005:133).

Ip and Koo (2004:553) proposed a hybrid of SWOT analysis, the balanced scorecard, and quality function deployment in creating a pragmatic approach for translating vague strategy into action. They also incorporated Sun Tzu's Art of War to develop a more structured strategic formulation framework. A SWOT analysis allows a company to look internal (strong points and weak points) and external (opportunities and threats). The balanced scorecard provides a holistic balanced measurement of four perspectives, namely financial, customer, internal business process and learning. This provides a better indication of the performance of an organisation than merely the traditional financial data. Lastly, quality function deployment has been used extensively in a manufacturing setting for years. In this model, quality function deployment quantifies and prioritises the relationships of (internal/external) factors and actions structurally in financial, customer, process and learning perspectives.

Models proposed by Harrington (2005:384) and Okumus (2003:871) moved away from a step-wise approach of environmental scanning, formulation of strategic ends and means, strategy implementation, evaluation, and control, towards advocating a more holistic interpretation of strategy formulation and implementation.

McNamara (1997:32) rightfully noted that there is no perfect strategic planning model for an organisation. Each organisation ends up developing its own nature and model of strategic planning, often by selecting a model and modifying it as they go along in developing their own planning process. McNamara (1997:32) proposed five alternative models, which include a basic strategic planning model, issue-based or goal-based model, alignment model, scenario planning model and an organic planning model.

The basic strategic planning model is typically followed by very small organisations that lack strategic planning. Planning is usually carried out by top-level management and the basic strategic planning processes include:

- (1) Formulating the mission statement of the organisation
- (2) Selecting the goals that must be reached if it is to accomplish the mission and sub-goals
- (3) Identifying specific approaches or strategies that must be implemented to reach each goal
- (4) Identifying specific action plans to implement each strategy
- (5) Monitor and update the plan

The issue-based (or goal-based) planning model extends from the basic strategic planning model. The processes include:

- (1) External/internal assessment to identify strengths, weaknesses, opportunities and threats
- (2) Strategic analysis to identify and prioritise major issues/goals
- (3) Design major strategies (or programs) to address issues/goals
- (4) Design/update vision, mission and values
- (5) Establish action plans (objectives, resource needs, roles and responsibilities for implementation)
- (6) Record issues, goals, strategies/programs, updated mission and vision, and action plans in a Strategic Plan document, and attach SWOT, etc.
- (7) Develop the yearly Operating Plan document

- (8) Develop and authorise budget for year one (allocation of funds needed to fund year one)
- (9) Conduct the organisation's year-one operations
- (10) Monitor/review/evaluate/update Strategic Plan document

The purpose of the alignment model is to ensure strong alignment among the organisation's mission and its resources to effectively operate the organisation. The overall steps include:

- (1) The planning group outlines the organisation's mission, programs, resources, and needed support
- (2) Identify what's working well and what needs adjustment
- (3) Identify how these adjustments should be made
- (4) Include the adjustments as strategies in the strategic plan

Scenario planning might be used in conjunction with other models to ensure planners truly undertake strategic thinking. The model may be useful, particularly in identifying strategic issues and goals.

- (1) Select several external forces and imagine related changes, which might influence the organisation, for example change in regulations, demographic changes, et cetera.
- (2) For each change in a force, discuss three different future organisational scenarios (including best case, worst case, and reasonable case), which might arise with the organisation as a result of each change.
- (3) Suggest what the organisation might do, or potential strategies, in each of the three scenarios to respond to each change.
- (4) Planners soon detect common considerations or strategies that must be addressed to respond to possible external changes.
- (5) Select the most likely external changes to effect the organisation, for example over the next three to five years, and identify the most reasonable strategies the organisation can undertake to respond to the change.

General steps of the organic planning model include:

- (1) Clarify and articulate the organisation's cultural values. Use dialogue and story-boarding techniques.
- (2) Articulate the group's vision for the organisation. Use dialogue and story-boarding techniques.
- (3) On an ongoing basis dialogue about what processes are needed to arrive at the vision and what the group is going to do now about those processes.
- (4) Continually remind employees that this type of naturalistic planning is never really finished. Rather, the group needs to learn to conduct its own values clarification, dialogue/reflection, and process updates.
- (5) Focus on learning and less on method.
- (6) Ask the group to reflect on how the organisation will portray its strategic plans to stakeholders.

David (2001:18) noted that strategy formulating and implementation often overlap in practice. Conceptual models should therefore also incorporate the strategy implementation process, otherwise strategic planning become obsolete.

The stage dealing with strategy implementation is however regarded by many practitioners as the main reason why strategy fails. This was acknowledged by Dobnii and Luffman (2000:896), who noted that the current key challenge for management in achieving a competitive advantage lies in the implementation of strategy, as opposed to the formulation of it. Strategy implementation addresses the issue of how to put formulated strategy into effect within the constraints of time, an organisation's financial and human resources, and its capabilities. Bigler (2004:29) for example noted that a study has shown that 90 per cent of formulated strategies of firms in the USA and Europe are not implemented on time and with the intended results. He furthermore noted that when Lou Gerstner came on board to turn around IBM,

one of the key problems he found was that of implementation. Waldersee and Sheather (1996:105) commented that weaknesses of strategic management seem to be more in the implementation than formulation. Other researchers that noted similar views, even as early as 1984, included Mellalieu (1984:76), Alexander (1985:231), Brache and Freedman (1999:122) and Nutt (1999:16).

The belief, Bigler (2004:29) stated, is that general management can be a key source of competitive advantage for the global economy and may be the most difficult advantage to imitate. Most competitive strategies, however, gain parity among competitors very quickly. As a result, it is clear that strategy implementation will emerge as one of the critical sources of sustainable advantage in the twenty-first century. In fact, Bigler (2004:29) reminded business leaders of what Peter Drucker wrote in 1967 about the effective 'execute-ive', where Drucker's play on the word underscores the view that the key responsibility of being an executive is to execute to results - to go beyond being a thinker and a leader.

According to Fahey and Randall, (1994:68) strategic management is the name given to the most important, difficult and encompassing challenge that confronts any private or public organisation: how to lay the foundation for tomorrow's success while competing to win in today's market place. However, more importantly, it embraces the processes of ensuring that strategic planning is implemented and executed efficiently and effectively in order to reap the intended results. It is this process that challenges most firms. The hotel industry is no exception.

The next section reflects on the process of strategic planning.

2.3 STRATEGIC PLANNING

2.3.1 Defining strategic planning

Strategic planning is the combination of strategy and planning. In other words, it is the planning of strategy.

Strategic planning was developed to help organisations anticipate and respond effectively to their dramatically changing environments (Bryson. 1988:43).

Johnson and Scholes (1993:5) saw strategic planning as a special kind of decision-making process having three characteristics. Firstly, having something done in advance of taking action; that is, it is anticipatory decision making. It is the process of deciding what to do and how to do it before action is required. Secondly, something required when the desired future state involves an interdependent set of decisions; that is, a system of decisions, which is too large to handle all at once and requires that earlier decisions be reviewed in the light of subsequent decisions. And thirdly a process directed towards producing one or more future states, which are desired and which are not expected to occur unless something is done.

Hunger and Wheelen (1996:123) described strategic planning as the determination of the basic long-term goals and objectives in an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals.

The Oxford Dictionary of Business English (1996:462) defines strategic planning as ‘the process of deciding and making a formal report on the future activities of a company for a certain period, with the aim to increase sales and profits, develop new products and enter new markets’.

In the context of this study, the definition of strategic planning provided by Hunger and Wheelen (1996:123) is regarded as most suitable.

2.3.2 Factors influencing strategic planning

There are many factors listed in the literature that influence strategic planning, as firms aim to obtain a match between strengths, weaknesses, opportunities and threats. The forces that affect strategic planning are encapsulated by Faulkner and Bowman (1995:259) force-field concept. According to Faulkner and Bowman (1995:259), there are forces acting in on the organisation that are already moving the organisation in the right direction. However, set against these pushing forces are resisting forces, or blockages to strategic change due to a fear of the unknown, resistance to change and uncertainty. The Force-Field model is shown in figure 2.7.

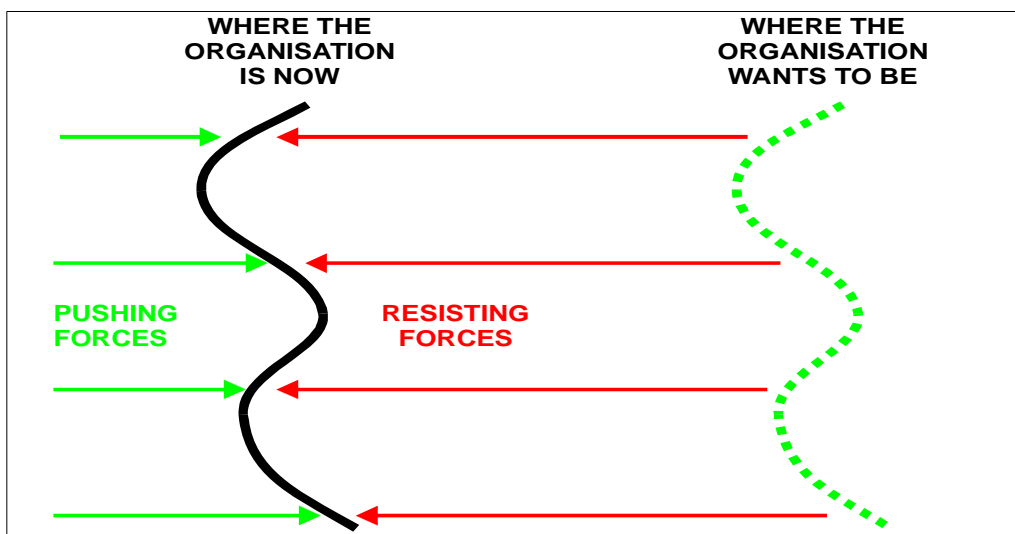


Figure 2.7: Force-Field model (Lewin cited by Thomas, 1985:54)

Factors that influence strategic planning include:

- (1) Environmental uncertainties – This factor threatens the strategic planning process as it hampers the ability to develop long-range plans

and to make strategic decisions to keep the organisation in equilibrium with its external environment.

- (2) Scarce resources – Strategic planning should be aligned to use scarce resource effectively. These include financial, HR and systems.
- (3) Legal forces – As governments introduce new legislation, the dynamics of an industry can change, affecting strategic planning.
- (4) Size and complexity of the organisation - Stopford (1993:66) found that as the size and complexity of an organisation increased, so did the degree of involvement and formality of their planning activities - this played an even more dominant role than environmental uncertainty.
- (5) Strategic issues versus operational aspects - Horwitz (1993:72) warned against the high incidence of involvement of executives in operating detail and routine matters - with insufficient attention being paid to management functions. Horwitz (1993:72) stated that due to continued growth in an organisation an increasingly heavy load of entrepreneurial decision-making would be placed on managers. However, they will be drawn deeper and deeper into operational activities if they fail to reform the lines of authority and communication and to develop the information necessary for administration.
- (6) Strategic planning reflected in operational performance - The fact that operating performance is often at variance with a chosen strategy is highlighted by Ohmae (1983:45). He ascribes this to the fact that the strategic plan often does not match the available resources, and that the behaviour of members of the organisation is not always consistent with the requirements of the strategy. This view was endorsed by Quinn (1988:172). He specifically mentioned the different views held by top management and the planners versus those of the executors of the strategic plan. Craig and Grand (1993:212) saw that moving from concept to practice has turned out to be elusive for most companies, and various critical links to couple selected strategy with short term actions have been proposed. Yavitz and Newman (1982:427) stated

that some of these are the links between strategy and resource allocation, policies and accepted values, organisation structure and the selection and motivation of key executives.

- (7) The lifecycle of the organisation – as companies move through different phases of lifecycle, the competitive environment change and influence the way they plan and execute strategy.

Steiner (1979), as cited by Harrison (1995:48), stated that strategic planning deals with the futurity of current decisions. Harrison (1995:48) elaborated on the importance of strategic planning horizons and noted that the futuristic orientation of strategic objectives necessitates that management decide today what it intends to accomplish tomorrow and to undertake what needs to be done between then and now to get from here to there.

According to Harrison (1995:49), planning horizons constitute the temporal framework for strategic planning maturities. In other words, planning horizons affirm the essentiality of time as the principal dimension in strategic planning. The extension and establishment of the planning horizon for a given organisation is therefore centred in the answers to two interrelated questions:

- (1) How far into the future does the organisation need to plan?
- (2) How far into the future is management willing and able to plan?

Steiner (1979), as cited by Harrison (1995:49), noted that a five-year planning horizon is probably most common in terms of planning. Steiner (1979) also noted that there, however, are many organisations that operate with a ten-year planning horizon. The answer to the question of how far into the future an organisation needs to plan is a composite product of at least six contributing organisational factors, namely:

- (1) Product life cycle: Strategic planning should take into account the life cycles of its products and services. Harrison (1995:49) noted that it is

incomprehensible that the planning horizon would not encompass at least the full life cycle of the longest-lived product in an organisation.

- (2) Technological change: Organisations finding themselves in an industry where technology applications change rapidly will most probably need a shorter planning horizon.
- (3) Lead-time: Harrison (1995:49) defined lead-time as the temporal interval between formulating and establishing a strategic objective and its expected maturity. Lead-time is explicit in establishing a strategic planning maturity. Lead-time is also implicit in the planning horizon in that it does not extend beyond the futuristic boundary of the strategic plan. Lead-time should be sufficient to accommodate all the future decisions that must be made to attain the strategic objectives. It should be long enough to give management needed flexibility in adjusting the strategic objectives to unanticipated environmental changes.
- (4) Present value: It is well known that money has a time value. Organisations should therefore be well aware of the time value influence on planning horizon.
- (5) Organisation life cycle: The planning horizon for a young organisation with a high rate of growth would tend to be somewhat shorter than for a more mature organisation with most of its growth behind it. As the organisation becomes more established, its planning horizon would be extended accordingly.

2.3.3 Developments in strategic planning

Kay (1995:4) noted that until the early 1980's, corporate strategic planning was directed towards the creation of a diversified business portfolio. However, Kay (1995:5) noted that by the 1980's it was realised that unrelated diversification added little value. The trend of the 1980's was one for focus on the core business.

In the 1990's, the scope of activities of organisations has become wider and more complex than before. Diversification again became necessary to run operations more effectively (Craig and Grand, 1993:212). Craig and Grand (1993:212) also noted that conditions under which organisations operated have become more dynamic rather than relatively static as in earlier times. The rate of change seems to be increasing under the impact of factors such as modern technology and communications.

With regard to the future of business, Maynard and Mehrtens (1993:544) noted that they foresee a radically different future in which business principles, concern for the environment, personal integrity, and spiritual values are integrated. This would require a new kind of leadership-managers and CEO's who embrace an attitude of global stewardship; who define their assets as ideas, information, creativity, and vision; and who strive for seamless boundaries between work and private lives for all employees.

Feurer and Chaharbaghi (1995b:15) postulated that due to the accelerating dynamics of competition, the key to competitiveness lies no longer in employing strategies that have been successful in the past or copying strategies of successful competitors. It rather results from a constant process of developing and implementing new strategies that will differentiate the organisation from the rest of the industry in which it operates.

Finally, the literature suggests that that companies engaging in strategic planning tend to outperform organisations that do not (Wu, Chou and Wu, 2004:396). At the same time, it should be remembered that the success of a strategic planning document or session is in action and not in intent.

2.3.4 Strategic planner

Hamel and Prahalad (1989:63) postulated that most strategic management theory and nearly every corporate planning system are premised on a strategy

hierarchy in which corporate goals guide business unit strategies and business unit strategies guide functional tactics. In this hierarchy, senior management makes strategy and lower levels execute it. The dichotomy, Hamel and Prahalad (1989:63) argued, between formulation and implementation is familiar and widely accepted. However, the strategy hierarchy undermines competitiveness by fostering an elitist view of management that tends to disenfranchise most of the organisation. Employees fail to identify with corporate goals or involve themselves deeply in the work of becoming more competitive. Although the goal of the strategy hierarchy remains valid -- to ensure consistency up and down the organisation, consistency is better derived from a clearly articulated strategic intent than from inflexibly applied top-down plans. In future, the challenge will be to enfranchise employees to invent the means to accomplish ambitious ends.

Thompson and Strickland (2003:11) postulated that all stakeholders have to be identified and involved during the first step of the strategic management process, namely planning. Planning is not only the executive management's responsibility but should filter down to the lower levels of employment, as strategy implementation at the end involves all employees.

Pitts and Lei (2003:189) emphasised that it is imperative that all departments and units to move in the same direction, as functional and departmental managers should ensure that the goals that they set for their specific unit/department do not conflict with the goals of other units/departments.

Craig and Grand (1993:212) proposed that a 'bottom up' approach should be used, which enables junior managers to participate in some way in the planning process.

2.3.5 Strategic planning concepts and tools

Various strategic planning tools are used to assist with strategic planning. These tools provide a structured framework for analysing the business environment. The tools are briefly described below.

- (1) SWOT analysis involves an assessment of the strengths (S), weaknesses (W), opportunities (O), and threats (T) of an organisation. The SWOT analysis is used within organisations usually during the early stages of strategic and marketing planning.
- (2) Environmental scanning involves the monitoring of changes in the external environment in which an organisation operates in order to identify threats and opportunities for the future and maintain competitive advantage.
- (3) PEST analysis a management technique that enables an analysis of four external factors that may influence the performance of the organisation. These factors are: political (P), economic (E), social (S), and technological (T).
- (4) Scenario planning a technique that requires the use of a scenario in the process of strategic planning to aid the development of corporate strategy in the face of uncertainty about the future.
- (5) Competitor analysis involves anticipating and analysing competitor actions.
- (6) Porter's Five-forces model for industry analysis and business strategy development considers five forces that determine the competitive intensity and therefore attractiveness of a market. Porter's Five Forces include three forces from 'horizontal' competition: threat of substitute products, the threat of established rivals, and the threat of new entrants; and two forces from 'vertical' competition: the bargaining power of suppliers, bargaining power of customers.

- (7) Portfolio analysis involves an analysis of the business portfolio of a company. In other words, an analysis of a company's current business portfolio and deciding which businesses should receive more or less investment. The best business portfolio is one that fits the company's strengths and helps exploit the most attractive opportunities.
- (8) Boston Consulting Group Growth Share Matrix is based on two-dimensional variables namely relative market share and market growth of products. They are used to classify product portfolio in four business types based on their position of the matrix.
- (9) Value chain analysis examines the sequence of business activities by which, in the perspective of the end user, value is added to products or services produced by an organisation

2.4 STRATEGY IMPLEMENTATION

2.4.1 The nature of strategy implementation

The notion of strategy implementation might at first seem quite straightforward: the strategy is formulated and then it is implemented (Aaltonen and Ikävalko, 2002:415). However, as many practitioners and business executives can vouch, transforming strategies into action is a far more complex and difficult task. In fact, Nutt (1983) as cited by Chimhanzi (2004:74), argued that empirical evidence suggests that 'implementation in practice is fraught with difficulties and generally falls short of expectations'.

Strategy implementation has long been recognised as being critical for business success in both the strategic management literature and the marketing literature (Chimhanzi, 2004:73). Essentially, until a strategy is implemented, it remains a plan and not an operational reality. The good intentions of a strategy can become insignificant if not implemented. This

notion is encapsulated by the noteworthy statement “. . . great strategy, shame about the implementation . . .” (Okumus and Roper, 1998:218).

The ability and strength to execute a decision is thus more crucial for success than the underlying analysis of the strategy (Gummesson, 1974 as cited by Chimhanzi, 2004:73). Giles (1991), as cited by Chimhanzi, 2004:73), to such an extent saw, implementation is the most powerful of the three-stage strategy process.

The difficulty in strategy implementation was highlighted by Bigler (2001:29) noting that 90 per cent of formulated strategies are not implemented on time and with the intended results. These are normally because strategy implementation took a back seat to strategy formulation. Miller (2002:544) also reported that organisations fail to implement more than 70 per cent of their new strategic initiatives and that only 10 to 30 per cent of strategies are implemented successfully. Al-Ghamdi (1998:322) justly argued that much of the shortcomings in the strategic area are attributable to failures in the implementation process rather than in the formulation of strategy itself.

According to Dobni, Dobni and Luffman (2001:400), there are three primary reasons why traditional approaches to strategy implementation fail. First, marketing strategies supporting a product or service quickly become generic and easily copied. Second, brilliant strategies do not always succeed, often succumbing to not so brilliant implementation processes. Lastly, there is often a failure to recognise the contributions that employees can have on strategy implementation. They attribute the failure to organisation’s ability to provide a sufficient operational interface between the environment and the organisation. The approaches relating to traditional strategy implementation have not adequately focused on intangibles such as the people and processes necessary to develop ongoing and sustainable implementation contexts. This, Dobni, Dobni and Luffman (2001:400) believe, can be traced back to

something to which they refer to as cerebral strategising, which is defined as the inability to move strategy out of the boardroom and into the playing field. These impediments invariably have two quite contrasting outcomes: great intentions outlined in an eloquently written strategic plan supported by a poor, fragmented or sometimes non-existent implementation plan. As a result, traditional implementation contexts should be reconsidered, if not abandoned altogether.

2.4.2 Impeders of strategy implementation

There are numerous reasons for the failure of successful strategy implementation, also referred to as impeders. Although the reasons for failed strategy implementation vary, the causes can often be anticipated.

Rausch *et al* (2001:245) cited Thompson and Strickland (1995), who stated that strategy implementation is a tougher, more time-consuming management challenge than crafting strategy. This is because of the wide array of managerial activities that have to be attended to and the many ways managers can proceed. There are also certain people-management skills required and the perseverance to get a variety of initiatives launched and moving. All this happens within an environment of resistance to change. Responding to this complexity, elaborate models have been offered to help guide the decisions for strategy implementation.

Al-Ghamdi (1998:324) identified six primary implementation problems:

- (1) Implementation taking more time than originally anticipated
- (2) Problems surfaced, which were not identified before
- (3) Coordination and implementation activities not effective
- (4) Competing activities distracting implementers
- (5) Key implementation tasks and activities not sufficiently defined
- (6) Information systems to monitor implementation not adequate.

Bigler (2001:29) noted that six major factors have helped to drive the strategic challenges of the new economy, namely:

- (1) globalisation
- (2) industry convergence
- (3) electronic commerce
- (4) innovation and growth
- (5) disruptive technology
- (6) fickleness of customers

To successfully manage firms facing these challenges, Bigler (2001:20) suggested that strategy implementation should be synchronised according to market rhythm.

Aaltonen and Ikävalko (2002:415) identified the following nine problem areas during implementation, namely:

- (1) weak management roles in implementation
- (2) lack of communication
- (3) lack of commitment to the strategy
- (4) unawareness or misunderstanding of the strategy
- (5) unaligned organisational systems and resources
- (6) poor coordination and sharing of responsibilities
- (7) inadequate capabilities
- (8) competing activities
- (9) uncontrollable environmental factors

Sterling (2003:27) for example noted eight reasons for strategy failure. These are:

- (1) Unanticipated market changes: Strategies often fail because the market conditions they were intended to exploit change before the strategy takes hold. Product life cycles can become shorter, disruptive

technologies emerge with greater frequency, and financial markets can be fickle.

- (2) Lack of senior management support.
- (3) Effective competitor responses to strategy: Fundamentally, strategy is about out-performing the competition but strategy can be foiled by a highly effective response by a key competitor. Ultimately, to effectively anticipate competitors' reactions to a strategy, a company needs a solid competitive intelligence capability. This requires that companies understand competitors' market positions, their relative competitive advantages and disadvantages, their historical behaviour regarding competitive advantage strategies, and the general disposition of their respective management teams.
- (4) Application of insufficient resources: Strategies fail because not enough resources were allocated to successfully implement them. Lack of resources is generally a bigger threat to capital-intensive strategies but can emerge just as readily in any other market if people and time resources are inadequate.
- (5) Failures of buy-in, understanding and communication: Some strategies fail because there is insufficient buy-in to or understanding of the strategy among those who need to implement it. This normally happens when the implementers do not own the strategy. This is supported by research conducted by Guffey and Nienhaus (2002:23) that found a strong link between organisational commitment and employees' support of the organisation's strategic plan. Effective communication of the strategy and its underlying rationale are also critically important in the successful implementation of a strategy. All stakeholders, including those that are not directly involved in the formulation of the strategic plan, need to be informed and updated on a regular basis regarding any strategic intent. This is necessary if the organisation need to have the support of customers, suppliers, employees, unions, and communities to attain their goals. Ultimately,

buy-in of all stakeholders leads to consistent implementation. Good strategic management is a function of people actively considering the strategy as they make day-to-day decisions about the business.

- (6) Timeliness and distinctiveness: Some strategies fail because someone beats the company to market with a similar idea or strategy. Similarly, some strategies fail because they leave the company undistinguished in the market. Good strategy should distinguish the company from others in ways that make a difference to customers.
- (7) Lack of focus: a corollary to the need for timeliness and distinctiveness is the need for strategic focus. Some companies try to be all things to all people. As a result, they lack distinctiveness, but importantly, they also lack focus. This lack of focus result in the ineffective use of resources and priorities are never clearly articulated. Without prioritisation, employees lack the blueprint to make progress.
- (8) Bad strategy, poorly conceived business models: Sometimes strategies fail because they are ill conceived. Their business models are flawed because of misunderstanding of how demand would be met in the market. The strategies do not include some means of connecting customers at local level.

Results from a study by Aaltonen and Ikävalko (2002:416) indicated that a considerable number of respondents linked problems in strategy implementation with communication. A common concern was the creation of shared understanding of strategy among organisational members. Part of the findings also suggested that a great amount of information does not guarantee understanding.

Noble (1999), as cited by Aaltonen and Ikävalko (2002:416), for example stated that strategic planning is linked to strategy implementation through four processes, namely communication, interpretation, adoption and action. Many impeters can be linked to failing in one of these processes.

Keating and Harrington (2003: 441), having reviewed the literature on the implementation of quality programs in the Irish hotel industry, found that middle and senior management's commitment to the implementation process is critical, particularly in relation to evolving a culture of continuous performance improvement. Other issues of importance were the empowerment of staff and a fundamental culture change. Middle management might know their own jobs extremely well, but very few have an understanding of the strategic position of the firm, and therefore may not trust the new initiatives.

Alashloo, Castka and Sharp (2005:136) identified 32 impeters from the literature and grouped them into four categories.

Planning consequences

- (1) Lack of exact strategic planning
- (2) Insufficient linking of the strategy to goals
- (3) Time limitation
- (4) Lack of consensus among decision makers
- (5) Lack of identification of major problems
- (6) Lack of effective role for formulators
- (7) Unsuitable training system
- (8) Unclear regulation and executive policies

Organisational issues

- (9) Incompatible structure with the strategy
- (10) Unsuitable resources allocation
- (11) Lack of adequate communication
- (12) Lack of effective co-ordination
- (13) Lack of adequate information
- (14) Incompatible organisational culture
- (15) Competing activities among people

- (16) Competing activities among units
- (17) Unsuitable evaluation and control systems
- (18) Unsuitable compensation system
- (19) Inadequate physical facilities

Managerial issues

- (20) Unsuitable leadership
- (21) Lack of adequate organisational support
- (22) Lack of adequate manager commitment
- (23) Fear of insecurity among managers
- (24) Political factors in regard to power
- (25) Unsuitable personnel management
- (26) Uncontrollable factors

Individual issues

- (27) Lack of enough capabilities of employees
- (28) Resistance to change among people
- (29) Resistance to change among units
- (30) Fear of insecurity in the new territory
- (31) Lack of understanding of the strategy
- (32) Inadequate connection to the vision

Kumar, Markeset and Kumar (2006:106) listed the following 10 impeder:

- (1) Weak management roles in implementation
- (2) Lack of knowledge and communication to guide their actions
- (3) Unawareness or misunderstanding of the strategy
- (4) Poor coordination
- (5) Inadequate capabilities
- (6) Competing activities within the working team
- (7) Unfortunate marketing timing
- (8) Uncontrollable environmental factors

- (9) Misaligned operation
- (10) Insufficient monitoring and evaluation of the process.

Platts and Tan (2004:667) noted that the key to executing strategy is to have people in the organisation understand it. As the complexity of the business environment increases, good communication and shared understanding among managers are vital. Managers need to present increasing amount of information to one another clearly and effectively.

From the literature, it is thus possible to compile a list of potential impeters, which might be applicable to the hotel industry. These impeters can henceforth be empirically investigated during data gathering in order to identify the most prominent impeters as experienced by management in the hotel industry. The 29 impeters identified are:

- (1) Lack of exact strategic planning
- (2) Bad strategy – poorly conceived business models
- (3) Insufficient linking of strategy to goals
- (4) Time limitation
- (5) Lack of swift implementation
- (6) Lack of synchronising strategy implementation to market rhythm/pulse
- (7) Unanticipated market changes
- (8) Effective competitor response to strategy
- (9) Lack of consensus among decision makers
- (10) Too many and conflicting priorities
- (11) Top down management style
- (12) Lack of bottom up involvement in crafting strategy
- (13) Lack of identification of major problems
- (14) Incompatible structure with the strategy
- (15) Unsuitable resources allocation
- (16) Lack of adequate communication (vertical and horizontal)

- (17) Lack of effective co-ordination
- (18) Incompatible organisational culture
- (19) Competing activities among people/units
- (20) Unsuitable evaluation and control systems
- (21) Unsuitable leadership
- (22) Lack of adequate organisational support
- (23) Lack of adequate manager commitment
- (24) Unsuitable personnel management
- (25) Uncontrollable internal factors
- (26) Uncontrollable external factors
- (27) Lack of enough capabilities/skills of employees
- (28) Resistance to change among people/units
- (29) Lack of understanding of the strategy

The researcher is of the opinion that this list cannot be regarded as a definite one, but other impeding factors could also be identified during the empirical investigation.

2.4.3 Strategy implementation frameworks

There is a consensus in the literature that competitive environments are changing at an ever-accelerating rate resulting in high levels of uncertainty. As a result, competitive strategies and how strategic planning and strategy implementation are done come under scrutiny. Feurer, Chaharbaghi and Wargin (1995:4) argued that organisations cannot afford to adopt a unidirectional or step-by-step approach to strategy development, which entails several stages including data collection, development of strategic options, evaluation, selection and implementation. In the face of high levels of uncertainty and change, there is a need for a dynamic approach in which strategy formulation and implementation are carried out simultaneously. This

represents an ongoing process of analysing the competitive environments and developing strategic options together with their evaluation.

Feurer, Chaharbaghi and Wargin (1995:4) also noted that a dynamic approach to strategy formulation and implementation are more effective if the processes are dispersed throughout the organisation. However, at the same time it becomes critical to maintain the right balance between establishing an overall strategic direction for the whole organisation and having the flexibility to ensure swift reaction to changes in the competitive environment. This can only be achieved through effective communication and coordination within an organisation with the right structure and culture.

In order to improve communication links and speed up the implementation process Hewlett-Packard adopted a standardised method, which they referred to as Hoshin-Kanri, which means 'providing direction' (Feurer, Chaharbaghi and Wargin, 1995:6). The approach provides a systematic process of defining key issues at each level of the organisation. Refer to figure 2.8. In other words, although being systematic, it is decentralised where lower levels become 'strategy owners'. To ensure that everyone in the organisation is working towards the same objectives, templates for development and control are standardised. The Hoshin-Kanri process therefore forms the core of both strategy formulation and implementation and ensures that everybody within the organisation is made part of the overall process and directs effort in the same direction. However, the Hoshin-Kanri templates are only the tools for formulating and communicating the strategy itself. It is therefore necessary to describe how each unit within the organisation develops plans and contributes to the formulation and implementation of the overall strategic direction.

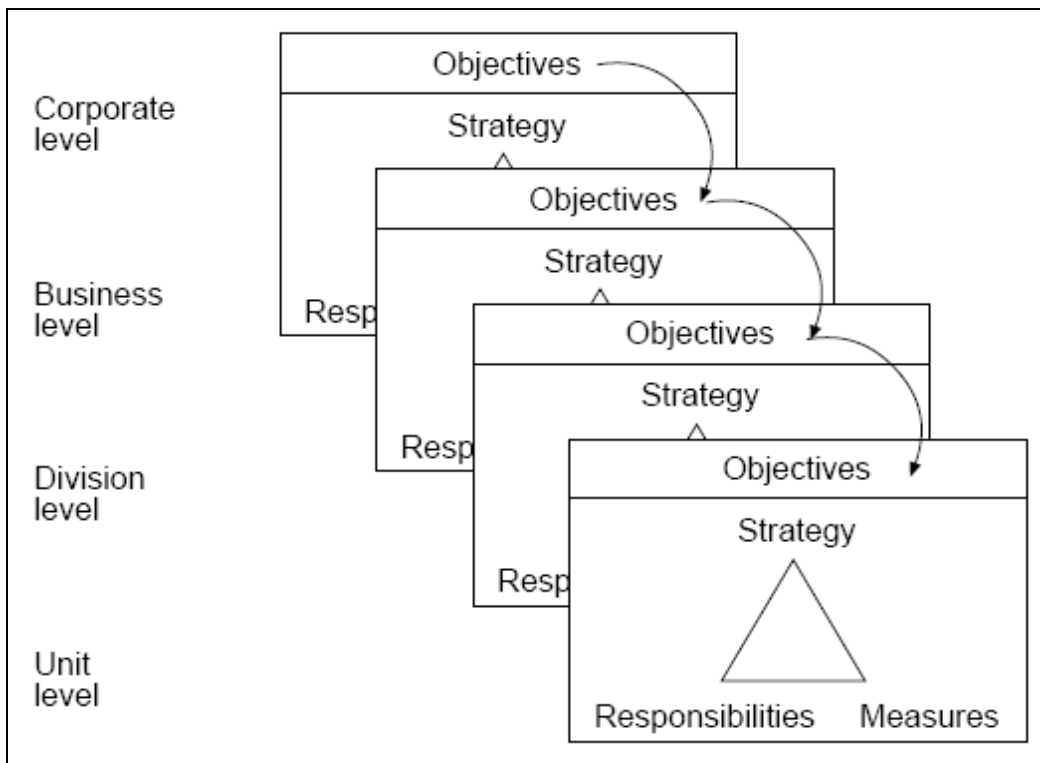
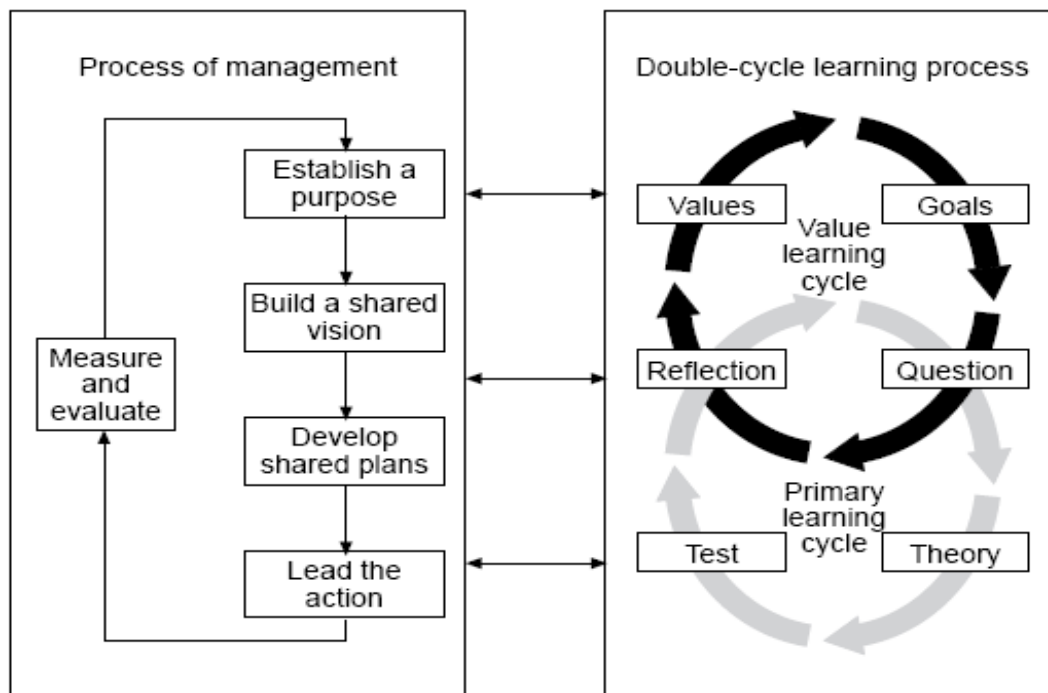


Figure 2.8: Hoshin-Kanri process for strategy formulation and implementation (Feurer, Chaharbaghi and Wargin, 1995:6)

The overall process of management with Hewlett-Packard can be regarded as a double-loop learning cycle, which combines cognitive and behavioural learning. The primary learning cycle develops the necessary know-how for formulating and implementing strategies while the value learning cycle generates the knowledge necessary regarding the values that have to be satisfied. Figure 2.9 places this double loop learning cycle in the context of strategy formulation and implementation at Hewlett-Packard. Such a learning approach to dynamic strategy formulation and implementation is possible as the structure and culture of Hewlett-Packard promote learning and change.



**Figure 2.9: Process of management as a double-loop learning cycle
(Feurer, Chaharbaghi and Wargin, 1995:15)**

Okumus (2003), after having reviewed numerous strategy implementation frameworks, remarked that frameworks in general could be categorised into three groupings:

- (1) Frameworks developed by Peters and Waterman (1982), Ohmae (1983), Hambrick and Cannella (1989), Roth, Scheiger and Morrison (1991), Hrebiniak (1992), Yip (1992) and Thompson and Strickland (1995:241) tend to list and describe the factors that are essential for strategy implementation. The checklist for successful strategy implementation as proposed by Sterling (2003) can also be included here.
- (2) Frameworks by De Vasconcellos e Sà (1990), Noble (1999), Bergadaà (1999) and De Feo and Jansen (2001) suggested rational step-by-step implementation models that are often difficult to follow in complex situations of implementation.

- (3) Frameworks developed by Pettigrew and Whipp (1991) and Okumus (2001) emphasised the importance of context and process during strategy implementation.

One of the more widely known implementation frameworks developed in the 1980's is the McKinsey 7S framework (Peters and Waterman, 1982:47). In this model, seven factors are listed that are regarded as essential for strategy implementation and managing organisational change. The model aims to help managers focus attention on the importance of linking the chosen strategy to activities such as:

- (1) Structure dealing with the way the organisation is structured and how reporting takes place
- (2) Systems encapsulating the daily activities and procedures to get the job done
- (3) Staff and their capabilities
- (4) Style dealing with the leadership style adopted
- (5) Skills and competencies of the staff
- (6) Shared values encapsulating all the core values of the organisation that are evidenced in the corporate culture and the general work ethic
- (7) Strategy dealing with the plan devised to build a competitive advantage for the organisation

The framework, as presented in figure 2.10 is based on the assumption that a change of strategy will require a change in the organisation's skills and shared values. This in turn will determine the requirements for the remaining factors.

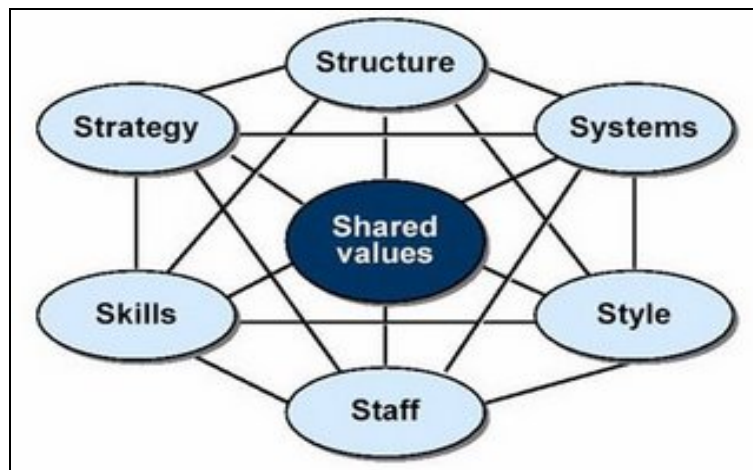
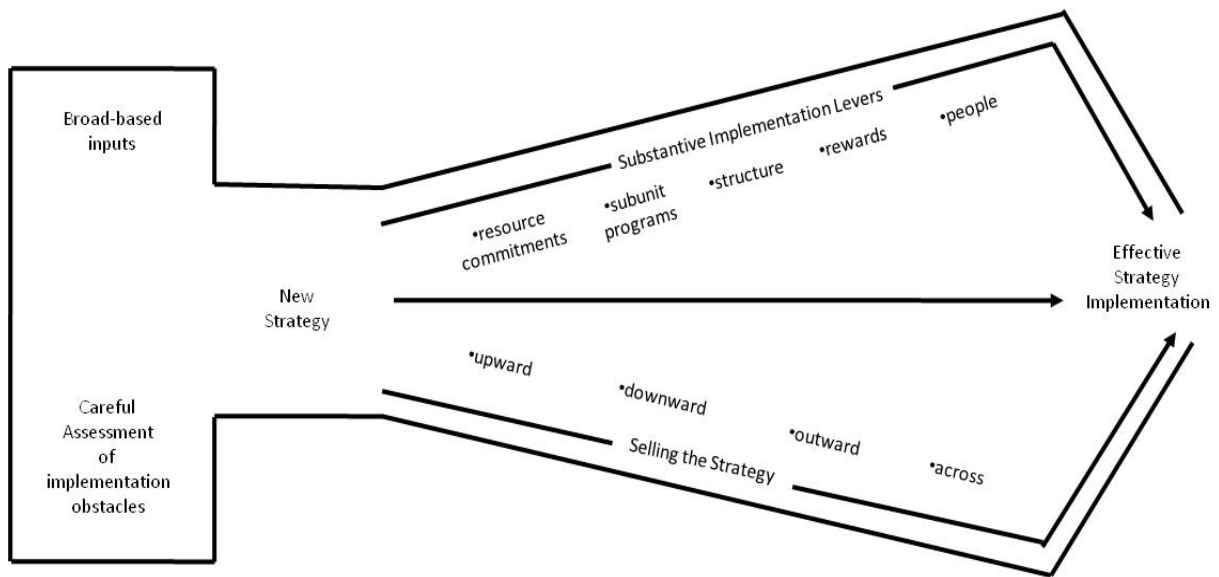


Figure 2.10: McKinsey's 7S-framework (Peters and Waterman, 1982:47)

The 3C's model developed by Ohmae (1983:45) presents guidelines for making the 'how' decisions that are necessary to turn strategy implementation into a fully dynamic process. It also provides criteria for evaluating the quality of the decisions for the needs of a highly fluid implementation process that can quickly change course as the strategy adapts to new conditions. Only by integrating the three C's namely customer, competitor, and company in a strategic triangle, sustained competitive advantage can exist.

Hambrick and Cannella (1989:279) proposed an implementation framework based on an empirical research project in a multi-business company. In comparison with other studies, they emphasised the role and importance of communication when implementing strategies. Their proposed framework for effective strategy implementation is presented in figure 2.11.



**Figure 2.11: The elements of effective strategy implementation
(Hambrick and Cannella, 1989:279)**

The approach can be defined by five actions, namely:

- (1) Obtain broad-based inputs and participation at the formulation stage.
- (2) Carefully and deliberately, assess the obstacles to implementation.
- (3) Make early, first-cut moves across the full array of implementation levers — resource commitments, subunit policies and programs, structure, people, and rewards.
- (4) Sell, sell, sell the strategy to everyone who matters — upward, downward, across, and outward.
- (5) Steadily fine tune, adjust, and respond as events and trends arise.

Hambrick and Cannella (1989:280) remarked that one of the most effective aids to implementation is to involve people early on in the development and debate of strategic options. It may not be possible to obtain universal agreement with a new strategic direction, but widespread inputs improve the quality of the choices, raise critical implementation issues, and make the involved individuals more receptive to the new strategy, once chosen.

The strategist must comprehend that the implementation setting is not benign. A variety of obstacles — generally known but just as generally overlooked — can and will intervene to prevent the new strategy from unfolding. The strategist can even go as far as to develop a written inventory and analysis of the key barriers the new strategy would face. This can, for example, be categorised into three groups, namely internal obstacles, external obstacles, and the parent company.

Next resources need to be committed. In some instances, existing resources can be redirected or in other cases, new resources must be acquired. Once inputs have been secured and major obstacles carefully assessed, substantive implementation actions can be taken.

As noted earlier, the success of strategy implementation according to Hambrick and Cannella (1989:280) is dependent largely on communication. The new strategy, by its very nature, will involve change. Anxiety and resistance provoked by the change will arise from parties who either have a vested interest in the old strategy or cannot envision the yields from the new one. Therefore, strategist thus faces a major selling job; that is, trying to build and maintain support among key constituencies for a plan (Hambrick and Cannella, 1989:279).

Roth, Scheiger and Morrison (1991:369) empirically examined the importance of international strategy on organisational design and its influence on the strategy implementation process. A quantitative research strategy was employed and data was collected from 82 business units competing in global industries. These authors identified six factors, which they argued should each be designed specifically in order to implement global or multi-domestic strategies.

These factors are:

- (1) coordination;

- (2) managerial philosophy;
- (3) configuration;
- (4) formalisation;
- (5) centralisation; and
- (6) integrating mechanisms.

The results of their research indicated that global and multi-domestic strategies require different implementation requirements. They found that when there was a proper alignment between strategy, administrative mechanisms and organisational capabilities, it was much easier to implement the strategy and achieve the desired objectives. They therefore suggested that the administrative systems and capabilities of the organisation should be readjusted if the intended strategy was to achieve its aims.

Hrebiniak (1992:392) proposed a conceptual framework to implement strategies in global firms. He suggested the following new specific implementation factors:

- (1) leadership;
- (2) facilitating global learning;
- (3) developing global managers;
- (4) having a matrix structure; and
- (5) working with external companies.

Another framework, consisting of four factors, was proposed by Yip (1992) as cited by Okumus (2003:872). These factors need to be considered in terms of their role in mediating strategy execution.

- (1) organisational structure;
- (2) culture;
- (3) people; and
- (4) managerial processes.

Yip (1992) argued that these four factors and their individual elements determine the crucial organisational forces that affect a company's ability to formulate and implement strategies.

Thompson and Strickland (1995:239) argued that every manager has an active role in the process of strategy implementation. For this reason, communication becomes one of the key factors for successful implementation. According to Thompson and Strickland (1995:239) there are no stepwise checklist or proven paths when it comes to strategy implementation, as it is one of the least charted and most open-ended parts of strategic management. Nonetheless, certain bases need to be covered irrespective of the organisation's circumstances. These include:

- (1) Building an organisation that is capable of carrying out the strategy. This includes selecting able people for key positions and organising business processes and decision-making that is conducive for strategy execution.
- (2) Developing budgets to steer ample resources into those value-chain activities critical for strategic success.
- (3) Establishing strategically appropriate policies and procedures.
- (4) Instituting best practices and mechanisms for continuous improvement.
- (5) Installing support systems that enable personnel to carry out their strategic roles successfully day in and day out.
- (6) Tying rewards and incentives to the achievements of performance objectives and good strategy execution.
- (7) Creating a strategy-supportive work environment and corporate culture.
- (8) Exerting the internal leadership needed to drive implementation forward and to keep improving on how strategy is being executed.

Sterling (2003:32) promoted a checklist for enhancing the effectiveness of strategy implementation, as well as improving the likelihood of success of the

underlying strategy. The checklist was compiled on proven experiences of CEO's and the findings of academic researchers. These include:

- (1) Align organisational design and capabilities with the strategy
- (2) Consider potential competitor reactions to the strategy
- (3) Involve managers in the strategy development process
- (4) Consistent and persistent communication to ensure buy-in and understanding
- (5) Action planning and budgeting
- (6) Monitoring and accountability
- (7) Symbolic actions including ceremonies, physical settings, effective use of language, the stories that are told and retold, and leadership from the top
- (8) Alignment of information resources with the strategy

The frameworks discussed above help to conceptualise strategy implementation. Most of their elements concentrate on showing what an organisation needs and what has to be done to establish implementation strategies that can help an organisation adapt effectively to changing situations and environments. They do not, however, provide many insights on the specifics of how to do it and how to make the many detailed, practical decisions.

The second type of frameworks suggested rational step-by-step implementation models. De Vasconcellos e Sà's (1990:24) proposed a ten-step process for establishing a strategy

- (1) Designing the framework. This involves developing the structure of the organisation to support the products, services, clients and geographical areas that it serves. The diversity and heterogeneity amongst these three elements are also considered.
- (2) Select strategic units based on the way the organisation intend to do business and the competition it faces.

- (3) Centralise some functions. Although the organisation might have a number of business units, this does not mean that each unit should perform all functions. Some departments might assist in performing common functions.
- (4) Define Strategic Business Unit objectives. This allows for prioritising what objectives are more important than others.
- (5) Develop programs to achieve objectives by coordinating resources. This also includes organising delivery channels, training the sales force, maintaining machinery and developing marketing campaigns.
- (6) Structuring each Strategic Business Unit. This step should not be confused with step 1. Critical tasks for each unit are specified. This provides focus for units.
- (7) Committing of resources. De Vasconcellos e Sà's (1990:30) noted that resources should be split un-egalitarian within a unit. The bulk of a business unit's resources should be committed to achieving the most important objectives.
- (8) Structure the sections. Sections refer to those units that handle programmes or parts of a programme, such as quality control, training of sales people, et cetera.
- (9) Control such as budgets, policies and short-term objectives should be set.
- (10) Check all steps for consistency

De Feo and Janssen (2001) argued that ten steps are required for corporate strategy to become an integral part of an organisation's culture.

- (1) Establish a vision where the focus is primarily on the customer. A common vision should define organisational benefits to customers, staff and other stakeholders.
- (2) Agree on a mission. This clarifies a company's purpose or reason for existence.

- (3) Develop key strategies that contribute towards the vision of the organisation. Data should also be obtained, assessed and validated on five areas, namely:
 - Customer loyalty and satisfaction
 - Costs of poor quality products
 - Company culture and employee satisfaction
 - Internal business processes
 - Competitive benchmarking
- (4) Develop strategic goals that are specific and measurable. The following areas should also be examined as part of this step, namely:
 - Product performance
 - Competitive performance
 - Quality improvement
 - Cost of poor quality
 - Performance of business processes
 - Customer satisfaction
 - Customer loyalty and retention
- (5) Establish values amongst employees through training and communication.
- (6) Communicate company policies
- (7) Provide top management leadership. This involves top management supporting strategy execution initiatives.
- (8) Deploy short and long-term goals to convert plans to projects.
- (9) Measure progress with key performance indicators.
- (10) Review progress and identify gaps that exist between current conditions and targets.

The third type of frameworks distinguished emphasised the importance of context and process but do not provide detailed explanations and discussions about which implementation factors are important.

Pettigrew and Whipp (1991) proposed a conceptual model for managing strategic change within organisations. The conceptual model or framework distinguishes three implementation levels or dimensions at which top managers are required to operate: the context, content, and process of strategy implementation. They argued that it is important for strategic managers to understand why strategic decisions have been made in relation to the organisational contexts, both internal and external; what information, rationales, mechanisms and impacts are included in the strategic decision made; and how the decisions are reached and implemented. The inner context is concerned with internal influences such as resources, capabilities, and culture. The outer or external context refers to factors such as economic, political and social environments. Before making any strategic decision for an organisation, it is important to be thoroughly familiar with the context of the organisation. With this understanding, decisions can be made on the strategy content. Strategy content encapsulates the organisational objectives, purpose and goals. The last dimension addresses the 'how' or actual implementation processes. Successful change is therefore a result of the interaction between the content and 'what' of change (objectives, purpose and goals), the process or 'how' of change (implementation), and the organisational context or 'where' of change (the internal and external environment).

Based on their research, Pettigrew and Whipp (1991) presented five central interrelated factors that drive successful strategy implementation. These were:

- (1) Environmental assessment. This involves continuous scanning and monitoring of both the internal and external environment.
- (2) Leading change. This involves creating of the right climate and culture to more implementation forward.
- (3) Human resources as assets and liabilities. Employees should be aware that they are valued and that the organisation trusts them.

- (4) Linking strategic and operational change. Synergies should be created through the bundling of operational activities.
- (5) Overall coherence. A change strategy should be consistent with clear goals, consonant with its environment, and provide a competitive edge and be feasible.

Okumus (2001:329) similarly identified a number of implementation factors and constructed a conceptual framework by categorising those factors into four groupings, namely content; context; process; and outcome. After having conducted empirical research, Okumus (2001:335) found the factors identified earlier to be crucial in the implementation process of companies studied. In addition, he also found multiple project implementation, organisational learning and working with external companies as new implementation factors. Based on his research findings, Okumus (2001:336) proposed a new framework and stated that it is the combination of all factors working together that makes the transformation process possible. However, he claimed that process factors are mainly used in a synergistic manner in an ongoing process, but understanding and manipulating the context in which strategies are implemented is particularly important. Okumus (2001:337) further claimed that he found from his research study that strategic decisions are often implemented without having a proper fit between the strategy and the implementation factors. Any inconsistency with one factor influences the other factors and, subsequently, the success of the implementation process. Therefore, it is not always feasible to achieve coherence between implementation factors in situations of dynamic and complex change.

The adjusted framework of Okumus (2001:336) is presented in figure 2.12.

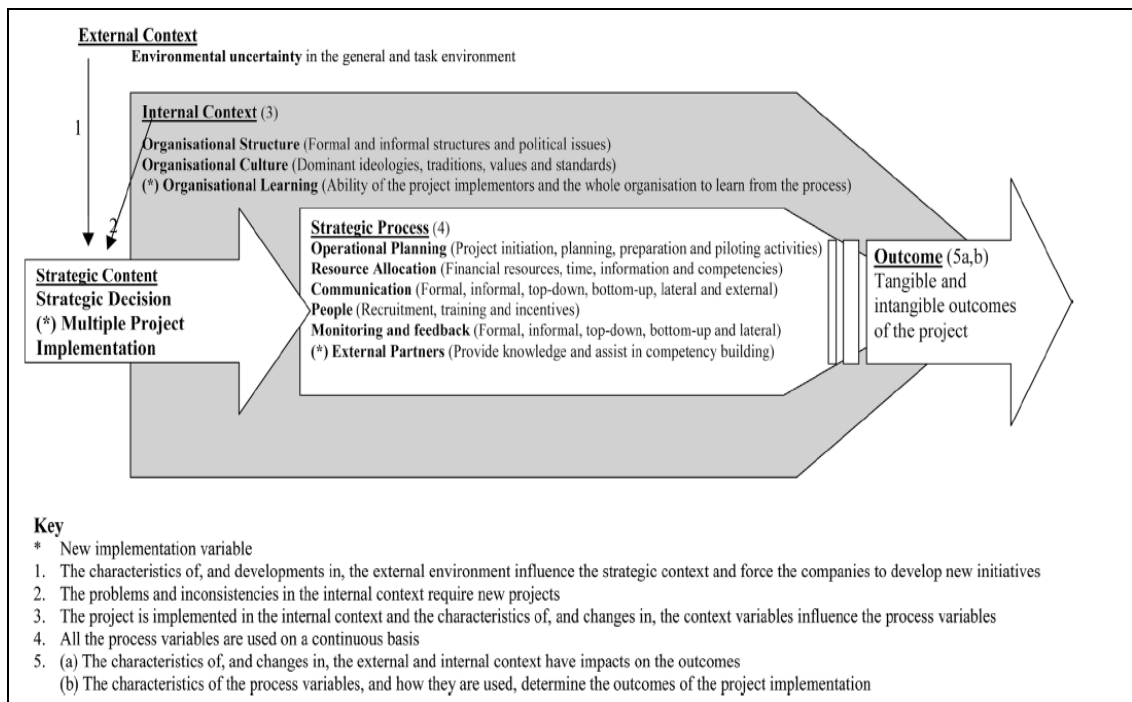


Figure 2.12: Adjusted strategy implementation framework and key variables (Okumus, 2001:336).

In a later article, Okumus (2003:872) noted that scholars such as Bryson and Bromiley (1993), Schmelzer, and Olsen (1994) also identified context as a key factor in strategy implementation. Bryson and Bromiley (1993) identified three categories; namely context; process; and outcome, while Schmelzer and Olsen (1994) identified 14 factors, which they grouped into context and process factors, and further into primary and secondary factors. These authors referred to strategy implementation as a progression from one factor to the other. Schmelzer and Olsen (1994) also identified a number of sub-factors, such as environmental uncertainty, organisational culture, information systems, training, the size and geographic dispersion of the company, the life cycle of the company and the demographic background of the managers. However, the factors of environmental uncertainty, organisational culture, information systems and training have all been referred to in most previous frameworks (Okumus, 2003:872).

Dobnii and Luffman (2000:895) postulated that the market orientation of an organisation provides a context for the implementation of specific marketing strategies by serving as a moderator of operational marketing strategy. In other words, a culture of generating market intelligence within an organisation pertaining to current and future needs of the customers and the successful dissemination of intelligence horizontally and vertically facilitates and supports the strategy implementation process. Furthermore, Dobnii and Luffman (2000:898) acknowledge that market orientation's role in driving strategy and strategy implementation relates back the relationship between culture and strategy. They postulated that ultimately, organisational performance cannot be accurately understood without an understanding of the culture and strategy of the organisation.

It is evident from the review of frameworks that multiple factors must be considered simultaneously when developing and implementing a strategy or strategic decision. In conclusion, of his review, Okumus (2003: 875) identified 11 key constraints, namely:

- (1) poor strategy development
- (2) environmental uncertainty
- (3) organisational structure
- (4) organisational culture not conducive for strategy implementation
- (5) unclear leadership roles
- (6) lack of operational planning
- (7) lack of resource allocation
- (8) lack of communication
- (9) people and human resources shortages, including skills and competencies
- (10) lack of control
- (11) lack of outcome

Okumus (2003: 875) noted that these factors are common suggestions of key elements for consideration when implementing strategy; but the list should not be regarded as a definitive one. Okumus (2003) goes further by grouping the 11 elements into four categories, namely:

- (1) *Strategic content* includes the development of strategy.
- (2) *Strategic context* is further divided into external and internal context. The former includes environmental uncertainty and the internal context includes organisational structure, culture and leadership.
- (3) *Operational process* includes operational planning, resource allocation, people, communication and control.
- (4) *Outcome* includes results of the implementation process.

2.4.4 Control

Bowman and Helfat (2001:42) noted that an important criticism of strategic management is the fact that management does not always know whether strategies have been implemented successfully. Managements' failure to select appropriate strategic control systems is sometimes damaging to the implementation process. Brache and Freedman (1999:65) postulated that if strategic control systems are lacking when implementation is being conducted, the implementation process can be derailed. This is supported by Dooley, Fryxell and Judge (2000:1237) who stated that strategic control is in essence the phase of the strategic management process that concentrates on evaluating the chosen strategy in order to verify whether the results produced by the strategy are those intended.

There are different strategic control systems measuring different key points in an organisation. The Balanced Scorecard (BSC) and the Performance Prism are two strategic measurement systems. The BSC, developed by Kaplan and Norton (2004:10) in essence is a management and measurement system that enables organisations to clarify their vision and strategy and translate them

into action. It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. When fully deployed, the balanced scorecard transforms strategic planning from an academic exercise into the nerve centre of an enterprise.

The Balanced Scorecard according to Kaplan and Norton (2004:12) aims to facilitate the alignment of business operations with the overall strategy by considering four perspectives, namely:

- (1) the financial perspective;
- (2) customer perspective;
- (3) internal business perspective; and
- (4) the learning and growth perspective.

The overall idea behind this technique is that organisations are advised to align their performance measures in these four perspectives. In terms of using the balance scorecard approach in implementing strategies, Kaplan and Norton (2004) identified four main implementation factors:

- (1) clarifying and translating the vision and strategy;
- (2) communication and linking;
- (3) planning and target setting; and
- (4) strategic feedback and learning.

The Performance Prism again addresses all of an organisation's stakeholders - principally investors, customer's intermediaries, employees, suppliers, regulators and communities. It is based on the belief that those organisations aspiring to be successful in the long term within today's business environment have an exceptionally clear picture of who their key stakeholders are and what they want. They have defined what strategies they will pursue to ensure that value is delivered to these stakeholders. They understand what processes the enterprise requires if these strategies are to be delivered and they have defined what capabilities they need to execute these processes. According to

Performance Prism vision, one of the great fallacies of performance measurement is that measures should be derived from strategy.

In this new world order successful strategy implementation becomes ever more important. Simultaneously, new performance measurement frameworks are evolving to fill the gap between operational budgeting and strategic planning. These new multidimensional performance measures have replaced the more tradition financial orientated metrics with non-financial measures that more effectively focus on the new managerial imperatives. These strategic controls or measures provide short-term targets on the long-term strategic road (Atkinson, 2006:1441).

2.5 CONCLUSION

Chapter two provided a textual review of literature readings on the thinking and practice on the subject of strategy, strategic management and the processes of strategic planning and strategy implementation.

The hotel industry finds itself in the midst of an increasingly accelerated pace of change in the business environment. Tourists and business travellers' needs constantly evolve alongside changes in international markets as new travel destinations open up, improvements of telecommunication and advances in IT occur, and a conversion of different cultures in a more globalised environment takes place.

In the literature review, reference is made to strategic management, which can be defined as the process whereby all the organisational functions and resources are integrated and coordinated to implement formulated strategies (Ehlers and Lazenby, 2004:1). Two processes can be noted from this, firstly strategy formulation and secondly strategy implementation.

As the literature suggests, strategy implementation is, however, not an easy task. Bigler (2004:29) noted that a study has shown that 90 per cent of formulated strategies of firms in the USA and Europe are not implemented on time and with the intended results. Fahey and Randall (1994:68) noted the importance of ensuring that strategic planning is implemented and executed efficiently and effectively in order to reap the intended results. It is this process that challenges most firms, including the hotel industry. Based on the literature findings, 29 impiders of strategy implementation have been identified, which might be considered applicable to the hotel industry. These impiders will henceforth be empirically investigated during this study in order to identify the most prominent impiders as experienced by management in the hotel industry. The 29 impiders identified are:

- (1) Lack of exact strategic planning
- (2) Bad strategy – poorly conceived business models
- (3) Insufficient linking of strategy to goals
- (4) Time limitation
- (5) Lack of swift implementation
- (6) Lack of synchronising strategy implementation to market rhythm/pulse
- (7) Unanticipated market changes
- (8) Effective competitor response to strategy
- (9) Lack of consensus among decision makers
- (10) Too many and conflicting priorities
- (11) Top down management style
- (12) Lack of bottom up involvement in crafting strategy
- (13) Lack of identification of major problems
- (14) Incompatible structure with the strategy
- (15) Unsuitable resources allocation
- (16) Lack of adequate communication (vertical and horizontal)
- (17) Lack of effective co-ordination
- (18) Incompatible organisational culture

- (19) Competing activities among people/units
- (20) Unsuitable evaluation and control systems
- (21) Unsuitable leadership
- (22) Lack of adequate organisational support
- (23) Lack of adequate manager commitment
- (24) Unsuitable personnel management
- (25) Uncontrollable internal factors
- (26) Uncontrollable external factors
- (27) Lack of enough capabilities/skills of employees
- (28) Resistance to change among people/units
- (29) Lack of understanding of the strategy

The above impeters were used as input for the composition and design of the discussion guide used in phase one and the structured questionnaire used in phase two during the data gathering processes.

Various models for strategic planning were also presented. Traditional models include that of Hunger and Wheelen (1996:123), Andrews (1960:27), and Lewis (1996:3). More recent models or approaches to strategic planning include that of Okumus (2003:871), Ip and Koo (2004:553), Harrington (2005:384) and McNamara (1997:32). The researcher noted that although there are a number of strategic management models available in literature, all of these models are of a generic nature and there were no noticeable fundamental differences in strategic planning models pertaining to industry specifics, i.e. there were no models specifically for a manufacturing, heavy engineering, service industries, etc. The generic models are used for all industries across the board, with areas of focus changing in line with idiosyncrasies of each industry.

Various impeters of strategy implementation were also presented. The literature also noted an important criticism of strategic management, namely

the fact that management does not know whether strategies have been implemented successfully, as organisations do not utilise measurement instruments such as the Balanced Scorecard or the Performance Prism to evaluate the impact of the chosen strategy (Bowman and Helfat, 2001:42).

The literature review concludes by stating that in this new world order successful strategy implementation becomes ever more important. Simultaneously, new performance measurement frameworks are evolving to fill the gap between operational budgeting and strategic planning. This study aims to develop an empirical and practical model that can be used by practitioners in the South African hotel industry to move from strategic planning to strategy implementation, monitoring and corrective action.

CHAPTER 3: METHODOLOGY

3.1 INTRODUCTION

Three main research objectives are covered with this study, namely:

To investigate the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa.

To investigate the challenges and barriers faced by management in the processes of moving from strategic planning to strategy implementation and the supporting facets of coordination and control.

To develop a conceptual and practical model based on empirical research findings that could be used by the South African hotel industry as a strategic management framework that is conducive to the processes of strategic planning, implementation, coordination and control.

This chapter provides a discussion of the methods employed to conduct the research.

3.2 THE DATA GATHERING PROCESSES

The researcher utilised both qualitative and quantitative data gathering techniques. A three-phase process for data gathering was used.

The first phase of the study involved five in-depth interviews with CEO's that are responsible for managing a range of star rated hotels. This phase contributed in understanding the extent that strategic planning takes place within hotels and the impeding factors of strategy implementation. The in-depth discussions also focused on the processes and tools employed during strategy implementation control. The findings are used as input for the initial defining and development of a conceptual and practical model.

A second phase of the research involved the gathering of quantitative data by means of a structured questionnaire from a sample of three to five star rated hotel managers from top and middle management level. This phase aimed to gather quantitative data to support and expand on the findings from the first phase. Similar aspects as covered during phase 1 were addressed and include:

- Extent of strategic planning in hotels
- Confirmation of impeding factors in strategy implementation as identified from the literature review and in-depth interviews during phase one
- Identify processes employed in strategy control.

The third phase of the research involved a focus group discussion with hotel executives and managers. The discussions focussed on the newly developed model. Aspects that were discussed included ease of understanding, practicality and the covering of key components in the implementation process. The potential for the conversion of the model into a practical score card or monitoring instrument were also discussed.

The rationale behind the choice of employing qualitative methods is that such research methods allow respondents to provide descriptive information about their thoughts and feelings. Since the research problem and objectives require a good understanding of the problem and actionable solutions, a

combination of qualitative and quantitative research method is regarded as more appropriate for this study by the researcher.

More so, the questionnaire data collection methods used enabled the researcher to quantify responses and views. This also helped to minimise researcher's own bias while enhancing efficiency in the analysis of complex information. In this context, reliability will be high.

In summary, the selection of a combination of qualitative and quantitative research methodology is imperative for the generation of solutions that are suitable, practical and able to contribute to the field of strategic management.

3.3 INSTRUMENTS FOR DATA COLLECTION

Using the findings from the literature review as input, a discussion guide was developed for use during the in-depth interviews. Refer to Annexure A for a copy of the discussion guide used. The same discussion guide was used throughout the in-depth interviews in order to ascertain uniformity towards the data gathering process. Interviews were recorded for analysis purposes.

The discussion guide consisted of four sections. The first section of the discussion probed participants about the star rating of the hotel, size of hotel (number of rooms and staff), and years in operation. Section two dealt with issues around strategic planning, section three about strategy implementation and section four about strategic control.

For phase two, a questionnaire was used as a data gathering instrument. The questionnaire consisted of both multiple choice and open-ended questions. Refer to Annexure B for a copy of the questionnaire. A structured question provides predefined categories from which respondents are requested to make relevant selections. In some instances only one selection per question

is allowed, for example gender profile or rating of items. Other questions allowed for selection of two or more options. The open-ended questions did not limit responses but provided a frame of reference for respondents to provide feedback in an open-ended question format.

From the completion of the questionnaire, two types of data were produced, namely nominal and ordinal data. The ordinal data was gathered by means of the rating of predefined items using a 5-point Likert rating scale. Lower values represent negative perceptions, unimportance or ineffectiveness, while higher values represent positive perceptions, importance or effectiveness.

The questionnaire consisted of five sections. The first section captured respondents demographic characteristics namely position in the company and educational level. Section two captured the hotel's demographic details including star rating, number staff employed, and number of rooms. Section three to five dealt with issues pertaining to strategic planning, strategy implementation (including impeders of implementation) and strategic control.

For the last phase, a discussion guide was used to probe group members on ease of understanding, practicality and covering of key actions and issues in the model.

3.4 SAMPLING

The population for the study included all three to five star rated hotels operating within South Africa. These included independent hotels as well as local and internationally affiliated hotel chains.

For the first phase of the research, in-depth interviews were conducted with CEO's/Directors that are responsible for managing a range of star rated hotels. The selection of hotels included in the sample frame for the first phase was based on a non-probability convenient selection method. Given the data

collection method being qualitative of nature, data saturation was achieved after five in-depth interviews. The answers and themes coming through from all five interviews were very similar in nature, which indicated to the researcher theoretical data saturation was achieved. In other words no new, different or relevant data emerged during these interviews.

For the second phase of the study, a list of three to five star rated hotels operating in South Africa was compiled and used for the drawing of the sample. For the compiling of the list, the website of The South African Tourism Grading Council was utilised (www.tourismgrading.co.za). At the time of the study the website listed 509 three to five star rated hotels in South Africa on their database. The distribution of hotels by star rating is shown in table 3.1:

Table 3.1: Number of star rated hotels listed on the South African Tourism Grading Council website vs. target sample vs. actual sample

Rating	Population		Target sample		Actual sample realised	
	n	%	n	%	n	%
3-star	278	55%	112	56%	29	48%
4-star	167	33%	64	32%	19	31%
5-star	64	13%	24	12%	13	21%
Total	509	100%	200	100%	61	100%

A total of 200 hotels were drawn randomly from the database. This ensured that each entry had an equal chance of inclusion into the sample targeted for data gathering. The selection procedure also produced a target sample that was similar to the actual percentage distribution of hotels across star rating. In other words, the researcher aimed to produce a sample that is representative of the population characteristics pertaining to star rating.

Self-completion questionnaires were distributed electronically to hotel managers via e-mail. In order to increase the response rate, the questionnaire was designed in HTML code, which provides a user-friendly interface for respondents to complete and submit the questionnaire via e-mail. Of the 200 questionnaires sent out, 27 valid questionnaires were received back. In order to increase the sample size, questionnaires were distributed electronically for a second round. Respondents were also contacted by telephone and requested to complete questionnaires. This yielded an additional 34 completed questionnaires, bringing the total to 61 valid questionnaires. This represents a response rate of 31%.

Given the realised sample, the following formula was used to calculate the sampling error (Israel, 2003:4). A 95% confidence level is assumed for the equation.

$$n = \frac{N}{1 + N(d)^2}$$

where N = population size
 n = sample size
 d = level of accuracy

With a sample of 61 out of a total population of 509, the sampling error is approximately 12%. Given the randomised sampling method and internal consistency of the data, the researcher is confident that the data is a valid representation of the population.

3.5 DATA PREPARATION AND ANALYSIS

The responses obtained from the in-depth interviews were analysed using steps proposed by Morse (1994:23-43)), namely comprehension, synthesising, theorising and re-contextualising (Hussey and Hussey, 1997:256). All interviews were recorded to be used for analysis of discussions.

Comprehending involves acquiring a comprehensive understanding of the setting and study topic before the research commences. The literature review encapsulates this step. Next a synthesis of the main themes and concepts emerging from the in-depth interviews were made. The main sections and questions assisted in demarcating main themes and concepts. The next step was to link themes to the theory and literature. Lastly, a generalisation of the findings was made.

For phase two, responses obtained from the electronic submission of completed questionnaires were downloaded into a database. The data was henceforth exported to SPSS for Windows, a statistical software package.

The data analysis followed a three step-process. During the first phase, one-way frequency tables were produced. Frequency tables provide a distribution of the responses obtained from categorised variables. Examining frequency tables provide a way of establishing the general direction of respondent's agreement or perception being either positive or negative. With questions where respondents rated items using a 5-point Likert scale, only the two most positive categories are reported. These proportions mostly represent those respondents that rated an item or aspect for example as being effective to very effective. Furthermore the proportions provided meaningful statistics to highlight variation in the data between items and groups.

A second level of analysis involved the construction of basic cross-tabulations in order to examine observed differences between independent categorised groups of respondents or cases. Variables that were used for comparison of independent groups include the star rating of the hotel, structure of the hotel (chain and independent), and size of the hotel based on number of employees. The categorising of the sample relating to the number of rooms and permanent staff were based on an approximate 50 percentile split. This allowed for the two sub-samples to be almost of equal size. Results pertaining to the sample characteristics are presented in section 4.2.2.

The third level of analysis involved correlation analysis. Correlation coefficients provide a measure of the linear relationship between two quantitative variables. Due to the measurement scale of questions under consideration being ordinal, Spearman's rank order correlation coefficients were calculated to measure the association between statements. The Spearman's rank order correlation coefficient is a nonparametric version of the Pearson correlation coefficient, based on the ranks of the data rather than the actual values. It is appropriate for ordinal data (Norušis, 1993:215). The coefficients range in value from -1 (a perfect negative relationship) and $+1$ (a perfect positive relationship). A value of 0 indicates no linear relationship.

Responses obtained from open questions were analysed using content analysis as data reduction technique. Responses were reviewed and grouped according to specific themes that emerged. Specific codes were assigned to themes. This allowed for a rough quantification of themes emerging from the data. The use of content analysis also guarded against the selective perception of the content, providing some framework for the rigorous application of reliability and validity criteria. The assistance of a statistician was used during the data analysis phase.

3.6 RELIABILITY, VALIDITY AND GENERALISATION

A number of authors have noted definitions pertaining to reliability in research. Hussey and Hussey (1997:57) for example noted that reliability is concerned with the findings of the research. Hair *et al* (1998:3) defined reliability as the extent to which a set of variables is consistent in what it intends to measure. Neuman (2000:164) also referred to the consistency aspect in the data noting that reliability refers to dependability or consistency. McDaniel and Gates (2001:256) stated it more specifically by noting that internal consistency reliability assesses the ability to produce similar survey results using different samples to measure a phenomenon during the same time period. Churchill (1979:260) refers to the ability to produce similar survey results using different samples as data stability. In other words, the findings can be said to be reliable if the study is replicated and the same results is obtained. In order to establish internal consistency of the quantitative data gathered during phase two of the research, the original sample ($n = 61$) was split into two random sub-samples of approximate equal size. Firstly, the distributions of demographic data were tested for significant differences, using non-parametric tests such as the Chi-square Test of Independence. Failure to reject the null-hypothesis, suggested that the two sub-samples came from the same population group. Secondly, a random testing of ordinal data for significant differences between the two sub-samples was also done. The Mann-Whitney U samples test was used to test for significant differences. Failure to reject the null-hypothesis, suggested that the two sub-samples yielded similar results. The above stated tests confirm that there is a high level of confidence in internal consistency which implies that if other research is conducted using the same sample and methodology it will yield the similar results. Based on these findings the possibility of generalisation or extrapolation exists. Refer to Annexure D for statistical output from SPSS.

Table 3.2 shows a summary of the results from the non-parametric tests. Significance values of more than 0.05 suggests that the null hypothesis, which states no difference or independence, cannot be rejected in favour of the alternative. The results showed that in none of the tests, the null hypothesis could be rejected as they all exceeded the 0.05 significance value, confirming internal consistency of the data and in the context of this study serves as an indicator for the validation for reliability and generalisation.

Table 3.2: Statistical confirmation of internal consistency reliability

Independent variable: Random split			
Dependent variable	Test	Sign.	Reject H0
Hotel structure (v3)	Pearson Chi-square	0.951	No
Star rating (v5)	Pearson Chi-square	0.433	No
Number of rooms (v4.1)	Pearson Chi-square	0.176	No
Strategic planning (v7.1)	Mann-Whitney U	0.130	No
Implementation (v7.2)	Mann-Whitney U	0.518	No
Support (v7.3)	Mann-Whitney U	0.292	No
Control (v7.4)	Mann-Whitney U	0.339	No

The reliability for this study was furthermore enhanced through the gathering of data from different groups (executive, middle and lower management) using a combination of qualitative and quantitative techniques. Creswell (2005:58) referred to this process as triangulation, which involves corroborating evidence from individuals through different methods in order to enhance the accuracy of the study.

While reliability is concerned with the consistency of the data, validity reflects the accuracy in the measurement (Hussey and Hussey, 1997:57). Hussey and Hussey (1997:57) noted that research errors, poor samples and misleading measurement could undermine validity. The researcher has therefore aimed to address these aspects using sound research procedures during the sampling process as well during the design of the data gathering

instruments. The literature review provided insight into the formulation of specific items that needed to be measured as well possible constructs that could emerge from the data. Hussey and Hussey (1997:58) refer to this as construct validity. Lastly, pilot interviews were also conducted to test the instruments and ascertain a common understanding of concepts and questions.

Generalisation can be defined as the extent to which a researcher can come to conclusion about one thing (often a population) based on the information gathered about another (often a sample) (Hussey and Hussey, 1997:58). The drawing of a representative sample representing the population enhances the generalisation of findings to the population under consideration.

3.7 LIMITATIONS

Due to the small sample size that were realised in phase two ($n = 61$), testing for significant differences in the proportional distribution of data of sub-sample or independent groups were very limited. In fact, Chi-square tests of independence were performed on the data obtained from key questions. The Chi-square test is considered appropriate for nonparametric data. Furthermore, because of small and unevenly dispersed sub-samples, Fisher's exact significance values were calculated. Exact tests were specifically developed for use in small or unevenly dispersed sub-samples where $n < 30$ (Mehta and Patel, 1996:4).

3.8 SUMMARY

This chapter documented the research methodology followed during the study. Both qualitative and quantitative methods were employed for data gathering. The first phase involved five in-depth interviews with executives from three to five star rated hotels. A second phase involved the completion of a structured

questionnaire from a sample of three to five star rated hotel managers. The questionnaire was distributed electronically and a total of 61 valid questionnaires were received back. This represents a response rate of about 31% from a random selection of 200 hotels out of an estimated population of 509 three to five star hotels. The data from both the first two phases were analysed and a draft conceptual and practical model developed, which is presented in chapter six. The models aim is to assist practitioners in the hotel industry move from strategic planning to strategic management. The last phase of the research involved in-depth discussions with both executives and managers to evaluate the practicality of the model. After discussions in the focus group the draft model was modified to incorporate these practical suggestions and a final model was conceptualised, which is also presented chapter six.

The chapter also addressed aspects relating to reliability, validity and generalisation of results.

CHAPTER 4: RESULTS

4.1 INTRODUCTION

This study was initiated due to the need to address the gap between strategic planning and strategy implementation within the South African hotel industry. Three objectives were set for the study. Firstly, to investigate the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa. Secondly, to investigate the challenges and barriers faced by management in the process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control. Thirdly, the researcher aimed to develop a conceptual and practical strategy implementation model that could be used by managers and other professionals within the South African hotel industry. The first two objectives are addressed in part by insights gained from the literature review as discussed in chapter two. Furthermore, the objectives are addressed by empirical research that was conducted amongst executives in the South African hotel industry. This chapter reports on the results and findings from the empirical research.

Using the insights gained from the literature review and the findings from the empirical research, the third research objective was addressed, namely the development of a conceptual and practical strategy implementation model for the South African hotel industry. The intention of the strategic management framework is to serve as a tool that is conducive to the processes of strategic planning, strategy implementation, coordination and control. The final model is presented and discussed in chapter six.

Section 4.2 describes the characteristics of the samples from which data was gathered during phase one (qualitative research) and two (quantitative research) of the empirical investigation. Section 4.3 presents the results and the findings from the investigation. The last section of the chapter provides a summary of the main findings.

4.2 SAMPLE DESCRIPTION

4.2.1 Phase one: Qualitative research

The first phase of the study involved five in-depth interviews with Chief Executive Officers (CEO's) that are responsible for managing a range of star rated hotels. The CEO's were selected based on their executive management profile and exposure to strategy development and implementation within their respective hotel groups. Three of the CEO's are responsible for managing hotels in South Africa that form part of three different international chains of hotel groups. The other two CEO's manages two groups of hotels in South Africa, with each hotel independently branded. The hotels under management mostly have three, four and five star ratings. The combined total of all rooms under management exceeded 2000. The CEO's indicated that most of the hotels managed by them are considered new with the majority of hotels only been developed or newly refurbished after 2000. In support of this, four of the CEO's also indicated that they would describe their respective organisational life cycles as being in a growth phase. Only one CEO indicated that his organisation could be classified as being in a mature stage.

4.2.2 Phase two: Quantitative research

A second phase of the research-involved gathering of quantitative data by means of a questionnaire from a sample of three to five star rated hotel

managers from top and middle management level. The data from 61 completed questionnaires were captured and analysed.

Table 4.1 shows a summary of the sample characteristics pertaining to, the position of the respondent in the company, their highest educational level achieved, the star rating of the hotel, hotel structure and size of the hotel (number of rooms and permanent staff). The cut off points for number of rooms and permanent staff were based on an approximate 50 percentile split of the total sample.

Table 4.1: Phase two sample characteristics

	n	%
Position in company		
Managing Director	10	16%
Senior Executive	21	35%
Middle Management	10	16%
General Management	20	33%
Highest educational level achieved		
Matric/Grade 12	5	8%
Diploma	27	45%
Bachelors degree	19	31%
Post graduate	10	16%
Rating		
3-star	29	48%
4-star	19	31%
5-star	13	21%
Hotel structure		
Chain	45	74%
Independent	16	26%
Number of rooms		
1 - 150	30	49%
150+	31	51%
Number of permanent staff		
1 - 150	31	51%
150+	30	49%

Of the 61 respondents, 31 (51%) were classified as being in a top management position, in other words Managing Directors or Senior Executives. Only five respondents (8%) indicated they do not have any post-matric qualifications. Twenty-nine (48%) of the respondents indicated they work at a hotel with a three star rating, 19 (31%) at a hotel with a four star rating and 13 (21%) at a hotel with a five star rating. The majority of hotels (74%) under consideration are also part of a national and international group of hotels. Looking at the ranking of hotels based on number of rooms, it is evident that about half of the hotels included in the sample have up to 150 rooms (49%). Similarly, a ranking of hotels based on number of permanent staff shows that about half of the hotels included in the sample have up to 150 permanent staff (51%). Figure 4.1 shows a scatter plot of number of permanent staff by number of rooms. Inspection of the scatter plot reveals that a positive linear correlation exists between the two variables. In other words, hotels with more rooms have a stronger probability of having a higher number of permanent staff. The strength of the linear relationship between the two variables, as measured by the Pearson's correlation coefficient, is 0.79. Correlation coefficients close to 1 are indicative of a strong positive linear relationship between two variables, whereas values close to -1 are indicative of a strong negative linear relationship between two variables. Correlation coefficients close to 0.5 or -0.5 might still be regarded as significant (in other words indicative of positive or negative correlation), but the strength of the relationship is considered mediocre or average. Values close to 0 might not be significant and is therefore indicative of the existence of no linear correlation between the two variables.

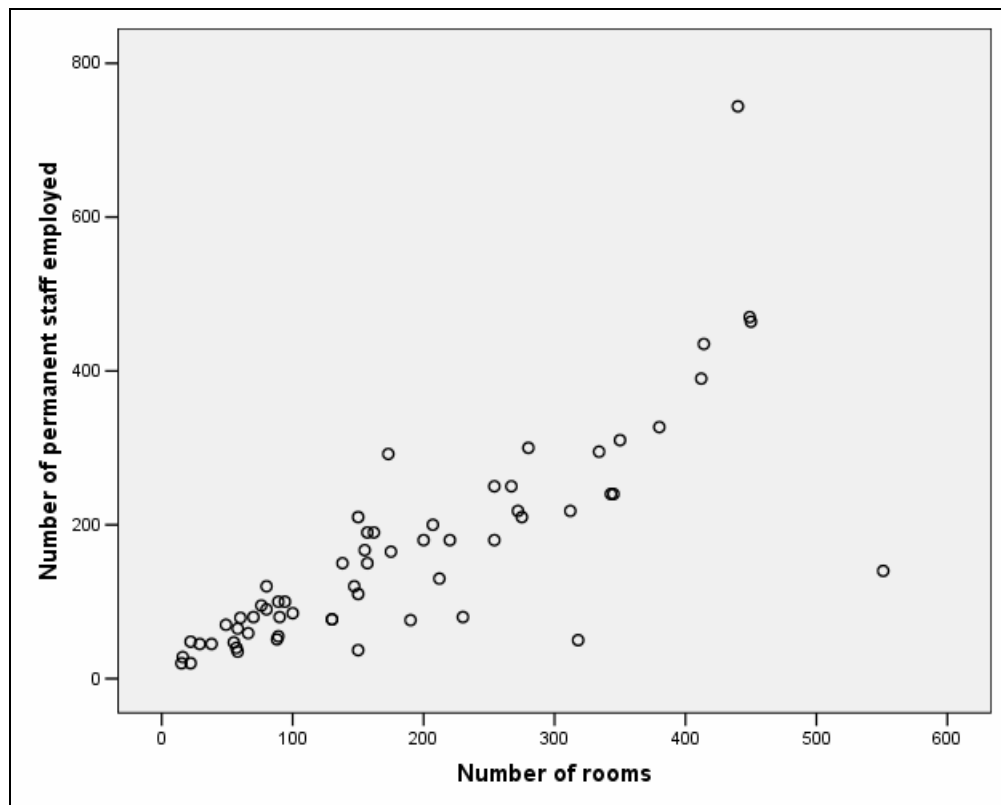


Figure 4.1: Scatter plot of number of permanent staff by number of rooms

A comparison of the sample characteristics of chain-operated hotels versus independent operated hotels included in the sample is shown in table 4.2. The null-hypotheses of independence between two variables were tested using the Chi-square test of independence. A probability value (p-value) less than 0.05 suggests that the null-hypothesis cannot be accepted and should therefore be rejected in favour of the alternative. This would then suggest that the two variables are assumed to be dependent, based on a 95% level of confidence.

The results, as presented in table 4.2, show no statistical dependence between star rating and the structure of the hotel ($p = 0.929$). In other words, the star rating of a hotel does not seem to be dependent on its structure. However, the results show a statistical dependence between hotel structure and number of rooms ($p = 0.021$) and full time employees ($p = 0.008$). In

other words, the structure of the hotel seems to be dependent on its size. More specifically, the average chain-operated hotel surveyed has 173 rooms compared to the average independent hotel surveyed with 82 rooms. Similarly, the average chain-operated hotel surveyed has 167 permanent staff employed compared to the average independent hotel with 53 permanent staff.

Table 4.2: Comparison of the sample characteristics of chain operated hotels versus independent hotels

	Structure		<i>p-value</i>
	Chain n = 45	Independent n = 16	
Rating			
3-star	49%	44%	0.929
4-star	31%	31%	
5-star	20%	25%	
Number of rooms			
1 - 150	40%	75%	0.021
150+	60%	25%	
Number of permanent staff			
1 - 150	40%	81%	0.008
150+	60%	19%	

4.3 RESULTS REGARDING THE RESEARCH OBJECTIVES

4.3.1 The use of strategic planning and implementation principles

The first research objective investigates the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa.

During the in-depth interviews, respondents were asked to indicate what importance is placed by management on the formal processes of strategic planning. All five respondents interviewed acknowledged that it is a very important process. Further enquiry revealed that processes such as operational planning and budgeting stems from the strategic plan. Through strategic planning, executives form a very clear view of what they want and where they want to go.

Strategic planning is also mostly a formal process, as noted during the in-depth discussion, and therefore carries with it a high level of importance in the organisation. One respondent, representing a very small hotel with only 24 suites, remarked that in his case, strategic planning is sometimes less formal and done on an on-going basis. Those respondents representing larger hotels noted that their strategic plans are reviewed mostly on an annual basis and involves executives and managers that specifically get together for a formal session. If necessary, monthly or bi-annual planning meetings also take place. However, these sessions will always take on formal proceedings.

The in-depth interviews revealed that strategic planning is in most cases performed by top and unit management. When prompted about it, four of the five respondents acknowledged that the strategic planning process could be more engaging across all staff levels.

Filtering of strategic intent is also based on a top-to-bottom approach. Strategic intent is communicated mostly to employees at annual general meetings or during road shows.

Table 4.3 shows the results from the second phase and confirms the findings from the in-depth interviews. The majority of respondents (89%) confirmed the involvement of top management in the planning process, followed by unit management (66%) and to a lesser extent middle management (28%). Only a

very small number of respondents indicated that lower management and staff members are also involved (8% and 3% respectively).

Table 4.3: Involvement in strategic planning sessions

ALL	
<i>n = 61</i>	
Involvement	
Executive/Top management	89%
Units management	66%
Middle management	28%
Lower management	8%
All staff members	3%

The frequency of formal strategic planning sessions was also confirmed during phase two of the research. Table 4.4 indicates that of the 61 respondents, the majority (68%) indicated that formal strategic planning sessions take place annually. A further 18% indicated that planning is done bi-annually. The remainder of the respondents indicated that strategic planning takes place every two or three years (11% and 3% respectively).

Table 4.4: Frequency of strategic planning sessions

ALL	
<i>n = 61</i>	
Frequency	
Yearly	68%
Bi-annually	18%
Every two years	11%
Every three years	3%

It is meaningful to note that although the above result was fairly consistent across different sub-categories of hotels, a slightly higher proportion of chain hotels compared to independent hotels, conduct strategic planning only every

second or third year (17% versus 6%). Independent hotels on the other hand conduct planning sessions more frequently, namely annually or bi-annually (94% compared to 83%). Inspection of results by star rating does not reveal any notable differences. The proportional distribution by hotel structure, star rating and size is presented in table 4.5.

Table 4.5: Frequency of strategic planning sessions by hotel structure, star rating and size

	Hotel structure		Star rating			Rooms	
	Chain <i>n</i> = 37	Independent <i>n</i> = 16	3-star <i>n</i> = 29	4-star <i>n</i> = 19	5-star <i>n</i> = 13	1 - 150 <i>n</i> = 30	150+ <i>n</i> = 19
Frequency							
Yearly	63%	81%	70%	68%	62%	74%	61%
Bi-annually	20%	13%	17%	16%	23%	10%	26%
Every two years	13%	6%	10%	11%	15%	13%	10%
Every three years	4%	-	3%	5%	-	3%	3%

With formal strategic planning sessions taking place mostly on an annual basis, respondents were also asked during the first phase to indicate the length of the plan. Two of the respondents indicated that in their respective companies three plans are formulated, one with a short time span (one year), one with a medium time span (three years) and one with a longer time span (five years). The other three respondents indicated that plans are based on one, two and three years respectively. Those respondents involved in hotels that are part of a chain, also confirmed that separate plans are developed for each unit.

Table 4.6 shows the results from phase two pertaining to the time span of the strategic plan. The results suggest that hotels formulate their strategic plans either for the shorter term, namely for one or two year period (45% of cases) or on a longer term (55% of cases).

Table 4.6: Time span of strategic plan

		ALL <i>n = 61</i>
Time	One year plan	42%
	Two year plan	3%
	Three year plan	44%
	Five year plan	11%

The proportional distribution across different sub-categories, as presented in table 4.7, some preference is shown by chain-operated hotels to adopt longer strategic planning time frames of three or five years (62% of cases), whereas independent hotels conversely tend to prefer a one or two year plan (62% of cases). This finding is consistent with the frequency of strategic planning sessions, which also showed a tendency of independent hotels to conduct strategic planning sessions more frequently (annually or bi-annually).

Table 4.7: Time span of strategic plan by hotel structure, star rating and size

	Hotel structure		Star rating			Rooms	
	Chain	Independ-	3-star	4-star	5-star	1 - 150	150+
	<i>n = 37</i>	<i>n = 16</i>	<i>n = 29</i>	<i>n = 19</i>	<i>n = 13</i>	<i>n = 30</i>	<i>n = 19</i>
Time							
One/two year plan	38%	62%	38%	58%	38%	53%	35%
Five year plan	62%	38%	62%	42%	62%	47%	65%

Table 4.8: Theoretical tools used for strategic planning

ALL	
<i>n = 61</i>	
Tools	
SWOT analysis	84%
Customer satisfaction analysis	79%
Value chain analysis	59%
Employee satisfaction analysis	57%
Competitor analysis	34%
Environmental scanning	33%
PEST analysis	31%
Scenario analysis	16%
Five-forces analysis	15%
BCG-Growth Share Matrix	8%
Portfolio analysis	3%
Diamond analysis	2%
PIMS (Profit Impact of Market Strategy)	2%

Table 4.8 shows the proportions of the sample that indicated usage of a particular theoretical tool (or model) to assist with strategic planning.

The tools used mostly to assist with strategic planning include SWOT analysis (84%), customer satisfaction analysis (79%), value chain analysis (59%) and employee satisfaction analysis (57%). Other tools such as competitor analysis (34%), environmental scanning (33%) and PEST analysis (31%) are also used, but to a lesser extent.

Table 4.9: Proportion of sample that rated strategic planning as effective to very effective by the extent of use of theoretical strategic planning tools

	ALL	
	Use less than 5 of the theoretical tools <i>n</i> = 36	Use 5 and more of the theoretical tools <i>n</i> = 25
Rated strategic planning as effective to very effective	44%	76%

Table 4.9 shows the proportion of the sample that rated strategic planning as effective to very effective by the extent of use of theoretical strategic planning tools. Of those respondents whom indicated that their companies utilise five or more of the theoretical strategic planning tools, 76% rated their companies strategic planning as effective to very effective. Of those respondents whom indicated that their companies utilise less than five of the theoretical strategic planning tools, only 44% rated their companies strategic planning as effective to very effective. It would therefore seem that a positive relationship exists between the extent of use of theoretical strategic planning models and the effectiveness of strategic planning.

4.3.2 Barriers to strategy implementation

The second research objective investigates the challenges and barriers faced by management in the process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control.

Respondents that participated in the in-depth interviews were firstly probed about the importance of strategy implementation in the company. All five participants acknowledged its importance. However, one respondent noted that although important, strategy implementation sometimes takes a back seat

when compared to all the effort that goes into strategic planning. A lot more emphasis is also placed on short-term interventions and gains rather than trying to achieve long-term goals. The respondents also noted that from their experience, strategy implementation in smaller hotels seem to be done more informally, without effective monitoring systems in place to check on progress. Strategic planning on the other hand is done more formally. Other respondents noted that strategy implementation monitoring is sometimes sporadic and of a less formal nature being performed by managers on the floor as part of their day-to-day operational tasks. It should rather be done formally and more routinely. In many instances managers spend most their time solving operational problems and making sure hotel guests - and employees - are satisfied, rather than focussing on implementing the strategic intent of the company. This results in the implementation of strategies being neglected and not given the necessary attention.

When specifically asked if they feel strategy implementation is successfully done in their respective companies, respondents had mixed views. Two of the five respondents remarked that compared to strategic planning, strategy implementation is definitely not on the same intensity. A lot of fuss is made about the planning, but less so about the implementation. The other three respondents were hesitant to acknowledge that strategy implementation is not as effective as it should be, but indicated that it can be improved.

During phase two of the research, respondents were asked to rate the effectiveness of the four main strategic management functions performed in their companies, namely strategic planning, implementation, support and control. A 5-point Likert scale was used where 1 = not at all effective; 2 = not effective; 3 = in-between; 4 = effective; and 5 = very effective. The results are presented in table 4.10. The percentages represent the proportion of respondents that rated the function as effective to very effective.

Table 4.10: Effectiveness of strategic management functions

ALL	
<i>n = 61</i>	
Strategic management functions	
Strategic planning	57%
Implementation	39%
Control	38%
Support	34%

More than half of the 61 respondents (57%) rated the strategic planning within their companies as effective to very effective. However, the other three functions were perceived to be less effective. In fact, only about a third of respondents rated implementation (39%), support (34%) and control (38%) as effective. This leaves more than 60% of respondents that perceived these functions to be less than effective.

Inspection of the ratings given by different sub-categories of hotels, as presented in table 4.11, show that chain hotels rated implementation (42%) and support (38%) higher compared to the ratings given by independent hotels (31% and 25% respectively). Independent hotels, on the other hand, seem to exercise slightly more control than chain hotels (44% versus 36%). Larger hotels also seem to be more effective across all four management functions than smaller hotels. This could be attributed to a more formal structure used in management of a larger entity.

Overall, it is evident that implementation, control and support are taking a back seat when it comes to strategic management. These findings confirm the findings of the original pilot study and the perception of the author.

Table 4.11: Effectiveness of strategic management functions by hotel structure, star rating and size

Strategic management functions	Hotel structure		Star rating			Rooms	
	Chain	Independent	3-star	4-star	5-star	1 - 150	150+
	<i>n</i> = 37	<i>n</i> = 16	<i>n</i> = 29	<i>n</i> = 19	<i>n</i> = 13	<i>n</i> = 30	<i>n</i> = 19
Strategic planning	58%	56%	62%	47%	62%	53%	61%
Implementation	42%	31%	38%	37%	46%	37%	42%
Control	36%	44%	34%	37%	46%	33%	42%
Support	38%	25%	38%	37%	23%	30%	39%

Further analysis revealed that significant positive linear correlations exist between all four of the strategic management functions. Due the rating of the four variables being of an ordinal nature, Spearman's rank order correlation coefficients were calculated. The correlation coefficients are interpreted similar to Pearson's correlation coefficients. The results are presented in table 4.12. The researcher is of the opinion that the correlations confirm that effectiveness in one function has some influence on the effectiveness of other functions.

Table 4.12: Correlation between strategic management functions (n = 61)

	Strategic planning	Implementation	Support	Control
Strategic planning	1.00			
Implementation	0.30*	1.00		
Support	0.45**	0.48**	1.00	
Control	0.34**	0.48**	0.52**	1.00

* Significant at 0.05 level of significance
** Significant at 0.01 level of significance

Focussing on the specific processes involving strategy implementation, namely communication, interpretation, adoption and action, respondents were

asked during the in-depth interviews to indicate which one of the four strategy implementation processes they see as the biggest challenge. Three of the five respondents noted that of the four functions, adoption seems to be the biggest challenge in their companies. In other words, strategies are formulated but there is not always the necessary buy-in from employees, in part because communicating of the strategic intent fails. The other two respondents addressed this particular issue, noting that it is not the adoption process itself that is the challenge but rather the actual communication of the company’s strategic intent.

Table 4.13 shows the results from phase two, where respondents were asked to rate the effectiveness of the above-mentioned four processes within their respective companies. The percentages represent those proportions of respondents that rated the processes as effective to very effective. Respondents were more critical about these four processes compared to the overall strategic management processes as reported in table 4.9, with smaller proportion of respondents having rated the processes as effective. Only about one in four respondents perceived these processes to be effective, meaning that about 75% of respondents felt the processes to be less than effective.

Table 4.13: Effectiveness of strategy implementation processes

ALL	
<i>n = 61</i>	
Strategy implementation processes	
Action	28%
Communication	26%
Adoption	26%
Interpretation	25%

Table 4.14 shows the results split by different sub-categories of hotels. Inspection of the proportions suggests that contrary to larger hotels perceiving

to be consistently rated more effective across the four overall management functions as presented in table 4.10, they seem to be less effective than smaller hotels when it comes to specific strategy implementation processes. Of the four processes, communication was rated least effective in larger hotels (19%) but more effective in smaller hotels (33%). Independent hotels compared to chain hotels also seem to be less effective in communication (19% versus 29%), yet more effective in interpretation (31% versus 22%).

Table 4.14: Effectiveness of strategy implementation processes by hotel structure, star rating and size

Strategy implementation processes	Hotel structure		Star rating			Rooms	
	Chain	Independent	3-star	4-star	5-star	1 - 150	150+
	<i>n = 37</i>	<i>n = 16</i>	<i>n = 29</i>	<i>n = 19</i>	<i>n = 13</i>	<i>n = 30</i>	<i>n = 19</i>
Action	29%	25%	24%	32%	31%	30%	26%
Communication	29%	19%	21%	32%	31%	33%	19%
Adoption	27%	25%	24%	32%	23%	30%	23%
Interpretation	22%	31%	28%	16%	31%	27%	23%

Although not strong, the results from a correlation analysis again suggest an existence of an underlying causal relationship between the various implementation processes. Table 4.15 shows the Spearman's correlation coefficients between the four variables. The results suggest that effective communication and interpretation of the strategic intent of a company lead in part to the adoption of the strategic intent. Similarly, action is driven in part by the successful adoption of strategy by employees.

Table 4.15: Correlation between strategy implementation processes (n = 61)

	Communi- cation	Interpre- tation	Adoption	Action
Communication	1.00			
Interpretation	0.26*	1.00		
Adoption	0.31*	0.40**	1.00	
Action	0.19	0.39**	0.43**	1.00

* Significant at 0.05 level of significance
** Significant at 0.01 level of significance

When probed about the four processes during the in-depth interviews, respondents mentioned a number of reasons for processes not being as effective as it should be. The reasons mentioned, are:

- Alignment of strategies seems to be a problem area, which makes communication difficult and confusing. Employees need to know what strategies are important and which are not.
- Some employees resist change, which hampers the adoption process.
- Time limitations hamper strategy implementation. The market environment changes quickly and the time frame from strategy formulation to strategy implementation puts a lot of pressure on employees. One respondent noted that strategic planning is done mostly by executive management but strategy implementation is the job of managers and staff. They might not always see the bigger picture to implement strategy quickly.
- There might be more than one strategy to implement, which competes for the same human and monetary resources.
- Not easy to get buy-in from all employees.
- A big problem is the lack of effectively communicating the strategic intent. The strategies need to be understood by all and only then can they buy-in. Respondents also remarked that employees have varied

management and operational capabilities and this makes that not all are on the level.

- A lack of consensus about the importance of the strategic plans.
- Lack of bottom up involvement in crafting strategy creates problems when it comes to supporting and implementing of strategies.
- Lastly, monitoring is a problem. In some instances there is no follow-up by top management to see if strategies have been implemented successfully.

One of the key success factors for strategy implementation that were repeatedly acknowledged by respondents during the in-depth interviews is the engaging of employees during strategy development. This involvement might allow employees to feel part of the process and, hopefully, will more easily bridge the gap between communicating and adopting of strategies.

Table 4.16 shows a ranking of unprompted responses by respondents from phase two noting the barriers of strategy implementation. Lack of communication and understanding of the strategic intent were mentioned most of the respondents as a key barrier to strategy implementation. A second key barrier mentioned is time limitations and setting of achievable interim goals. A third barrier mentioned is the lack of support and commitment from employees. A number of respondents did not make any comments and could in part be the lack of understanding of the question itself and because of the question structure being open-ended in nature and not compulsory to answer.

Table 4.16: Barriers of strategy implementation (unprompted responses)

ALL	
n = 25	
Key barriers (unprompted)	
Communication/Understanding of strategic intent/Buy-in	76%
Time limitations/Setting achievable interim goals	56%
Lack of support (commitment)	36%
Adapting to changing markets (understanding & anticipating)	24%
Lack of resources (implementation structure)	16%
Poor planning	16%
Lack of strategic input from all levels	12%
Lack of flexibility (too strict implementation rules)	8%
Lack of monitoring	4%

Respondents were further requested during the second phase of the research, to rate the capabilities of their company’s executive management with regard to a number of aspects, which were identified during the literature review and in-depth interviews as key success factors in strategy implementation. Table 4.17 shows the proportion of respondents that rated capabilities as high to very high.

Table 4.17: Rating of executive management’s capabilities

ALL	
n = 61	
Executive management's capabilities	
Understanding the dynamics of the hotel industry	67%
Strategic planning and formulation capabilities	59%
Keeping up-to-date on market & consumer changes	59%
Market analysis capabilities	56%
Provides feedback on strategically important issues	44%
Giving regular feedback on strategic achievements	38%
Ability to translate strategy into action	38%
Monitoring strategy execution	36%
Measuring strategy implementation effectiveness	36%
Involving all levels in strategic planning	33%
Strategy implementation	28%

Management's capabilities relating to the understanding of industry dynamics (67%), strategic planning (59%), keeping up-to-date on market and consumer changes (59%) and market analysis (56%) were all rated by more than half of the respondents as high to very high. On the other hand, capabilities relating to strategy implementation (28%), involving of all levels in strategic planning (33%), the measuring of strategy implementation effectiveness (36%), monitoring of strategy execution (36%), ability to translate strategy into action (38%) and giving regular feedback (38%) were rated high to very high by less than half of respondents. It is meaningful to note that all of these capabilities were identified during some stage of the in-depth interviews as key success factors for strategy implementation.

The ranking of capabilities again provide evidence that strategy implementation and the monitoring thereof seem to be a problem area within the hotel industry.

Based on findings from the literature, 33 impeders were listed and respondents requested to rate the extent to which each impeder hampers strategy implementation. It should be noted that this question aimed to address the extent or impact of a particular impeder and not to measure necessarily the prevalence thereof. However, the researcher is of the opinion that higher prevalence of certain impeders aggravates the impact and is therefore a product of the other. Furthermore, from the literature it could be deduced that impeders are often inter-linked. For example, resistance to change can be an outcome of amongst other poor communication, lack of involving all levels in strategic planning processes, top-down management styles, lack of understanding of the strategy and lack of strategy adoption.

Table 4.18 presents the proportional distribution of ratings. The last column also shows the proportion of respondents that felt an impeder to have a moderate to large impact.

Table 4.18: Barriers of strategy implementation (prompted evaluation)

Factors	Impact Level				Have moderate to large impact	
	Not at all	To a little extent	To some extent	To a large extent		
Lack of understanding of the strategy	0%	10%	57%	30%	3%	90%
Adoption of strategic intentions	0%	10%	70%	20%	0%	90%
Lack of synchronising strategy implementation to market rhythm	2%	8%	52%	30%	8%	90%
Resistance to change among people/units	0%	15%	31%	46%	8%	85%
Interpretation of strategic intentions	2%	15%	64%	20%	0%	84%
Action of strategic intentions	0%	20%	51%	28%	2%	80%
Lack of adequate communication (vertical and horizontal)	3%	16%	52%	25%	3%	80%
Lack of swift implementation	0%	21%	36%	36%	7%	79%
Communication of strategic intentions	2%	20%	66%	13%	0%	79%
Lack of effective co-ordination	0%	23%	57%	18%	2%	77%
Time limitation	7%	20%	38%	28%	8%	74%
Lack of enough capabilities/skills of employees	0%	28%	46%	21%	5%	72%
Too many and conflicting priorities	0%	31%	34%	21%	13%	69%
Lack of bottom up involvement in crafting strategy	0%	31%	33%	25%	11%	69%
Uncontrollable external factors	3%	30%	64%	2%	2%	67%
Lack of adequate manager commitment	2%	33%	49%	10%	7%	66%
Unsuitable resources allocation	0%	36%	44%	16%	3%	64%
Unsuitable evaluation and control systems	3%	33%	46%	18%	0%	64%
Top down management style	0%	39%	38%	20%	3%	61%
Incompatible structure with the strategy	3%	38%	39%	18%	2%	59%
Uncontrollable internal factors	5%	36%	52%	5%	2%	59%
Lack of adequate organisational support	2%	43%	46%	7%	3%	56%
Competing activities among people/units	7%	38%	34%	21%	0%	56%
Unsuitable personnel management	2%	44%	43%	8%	3%	54%
Lack of identification of major problems	2%	44%	38%	15%	2%	54%
Unanticipated market changes	3%	44%	43%	10%	0%	52%
Lack of exact strategic planning	3%	46%	30%	20%	2%	51%
Incompatible organisational culture	5%	48%	30%	13%	5%	48%
Insufficient linking of strategy to goals	7%	46%	36%	8%	3%	48%
Lack of consensus among decision makers	11%	41%	38%	7%	3%	48%
Unsuitable leadership	7%	49%	34%	10%	0%	44%
Bad strategy - poorly conceived business models	11%	56%	26%	7%	0%	33%
Effective competitor response to strategy	16%	59%	21%	3%	0%	25%

The first important aspect to note from the evaluation of impiders is that overall, the majority of respondents felt the impiders to have an impact, even if only to a little extent. Secondly, the results show that some impiders are definitely considered to have a bigger impact than others. Of the 33 impiders evaluated, 12 were rated by at least 70% of respondents as having a moderate to large effect on strategy implementation.

In order to overcome barriers of strategy implementation, respondents noted during the in-depth interviews that staff members need to be motivated and engaged in all processes of strategic management. Employees should also get regular feedback and performance appraisals. Each employee should know what is expected of him. There should also be some level of flexibility when it comes to strategy implementation. Working as a team with correct alignment is a must if a company wants to execute strategic plans. A lot of this boils down to the attitudes of workers. Resistance to change is also the result of employees feeling insecure about the strategic intent of the company. Communication and participation is thus two of the most important pillars of making sure employees understand and adopt the formulated strategies. All these assist the process of moving from strategic planning to strategy implementation.

During phase two of the research, respondents were asked to indicate, firstly, the importance of executive management processes and secondly, to rate their effectiveness. Table 4.19 shows the proportion of respondents that rated the processes as effective to very effective. The results show that all five processes are regarded as almost equally important. Comparing importance ratings to effectiveness ratings it is evident that support (38%) and feedback (33%) were rated observably lower than the other processes. Overall, only about half of respondents felt the processes to be effective.

Table 4.19: Importance and effectiveness of executive management processes

Executive management processes	ALL	
	Importance <i>n</i> = 61	Effectiveness <i>n</i> = 61
Control	52%	49%
Strategic coordination	51%	48%
Follow-up	51%	46%
Support	49%	38%
Feedback	49%	33%

Table 4.20 provides the results from the correlation analysis. The results confirm the underlying relationships that exist between the executive management processes. Effective control impacts on the outcomes associated with strategic coordination, follow-up, feedback and support.

Table 4.20: Correlation between executive management processes (n = 61)

	Strategic coordination	Support	Control	Follow-up	Feedback
Strategic coordination	1.00				
Support	0.63**	1.00			
Control	0.57**	0.71**	1.00		
Follow-up	0.42**	0.66**	0.65**	1.00	
Feedback	0.32*	0.62**	0.51**	0.73**	1.00

* Significant at 0.05 level of significance
** Significant at 0.01 level of significance

Respondents were also asked to indicate what processes their companies employ to monitor strategy. Responses were only received from 10 out of the 61 respondents. This could be attributed to the lack of formalised implementation plans and controls and respondents might have chosen not to respond as this question would have limited applicability to themselves. Four respondents noted that monitoring is done based on evaluation and progress reports, with another two respondents noting that monitoring is done through regular meetings. The remaining four respondents indicated that no formal monitoring process exists and is done primarily by managers on a day-to-day basis. These results are presented in table 4.21.

Table 4.21: Processes employed to monitor strategy implementation

		ALL <i>n = 10</i>
Processes		
Evaluation/progress reports	40%	
Non-formal - responsibility of managers	40%	
Meetings to review progress	20%	

Table 4.22 shows the results from phase two of the research pertaining to the factors hampering strategy control. Only 16 of the 61 respondents commented on the question. Regardless, lack of buy-in, resistance to change and lack of commitment were again mentioned as a hampering factor.

Table 4.22: Factors hampering strategy control

		ALL <i>n = 16</i>
Factors		
Lack of buy-in/Resistance to change/Commitment	56%	
Regular feedback	25%	
Understanding strategic intent	19%	
Communication	19%	
Incomplete strategy implementation checklist	6%	
Strategy control seen as informal process	6%	

4.4 SUMMARY

The first research objective investigated the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa.

The results showed that respondents regarded both strategic planning and implementation as important processes within the organisation. Strategic planning is, however, regarded more as a formal process, whereas strategy

implementation is sometimes less formal and done on an on-going basis as when time permits. Furthermore, strategic planning is in most cases performed by top and unit management. A lack of involvement from lower levels was identified as a factor that hampers the adoption and understanding of strategy, and ultimately hampers successful strategy implementation. Filtering of strategic intent is thus more a top-to-bottom approach.

Formal strategic planning sessions take place mostly annually or bi-annually. Differences between independent and chain hotels were observed regarding the frequency and time frames of strategic planning.

The results also confirmed that theoretical models are used to assist with strategic planning. The most common tools used are SWOT analysis (83%), customer satisfaction analysis (80%), value chain analysis (60%) and employee satisfaction analysis (58%).

The second research objective investigated the challenges and barriers faced by management in the process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control. The outcome of this research objective will be used as input for the development of a conceptual and practical framework to assist practitioners in the hotel industry move from strategic planning to strategy implementation.

The results confirmed that strategy implementation, support functions and the monitoring of strategy implementation are regarded as less effective than the initial strategic planning process.

A number of factors were identified that hamper the process of moving from strategic planning to strategy formulation. These barriers is incorporated during the development of the conceptual and practical framework as part of the last study objective.

The ten most important barriers noted were:

- Strategy implementation seems to be regarded as a less formal process than strategic planning.
- Lack of understanding of the strategy
- Adoption of strategic intentions
- Lack of synchronising strategy implementation to market rhythm
- Resistance to change among people/units
- Interpretation of strategic intentions
- Action of strategic intentions
- Lack of adequate communication (vertical and horizontal)
- Lack of swift implementation
- Communication of strategic intentions

Chapter five provides a discussion of the results presented in this chapter and links the main findings to findings from the literature.

CHAPTER 5:

DISCUSSION OF FINDINGS

5.1 INTRODUCTION

The idea of strategy implementation might at first seem quite straightforward, namely that the strategy is formulated and then implemented. However, transforming strategies into action is a far more complex and difficult task and this was confirmed in the review of strategy implementation literature. This is further corroborated by the research results from this study which showed that respondents were far less satisfied with the actions associated with strategy implementation, than with strategic planning. In addition, based on the findings from the literature review, a number of impeters of strategy implementation were identified. The research findings confirmed that numerous of these impeters are also eminent in the failure of strategy implementation in the South African hotel industry.

Chapter five provides a discussion of the main findings from the research and where applicable, links the literature to the research outcomes.

5.2 DISCUSSION

5.2.1 The use of strategic planning and implementation principles

The first research objective investigated the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa.

A number of conclusions can be drawn from the results presented in chapter four and which pertains to the first research objective. Although the sample

from which data was gathered is small, the researcher is of the opinion that the results still provide meaningful findings and insights that could be generalised to normal practice as carried out by the average hotel in the industry.

The in-depth interviews revealed that strategic planning within the South African hotel industry is mostly a formal process. However, strategy implementation is regarded less so. Therefore, if strategy implementation is formalised by management, it should get more support and commitment. Monitoring would also become more of a priority as linkages to implementation exist.

Respondents during the in-depth interviews revealed that executives and top management mostly carried out strategic planning, with very little involvement from lower management or employee levels. The execution of the plans is seen to be the responsibility of middle and lower managers with the assistance of employees. Hamel and Prahalad (1989:63) also acknowledged the occurrence of this situation in the business environment. They postulated, for example, that most strategic management theory and nearly every corporate planning system are premised on a strategy hierarchy in which corporate goals guide business unit strategies and functional tactics. In this hierarchy, senior management makes strategy and lower levels execute it. Hamel and Prahalad (1989:63) argued that this dichotomy undermines competitiveness by fostering an elitist view of management that tends to disenfranchise most of the organisation. This leads to employees failing to identify or commit with corporate goals. The researcher is of the view that it is critical to involve all levels of the organisation in the strategic management process from the beginning in order to facilitate buy-in at conceptual stage and this would aid with the implementation process.

Strategic planning takes place as a formal process mostly annually. However, the results, as presented in table 4.5, revealed that independent hotels seem to conduct planning sessions more frequently (annually) compared to chain hotels (every second or third year). As a natural outcome, the time frame of plans also coincides with the frequency of strategic planning. The researcher argues that independent hotels might be more vulnerable to market changes and therefore have to review plans more frequently. In general the time frames of strategic planning for hotels seem to be more frequent compared to observations made by Steiner (1979), whom noted that a five-year planning horizon is probably most common in terms of planning for the future. Given the constantly changing environments, which hotels operate in, it is understandable that strategic planning has to take place more frequently.

The results, as presented in table 4.9, also showed that 76% of respondents whom indicated that their companies utilise five or more of the theoretical strategic planning tools, rated the strategic planning of their companies as effective to very effective. This in comparison to 44% of respondents, whom indicated that their companies utilise less than five of the theoretical strategic planning tools, rated the strategic planning of their companies as effective to very effective. The researcher therefore argues that the use of strategic planning tools can provide hotels with a more effective means for strategy formulation. The tools that help strategy formulation were also identified. Those used most often were listed in table 4.9, and include SWOT analysis, customer satisfaction analysis, value chain analysis, employee satisfaction analysis, competitor analysis, environmental scanning and PEST analysis.

The question can, however, rightfully be asked: what tools and or models are available to assist practitioners in the South African hotel industry move from strategic planning to strategy implementation. Many of the strategic management models reviewed in the literature provided some guidelines for managers, however, the models and frameworks reviewed provided in some

instances very broad perspectives on the processes and what needs to be done, notably models such as the McKinsey 7S framework proposed by Peters and Waterman (1982), the 3C's model developed by Ohmae (1983) or models by Hambrick and Cannella (1989), Roth, Scheiger and Morrison (1991), Hrebiniak (1992) and Yip (1992). Other models but in the form of broad checklists included that of Sterling (2003), De Vasconcellos e Sa's (1990) and De Feo and Janssen (2001). In addition, these models or frameworks were developed with the intention of addressing no specific industry or group of people. The impeters of strategy implementation are also generalised and cover all industries. The development of applicable and relevant tools that are specific to the South African hotel industry would require further research, with the afore mentioned as primary research objectives. Consideration could be given to modifying fit for purpose some of the existing implementation processes from other service industries.

5.2.2 Barriers to strategy implementation

From the results presented in chapter four, numerous findings emerge. One of the most important outcomes of the research is the identification of the impeters that influence strategy implementation within the South African hotel industry, as presented in table 4.18. Although the literature review provided reference to a number of research studies, which identified impeters of strategy implementation, none has focussed on the South African hotel industry.

Secondly, the research not only focussed on identifying or listing the impeters that impact on strategy implementation amongst hotels in South African, but also to provide an indication of those impeters that have a larger impact on strategy implementation. Based on the results presented in chapter four, the impeters can be grouped by primary strategic management activity as presented table 5.1. The impeters are also listed in rank order in terms of the

extent that they affect strategy implementation. The extent of impact is based on respondents rating of impeder as shown in table 4.18.

Table 5.1: Categorising of strategy implementation impeder by primary strategic management activity

Strategic management activity	Impeder
Strategic formulation	<ul style="list-style-type: none"> ➤ Lack of bottom up involvement in crafting strategy ➤ Lack of exact strategic planning ➤ Lack of consensus among decision makers
Communication/ Interpretation/ Adoption	<ul style="list-style-type: none"> ➤ Adoption of strategic intentions (lack of buy-in) ➤ Lack of understanding/interpreting strategy ➤ Resistance to change among people/units ➤ Lack of adequate communication (vertical and horizontal) ➤ Lack of regular feedback on strategic achievements & strategically important issues
Implementation/ Execution	<ul style="list-style-type: none"> ➤ Strategy implementation less formal process than strategic planning ➤ Lack of effective strategic co-ordination (alignment) ➤ Lack of synchronising strategy implementation to market rhythm ➤ Lack in ability to translate strategy into action ➤ Lack of swift implementation ➤ Time limitation ➤ Too many and conflicting priorities/activities ➤ Insufficient linking of strategy to goals
Support	<ul style="list-style-type: none"> ➤ Lack of enough capabilities/skills of employees ➤ Lack of adequate manager commitment/support ➤ Unsuitable resources allocation ➤ Incompatible structure with the strategy ➤ Lack of adequate organisational commitment/support ➤ Competing activities among people/units ➤ Unsuitable personnel management ➤ Incompatible organisational culture
Control	<ul style="list-style-type: none"> ➤ Unsuitable/insufficient evaluation and control systems
Other	<ul style="list-style-type: none"> ➤ Uncontrollable external factors ➤ Uncontrollable internal factors ➤ Lack of identification of major problems ➤ Unanticipated market changes

The research findings from this study show some consistency with regard to the impeder identified. Table 5.2 provide a comparison of the research findings with those of other authors.

Table 5.2: Comparison of literature findings

Strategic management activity		Hambrick and Cannella (1989)	Thompson and Strickland (1995)	Al-Ghamdi (1998)	Bigler (2001)	Aaltonen and Ikävalko (2002)	Sterling (2003)	Keating and Harrington (2003)	Okumus (2003)	Platts and Tan (2004)	Alashloo, Castka and Sharp (2005)	Kumar, Markeset and Kumar (2006)
	Impeder											
Strategic formulation	Lack of bottom up involvement in crafting strategy	x										
	Lack of exact strategic planning								x		x	
	Lack of consensus among decision makers								x		x	
Communication/ Interpretation/ Adoption	Adoption of strategic intentions (lack of buy-in)						x					
	Lack of understanding/interpreteting strategy	x	x			x	x			x	x	x
	Resistance to change among people/units										x	
	Lack of adequate communication (vertical and horizontal)					x	x		x		x	x
	Lack of regular feedback on strategic achievements & strategically important issues										x	
Implementation/ Excution	Strategy implementation less formal process than strategic planning					x						
	Lack of effective strategic co-ordination (alignment)			x		x					x	x
	Lack of synchronising strategy implementation to market rhythm				x							x
	Ability to translate strategy into action											
	Lack of swift implementation			x								
	Time limitation										x	
	Too many and conflicting priorities/activities			x		x	x				x	x
	Insufficient linking of strategy to goals										x	
Support	Lack of enough capabilities/skills of employees					x			x		x	x
	Lack of adequate manager commitment/support		x			x	x	x			x	
	Unsuitable resources allocation						x		x		x	
	Incompatible structure with the strategy			x		x	x		x		x	
	Lack of adequate organisational commitment/support					x					x	
	Competing activities among people/units											
		Unsuitable personnel management							x		x	
	Incompatible organisational culture							x		x		
Control	Unsuitable/insufficient evaluation and control systems								x		x	x
Other	Uncontrollable external factors					x			x		x	x
	Uncontrollable internal factors										x	
	Lack of identification of major problems			x							x	
	Unanticipated market changes						x					

As mentioned in section 5.2.1, strategic planning in the South African hotel industry seems to be carried out mostly by executives and top management, without extensive involvement from lower management or employee levels. The lack of bottom up involvement in crafting strategy creates problems when it comes to the communication, interpretation, adoption and ultimately the supporting of strategies, was noted during the in-depth interviews. In fact, no less than 80% of respondents rated lack of adequate communication (80%), interpretation (84%), understanding (90%) and adoption (90%) as impeder that have a large to very large effect on strategy implementation. With proper involvement and communication, employees can better understand the strategic intent of the company, and therefore be more willing to adopt and support the strategic intent, which ultimately leads to more effective implementation of strategies. The literature also supports this view. Hambrick and Cannella (1989:280) for example remarked that one of the most effective aids to implementation is to involve people early on in the development and debate of strategic options. It may not be possible to obtain universal agreement with a new strategic direction, but widespread inputs improve the quality of the choices, raise critical implementation issues, and make the involved individuals more receptive to the new strategy, once chosen. The success of strategy implementation is therefore dependent largely on communication.

Thompson and Strickland (2003:11) postulated that all stakeholders have to be identified and involved during the first step of the strategic management process, namely planning. Planning is not only the executive management's responsibility but should filter down to the lower levels of employment, as strategy implementation at the end involves all employees. Craig and Grand (1993:212) proposed that a 'bottom up' approach should be used, which enables junior managers to participate in some way in the planning process.

Another impeder that was identified as having an extensive impact on strategy implementation relates to the lack of adequate manager commitment and

support on an operational or execution level, as shown in table 4.18. The researcher is of the opinion that this impedes is the partial outcome of other impedes identified during the empirical research. With the process of strategy formulation being primarily the task of top management and the fact that strategy implementation being regarded as a less formal process than strategic planning, senior management might fail to communicate or stress the importance of strategy implementation to those responsible for execution. Together with a lack of effective strategic co-ordination by top management and not specifying which lower management groups are responsible for the execution of a specific strategic plan, strategy implementation fails. Furthermore, lower management levels, which are responsible for driving strategy implementation, are faced with daily operational challenges in making sure guests, and employees, are satisfied. Daily activities are therefore centred more around solving operational challenges, rather than devoting resources to implement strategies. In some instances, the structure and culture within the company are not conducive for effective strategy implementation. Dobni, Dobni and Luffman (2001:400) noted that this can be traced back to something to which they refer to as cerebral strategising, which is defined as the inability to move strategy out of the boardroom and into the playing-field. The approaches relating to traditional strategy implementation have not adequately focused on intangibles such as the people and processes necessary to develop ongoing and sustainable implementation contexts. These impediments invariably have two quite contrasting outcomes: great intentions outlined in an eloquently written strategic plan supported by a poor, fragmented or sometimes non-existent implementation plan. Rausch *et al* (2001:245) cited Thompson and Strickland (1995), whom also stated that strategy implementation is a tougher, more time-consuming management challenge than crafting strategy. This is because of the wide array of managerial activities that have to be attended to and the many ways managers can proceed. There are also certain people-management skills required and the perseverance to get a variety of initiatives launched and moving. All this happens within an environment of resistance to change.

Ohmae (1983:45) was another author that highlighted the fact that operating performance is often at variance with a chosen strategy. He ascribes this to the fact that the strategic plan often does not match the available resources, and that the behaviour of members of the organisation is not always consistent with the requirements of the strategy. This view was also endorsed by Quinn (1988:172). He specifically mentioned the different views held by top management and the planners versus those of the executors of the strategic plan. Craig and Grand (1993:212) saw that moving from concept to practice has turned out to be elusive for most companies, and various critical links to couple selected strategy with short term actions have been proposed. Yavitz and Newman (1982:427) stated that some of these are the links between strategy and resource allocation, policies and accepted values, organisation structure and the selection and motivation of key executives.

It is thus clear the communicating of the strategic intent of the company plays an important part in ensuring effective strategy implementation. Without effective communication, other activities such as interpretation, adoption and actual commitment also fail. Shortcomings in moving from strategic planning to strategy implementation were acknowledged by Noble (1999), as cited by Aaltonen and Ikävalko (2002:416), whom noted that many impeters can be linked to failing in one of the processes of communication, interpretation and adoption. Executives should, however, take cognisance of the notion by Aaltonen and Ikävalko (2002:415), who noted that their research findings suggested that a great amount of information does not guarantee understanding.

Lastly, the lack of suitable and sufficient evaluation and control systems add to the diminishing focus and emphasis of the importance of strategy implementation. Without monitoring and control, strategy implementation cannot be tracked. Control systems are also important in order to notify and guide management in allocating the necessary resources for successful implementation. A number of authors stressed the importance of control

systems. Bowman and Helfat (2001:42) for example noted that an important criticism of strategic management is the fact that management does not always know whether strategies have been implemented successfully. Managements' failure to select appropriate strategic control systems is sometimes damaging to the implementation process. Brache and Freedman (1999:65) postulated that if strategic control systems are lacking when implementation is being conducted, the implementation process can be derailed. This is supported by Dooley, Fryxell and Judge (2000:1237) who stated that strategic control is in essence the phase of the strategic management process that concentrates on evaluating the chosen strategy in order to verify whether the results produced by the strategy are those intended.

Some of the main findings from the literature review and which readers should take cognisance of can be summarised as follows:

- Hambrick and Cannella (1989:280) stressed the importance of involving people early on in development and debate of strategic options. They argued that it might not be possible to obtain universal agreement with a new strategic direction, but widespread inputs improve the quality of the choices, raise critical implementation issues, and make the involved individuals more receptive to the new strategy, once chosen.
- Thompson and Strickland (1995:239) noted the importance of the active role of the manager in ensuring strategy execution.
- Al-Ghamdi (1998:324) noted that management should be wary that implementation usually takes more time than originally anticipated. Problems will also surface, which were not identified before.
- Platts and Tan (2004:667) noted that as the complexity of the business environment increases, good communication and shared understanding among managers are vital. Managers need to present increasing amount of information to one another clearly and effectively.

In conclusion, it is clear that transforming strategies into action is a complex and difficult task. The process is hampered by a multitude of impeters. Although the literature has revealed that there are many impeters that are common across different businesses and industries, no study has yet focused on identifying those impeters that has the biggest effect on strategy implementation in the hotel industry in South Africa.

Regarding strategy implementation in the South African hotel industry, the results showed that the majority of practitioners interviewed felt the effectiveness of implementation was much lower than that of strategic planning. A knock on effect of poor strategy implementation is that the control and monitoring phase become less effective. Part of the problem lies in the fact that strategy formulation is in most cases a formal ‘sexy’ process handled by senior and executive management, whereas strategy implementation is shifted downward, and becomes the responsibility of junior managers and workers. In essence, it is evident that the focus and importance attached to the implementation phase is a lot less than that of the planning phase.

It is evident from the both the literature review and empirical research that for successful strategy implementation, hotel practitioners and executives must mitigate against the indentified impeters that can derail the process. For example, the lack of bottom up involvement in crafting strategy creates problems when it comes to the communication, interpretation, adoption and ultimately the supporting of strategies. The intention of the researcher is thus to use the outcomes of the research to develop a practical model that can assist hotel practitioners overcome the main impeters of strategy implementation. It also important to note that a model in itself will only assist with the practical implementation, but for implementation to be successful the involvement of all levels and constant communication throughout the entire strategic management process is of paramount importance.

CHAPTER 6:

PRESENTATION OF THE MODEL, SUMMARY AND FINAL CONCLUSIONS

6.1 INTRODUCTION

In this chapter, based on the empirical results and findings from this research project, the researcher presents a conceptual and practical model to act as a framework to assist practitioners in the South African hotel industry with the strategy implementation process. Initially a draft model was developed and subsequently presented to a focus group consisting of hotel executives, managers and management consultants for review. The discussions focussed on a number of aspects relating to the model, including the group member's ease of understanding of the model, its concepts and practicality in assisting hotel practitioners to move from strategic planning to strategy implementation. Following some robust debate and discussion from the focus group sessions, a revised and final model was developed which is presented in figure 6.2.

In section 6.2.1 the draft model is presented and the key outcomes and findings from the focus group are discussed. In section 6.2.2 the revised and final model is presented. Key concepts and use of the model are also discussed.

6.2 PRESENTING THE MODEL

6.2.1 Draft model to assist practitioners in the South African hotel industry move from strategic planning to strategy implementation

The intention of the researcher was to develop a model that is both user-friendly and easy to understand, as well as practical for use by all levels within the hotel industry. The main reason for this is that hotels and chains consist of employees that have varying levels of education and are charged with different responsibilities.

The draft model is presented in figure 6.1. The model shows the key activities or processes that should be addressed during the different strategic management processes in assisting practitioners move from strategic planning to strategy implementation. These activities or processes are largely derived from the impeders identified during the theoretical and empirical research phases. As a quite a large portion of the framework was derived in response to the findings from the research study, it inherently addresses the concerns and serves as a unique model to address strategy implementation shortcomings within the South African hotel industry.

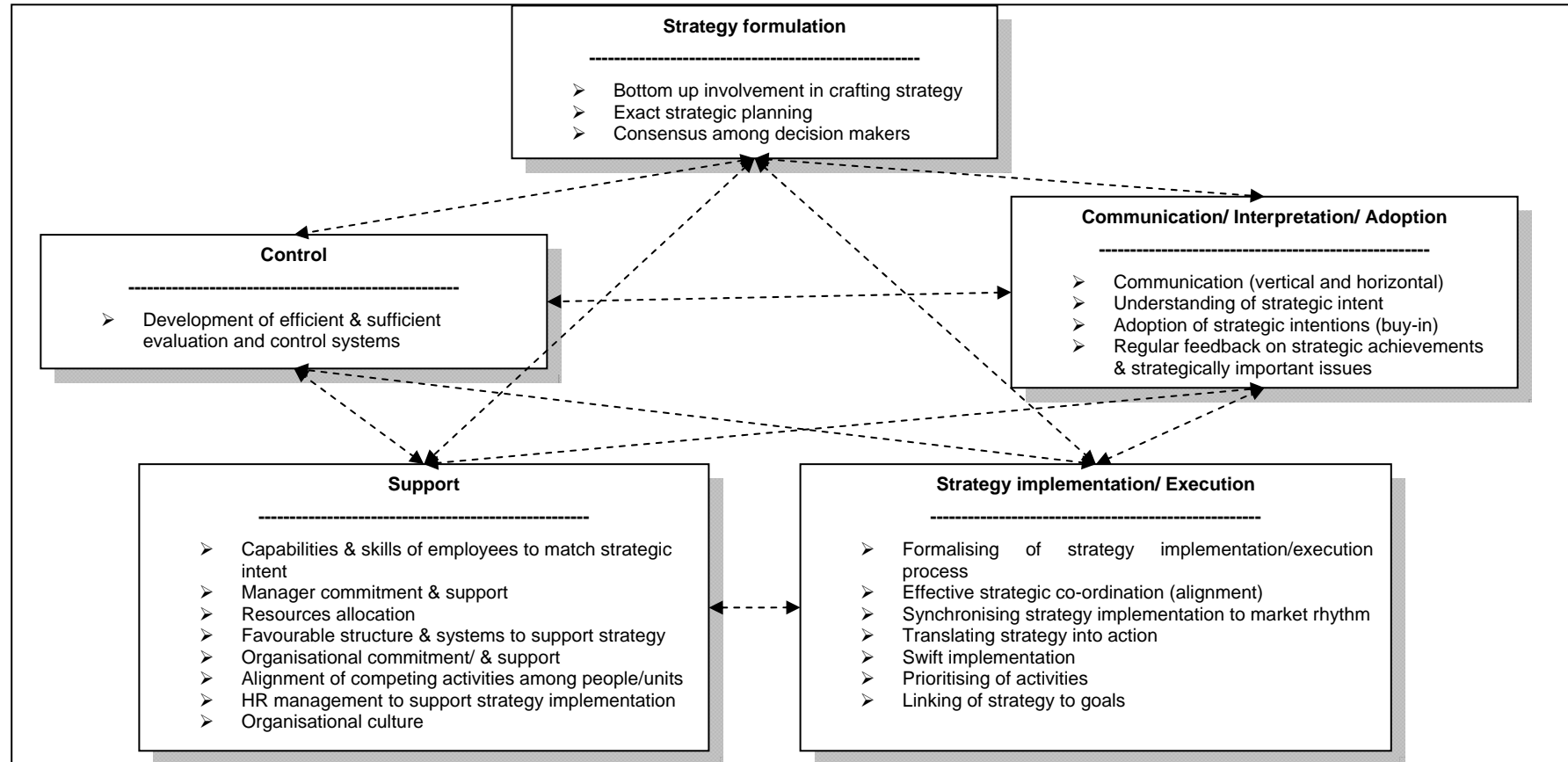


Figure 6.1: Draft model for assisting practitioners in the South African hotel industry to move from strategic planning to strategy implementation



The model shown in figure 6.1 was presented to the focus group members for review. Group members were presented with the model without any initial explanation or instructions. The first reaction of the group was that the model seemed fairly easy to read, and that the various main management processes were clearly identifiable. However, the lines connecting the different blocks were somewhat confusing and 'busy'.

Upon further explanation of the model and its use by the researcher, the focus group members indicated that the content of the model and concepts listed were easy to understand and provided a clear summary of the key factors that should be addressed when implementing strategy. In particular group members noted that they liked the fact that items higher up on the various lists were regarded as more critical towards the strategy implementation process. This aspect of the model makes it different from other general strategic management models, as it is structured specifically for the South African hotel industry guided by insights gained during the empirical research phase. As mentioned in chapter two, the researcher was not able to locate a strategic planning model specifically for the hotel or service industry which adds to the uniqueness of the proposed model.

Furthermore, the group suggested that clear directional lines be used to provide guidance through the process in a more 'step-by-step' format. The focus group members acknowledged that the process of strategic management including the implementation process is not a single direction linear process and requires consideration to be given to certain actions more than once and in some instances is present in all phases. A good example of this is the multi-directional communication process/action that must constantly occur during the entire strategic management process.

Overall, the focus group members agreed that the model was practical and could serve as a guideline to develop practical tools to assist with monitoring of strategy implementation. The potential for the conversion of the model into



a practical score card or monitoring instrument were also acknowledged. This could include identifying and tracking of milestones and tactical objectives through pre-designated time frames and targets. A suggestion was also made to have a list of relevant available management tools that could be used during the implementation phase.

With regard to the completeness and comprehensiveness of the proposed model, the focus group felt that the model sufficiently addressed the key thrusts and foci for successful strategy implementation.

In summary, the group felt that detailed tracking (monitoring and control) of strategy implementation was necessary and would assist in successful implementation. The concept of different tools and techniques were discussed and there was a general feeling that there should be listing of traditional implementation tools and techniques. The researcher is of the opinion that there are many traditional tools available and some of them could be suitably modified for use within the hotel industry. A mere listing of tools serves no purpose and can 'blinker' thinking in the implementation phase. A project management culture encourages flexibility in the implementation, while focusing on delivering the desired outputs. The main five objectives of utilising a project approach are to accurately to determine the scope, time, cost, quality and organisation needed to implement a strategy successfully. A custom designed hotel implementation tool/s could be an area for future research with an idiosyncratic hotel strategy implementation model being the key outcome or focus. Communication and buy-in was felt to be critical to successful implementation and a continuous change/transformation management type process was suggested to span the entire strategic management process. Based on the feedback from the group discussion, a number of adjustments were made to the draft model.

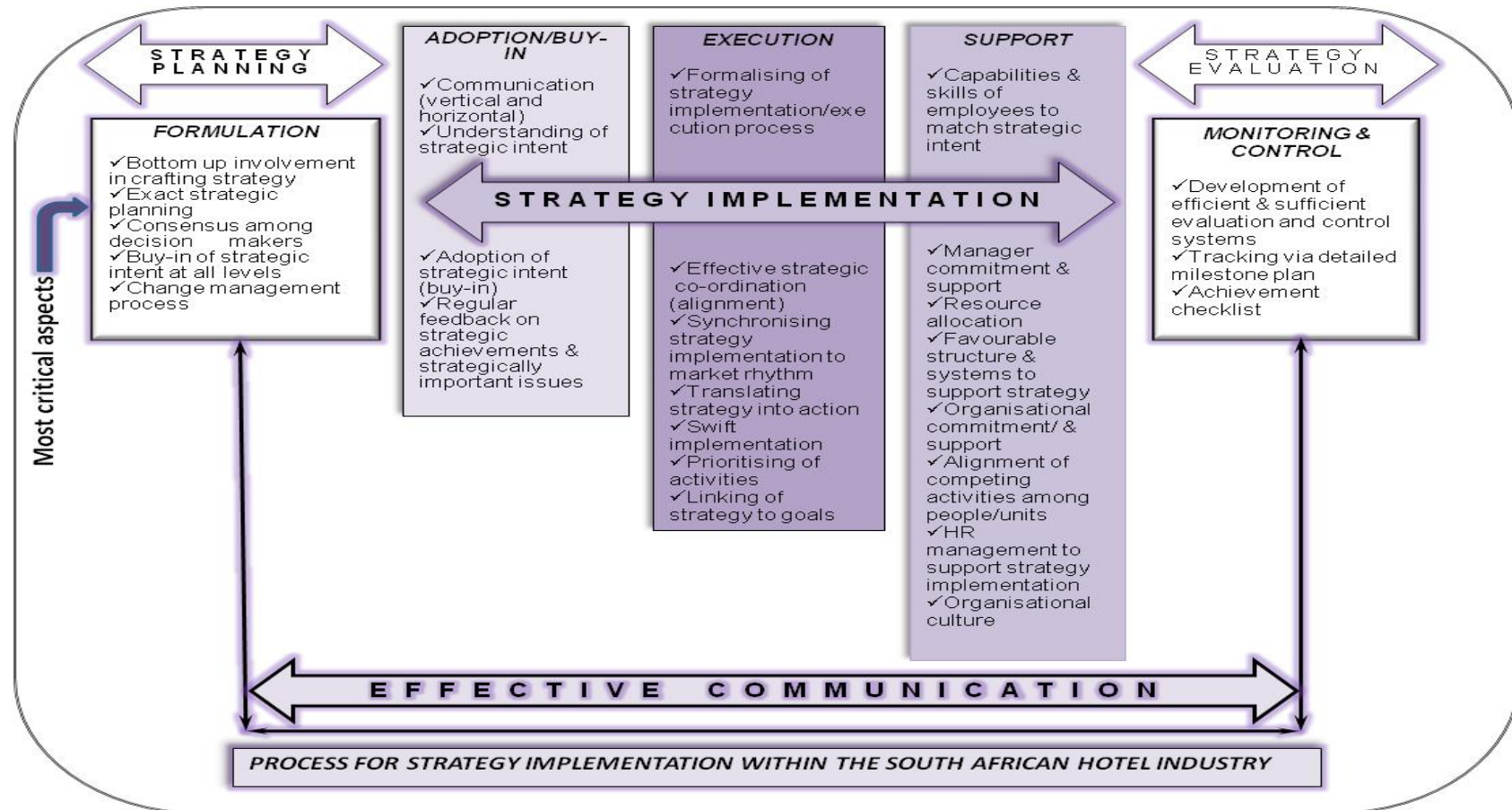


Figure 6.2: Final revised model for assisting practitioners in the South African hotel industry to move from strategic planning to strategy implementation

6.2.2 Final revised model

The final and revised model is presented in figure 6.2. The model suggests that practitioners in the South African hotel industry must address a number of aspects in order to improve the chances of successfully implementing the formulated strategy or strategies. Making the strategy work depends on the process of implementation adopted by the organisation. It was clearly evident from the empirical data that the implementation process, whilst critical as part of the end-to-end strategic management process, cannot exist or be handled in isolation. The success of proper implementation must be kept in mind from the outset and especially during the strategy formulation phase. Once the implementation phase is launched, the monitoring and control phase of the process must be initiated to ensure implementation hits the intended targets and the momentum of implementation is maintained. A common cause of failure in implementation occurs when plans and progress are not fully integrated and the review process not fully formalised. This point was once again quite evident during the qualitative questionnaire analysis, as described in chapter four. Part of monitoring and control is to measure the progress that is made with the strategy implementation against detailed milestones. The monitoring and control also involves continuously evaluating the strategies for its effectiveness and appropriateness. A lack of control and monitoring can lead to the focus being lost and implementation momentum being slowed down or even stopped. On the other hand, non-compliance hampers the process of moving from strategy formulation to strategy implementation. For example, executive management needs to involve all levels of the organisation in the strategy formulation process from the onset. This must be done with the intention of obtaining the necessary buy-in from employees as well as identify potential problem areas during the strategy execution phase. It would be prudent for management to understand that in order for employees to adopt proposed strategies, it must be done within a framework of change or transformation management processes.

The above model proposes a practical yet methodical perspective into the key thought processes that are required for successful implementation. Again, it is worth mentioning that although strategy formulation, monitoring and control are not the focus of this research report, they are inextricably linked and critical to successful implementation of strategy. Listed below are brief explanations of the various components and subsets of the proposed model that could be used as a starting point when formulating detailed strategic management implementation plans.

STRATEGIC PLANNING

- **Bottom up involvement in crafting strategy:** Consultation at levels by means of workshops, road-shows, electronic media, etc must take place to ensure that all employees within an organisation feel that they are role players (no matter how small) in defining what needs to be fulfilled. If this process is done transparently and with the right intentions, real buy-in can be achieved. It should again be noted that in the South African hotel industry, the lack of involvement is regarded as one of the biggest impellers of strategy implementation.
- **Exact strategic planning:** Clearly defined strategies that are consistent with all other group or company objectives will ensure all stakeholders are clear about what needs to be achieved. Errors and resultant changes could detract from the credibility of the entire process of strategic management and eventually impact on strategy implementation.
- **Consensus among decision makers:** A common view needs to exist between decision makers about the strategic intent of the company and the actions to be taken. Without consensus, behaviour in the organisation could become random and disorganised and could even lead to leaders becoming dysfunctional. Consensus leads to greater participation and focus, it encourages ownership and commitment, and it reduces uncertainty.

- **Buy-in of strategic intent at all levels:** Proper communication and genuine consultation must be done to obtain buy-in by all stakeholders. Labour movements and other relevant organisations should be part of the process to ensure their members buy-in to the entire process.
- **Change management process:** All changes whether minor or major tends to solicit resistance in some form. The execution of a chosen strategy if different to the status quo will solicit the same reaction. Therefore, a proper carefully thought out change management process should run in parallel throughout the entire strategic management process with a larger focus in the implementation phase, as this is where the major impact on people occurs.

ADOPTION/BUY-IN

- **Communication (vertical and horizontal):** Not enough can be said about effective communication! This, in the view of the researcher, is one on the most critical success factors during the implementation phase. Formal forums must be set-up to communicate everything from strategic intent to implementation, highlighting achievements, addressing failures but most importantly engaging in honest frank discussion. The communication forums should not be a forum where management give feedback only, but also to solicit ideas and constructive debate and criticism from all stakeholders.
- **Understanding of strategic intent:** It is extremely important that the strategic intent of a company is carefully conceptualised and unambiguously articulated at all levels. If the understanding is not consistent throughout the organisation and by all stakeholders, it jeopardises the delivery at implementation. A simple matter of misunderstanding could have a devastating effect on an organisation, and this without any malice being intended. Only if thoroughly understood, the strategic intent can be correctly adopted.
- **Adoption of strategic intent (buy-in):** Understanding of the strategic intent of the company alone is not enough. All levels of organisation

need to play an integral part in contributing towards the strategic intent. In other words, ownership should be taken to ensure that all efforts contribute towards the ultimate goal of implementing the strategy successfully. Favourable reception or adoption will thus facilitate better resource allocation, focus and ultimately successful strategy implementation.

- **Regular feedback on strategic achievements and strategically important issues:** It is critical for all employees to receive regular feedback. Feedback should be implemented from as early as the strategic planning phase where input into strategy formulation is actively solicited, debated adopted or discarded. Feedback is part of continuous learning in an organisation. Success must be celebrated at all opportunities and this will act as a self-propelling motivation tool, and ensure the next challenge is tackled with gusto. Conversely, non-achievement must be discussed openly and honestly without attaching blame in an effort to prevent further set-backs. No feedback, whether it be positive or negative, leads to rumour mongering and could have far reaching devastation to any company's plans.

EXECUTION

- **Formalising of strategy implementation/execution process:** A formal carefully constructed plan of execution must be developed incorporating strategic alignment and co-ordination. Consideration must be given to prevailing market conditions/rhythms and the best timing of execution should be carefully considered for maximum impact and best chance of success. Properly considered targets and objectives must be set and clear linkages of goals to strategy must be visible. Once all of this has been carefully considered, the critical success factors defined and when the timing is right, execution should take place swiftly. Procrastination could lead to lost opportunities, lack of interest and inherently a huge chance of failure.

- **Effective strategic co-ordination (alignment):** Successful implementation is to a large extent dependent on effective strategic co-ordination and alignment of resources and capabilities. In other words, there should be alignment of internal capabilities and external opportunity. Strategic co-ordination and alignment can also promote the optimal and effective use of resources and assist in harnessing any economies of scale that might exist.
- **Synchronising strategy implementation to market rhythm:** The success of strategy implementation is not dependent on the speed of implementation alone, but even more critically about the timing of the implementation. Environmental scanning, marketing intelligence and interpretation of prevailing market conditions must be considered during the implementation phase. For example, the opening of a health spa within a hotel is considered to be a premium service offering. When economic conditions are tough, premium products such a health spa is considered a nice to have. Therefore, it would not be appropriate to launch such a product or service in tough market conditions as the probability of success would be very low. Timing is critical in most aspects of business and strategy implementation is no different.
- **Translating strategy into action:** One of the most difficult aspects of moving from strategic planning to strategy implementation is to translate the chosen strategy into actionable points. Properly constructed action plans detailing processes, actions, responsibility and timing must be clearly defined and is fundamental to successful implementation. By clearly defining the processes and actions, it enables easier monitoring and tracking of milestones and targets.
- **Swift implementation:** The business environment and especially the hospitality industry is dynamic and constantly changing. Competitive advantage is short lived and rivalry is intense. Windows of opportunity are short and procrastination often results in lost opportunities. Therefore, it is extremely important that once all plans are in place, implementation occurs swiftly in order to capitalise on market

opportunities. Swift implementation also gives credibility to chosen strategy as a feeling of confidence filters through, rather than uncertainty. This assists with focus of people in the execution phase.

- **Prioritising of activities:** In the implementation phase, it is important to prioritise activities in a logical fashion, which will assist in taking advantage of opportunities, better utilisation of skills and have a knock on effect on successful implementation. For example, it is no use launching a new customer service strategy without having the necessary internal resources, including structure, skills, systems, etc and all relevant staff trained and aligned with the new strategy. A logical sequence of events must take place with a gap type analysis being carried out, a plan for rectification and then launch of the new strategy.
- **Linking of strategy to goals:** It is a critical step in the strategic management process. Strategy is ‘pie in the sky’ until specific goals are attached to them. To use a soccer analogy ‘you cannot score a goal if you do not know where the goal posts are!’. In essence, goals must be clearly defined and should be ‘SMART’ goals. (specific, measurable, achievable, relevant, time-bound)

SUPPORT

- **Capabilities and skills of employees to match strategic intent:** Successful implementation of chosen strategies requires varying levels of capabilities and skill-sets. A comprehensive capability and skills audit should precede implementation. Where necessary training and up-skilling should ensue and if not possible the applicable skills must be acquired. The acquisition of skills must be coupled to a retention of skills plan, as ideally one would like to retain these skills, at the very least, throughout the implementation phase.
- **Manager commitment and support:** Although commitment and support is sought from all employees, a key group of people are managers. Manager commitment to the process and support of their

workforce is of paramount importance. A culture of supportiveness with regards, to systems, physical resources, specialist functions such as human resources must be inherent during the implementation process. If these enablers are absent, failure in achieving set goals becomes highly probable.

- **Resource allocation:** As with any process the availability of the correct resources are one of the primary drivers for success. It is therefore, critical that the correct resources within reason are allocated to the implementation process to at the very least give the strategy a fair chance of success.
- **Favourable structure and systems to support strategy:** One of the many requirements for successful implementation is to have the correct structure and systems in place to support the achievement of the strategy. Managers should critically evaluate the structure and systems required and put plans in place to get them up to requirements. Cutting corners in most cases ends in up in some sort of failure.
- **Organisational commitment and support:** It goes without saying commitment and support by all employees to the achievement of the strategic intent is paramount. It is also true to say that the commitment by the organisation (executives and shareholders) towards the achievement of the strategic intent is just as critical. Aligned to this there has to be continuous support with regards to almost all of the above enablers for successful implementation to take place. It displays to employees that the organisation is serious about what they want to achieve and where they want to go. This type of commitment is contagious and in most instances will be reciprocated by managers and employees of the organisation.
- **Alignment of competing activities among people/units:** It is necessary to ensure that when strategies are implemented it does not lead to dysfunctional behaviour amongst people and/or business units that can eventually be destructive to the organisation as a whole. All activities must be taken into account, and positioned in a way that will

complement each other, rather than to compete against each other. Incentive schemes must also align to this logic to ensure no contradictory behaviour ensues. This is one of the main problems faced with many businesses in the current fast-paced competitive environments. The hotel industry in South Africa is no exception.

- **Human resources management to support strategy implementation:** Human resource management, in terms of change and transformation must happen from the onset. This requires specialist assistance to be given to line management throughout the entire process from the human resources department or section.
- **Organisational culture:** The challenge for managers is to address issues related to the fact the cultural change tends to lag behind strategic change, more often than not, and culture controls the manager rather than the manager controlling the culture. Management and leadership styles are inextricably linked to culture. It is therefore important for management and leaders of the organisation to lead by example and live the intended strategy of the organisation.

MONITORING AND CONTROL

- **Development of efficient and sufficient evaluation and control systems:** The old adage that if you cannot measure it, you cannot control it, is fundamental to ensuring successful strategy implementation. Measurement of performance to set objectives ensures that strategy lives in the organisation and that everyone is working towards common goals. Measuring valid factors also convinces team members of the need for change and in this case the chosen strategic objectives. As progress is monitored and communicated the desire for seeing further improvement increases. It is also vitally important that measures are monitored consistently and regularly and results are transparent and well communicated to all stakeholders. Reward systems could also aid in the perseverance of strategic objectives and must be designed and concomitant with

measures. This would add to the creation of a positive performance driven culture.

- **Tracking via detailed milestone plan:** The importance of tracking milestones is to continuously assess the success of specific strategies and to encourage and motivate managers and employees into persevering with specific goals and objectives. Each milestone also provides opportunity for evaluating the effectiveness of the chosen strategy and allows for corrective action, should it be necessary. It is important to note that the milestone measures be consistent with strategic aims and objectives and the master milestone plan must be devolved to the lower levels to ensure that it is relevant to them specifically, as this would cultivate a sense of ownership and belonging. Measures should be monitored consistently and regularly with the results being transparent and well communicated. Rewards systems should be designed around these measures. Failure to achieve milestones should also be openly communicated in a positive way, to ensure people see the shortcomings and reasons for non-achievement without becoming disillusioned.
- **Achievement checklist:** In addition to the above, an achievement checklist should be maintained with specific criteria being agreed and communicated as to what defines achievement within the specific milestones. This will ensure all employees are aligned with the corporate expectation and definitions of what is regarded as achievements.

6.3 CRITICAL SUCCESS FACTORS

As can be seen from the above discussion, the realisation of a company's strategic intent can only be successful if the implementation phase is logically, systematically, scientifically and professionally managed. Multi-directional communication, support and commitment to chosen strategy, the principles of change management and the transformation of culture is paramount

throughout the entire implementation process. Some critical success factors that are of immense importance to the overall strategic planning process can be defined as follows:

- ***focussed leadership***: the role of leadership is vital in ensuring progress against strategic objectives is met, through the motivation of individuals and effective communication within the team. The effectiveness of leadership becomes quite evident when individual talents and abilities in teams constructively gel together in the pursuit of achieving common goals.
- ***clear understanding of the strategic intent***: additional time and effort must be invested in to ensure all stakeholders have a clear and common understanding of the company's strategic intent. And when understanding dawns knowledge prospers!
- ***shared vision and goals***: The vision and goals must inspire and motivate people to walk the proverbial extra mile. Once ownership is achieved it results in the self-ignition of motivation and commitment.
- ***continuous monitoring and evaluation against strategic objectives***: one of key attributes of effective leadership is having the ability to adapt strategies as the environment changes. In essence this means that there should be little emotional attachment to the goals or outcomes of a chosen strategy. Decision making must be based on the complete evaluation of the current situation.
- ***effective communication across all phases (even if not good news)***: although communication is critical throughout virtually all phases of the strategic management process, importance of constant, consistent and transparent communication in the implementation phase cannot be overstressed. Even if the news is not good, transparent communication of the bad news can spur people to greater heights to endeavour to reach set goals and objectives. A sense of togetherness in adversity would prevail. If on the other hand no communication is effected, people tend to speculate and distrust and resentment is conceived. This should be avoided at all costs.

- ***the celebration of success when milestones are achieved (good news)***: it is also critically important that good news is also communicated and celebrated. This will encourage people to continue with the good work because of the positive results and strive to get better. If on the other hand it is kept under wraps, employees tend to become disillusioned because of the not knowing and could lead to non performance or lack of commitment.
- ***the management of change (anxiety and uncertainty)***: in most strategic implementation processes there are always elements of change and varies according to the circumstances and environmental conditions. It is therefore critical to ensure a parallel change management intervention is run in conjunction with the implementation of new strategies. This will eliminate anxiety, suspiciousness and distrust and will add to the viability and success of the chosen strategy:.
- ***adequate resources and time to be allocated to execution processes***: often strategy execution fails as little or no consideration is given to resources required and/or the time needed for effective implementation. Managers are forced in many instances to take on additional tasks while still having operational tasks to execute and tend to lose focus and lack on follow through, which invariably leads to failure. To overcome this problem resources and time should be carefully considered and allowed for prior to starting implementation.

The above are highlights of many possible factors that can influence the implementation phase, but it should be noted that these highlights are typical to the South African Hotel industry, which was evident within the empirical research phase.

Critical success factors may differ within various organisations, due to cultural differences, different strategic objectives and each organisations individual definitions of success. It is therefore important to take cognisance of these factors when evaluating success, throughout the entire implementation process.

Although the model is quite comprehensive in the listing of the required thinking and processes for successful implementation, it is acknowledged by the researcher that the processes encompassed in this model are designed to address specific issues in the hotel sector in South Africa, which was indentified during the empirical research. The high impact impededers uncovered during the literature review and empirical research phase is the basis on which this model was developed and therefore unique to the South African hotel industry. Whilst this model could be modified for use by hotels and groups internationally, the relevant cultures, prevailing economic and market conditions, management and leadership styles would dictate how it should be changed. It should also be noted that the model presented by the researcher has taken into consideration the varying levels of education within the hotel industry in general and the South African hotel industry in particular. In the view of the researcher, the proposed model is simple enough for averagely educated mangers to grasp, yet comprehensive enough to stimulate thinking and brain storming amongst those with a greater academic leaning.

The model is also unique in that no other strategy implementation model specifically for the South African hotel industry was uncovered during the literature review process.

6.4 SUMMARY

The primary purpose of the study was to develop a conceptual and practical model for the South African hotel industry that could assist manager's move from strategic planning to strategy implementation. The researcher is of the opinion that this objective was met.

Combining a literature study with empirical investigation allowed the researcher to reach the set objectives of the study.

The literature study provided a theoretical basis of the thinking and practice on the subject of strategy, strategic management and more importantly the processes of strategic planning and implementation. A main aspect of the literature review was concerned with the processes and impeders of strategy implementation.

Based on the findings from the literature study, qualitative and quantitative data gathering techniques were developed and employed to firstly, investigate the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa. The second critical research objective was to investigate the challenges and barriers faced by management in the process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control.

The findings from the empirical investigation formed the basis from which the conceptual and practical model was developed as depicted in figure 6.2. and formed the primary outcome of this study. The model proposes that practitioners in the South African hotel industry need to address a number of critical aspects in order to improve the chances of successfully implementing the formulated strategy. On the other hand, non-compliance hampers the process of moving from strategy formulation to strategy implementation.

6.5 ACHIEVING THE ORIGINAL GOALS

The researcher set out to develop a conceptual and practical model that could assist hotel practitioners in moving from strategic planning to strategy implementation. For the development of the model, the researcher successfully investigated the extent to which strategic planning and implementation principles and concepts of strategic management are used within the hotel industry in South Africa. Secondly, the researcher was also able to investigate the challenges and barriers faced by management in the

process of moving from strategic planning to strategy implementation and the supporting facets of coordination and control.

Based on the research findings, a draft model was developed and presented to a group of hotel executives, managers and management consultants for review. This processes allowed the researcher to confirm the practicality and ease of use of the model, given a number of minor adjustments.

The researcher is therefore of the opinion that the main intention and key deliverables of the study were successfully achieved.

6.6 RECOMMENDATIONS FOR FURTHER RESEARCH

While the research focussed on the hotel industry in South Africa, further research could be done to investigate the potential application of the model in hotels located in other countries. The model might also be adaptable to other industries. However, industry specific modifications must be done to make this model workable. This is covered in section 6.2.

In addition, the research focussed on presenting a model that could assist practitioners in the hotel industry move from planning to implementation. Further research needs to be conducted to review and investigate the availability of management and practical tools that could help practitioners in the monitoring of strategy implementation, as this was not in the intended scope. An opportunity exists to develop a tool-kit or model that is idiosyncratic to the hotel industry.

6.7 FINAL CONCLUSIONS

Transforming strategies into action is a complex and difficult task. In fact, empirical evidence and literature has shown that implementation is fraught with difficulties and generally falls short of expectations.

In order for strategies to be implemented successfully, practitioners should become more attentive to the impeters of strategy implementation. This, however, does not mean that success is automatic. By continuously identifying and addressing the impeters, and monitoring the implementation process, the chances of success are increased.

In conclusion the researcher is of the opinion that for strategy implementation to be executed successfully a comprehensive and robust plan must be developed and thoroughly communicated to all levels within an organisation. Many executives and leaders are mystified when what they thought was a beautifully crafted strategy is never implemented. They assume that initiatives described in the voluminous documentation that emerges from a strategic-planning process will ensure competitive success. They fail to appreciate the necessity of having a comprehensive yet simple, and clear implementation plan that everyone can internalise and use as a guiding light during the implementation phase. In many instances, the opportunity for successful implementation is lost which could lead to what can be described as an eventual 'strategic meltdown'.

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ANNEXURE A:

PHASE ONE - DISCUSSION GUIDE

PHASE ONE

IN-DEPTH INTERVIEWS AMONGST HOTEL EXECUTIVES

Discussion Guide

Introduction & background

Interviewer introduces himself and state the aim of the discussion - that is to discuss the processes of strategic planning, implementation and control in the company. Responses are confidential and analysed using qualitative and textual content analysis techniques.

Interviewer will also inform the respondent that the interview will be recorded for transcribing and analysis purposes.

Ask the respondent to state his/her name, position and the name of the hotel or group he/she represents.

Section A: About your hotel/group

- Please tell me a bit about your hotel/group
 - Is it part of a chain (international, national)?
 - How many rooms does the hotel have?
 - What star rating does it have?
 - How long has the hotel been in existence?
 - Please comment on the organisational life cycle it is in [Interviewer: Establish if the organisation is in start-up, growth, maturity or decline phase of the organisational life cycle)

Section B: Strategic planning

What importance is placed by management on the formal processes of strategic planning? Why do you say so?

To what extent is strategic planning taking place?

Is it a formal process?

Do you feel it is sufficiently addressed?

How often is formal strategic planning sessions held in your company?

Who is involved (levels)?

Tell me about your strategic planning framework. Is it a one-year plan, a five-year plan?

How is the strategic intent of your head office filtered down to your hotel?

Which strategic planning process best describes your planning culture: top to bottom or bottom-up?

Are there different plans for each unit/department/geographical area?

Do you use any known theoretical planning tools? Please mention.

Would you say that the strategic intent of the company is communicated to all? Please elaborate?

Would you say it is understood by all? Please elaborate?

How is the monitored?

What mediums are used to communicate the strategic intent? [Interviewer: Discuss direct and indirect mediums, e.g. e-mail, workshops, etc.]

Section C: Strategy implementation

To what extent do you feel strategy implementation is successfully done in your company?

What would you say are the key barriers that restrict your company to move from strategic planning to strategy execution?

The literature notes the components of strategy implementation as communication, interpretation, adoption and action. Please tell me, which component do you regard as the biggest challenge in strategy implementation? Can you motivate?

Would you say that management provides enough support in the form of human and physical resources to implement strategies successful?

Let's talk about each of the components separately. What specific problems or challenges are you aware of in your company with regards to components when implementing strategy?

- communicating
- interpretation
- adoption
- action

Would you say that your company culture in general is conducive for effective strategy implementation?

Let's talk about the following factors and how it influences implementation:

- Motivation amongst staff
- Human resources (capabilities)
- Training
- Information systems
- Performance appraisal
- Work design
- Workload and conflicting activities
- Flexibility
- Adapting to market changes
- Competitor response
- Group functioning & team work

- Attitudes amongst employees
- Resistance to change
- Power and politics

Which facets would you say is critical when implementing strategy?

What can be done to overcome barriers to strategy implementation and support this process?

Section D: Strategic control

- What importance would you say is placed by executive management on the formal processes of strategic control?
- What processes or tools are used by your company to monitor strategy implementation? This can include information systems, reports and meetings?
- How often is strategy implementation milestones monitored?
- Is it a routine process or sporadic? Please elaborate on its effectiveness?
- Are these processes and tools effective? Why do you say so?
- What factors hamper strategy control most in your company?

ANNEXURE B:

PHASE TWO - QUESTIONNAIRE

PHASE TWO SURVEY AMONGST HOTEL MANAGERS Questionnaire

From strategic planning to strategy implementation within the hotel industry in South Africa

SECTION A: DEMOGRAPHIC CHARACTERISTICS

Please respond to all the questions

Your position in the company?

Managing Director	1
Senior Executive	2
Middle Management	3
Other (please specify)	4

/1

Highest educational level achieved?

Matric/ Grade 12	1
Diploma	2
Bachelors degree	3
Post graduate	4

/2

SECTION B: BUSINESS DEMOGRAPHICS

Which category best describes your hotel structure?

International chain of hotels	1
National chain of hotels	2
Singe hotel - stand alone	3

/3

Please provide some detail about your hotel:

Number of rooms	
Number of staff	

/4.1

/4.2

Star rating:

Star rating	
-------------	--

/5

SECTION C: STRATEGIC PLANNING

How often is formal strategic planning sessions held in your company?

Bi-annually	0
Yearly	1
Every two years	2
Every three years	3
Every four years	4
Every five years	5
Other (specify)	6

/6

Who are involved in these planning sessions?

Executive/Top management	1
Middle management	2
Lower management	3
All staff members	4
Other (specify)	5

/7

Please rate the effectiveness/success of each of the strategic management functions. Please use a scale where 1 = Not effective at all; 2 = Not effective; 3 = In-between; 4 = Effective; and 5 = Very effective.

	Rating
Strategic planning	
Implementation	
Support	
Control	

/8.1

/8.2

/8.3

/8.4

Please evaluate your executive management with regard to the following. Please use a scale where 1 = Very low; 2 = Low; 3 = In-between; 4 = High; and 5 = Very high.

	Rating
Strategic planning and formulation capabilities	
Market analysis capabilities	
Pro-actively keeping up-to-date on market & consumer changes	
Understanding the dynamics of the hotel industry	
Involving all levels in strategic planning	
Provides valuable feedback on strategically important issues to me	
Giving regular feedback on strategic achievements and meeting of goals	
Strategy implementation	
Monitoring strategy execution	
Ability to translate strategy into action	
Measuring strategy implementation effectiveness	

/9.1

/9.2

/9.3

/9.4

/9.5

/9.6

/9.7

/9.8

/9.9

/9.10

Which of the following theoretical models and processes do you use to do strategic planning?

SWOT analysis	1
Environment scanning	2
PEST analysis	3
Scenario analysis	4
Competitor analysis	5
Five-forces model	6
Portfolio analysis	7
BCG-Growth Share Matrix	8
Diamond analysis	9
Value chain analysis	10
Customer satisfaction analysis	11
Employee satisfaction analysis	12
PIMS (Profit Impact of Market Strategy)	13
Other (specify)	14

/10

What time related strategic plan does your company follow?

A one year plan	1
A two year plan	2
A three year plan	3
A five year plan	5
Other (specify)	6

/11

SECTION D: STRATEGY IMPLEMENTATION

What would you say are the key barriers that restrict your company to move from strategic planning to strategy execution?

.....

/12

Which facets would you say is critical when implementing strategy?

.....

/13

Please rate the effectiveness/success of the strategic implementation process in your company with regard to the following four processes [Please use a scale where 1 = Not effective at all; 2 = Not effective; 3 = In-between; 4 = Effective; 5 = Very effective.

	Rating
(a) Communication	
(b) Interpretation	
(c) Adoption	
(d) Action	

/14.1

/14.2

/14.3

/14.4

A literature review has identified a number of impeder of strategy implementation. Please rate the items listed below by indicating to what extent they hamper strategy implementation in your company [1 = Not at all; to 5 = To a large extent.

	Rating	
Lack of exact strategic planning		/15.1
Bad strategy – poorly conceived business models		/15.2
Insufficient linking of strategy to goals		/15.3
Time limitation		/15.4
Lack of swift implementation		/15.5
Lack of synchronising strategy implementation to market rhythm/pulse		/15.6
Unanticipated market changes		/15.7
Effective competitor response to strategy		/15.8
Lack of consensus among decision makers		/15.9
Too many and conflicting priorities		/15.10
Top down management style		/15.11
Lack of bottom up involvement in crafting strategy		/15.12
Lack of identification of major problems		/15.13
Incompatible structure with the strategy		/15.14
Unsuitable resources allocation		/15.15
Lack of adequate communication (vertical and horizontal)		/15.16
Lack of effective co-ordination		/15.17
Incompatible organisational culture		/15.18
Competing activities among people/units		/15.19
Unsuitable evaluation and control systems		/15.20
Unsuitable leadership		/15.21
Lack of adequate organisational support		/15.22
Lack of adequate manager commitment		/15.23
Unsuitable personnel management		/15.24
Uncontrollable internal factors		/15.25
Uncontrollable external factors		/15.26
Lack of enough capabilities/skills of employees		/15.27
Resistance to change among people/units		/15.28
Lack of understanding of the strategy		/15.29

SECTION E: STRATEGIC CONTROL

What importance would you say is placed by executive management on the formal processes of (a) strategic coordination, (b) support, (c) control, (d) follow-up and (e) feedback? Please use a scale of 1 to 5 where 1 = Not important at all; 2 = Not important; 3 = In-between; 4 = Important; and 5 = Very important

	Importance	
(a) Strategic coordination		/16.1
(b) Support		/16.2
(c) Control		/16.3
(d) Follow-up		/16.4
(e) Feedback		/16.5

Annexure B

Phase two – Questionnaire

How would you rate the effectiveness of executive management on the formal processes of (a) strategic coordination, (b) support, (c) control, (d) follow-up and (e) feedback? Please use a scale of 1 to 5 where 1 = Not effective at all; 2 = Not effective; 3 = In-between; 4 = Effective; and 5 = Very effective.

	Effectiveness	
(a) Strategic coordination		/17.1
(b) Support		/17.2
(c) Control		/17.3
(d) Follow-up		/17.4
(e) Feedback		/17.5

What processes are employed by your company to monitor strategy implementation?

.....

/18

What factors hamper strategy control most in your company?

.....

/19

Thank you!

David Leslie
 PhD Student

ANNEXURE C: PHASE THREE – EVALUATION FORM

PHASE THREE FOCUS GROUP DISCUSSION WITH HOTEL MANAGERS Discussion Guide

Introduction & background

Interviewer introduces himself and state the aim of the discussion - that is to present and discuss the model developed by the researcher/facilitator.

Presenting the model

Facilitator presents the model and explains how it was developed. The moderator also explains the different concepts and how it should be used.

- Please review the model and comment on:
 - Ease of understanding
 - Practicality
 - Completeness/Cover of key success factor
- Any recommendations that could improve the understanding, content and practicality of the model

ANNEXURE D: STATISTICAL OUTPUT - INTERNAL CONSISTENCY RELIABILITY

Crosstabs

Hotel structure: * Approximately 50 % of cases (SAMPLE)

Crosstab

			Approximately 50 % of cases (SAMPLE)		Total
			Group A	Group B	
Hotel structure:	International	Count	21	16	37
		Expected Count	21.2	15.8	37.0
		% within Approximately 50 % of cases (SAMPLE)	60.0%	61.5%	60.7%
		% of Total	34.4%	26.2%	60.7%
	National	Count	5	3	8
		Expected Count	4.6	3.4	8.0
		% within Approximately 50 % of cases (SAMPLE)	14.3%	11.5%	13.1%
		% of Total	8.2%	4.9%	13.1%
	Single	Count	9	7	16
		Expected Count	9.2	6.8	16.0
		% within Approximately 50 % of cases (SAMPLE)	25.7%	26.9%	26.2%
		% of Total	14.8%	11.5%	26.2%
Total	Count	35	26	61	
	Expected Count	35.0	26.0	61.0	
	% within Approximately 50 % of cases (SAMPLE)	100.0%	100.0%	100.0%	
	% of Total	57.4%	42.6%	100.0%	

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.100 ^a	2	.951
Likelihood Ratio	.101	2	.951
Linear-by-Linear Association	.000	1	.988
N of Valid Cases	61		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 3.41.

Star rating: * Approximately 50 % of cases (SAMPLE)

Crosstab

			Approximately 50 % of cases (SAMPLE)		Total
			Group A	Group B	
Star rating:	3	Count	16	13	29
		Expected Count	16.6	12.4	29.0
		% within Approximately 50 % of cases (SAMPLE)	45.7%	50.0%	47.5%
		% of Total	26.2%	21.3%	47.5%
4	Count	13	6	19	
	Expected Count	10.9	8.1	19.0	
	% within Approximately 50 % of cases (SAMPLE)	37.1%	23.1%	31.1%	
	% of Total	21.3%	9.8%	31.1%	
5	Count	6	7	13	
	Expected Count	7.5	5.5	13.0	
	% within Approximately 50 % of cases (SAMPLE)	17.1%	26.9%	21.3%	
	% of Total	9.8%	11.5%	21.3%	
Total	Count	35	26	61	
	Expected Count	35.0	26.0	61.0	
	% within Approximately 50 % of cases (SAMPLE)	100.0%	100.0%	100.0%	
	% of Total	57.4%	42.6%	100.0%	

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.675 ^a	2	.433
Likelihood Ratio	1.696	2	.428
Linear-by-Linear Association	.071	1	.789
N of Valid Cases	61		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.54.

Number of rooms: * Approximately 50 % of cases (SAMPLE)

Crosstab

			Approximately 50 % of cases (SAMPLE)		Total
			Group A	Group B	
Number of rooms:	1 - 150	Count	14	16	30
		Expected Count	17.2	12.8	30.0
		% within Approximately 50 % of cases (SAMPLE)	40.0%	61.5%	49.2%
		% of Total	23.0%	26.2%	49.2%
151 - 250	151 - 250	Count	7	5	12
		Expected Count	6.9	5.1	12.0
		% within Approximately 50 % of cases (SAMPLE)	20.0%	19.2%	19.7%
		% of Total	11.5%	8.2%	19.7%
250+	250+	Count	14	5	19
		Expected Count	10.9	8.1	19.0
		% within Approximately 50 % of cases (SAMPLE)	40.0%	19.2%	31.1%
		% of Total	23.0%	8.2%	31.1%
Total	Total	Count	35	26	61
		Expected Count	35.0	26.0	61.0
		% within Approximately 50 % of cases (SAMPLE)	100.0%	100.0%	100.0%
		% of Total	57.4%	42.6%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.478 ^a	2	.176
Likelihood Ratio	3.574	2	.167
Linear-by-Linear Association	3.408	1	.065
N of Valid Cases	61		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.11.

NPar Tests

Mann-Whitney Test

Ranks

	Approximately 50 %	N	Mean Rank	Sum of Ranks
7.1 Strategic planning	Group A	35	33.54	1174.00
	Group B	26	27.58	717.00
	Total	61		
7.2 Implementation	Group A	35	32.07	1122.50
	Group B	26	29.56	768.50
	Total	61		
7.3 Support	Group A	35	32.70	1144.50
	Group B	26	28.71	746.50
	Total	61		
7.4 Control	Group A	35	32.57	1140.00
	Group B	26	28.88	751.00
	Total	61		

Test Statistics^a

	7.1 Strategic planning	7.2 Implementation	7.3 Support	7.4 Control
Mann-Whitney U	366.000	417.500	395.500	400.000
Wilcoxon W	717.000	768.500	746.500	751.000
Z	-1.515	-.646	-1.054	-.955
Asymp. Sig. (2-tailed)	.130	.518	.292	.339

a. Grouping Variable: Approximately 50 % of cases (SAMPLE)

ANNEXURE E:

STATISTICAL OUTPUT – TABULAR RESULTS

Tabular Results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
1. Respondent's position in the company:	Managing Director	n	10	6	4	5	4	1	3	7
		%	16%	13%	25%	17%	21%	8%	10%	23%
	Senior Executive	n	21	17	4	3	10	8	9	12
		%	34%	38%	25%	10%	53%	62%	30%	39%
	Middle Management	n	10	7	3	7	1	2	7	3
		%	16%	16%	19%	24%	5%	15%	23%	10%
	General Management	n	20	15	5	14	4	2	11	9
		%	33%	33%	31%	48%	21%	15%	37%	29%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
2. Highest educational level achieved:	Matric/Grade 12	n	5	4	1	3		2	2	3
		%	8%	9%	6%	10%		15%	7%	10%
	Diploma	n	27	16	11	12	10	5	14	13
		%	44%	36%	69%	41%	53%	38%	47%	42%
	Bachelors degree	n	19	16	3	8	7	4	9	10
		%	31%	36%	19%	28%	37%	31%	30%	32%
	Post graduate	n	10	9	1	6	2	2	5	5
		%	16%	20%	6%	21%	11%	15%	17%	16%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
3. Which category best describes your hotel structure?	International chain of hotels	n	37	37		16	12	9	13	24
		%	61%	82%		55%	63%	69%	43%	77%
	National chain of hotels	n	8	8		6	2		5	3
		%	13%	18%		21%	11%		17%	10%
	Single hotel - stand alone	n	16		16	7	5	4	12	4
		%	26%		100%	24%	26%	31%	40%	13%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
4a. Number of rooms?	1 - 150	n	30	18	12	16	8	6	30	
		%	49%	40%	75%	55%	42%	46%	100%	
	150+	n	31	27	4	13	11	7		31
		%	51%	60%	25%	45%	58%	54%		100%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
4b. Number of permanent staff employed?	1 - 150	n	35	21	14	19	10	6	29	6
		%	57%	47%	88%	66%	53%	46%	97%	19%
	150+	n	26	24	2	10	9	7	1	25
		%	43%	53%	13%	34%	47%	54%	3%	81%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
5. How often is formal strategic planning sessions held in your company?	Bi-annually	n	11	9	2	5	3	3	3	8
		%	18%	20%	13%	17%	16%	23%	10%	26%
	Yearly	n	41	28	13	20	13	8	22	19
		%	67%	62%	81%	69%	68%	62%	73%	61%
	Every two years	n	7	6	1	3	2	2	4	3
		%	11%	13%	6%	10%	11%	15%	13%	10%
	Every three years	n	2	2		1	1		1	1
		%	3%	4%		3%	5%		3%	3%
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
6. Who are involved in these planning sessions?	Executive/Top management	n	54	38	16	27	18	9	29	25
		%	89%	84%	100%	93%	95%	69%	97%	81%
	Units management	n	40	31	9	20	11	9	20	20
		%	66%	69%	56%	69%	58%	69%	67%	65%
	Middle management	n	17	12	5	7	5	5	7	10
		%	28%	27%	31%	24%	26%	38%	23%	32%
	Lower management	n	5	3	2	2	1	2	3	2
		%	8%	7%	13%	7%	5%	15%	10%	6%
	All staff members	n	2	1	1	1	1		2	
		%	3%	2%	6%	3%	5%		7%	
Total	n		61	45	16	29	19	13	30	31
	%		100%	100%	100%	100%	100%	100%	100%	100%



Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
7.1 Strategic planning	Not effective	%	2%		6%		5%		3%	
	In-between	%	41%	42%	38%	38%	47%	38%	43%	39%
	Effective	%	51%	49%	56%	59%	37%	54%	50%	52%
	Very effective	%	7%	9%		3%	11%	8%	3%	10%
Total			100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
7.2 Implementation	Not effective	%	7%	7%	6%	7%	11%		3%	10%
	In-between	%	54%	51%	63%	55%	53%	54%	60%	48%
	Effective	%	36%	38%	31%	34%	37%	38%	33%	39%
	Very effective	%	3%	4%		3%		8%	3%	3%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
7.3 Support	Not effective at all	%	2%	2%			5%			3%
	Not effective	%	15%	9%	31%	3%	26%	23%	23%	6%
	In-between	%	49%	51%	44%	59%	32%	54%	47%	52%
	Effective	%	31%	33%	25%	34%	37%	15%	27%	35%
	Very effective	%	3%	4%		3%		8%	3%	3%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
7.4 Control	Not effective at all	%	2%	2%			5%			3%
	Not effective	%	13%	11%	19%	14%	11%	15%	17%	10%
	In-between	%	48%	51%	38%	52%	47%	38%	50%	45%
	Effective	%	34%	33%	38%	28%	37%	46%	27%	42%
	Very effective	%	3%	2%	6%	7%			7%	
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
8.1 Strategic planning and formulation capabilities	Low	%	11%	13%	6%	7%	21%	8%	10%	13%
	In-between	%	30%	27%	38%	31%	32%	23%	30%	29%
	High	%	54%	56%	50%	59%	42%	62%	57%	52%
	Very high	%	5%	4%	6%	3%	5%	8%	3%	6%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.2 Market analysis capabilities	Low	%	13%	9%	25%	3%	26%	15%	23%	3%
	In-between	%	31%	31%	31%	31%	26%	38%	30%	32%
	High	%	49%	53%	38%	59%	42%	38%	40%	58%
	Very high	%	7%	7%	6%	7%	5%	8%	7%	6%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.3 Pro-actively keeping up-to-date on market & consumer changes	Very low	%	2%		6%		5%		3%	
	Low	%	3%	2%	6%		5%	8%	7%	
	In-between	%	36%	38%	31%	34%	32%	46%	37%	35%
	High	%	56%	58%	50%	62%	58%	38%	53%	58%
	Very high	%	3%	2%	6%	3%		8%		6%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.4 Understanding the dynamics of the hotel industry	Low	%	5%	2%	13%		11%	8%	7%	3%
	In-between	%	28%	31%	19%	38%	21%	15%	30%	26%
	High	%	54%	56%	50%	52%	53%	62%	57%	52%
	Very high	%	13%	11%	19%	10%	16%	15%	7%	19%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.5 Involving all levels in strategic planning	Very low	%	5%	4%	6%	3%	11%		7%	3%
	Low	%	20%	18%	25%	14%	32%	15%	17%	23%
	In-between	%	43%	44%	38%	45%	37%	46%	43%	42%
	High	%	30%	29%	31%	34%	21%	31%	27%	32%
	Very high	%	3%	4%		3%		8%	7%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.6 Provides valuable feedback on strategically important issues to me	Very low	%	2%	2%			5%			3%
	Low	%	11%	11%	13%	7%	26%		10%	13%
	In-between	%	43%	42%	44%	52%	26%	46%	40%	45%
	High	%	38%	36%	44%	38%	32%	46%	37%	39%
	Very high	%	7%	9%		3%	11%	8%	13%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.7 Giving regular feedback on strategic achievements and meeting of goals	Very low	%	2%	2%			5%			3%
	Low	%	16%	18%	13%	14%	32%		17%	16%
	In-between	%	44%	42%	50%	52%	37%	38%	43%	45%
	High	%	34%	36%	31%	31%	21%	62%	37%	32%
	Very high	%	3%	2%	6%	3%	5%		3%	3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.8 Strategy implementation	Low	%	15%	13%	19%	7%	37%		10%	19%
	In-between	%	57%	58%	56%	66%	32%	77%	53%	61%
	High	%	23%	24%	19%	24%	32%	8%	33%	13%
	Very high	%	5%	4%	6%	3%		15%	3%	6%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.9 Monitoring strategy execution	Low	%	16%	11%	31%	14%	21%	15%	17%	16%
	In-between	%	48%	53%	31%	45%	58%	38%	47%	48%
	High	%	34%	33%	38%	38%	21%	46%	33%	35%
	Very high	%	2%	2%		3%			3%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.10 Ability to translate strategy into action	Very low	%	2%		6%		5%		3%	
	Low	%	8%	7%	13%	7%	16%		7%	10%
	In-between	%	52%	56%	44%	52%	58%	46%	60%	45%
	High	%	34%	36%	31%	34%	21%	54%	27%	42%
	Very high	%	3%	2%	6%	7%			3%	3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31
8.11 Measuring strategy implementation effectiveness	Very low	%	5%	4%	6%		16%		3%	6%
	Low	%	10%	7%	19%	3%	21%	8%	10%	10%
	In-between	%	49%	53%	38%	59%	32%	54%	50%	48%
	High	%	33%	31%	38%	31%	32%	38%	33%	32%
	Very high	%	3%	4%		7%			3%	3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
			n	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:		
			n	Chain	Independent	3	4	5	1 - 150	150+	
9. Which of the following theoretical models and processes do you use?	SWOT analysis	n	51	38	13	22	17	12	22	29	
		%	84%	84%	81%	76%	89%	92%	73%	94%	
	Environment scanning	n	20	15	5	6	8	6	5	15	
		%	33%	33%	31%	21%	42%	46%	17%	48%	
	PEST analysis	n	19	15	4	8	6	5	5	14	
		%	31%	33%	25%	28%	32%	38%	17%	45%	
	Scenario analysis	n	10	7	3	4	5	1	3	7	
		%	16%	16%	19%	14%	26%	8%	10%	23%	
	Competitor analysis	n	21	15	6	9	9	3	9	12	
		%	34%	33%	38%	31%	47%	23%	30%	39%	
	Five-forces model	n	9	5	4	7	1	1	5	4	
		%	15%	11%	25%	24%	5%	8%	17%	13%	
	Portfolio analysis	n	2	1	1	1	1		1	1	
		%	3%	2%	6%	3%	5%		3%	3%	
	BCG-Growth Share Matrix	n	5	4	1	4			1	2	3
		%	8%	9%	6%	14%			8%	7%	10%
	Diamond analysis	n	1	1		1				1	
		%	2%	2%		3%				3%	
	Value chain analysis	n	36	28	8	16	11	9	17	19	
		%	59%	62%	50%	55%	58%	69%	57%	61%	
Customer satisfaction analysis	n	48	36	12	19	16	13	24	24		
	%	79%	80%	75%	66%	84%	100%	80%	77%		
Employee satisfaction analysis	n	35	25	10	15	11	9	16	19		
	%	57%	56%	63%	52%	58%	69%	53%	61%		
PIMS (Profit Impact of Market Strategy)	n	1	1					1	1		
	%	2%	2%					8%	3%		
Total	n	61	45	16	29	19	13	30	31		
	%	423%	424%	419%	386%	447%	469%	367%	477%		

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
10. What time related strategic plan does your company follow?	One year plan	n	25	16	9	9	11	5	14	11
		%	41%	36%	56%	31%	58%	38%	47%	35%
	Two year plan	n	2	1	1	2			2	
		%	3%	2%	6%	7%			7%	
	Three year plan	n	27	22	5	15	7	5	12	15
		%	44%	49%	31%	52%	37%	38%	40%	48%
Five year plan	n	7	6	1	3	1	3	2	5	
	%	11%	13%	6%	10%	5%	23%	7%	16%	
Total	n	61	45	16	29	19	13	30	31	
	%	100%	100%	100%	100%	100%	100%	100%	100%	



Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
13.1 Communication	Not effective at all	%	2%	2%			5%			3%
	Not effective	%	16%	18%	13%	17%	11%	23%	20%	13%
	In-between	%	56%	53%	63%	59%	53%	54%	50%	61%
	Effective	%	25%	24%	25%	24%	32%	15%	30%	19%
	Very effective	%	2%	2%				8%		3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
13.2 Interpretation	Not effective	%	21%	22%	19%	17%	26%	23%	20%	23%
	In-between	%	54%	56%	50%	55%	58%	46%	53%	55%
	Effective	%	23%	22%	25%	28%	16%	23%	23%	23%
	Very effective	%	2%		6%			8%	3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
13.3 Adoption	Not effective	%	18%	18%	19%	21%	5%	31%	20%	16%
	In-between	%	56%	53%	63%	59%	63%	38%	47%	65%
	Effective	%	23%	24%	19%	21%	26%	23%	30%	16%
	Very effective	%	3%	4%			5%	8%	3%	3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
13.4 Action	Not effective	%	8%	9%	6%	14%	5%		7%	10%
	In-between	%	64%	62%	69%	62%	63%	69%	63%	65%
	Effective	%	26%	27%	25%	24%	32%	23%	30%	23%
	Very effective	%	2%	2%				8%		3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
14.1 Lack of exact strategic planning	Not at all	%	3%	2%	6%	3%	5%		7%	
	To a little extent	%	46%	49%	38%	55%	47%	23%	50%	42%
	To some extent	%	30%	33%	19%	21%	26%	54%	17%	42%
	To a large extent	%	20%	16%	31%	21%	21%	15%	23%	16%
	Completely	%	2%		6%			8%	3%	
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.2 Bad strategy - poorly conceived business models	Not at all	%	11%	9%	19%	10%	11%	15%	7%	16%
	To a little extent	%	56%	60%	44%	59%	53%	54%	63%	48%
	To some extent	%	26%	27%	25%	21%	32%	31%	20%	32%
	To a large extent	%	7%	4%	13%	10%	5%		10%	3%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.3 Insufficient linking of strategy to goals	Not at all	%	7%	7%	6%	7%	5%	8%	13%	
	To a little extent	%	46%	51%	31%	59%	37%	31%	43%	48%
	To some extent	%	36%	33%	44%	31%	37%	46%	37%	35%
	To a large extent	%	8%	9%	6%		16%	15%	3%	13%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.4 Time limitation	Not at all	%	7%	7%	6%	10%	5%		3%	10%
	To a little extent	%	20%	16%	31%	10%	26%	31%	33%	6%
	To some extent	%	38%	40%	31%	45%	26%	38%	27%	48%
	To a large extent	%	28%	31%	19%	24%	37%	23%	27%	29%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.5 Lack of swift implementation	To a little extent	%	21%	20%	25%	24%	16%	23%	23%	19%
	To some extent	%	36%	40%	25%	38%	32%	38%	40%	32%
	To a large extent	%	36%	36%	38%	34%	42%	31%	33%	39%
	Completely	%	7%	4%	13%	3%	11%	8%	3%	10%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.6 Lack of synchronising strategy implementation to market rhythm/pulse	Not at all	%	2%	2%				8%		3%
	To a little extent	%	8%	7%	13%	7%	5%	15%	10%	6%
	To some extent	%	52%	56%	44%	55%	63%	31%	37%	68%
	To a large extent	%	30%	27%	38%	34%	26%	23%	43%	16%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.7 Unanticipated market changes	Not at all	%	3%	2%	6%	3%	5%			6%
	To a little extent	%	44%	44%	44%	34%	37%	77%	43%	45%
	To some extent	%	43%	44%	38%	52%	42%	23%	43%	42%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.8 Effective competitor response to strategy	Not at all	%	16%	16%	19%	14%	16%	23%	17%	16%
	To a little extent	%	59%	62%	50%	59%	74%	38%	57%	61%
	To some extent	%	21%	20%	25%	24%	5%	38%	20%	23%
	To a large extent	%	3%	2%	6%	3%	5%		7%	
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.9 Lack of consensus among decision makers	Not at all	%	11%	11%	13%	3%	21%	15%	3%	19%
	To a little extent	%	41%	40%	44%	38%	47%	38%	40%	42%
	To some extent	%	38%	42%	25%	48%	21%	38%	43%	32%
	To a large extent	%	7%	7%	6%	7%	5%	8%	10%	3%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.10 Too many and conflicting priorities	To a little extent	%	31%	33%	25%	34%	26%	31%	23%	39%
	To some extent	%	34%	38%	25%	34%	26%	46%	37%	32%
	To a large extent	%	21%	22%	19%	17%	26%	23%	23%	19%
	Completely	%	13%	7%	31%	14%	21%		17%	10%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.11 Top down management style	To a little extent	%	39%	42%	31%	41%	42%	31%	37%	42%
	To some extent	%	38%	40%	31%	31%	37%	54%	33%	42%
	To a large extent	%	20%	16%	31%	24%	16%	15%	27%	13%
	Completely	%	3%	2%	6%	3%	5%		3%	3%
Total	%		100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
14.12 Lack of bottom up involvement in crafting strategy	To a little extent	%	31%	29%	38%	28%	42%	23%	30%	32%
	To some extent	%	33%	38%	19%	41%	16%	38%	27%	39%
	To a large extent	%	25%	22%	31%	24%	32%	15%	27%	23%
	Completely	%	11%	11%	13%	7%	11%	23%	17%	6%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.13 Lack of identification of major problems	Not at all	%	2%		6%	3%				3%
	To a little extent	%	44%	47%	38%	45%	32%	62%	43%	45%
	To some extent	%	38%	40%	31%	41%	42%	23%	43%	32%
	To a large extent	%	15%	13%	19%	10%	21%	15%	10%	19%
	Completely	%	2%		6%		5%		3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.14 Incompatible structure with the strategy	Not at all	%	3%	4%			5%	8%		6%
	To a little extent	%	38%	36%	44%	48%	32%	23%	40%	35%
	To some extent	%	39%	44%	25%	31%	42%	54%	37%	42%
	To a large extent	%	18%	16%	25%	17%	21%	15%	23%	13%
	Completely	%	2%		6%	3%			3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.15 Unsuitable resources allocation	To a little extent	%	36%	38%	31%	45%	26%	31%	37%	35%
	To some extent	%	44%	47%	38%	34%	53%	54%	33%	55%
	To a large extent	%	16%	13%	25%	17%	16%	15%	27%	6%
	Completely	%	3%	2%	6%	3%	5%		3%	3%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.16 Lack of adequate communication (vertical and horizontal)	Not at all	%		2%	6%	3%		8%	7%	
	To a little extent	%	16%	13%	25%	21%	5%	23%	17%	16%
	To some extent	%	52%	56%	44%	62%	53%	31%	60%	45%
	To a large extent	%	25%	27%	19%	14%	32%	38%	13%	35%
	Completely	%	3%	2%	6%		11%		3%	3%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.17 Lack of effective co-ordination	To a little extent	%	23%	20%	31%	24%	21%	23%	23%	23%
	To some extent	%	57%	62%	44%	66%	47%	54%	53%	61%
	To a large extent	%	18%	18%	19%	10%	26%	23%	20%	16%
	Completely	%	2%		6%		5%		3%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.18 Incompatible organisational culture	Not at all	%	5%	4%	6%	3%	5%	8%		10%
	To a little extent	%	48%	49%	44%	55%	42%	38%	50%	45%
	To some extent	%	30%	29%	31%	24%	32%	38%	27%	32%
	To a large extent	%	13%	16%	6%	14%	11%	15%	20%	6%
	Completely	%	5%	2%	13%	3%	11%		3%	6%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.19 Competing activities among people/units	Not at all	%	7%	4%	13%	7%	11%			13%
	To a little extent	%	38%	36%	44%	34%	42%	38%	33%	42%
	To some extent	%	34%	36%	31%	41%	26%	31%	40%	29%
	To a large extent	%	21%	24%	13%	17%	21%	31%	27%	16%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.20 Unsuitable evaluation and control systems	Not at all	%	3%	4%			5%	8%		6%
	To a little extent	%	33%	33%	31%	34%	32%	31%	30%	35%
	To some extent	%	46%	44%	50%	55%	42%	31%	40%	52%
	To a large extent	%	18%	18%	19%	10%	21%	31%	30%	6%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.21 Unsuitable leadership	Not at all	%	7%	7%	6%	3%		23%	10%	3%
	To a little extent	%	49%	49%	50%	59%	58%	15%	53%	45%
	To some extent	%	34%	38%	25%	28%	26%	62%	27%	42%
	To a large extent	%	10%	7%	19%	10%	16%		10%	10%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
14.22 Lack of adequate organisational support	Not at all	%	2%	2%				8%		3%
	To a little extent	%	43%	42%	44%	41%	37%	54%	40%	45%
	To some extent	%	46%	47%	44%	45%	58%	31%	57%	35%
	To a large extent	%	7%	7%	6%	10%	8%		3%	10%
	Completely	%	3%	2%	6%	3%	5%			6%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:		
			n	Chain	Independent	3	4	5	1 - 150	150+	
14.23 Lack of adequate manager commitment	Not at all	%	2%		6%	3%				3%	
	To a little extent	%	33%	33%	31%	34%	26%	38%	43%	23%	
	To some extent	%	49%	53%	38%	48%	53%	46%	43%	55%	
	To a large extent	%	10%	11%	6%	7%	11%	15%	3%	16%	
	Completely	%	7%	2%	19%	7%	11%		10%	3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
	n		61	45	16	29	19	13	30	31	
14.24 Unsuitable personnel management	Not at all	%	2%	2%				8%		3%	
	To a little extent	%	44%	47%	38%	45%	37%	54%	43%	45%	
	To some extent	%	43%	42%	44%	41%	58%	23%	47%	39%	
	To a large extent	%	8%	9%	6%	7%	5%	15%	7%	10%	
	Completely	%	3%		13%	7%			3%	3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
	n		61	45	16	29	19	13	30	31	
14.25 Uncontrollable internal factors	Not at all	%	5%	4%	6%	3%	5%	8%		10%	
	To a little extent	%	36%	40%	25%	45%	21%	38%	40%	32%	
	To some extent	%	52%	51%	56%	48%	58%	54%	53%	52%	
	To a large extent	%	5%	4%	6%		16%		7%	3%	
	Completely	%	2%		6%	3%				3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
	n		61	45	16	29	19	13	30	31	
14.26 Uncontrollable external factors	Not at all	%	3%	4%			5%	8%		6%	
	To a little extent	%	30%	31%	25%	24%	26%	46%	33%	26%	
	To some extent	%	64%	64%	63%	72%	63%	46%	63%	65%	
	To a large extent	%	2%		6%	3%				3%	
	Completely	%	2%		6%		5%		3%		
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
	n		61	45	16	29	19	13	30	31	
14.27 Lack of enough capabilities/skills of employees	To a little extent	%	28%	31%	19%	21%	32%	38%	13%	42%	
	To some extent	%	46%	44%	50%	55%	32%	46%	60%	32%	
	To a large extent	%	21%	22%	19%	21%	26%	15%	23%	19%	
	Completely	%	5%	2%	13%	3%	11%		3%	6%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	
14.28 Resistance to change among people/units	To a little extent	%	15%	16%	13%	21%	5%	15%	10%	19%	
	To some extent	%	31%	31%	31%	34%	21%	38%	33%	29%	
	To a large extent	%	46%	44%	50%	38%	58%	46%	50%	42%	
	Completely	%	8%	9%	6%	7%	16%		7%	10%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	
14.29 Lack of understanding of the strategy	To a little extent	%	10%	4%	25%	14%		15%	10%	10%	
	To some extent	%	57%	64%	38%	62%	53%	54%	60%	55%	
	To a large extent	%	30%	31%	25%	21%	42%	31%	27%	32%	
	Completely	%	3%		13%	3%	5%		3%	3%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	
14.30 Communication of strategic intentions	Not at all	%	2%	2%			5%			3%	
	To a little extent	%	20%	22%	13%	17%	26%	15%	27%	13%	
	To some extent	%	66%	64%	69%	72%	58%	62%	60%	71%	
	To a large extent	%	13%	11%	19%	10%	11%	23%	13%	13%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	
14.31 Interpretation of strategic intentions	Not at all	%	2%	2%			5%			3%	
	To a little extent	%	15%	11%	25%	10%	21%	15%	17%	13%	
	To some extent	%	64%	64%	63%	83%	47%	46%	67%	61%	
	To a large extent	%	20%	22%	13%	7%	26%	38%	17%	23%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	
14.32 Adoption of strategic intentions	To a little extent	%	10%	7%	19%	7%	11%	15%	13%	6%	
	To some extent	%	70%	71%	69%	66%	84%	62%	63%	77%	
	To a large extent	%	20%	22%	13%	28%	5%	23%	23%	16%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		n		61	45	16	29	19	13	30	31
14.33 Action of strategic intentions	To a little extent	%	20%	16%	31%	17%	21%	23%	23%	16%	
	To some extent	%	51%	51%	50%	52%	47%	54%	40%	61%	
	To a large extent	%	28%	31%	19%	31%	26%	23%	33%	23%	
	Completely	%	2%	2%			5%		3%		
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31	



Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
15.1 Strategic coordination	Not important at all	%	3%	2%	6%		11%		3%	3%
	Not important	%	10%	4%	25%	10%	11%	8%	17%	3%
	In-between	%	30%	40%		24%	26%	46%	27%	32%
	Important	%	46%	40%	63%	55%	37%	38%	47%	45%
	Very important	%	11%	13%	6%	10%	16%	8%	7%	16%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
15.2 Support	Not important	%	16%	16%	19%	14%	16%	23%	13%	19%
	In-between	%	34%	31%	44%	28%	42%	38%	37%	32%
	Important	%	38%	38%	38%	48%	26%	31%	43%	32%
	Very important	%	11%	16%		10%	16%	8%	7%	16%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
15.3 Control	Not important	%	11%	9%	19%	7%	5%	31%	10%	13%
	In-between	%	36%	33%	44%	21%	63%	31%	43%	29%
	Important	%	43%	44%	38%	62%	26%	23%	40%	45%
	Very important	%	10%	13%		10%	5%	15%	7%	13%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
15.4 Follow-up	Not important	%	8%	4%	19%	10%	5%	8%	10%	6%
	In-between	%	41%	42%	38%	31%	47%	54%	43%	39%
	Important	%	36%	36%	38%	41%	32%	31%	37%	35%
	Very important	%	15%	18%	6%	17%	16%	8%	10%	19%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
15.5 Feedback	Not important at all	%	3%	2%	6%		11%		3%	3%
	Not important	%	10%	9%	13%	7%	5%	23%	7%	13%
	In-between	%	38%	31%	56%	31%	47%	38%	47%	29%
	Important	%	36%	44%	13%	45%	21%	38%	33%	39%
	Very important	%	13%	13%	13%	17%	16%		10%	16%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
16.1 Strategic coordination	Not effective	%	8%	2%	25%	10%	5%	8%	10%	6%
	In-between	%	44%	47%	38%	41%	47%	46%	47%	42%
	Effective	%	43%	47%	31%	45%	42%	38%	33%	52%
	Very effective	%	5%	4%	6%	3%	5%	8%	10%	
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
16.2 Support	Not effective at all	%	2%	2%			5%			3%
	Not effective	%	18%	16%	25%	24%	21%		23%	13%
	In-between	%	34%	31%	44%	28%	26%	62%	33%	35%
	Effective	%	41%	44%	31%	41%	42%	38%	40%	42%
	Very effective	%	5%	7%		7%	5%		3%	6%
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
16.3 Control	Not effective	%	16%	16%	19%	14%	16%	23%	17%	16%
	In-between	%	34%	36%	31%	45%	32%	15%	30%	39%
	Effective	%	46%	44%	50%	38%	47%	62%	50%	42%
	Very effective	%	3%	4%		3%	5%		3%	3%
	Total	%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
16.4 Follow-up	Not effective at all	%	5%	4%	6%	3%	5%	8%		10%
	Not effective	%	30%	29%	31%	28%	26%	38%	33%	26%
	In-between	%	33%	33%	31%	28%	47%	23%	37%	29%
	Effective	%	30%	31%	25%	38%	21%	23%	23%	35%
	Very effective	%	3%	2%	6%	3%		8%	7%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31
16.5 Feedback	Not effective at all	%	3%	2%	6%	3%	5%			6%
	Not effective	%	25%	24%	25%	24%	16%	38%	23%	26%
	In-between	%	34%	36%	31%	28%	53%	23%	43%	26%
	Effective	%	36%	36%	38%	41%	26%	38%	30%	42%
	Very effective	%	2%	2%		3%			3%	
Total	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	n		61	45	16	29	19	13	30	31

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
17. What processes are employed to monitor strategy implementation?	Evaluation/progress reports	n	4	3	1	1	2	1	2	2
		%	40%	33%	100%	20%	50%	100%	40%	40%
	None formal - managers responsibility	n	4	4		3	1		2	2
		%	40%	44%		60%	25%		40%	40%
	Meetings to review progress	n	2	2		1	1		1	1
		%	20%	22%		20%	25%		20%	20%
Total	n		10	9	1	5	4	1	5	5
	%		100%	100%	100%	100%	100%	100%	100%	100%



Annexure E

Statistical output – Tabular results

			Total	Hotel structure:		Star rating:			Number of rooms:	
			n	Chain	Independent	3	4	5	1 - 150	150+
18.	Lack of buy-in/resistance	n	9	7	2	3	4	2	4	5
Factors that hamper strategy control	to change/commitment	%	56%	50%	100%	38%	67%	100%	67%	50%
	Regular feedback	n	4	4		2	2		2	2
		%	25%	29%		25%	33%		33%	20%
	Understanding strategic intent	n	3	3		2		1		3
		%	19%	21%		25%		50%		30%
	Communication	n	3	3		3			1	2
		%	19%	21%		38%			17%	20%
	Incomplete strategy implementation checklist	n	1	1			1			1
		%	6%	7%			17%			10%
	Strategy control seen as informal process	n	1	1			1			1
		%	6%	7%			17%			10%
Total	n		16	14	2	8	6	2	6	10
	%		131%	136%	100%	125%	133%	150%	117%	140%

ANNEXURE F: STATISTICAL OUTPUT – CORRELATION ANALYSIS

Correlations

			7.1 Strategic planning	7.2 Implementation	7.3 Support	7.4 Control
Spearman's rho	7.1 Strategic planning	Correlation Coefficient	1.000	.300*	.454**	.335**
		Sig. (2-tailed)	.	.019	.000	.008
		N	61	61	61	61
	7.2 Implementation	Correlation Coefficient	.300*	1.000	.480**	.477**
		Sig. (2-tailed)	.019	.	.000	.000
		N	61	61	61	61
	7.3 Support	Correlation Coefficient	.454**	.480**	1.000	.515**
		Sig. (2-tailed)	.000	.000	.	.000
		N	61	61	61	61
	7.4 Control	Correlation Coefficient	.335**	.477**	.515**	1.000
		Sig. (2-tailed)	.008	.000	.000	.
		N	61	61	61	61

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

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

Correlations

			13.1 Communication	13.2 Interpretation	13.3 Adoption	13.4 Action
Spearman's rho	13.1 Communication	Correlation Coefficient	1.000	.264*	.311*	.186
		Sig. (2-tailed)	.	.040	.015	.151
		N	61	61	61	61
	13.2 Interpretation	Correlation Coefficient	.264*	1.000	.405**	.394**
		Sig. (2-tailed)	.040	.	.001	.002
		N	61	61	61	61
	13.3 Adoption	Correlation Coefficient	.311*	.405**	1.000	.432**
		Sig. (2-tailed)	.015	.001	.	.001
		N	61	61	61	61
	13.4 Action	Correlation Coefficient	.186	.394**	.432**	1.000
		Sig. (2-tailed)	.151	.002	.001	.
		N	61	61	61	61

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

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

Annexure F

Statistical output – Correlation analysis

Correlations

			16.1 Strategic coordination	16.2 Support	16.3 Control	16.4 Follow-up	16.5 Feedback
Spearman's rho	16.1 Strategic coordination	Correlation Coefficient	1.000	.633**	.570**	.420**	.323*
		Sig. (2-tailed)	.	.000	.000	.001	.011
		N	61	61	61	61	61
16.2 Support		Correlation Coefficient	.633**	1.000	.708**	.658**	.624**
		Sig. (2-tailed)	.000	.	.000	.000	.000
		N	61	61	61	61	61
16.3 Control		Correlation Coefficient	.570**	.708**	1.000	.650**	.508**
		Sig. (2-tailed)	.000	.000	.	.000	.000
		N	61	61	61	61	61
16.4 Follow-up		Correlation Coefficient	.420**	.658**	.650**	1.000	.734**
		Sig. (2-tailed)	.001	.000	.000	.	.000
		N	61	61	61	61	61
16.5 Feedback		Correlation Coefficient	.323*	.624**	.508**	.734**	1.000
		Sig. (2-tailed)	.011	.000	.000	.000	.
		N	61	61	61	61	61

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

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