

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/interpreting 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/ Execution	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.

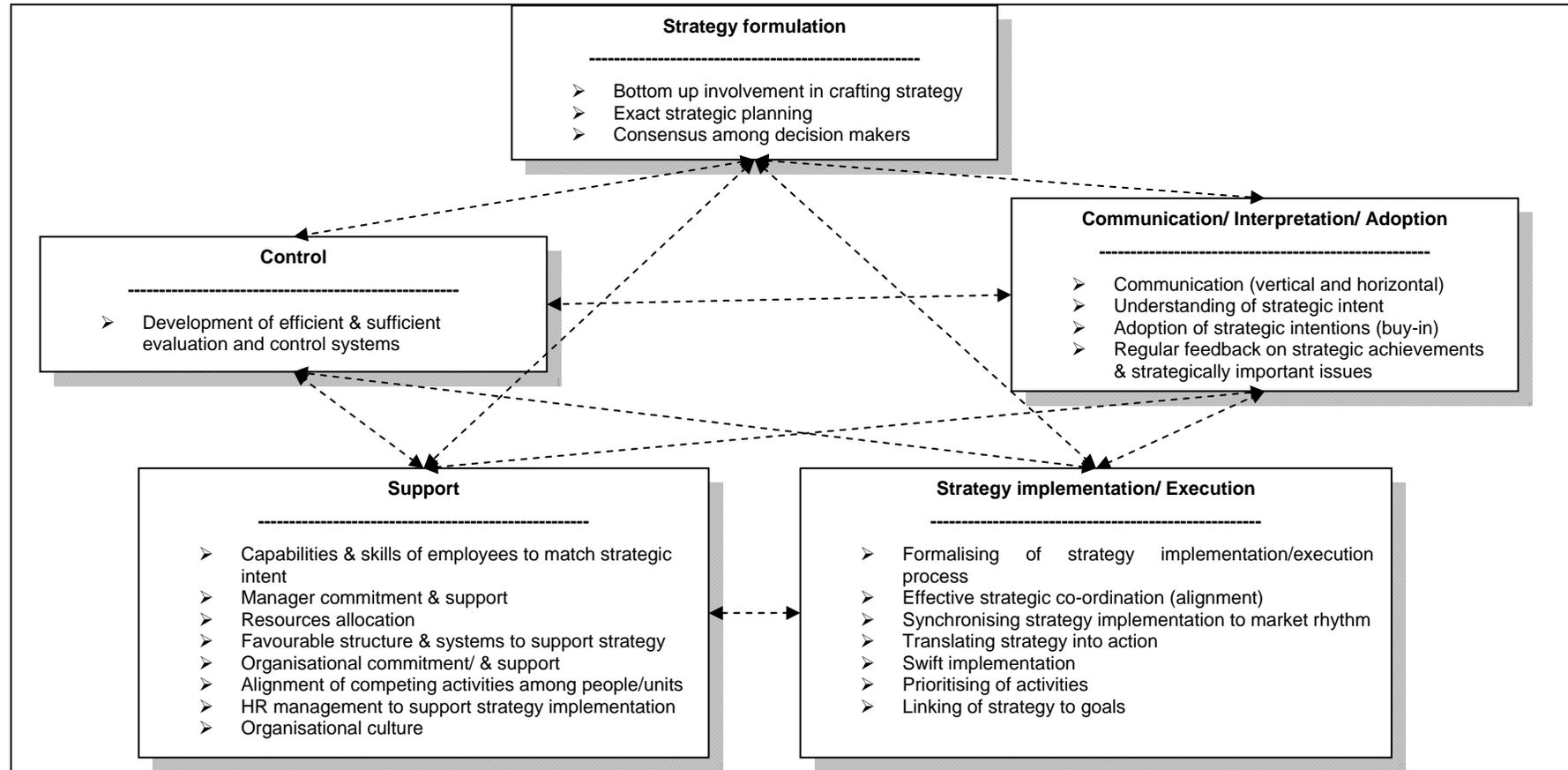


Figure 6.1: Draft model for assisting practitioners in the South African hotel industry to move from strategic planning to strategy implementation

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.

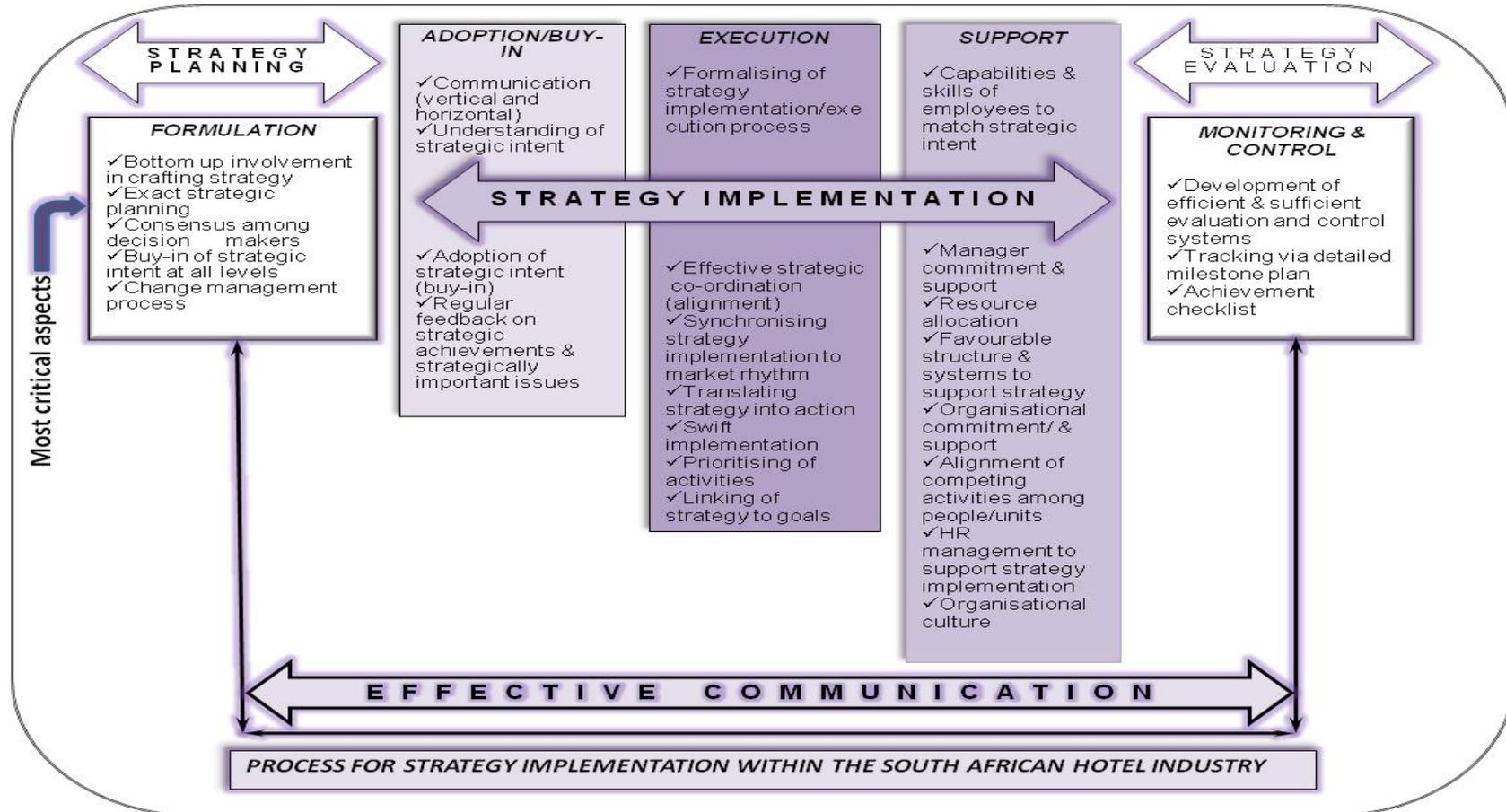


Figure 6.2: Final revised model for assisting practitioners in the South African hotel industry to move from strategic planning to strategy implementation

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'.