# The Effectiveness of Strategy Implementation on Organizational Performance: A Case Study of Clothing Retail Outlets in Zimbabwe

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#### Abstract

Over the past decade, the clothing retail outlets in Zimbabwe were characterised by signs of distress, scaling down operations and closure of some shops, even though they had strategies in place. Strategy implementation was neglected, and treated as an after-thought despite strategic planning. This study evaluated the effectiveness of strategy implementation in the clothing retail outlets in Zimbabwe. The research involved identifying key success and failure factors on strategy implementation and established the relationship between strategy implementation framework and organizational performance. A positivism approach was used which emphasized the independency of the researchers as observers. Causal research design was employed. Questionnaires and interview schedules were used as research instruments for data collection. The data collected was analysed using SPSS descriptive data analysis. The study discovered the existence of many barriers to strategy implementation was ineffective resulting in a high failure rate. The majority of the recommendations made emphasized on paying attention to internal factors as key to the success of strategy implementation, continuously scanning of the environment and evaluating the implementation process. The researchers suggest a further study on intra-organizational factors that influence strategy implementation in the clothing retail outlets, Zimbabwe

# 1. Background of the study

A lot of Zimbabwean clothing retailers have collapsed or scaled down operations over the past seven years to date (2017). Looking within the city of Gweru alone, Meikles scaled down operations and Edgars is now running one out of its two branches. These are signs of despair in the clothing retailing business. The business environment is stifled with high operating costs coupled with the influx of cheap imports, a fact also supported by Dzobo (2015) who mentioned that the country's clothing industry is grappling with a lot of challenges, chief among them the influx of cheap fabrics imported from Asian markets and smuggled second hand clothes. As a means to stay afloat, the sector came up with survival strategies but however the industries are in turmoil. They face challenges of an underperforming economy and reduced protection from foreign imports, with low barriers to entry (ZimTrade, Textiles and Clothing Report, 2012). Karombo (2014) highlighted that Edgars interim profit had declined by 9,7 percent in 2014. He attributed the decline in profit margin to intensifying competition from clothing sold in the fast-growing informal sector. He mentioned price based competition from the informal sector being the main element. Flea markets have become the place of choice for many people buying clothes as they sell at competitive prices, in the process beating the formal retail clothing outlets in the country. Moyo (2015) also echoed that with flea markets everywhere, "off-the-boot" clothing sales have become the order of the day. Enterprising traders have turned their car trunks into convenient outlets, moreover they are highly mobile, getting clothes close to the door steps of consumers. He further pointed out that these challenges are increasingly affecting the clothing retail outlets. Movo further lamented that Zimbabweans developed a huge appetite for imports even where products of better quality are produced locally, as he puts it, "Zimbabwe fetish for foreign clothing items continues unabated: anything with a foreign tag is more likely to fly off-the-shelf or off-the-boot than something labelled, "Made in Zimbabwe". Why is that so? What is it that the clothing sector is not doing well? Exactly which strategies should they be implementing?

Mukanda (2013) pointed out that Zimbabwe customers are highly indebted and this situation was caused by low disposable incomes and the depressed economy. This saw clothing retailers incurring extra costs of employing debt collectors and upping their provision for bad debts. 2014 statistics showed that Truworths had a high gearing ratio of 147% and Edgars of 181%. With Edgars US\$62,58 million revenue, 73% was on credit and Truworths credit sales accounted for 75% of its overall interim sales. Now, with high composition of credit sales to total turnover and high non-payment rate, profitability is affected adversely. The clothing industries were in turmoil as they faced competition and harsh operating environment. Table 1 below shows the financial trends

Year	Trading Profit as % of sales	Profit / Loss for the year	Current Ratio
2009	(21,1)	(1.222 000)	0.9
2010	11,9	1 508 000	1.1
2011	14,6	3 902 000	
2012	13,2	4 215 498	2.5
2013	11,8	4 189 037	2.8
2014	7.6	4 238 188	2.8
2015	6.0	5 183 805	2.7

of Edgars, one of the largest clothing retailers in Zimbabwe from the year 2009 to 2015. Table 1.0: Financial trends for Edgars from 2009-2015.

#### Source: Edgars Annual Financial Reports.

The researchers of this study believe that relying on net earnings alone to gauge profitability might be deceiving. Profitability and other ratios might give a deeper insight into performance. Edgar's downward trend in trading profit % of sales or gross profit margin is a sign of future problems facing the bottom line. This trend was common across the clothing retail outlets in Zimbabwe and thus the bi indicator of the problem to the clothing retail outlets in Zimbabwe.

Truworths Limited is listed on the Zimbabwe Stock Exchange, comprises of Truworths stores and Topics. It also operates under Number 1 stores. Truworths closed over 11700 accounts during the half year to January 6, 2013. Table 1.1 below shows the financial trends of Truworths Limited store in Zimbabwe from 2009 to 2015. The results show that downward trend of sales revenue since 2013, which is another evidence of the challenges being experienced by Clothing retail outlets in Zimbabwe. Table 1.1 below shows the trends:

Year	Sales Revenue (000)	Profit/ Loss (000)
2009	804	(122 000)
2010	6 600	294 000
2011	10 800	598 000
1012	14 400	916 000
2013	12 000	602 400
2014	11 500	141 600
2015	11 200	

Table 1.1: Financial Trends for Truworths Zimbabwe.

#### Source: Annual Reports.

With the influx of imports appears to be a near death sentence, the survival and attainment of competitive advantage to the clothing retail outlets therefore, demands that certain strategic issues be evaluated. The pertinent issues include whether formulated strategies are effectively implemented. Flood et al., (2000) pointed out there is a growing recognition that the most important problems in the field of strategic management are in strategy implementation. Strategy implementation research remains limited despite its apparent importance and in that line of thought Noble (1999) argue that strategy implementation receives relatively limited research attention. Therefore, more research is needed to improve our understanding of strategy implementation in clothing retail outlets in Zimbabwe.

## 2. Literature Review

## 2.1 Strategy implementation

According to Sashittal and Wilemon (1996) the term strategy is synonymous with such terms as execution, elaborated by Kotler (1997) who defined strategy implementation as a process that turns plans into action, assignments and ensures that such assignment are executed in a manner that accomplishes the stated objectives. Harrington (2006) definition of strategy implementation agrees with Kotler, thereby explaining strategy implementation as interactive process of implementing strategies, policies, programs and action plans that allows a firm to utilize its resources to take advantage of opportunities in the competitive environment. Strategy implementation was also portrayed as a lively process by which companies identify future opportunities (Reid, 1989). This means during implementation the organisation is actively checking whether the strategy is still compatible with changes in the environment and by so doing scanning is continuous and new opportunities are identified. Still in the same vein Lehner (2004), explained strategy implementation as a process inducing various forms of organisational learning, because both environmental threats and strategic responses are a prime trigger for organisational learning process. Although there is no single universally accepted definition, implementation generally dwells on execution of strategies to achieve organisational goals and objectives. Implementation is a series of interventions concerning organizational structures, key personnel actions, and control systems designed to control performance with respect to desired ends.

# 2.2 Strategy implementation in the clothing retail outlets

The business operating environment today is complicated, ever changing and highly unpredictable. It has proved to be very different from the way business was done in the past whereby stability was the order of the day and systems, procedures and policies took long to change. In today's business environment, there is ever changing policies, global competition, and dynamism of information technology, the quality service revolution, diversity and business ethics which is forcing management of all organizations to totally think strategically on their approach to business operations. Zimbabwe economy in particular is facing hardships which do not spare clothing retail outlets. As a result of this, new companies are emerging that are more responsive to both their internal and external environments (Luthans, 1995).

Masterson (2016) pointed out Edgars Zimbabwe commitment to cost reduction and increasing productivity. She further highlighted strategic focus on continuing to better provide customers with value they are seeking, improving product pipeline logistics, merchandise assortments and differentiation between the two retail chains. Muruko et al., (2013) carried a study to analyse and explore how the top four clothing retail outlets in Zimbabwe are using Electronic Customer Relationship Management and ICT practices to enhance customer relationships. The results proved that clothing retail outlets in Zimbabwe are slow in implementing Electronic Customer Relationship Management and mainly use text messages and voice calls to communicate with customers. It is important to note that Electronic Customer Relationship Management has a positive and direct effect on business development when focusing on areas of partnerships empowerment, relations with customers and understanding customer expectations. Muruko et al., (2013) went on to point out that the clothing retail outlets have little or no presence at all on the internet. The presence on the Web is international because it allows access to international customers. Zimbabweans are all over the world and the Web allows businesses in globalisation to reach some former customers who could have relocated to other countries. When implementing strategies clothing retailers need to pay attention to a lot of items as identified in Tradegood (2015). Firstly, customer needs are dynamic due to exposure to social media, blogs and forum discussions, and is essential to do fashion market research and engage in online discussions to understand customers' needs and expectations.

## 2.3 Factors that influence the success of strategy implementation

There are many (soft, hard and mixed) factors that influence the success of strategy implementation, ranging from the people who communicate or implement the strategy to the systems or mechanisms in place for coordination and control. There is evidence that clothing retail outlets in Zimbabwe are formulating strategies, but what is key effective implementation of the strategies set. To avoid failure attention in the clothing retail outlets, need to be focused not only on strategy formulation and but its implementation too. Dandira in Nyamwanza (2013) highlighted that issues such as the involvement of implementers could be the missing link in successfully implementing the strategy. The question is to what extent is the involvement of implementers during the formulation of the strategies so that buy in becomes easy. In addition to that Resources, management, leadership, communication is now company or organisational wide. Bill (2008) pointed out that the main reason strategy fail is because on creating a new strategy, it involves only top leadership, while implementing involves the whole organisation. Owen (1992) mentioned the other challenges encountered when implementing strategies. Firstly, mentioned is the incongruence between strategy and structure. He also pointed out that implementation involves change which in turn involves risk and uncertainty. There is need to develop new skills. Whilst managers may agree to make change, they may be more reluctant in practice to implement the change because of lack of requisite skills. Motivating manager to implement by empowering them is therefore a key determinant. Organizational culture can be a hindrance and Owen (1992) explained that Strategy and structure should be supportive of each other so as to be in a position to manage products and services independently or in a linked group or business units. Management systems such as compensation schemes, management development, communication systems are often in place as a result of past strategies and are rarely tuned or revised to meet the needs of new ones. Attention need to be taken to check what actions and efforts are being rewarded. Therefore, key performance measures can be put in place and tying of rewards directly to the achievement of strategic and financial targets and to good strategy execution. Communication can never be overemphasized. Keeping personnel informed of all important issues makes them feel part of the whole system. Lack of strategic leadership is one of major barrier to effective implementation of strategy. The Zimbabwe macro environment is chaotic, policies are ever changing. This means that the organizational strategy might fail to match the external environment if not adjusted and implementation will not achieve the desired results. Nyamwanza, (2013), pointed that a poor or vague strategy can limit implementation efforts drastically. In agreement Li et al., (2008) put across the point that the kind of strategy that is developed will influence the effectiveness of implementation.

# 2.4 Effective strategy implementation and organizational performance

The strategic-management process does not end when the firm decides what strategy or strategies to pursue; there must be a translation of strategic thought into strategic action (Davis, 2011). A frequent complaint about

the strategic development process is that it produces a document that ends up gathering dust in organisations without being utilised. Thompson and Strickland (2001) argue that a strategy is useful when it is implemented. Having an excellent blue print and fail to implement it is actually a disservice to the organisation considering resources utilised in the process of crafting that strategy. Therefore, organisations must have appropriate structures, clear and contributory strategies and systems which ensure that the organisation behave in a cohesive rather than fragmented manner. Davis argued that strategy implementation is a process that takes longer than formulation. According to Riley (2015), strategy implementation is the hardest part because when a strategy has been analysed and selected, the task is then to translate it into organisational actions. It encompasses a series of decisions and resultant actions which commit a lot of resources to enable achievement of intended results. For effective implementation, the strategy need to be translated into more detailed procedures and policies that can be understood at the functional level. This is where the applicability element of a strategy is of significance. This touches on the nerve of the organisation. Resources have to be put in place and necessary organisational change has to be effected. This might entail a change in culture and build a relevant one; structure might need to be changed. According to Thompson and Strickland, strategy implementation is fundamentally action-oriented make-it-happen process whose key tasks are developing competencies and capabilities, budgeting, policy making, motivating, culture building and leadership and Foster and Brown (1996) share the same sentiments of putting the strategy in place by carrying it out proficiently to produce good results.

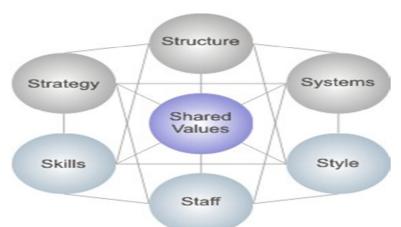
The growing intensity of retail competition- due to the emergence of new competitors, formats and technologies as well as shifts in customer needs, is forcing retailers to devote more attention to long term strategic planning. Management decision making process should indicate retailing strategy that bridges between understanding retailing complexes, thus, analysis of the retail environment and the more tactical merchandise management and store operations activities undertaken to implement the retail strategy. According to Cossin (2006), the retail strategy provides the direction retailers need to deal effectively with their environment, customers and competitors. Implementing a strategy well gives the organisation a sustainable competitive advantage over competition that is not easily copied and can be maintained over a long period of time. The following aspects to be taken into account in strategy implementation were identified by Thompson and Strickland (2001), Hubbard et al, (2007): -There is need to establish supportive policies and operational procedures and allocate resources so that the organisational units charged with performing strategy- critical activities and implementing new initiatives have sufficient people and funds to do their work successfully. People should be motivated in ways that induce them to pursue the target objectives energetically and, if need be, modify their duties and job behaviour to better the strategy requirements of successful execution. Tying reward structure to the achievements of targeted results is a bye product of production as it induces people to work harder. Create a company culture and work climate that is conducive to successful strategy implementation and execution. The need for installing information, communication and operating systems that enables company personnel to carry out their strategic roles effectively. Also, institution of best practices and programs for continuous improvements cannot be overemphasized. Overly, the chief executive's support of the strategic plan is a major driver to the plan's implementation success and also ensuring that the strategic plan's goals and objectives are integrated into organisational goals.

# 2.5 Framework for implementing strategies

## 2.5.1 The McKinsey 7S framework to aid strategy implementation

The McKinsey 7-S framework was developed in the early 1980s by Tom Peters and Robert Waterman. Singh (2013) defined McKinsey 7s model as a tool that analyses firm's organisational design by looking at 7 key elements in order to identify if they are effectively aligned and allow organisation to achieve its objectives. Therefore, the basic premise of the model is that there are seven internal aspects of a business or company that need to be aligned to enable success.





## Fig 1.0: The McKinsey 78 Model

It comprises of hard elements, (strategy, structure, systems) that can be physically seen when in place and the soft elements (shared value, skills, staff, style) that are more intangible and cannot be easily seen. All these elements must align synergistically together. In agreement, Hanlon pointed that the power of McKinsey 7s model is that it covers the key organisation capabilities needed to implement strategy successfully. The lines connecting each element identify the mutual dependency between each element and the circularity of the model denotes absence of no hierarchical dominance. However, strategic failure may attributable to inattention to one or a combination of seven elements.

- i. **Shared Values:** called "superordinate goals" when the model was first developed, these are the core values of the company that are evidenced in the corporate culture and the general work ethic.
- ii. Strategy: the plan devised to maintain and build competitive advantage over the competition.
- iii. Structure: the way the organization is structured and who reports to whom.
- iv. Systems: the daily activities and procedures that staff members engage in to get the job done.
- v. **Style:** the style of leadership adopted.
- vi. Staff: the employees and their general capabilities.
- vii. Skills: the actual skills and competencies of the employees working for the company.

It is essential to assess each of the above-mentioned elements.

# 2.5.1.1 Shared values

Shared value is the pinnacle of the model and therefore in any organisation. They form the underpinning culture, strategy, effectiveness and performance, linking to every other element in this framework. They link how people behave, structure and its systems. The mission and vision of the organisation have to be known and also the founding values that the organisation was built upon. Martins and Terblanche (2003) agreed that all organisations share some common fundamental guiding concepts around which the business is built and that these values and common goals keep the employees working towards a common destination as a coherent team and are important to keep the team spirit alive. He added that the organisations with weak values and common goals often find employees following their own personal goals that may be different or even in conflict with those of the organisation or their fellow colleagues. It is therefore, important to have employee buy in order to have everyone company-wide share the values.

## 2.5.1.2 Strategy

It is basically a developed plan by a firm to achieve sustained competitive advantage and successfully compete. In the clothing retail business in Zimbabwe they need to understand strategies that are put in place and know what those strategies are seeking to accomplish. To implement the strategy successfully, it has to be well articulated to align with other elements. In addition, it is essential to know how the organisation plans to utilise resources and capabilities, adapt to changing market conditions and compete in achieving objectives of the strategy. Clothing retailers like Edgars and Truworths have to concentrate on quality of its products and offer excellent customer service. This main strategy is to increase growth in sales and profitability.

## 2.5.1.3 Structure

This entails reporting and working relationships in the organisation. It represents how business divisions and units are organized and accountability. Structure dictates the way an organisation operates and performs. This impact on how information is shared across the organisation and overly how everyone including employees align themselves to the strategy and its implementation.

## 2.5.1.4 Systems

Each organisation has some systems or internal processes which support or impede efficiency in implementation

of the strategy and running of daily routines. Business and technical systems drives the organisation and their controls. The clothing retail outlets should have systems in place that can track progress and have internal rules and processes to maintain course. The clothing retail outlets have Information systems, financial reporting, payment systems, and resource allocation systems.

## 2.5.1.5 Style

The management and leadership style in an organisation and how employees respond to it, is worth assessing. It goes on to impact how employees function, that is, competitively, collaboratively or cooperatively. The style shapes interactions and chain of command, norms, behaviours and tasks rewarded. With this in mind, it also builds the culture, which is of important consideration in the implementation of strategy.

#### 2.5.1.6 Staff

Organisations are made up of humans and its people who make the real difference to the success of strategy implementation. This rests on size and staffing needs. It can be gaps in capabilities and resources and the plan to address those needs. It also emphasises on recruitment, training, motivation and rewarding systems. Not only that but hiring the best staff, providing them with rigorous training and mentoring support, and pushing them to achieve professional excellence. This forms the basis of organisations strategy and competitive advantage over competitors. Purcell and Boxal (2003) in support of these sentiments pointed the importance of organisations to instil confidence among employees about their future in the organisation and future career growth as an incentive for hard work.

## 2.5.1.7 Skills

Skills available and gaps are analysed. A system has to be present to monitor assess and improve skills. A new strategy might require new skills. Therefore, before a strategy is implemented skills evaluation should be done. Any gaps should be covered by training or new recruitments.

The use of this model checks on the following aspects, consistency, alignment, conflicts, gaps, support, strengths and weaknesses. It determines how effectively the organisation is implementing its strategy. The key is that all the seven areas are interconnected and a change in one area requires change in the rest of a firm for it to function effectively. There is cause and effect relationship. For instance, altering soft elements has great impact on structure, strategies and systems. All elements must be given equal importance. Clothing retail outlets management have direct influence and control over the hard elements of the framework. McKinsey 7s model is appealing to clothing retail outlets to pay more attention to the elements. More initiatives and programs need to be devised that would ensure values are shared and appreciated by all members of the workforce. Necessary training and development programs should be organised systematically to ensure that the entire workforce is equipped with necessary skills to implement strategies effectively. Recruiting needs to be objective. The structure adopted should enable organisational efficiency and conducive leadership style. The down turn, is that, McKinsey 7s framework is easily understood in theory but complicated in application. It strives on alignment of its seven facets but there is a misunderstanding of what should well-aligned elements be like (Singh, 2013).

#### 3. Research methodology

Research philosophy is basically a belief about the way data about a phenomenon should be gathered, analysed and used. In this study, positivism approach was used which emphasised the independency of the researchers as observers. Research questions based on theory of strategy implementation were used. Deductive focused questions about specific variables and relationships were designed. This guided the researchers to concentrate on only what was relevant. Descriptive research design was used. The target population for this research were clothing retail outlets personnel in Zimbabwe. Edgars, Jet stores, Topics, Truworths and Number 1 stores, Meikles, Power Sales and Raffles were used in the study. A sample size of 40 clothing retail outlets was used in this study. Self –administered questionnaires and structured interviews were used to collect the data. SPSS, descriptive statistical data analysis was used to analyze data. SPSS generated routine descriptive statistical data for question responses and created graphical presentations of questionnaires data. Frequencies were generated per each variable.

#### 4.0 Data findings and analysis

The researcher also sought to establish the level of success for the strategies implemented in the past and the results are shown in table 4.1 below.

		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	9	22.5	22.5
	Disagree	14	35	57.5
	Agree	15	37.5	95
	Strongly agree	2	5	100.0
	Total	40	100.0	

## Table 4.1 Level of success for strategies implemented in the past

#### Source: Survey September 2016

Table4.1 shows that above 57.5 % of the respondents agreed that the level of success of the strategies implemented in the past failed while another 42.5% indicated that the strategies were successfully implemented. This confirms an argument in the literature review put forth by Nyamwanza (2013), that the best formulated strategies may fail to produce superior performance for the firm if they are not successfully implemented and also pointed that a poor crafted or vague communicated strategy can limit implementation effectiveness drastically (Nyamwanza, 2013). The records on Edgars Stores Pvt Ltd. in Chapter one table 1.0, for instance, showed downward trend in trading profit or gross profit margin as a sign of future problems facing the bottom line. Information on sales trend of Truworths, in table 1.1 shows a downward trend in sales since 2013. Therefore, this research's results are in tangent with records from annual reports from both companies.

## 4.1.1 Are employees involved at strategy formulation?

To get some insight on what could be contributing to the failure of strategy implementation; data was collected on internal factors starting with whether employees are involvement at the formulation stage or they are only involved at implementation stage.

		Frequency	Percent	Cumulative Percent	
Valid	Strongly disagree	2	12.5	12.5	
	Disagree	8	50.0	62.5	
	Agree	3	18.8	81.2	
	Strongly agree	3	18.8	100.0	
	Total	16	100.0		

 Table 4.2 Involvement in formulating of strategies

## Source: Survey September 2016

As shown in Table 4.2 above, 63% of the respondents disagreed that implementers of strategies such as low level managers and employees are neither involved nor consulted during formulation stages of the strategy management process. Of the 4 middle managers interviewed, 1 pointed out that strategies are crafted by top management and are passed down as instructions and orders to the branches. However, 2 middle managers explained that middle managers craft certain strategies for their branches which they pass on to the top management for analysis and approval. However, they do not involve lower level managers and employees. This confirms questionnaire findings that involvement of lower level managers is low. When they are not involvement, their buy in is also difficult. This manifests in lack of commitment during implementation stage and can be one of causes of failure in strategy implementation. This failure to "buy-in" the implementers can cause problems as alluded by Thompson and Strickland (2008) pointed out that, Executives who do not value managers or employees with initiative and new ideas put a damper on product innovation, experimentation, and efforts to improve and also that a culture built around employee empowerment promotes employee behaviours and an esprit de corps that facilitate execution of strategies keyed to high product quality and superior customer service. Therefore, employee involvement helps to get their buy in, without which can be contributory to implementation failure.

#### 4.1.2 Are strategies being matched to company situation?

Data was then collected on environmental scanning, to ascertain whether strategy was being matched to company situation before implementation.

		Frequency	Percent	Cumulative Percent
Valid	Disagree	3	18.8	18.8
	Agree	7	43.8	62.6
	Strongly agree	5	31.2	93.8
	Spoilt	1	6.2	100.0
	Total	16	100.0	

#### Table 4.3: Environmental scanning influence strategy formulation

#### Source: Survey September 2016

The research results in table 4.3 showed that 75% of respondents agreed that most organizations in the clothing retail outlets are doing environmental scanning before formulation strategies with only 19% disagreeing. This is an essential part in the strategy management process as explained in the literature review by Thompson Strickland (2008) that a winning strategy must fit the enterprise's external and internal situation. Due to uniqueness of organizations there are no one size fit all strategies and implementation tactics.

# 4.1.3 Are sufficient resources in place to support strategy implementation?

After scanning and strategy crafting, it was important to gather information to check if sufficient resources were in place to support implementation of the strategies.

Table 4.4: Sufficient resources allocated	Table 4.4:	Sufficient	resources	allocated
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		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	2	12.5	12.5
	Disagree	9	56.2	68.8
	Agree	3	18.8	87.5
	Strongly agree	2	12.5	100.0
	Total	16	100.0	

#### **Source: Survey September 2016**

Table 4.4 showed that above 69% of respondents disputed that sufficient resources were allocated whereas 31% agreed. The high percentage indicated insufficient resource allocation in the clothing retail outlets. Company resource strength represents competitive advantage. Implementations have to be supported by resources. Failure of which, as being shown by results of the study could deem even a good strategy, a failure.

# 4.1.4 Are incentives linked to strategy?

Even when sufficient resources are availed, implementation involves people and motivation is very important element. To gather that information, data was collected to check whether incentives were linked to strategy. The question was asked to check whether incentives given were linked to strategy.

		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	5	12.5	12.5
	Disagree	17	42.5	55
	Agree	15	37.5	92.5
	Strongly agree	2	5	97.5
	Missing	1	2.5	100
	Total	40	100.0	

**Table 4.5: Linking incentives to strategy** 

Source: Survey September 2016

What was observed from the research results shown in Table 4.9 above was that 55% of respondents disagreed that incentives were linked to strategy whereas 42.5% agreed that incentives are linked to strategy and a further 2.5% did not comment. The results show that the majority of the clothing retail outlets are not linking incentives to strategy and this could negatively impact on implementation as cited by Thompson and Strickland (2008) that, using full range motivational techniques and compensation incentives inspires company personnel, nurture a result-oriented work climate, and enforce high-performance standards. If incentives are not linked to strategy implementation and normal salary reviews done with no rewards for successful implementation, employees are not motivated to go an extra mile to implement new strategies.

# 4.1.5 When formulating and implementing strategy, is culture aligned to strategy?

Another internal factor which affects effectiveness of implementation is culture. Organizational culture can either facilitate or hinder strategy implementation. A company's present culture and work climate may or may

not be compatible with what is needed for effective implementation and execution of chosen strategies in the clothing retail outlets. Data was then collected on culture alignment to strategy.

	1 ab	ie 4.0. Culture aligi	ieu to sti ategy	
		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	3	18.8	18.8
	Disagree	6	37.5	56.2
	Agree	4	25.0	81.2
	Strongly agree	3	18.8	100.0
	Total	16	100.0	

# Table 4.6: Culture aligned to strategy

#### Source: Survey September 2016

Table 4.6 shows that 56% indicated that culture is not aligned to strategy and 44% indicate that culture is aligned to strategy. This could explain why some well- crafted strategies fail to achieve desired results. In organizations were culture is aligned to implementation it becomes an ally to strategy and facilitate implementation whereas in those organizations were culture is not aligned it becomes a stumbling block. All middle managers interviewed mentioned that they faced a lot of resistance even from low level managers and employees.

## 4.1.6 Is training provided prior to strategy implementation?

Also, what boost morale and confidence on the job is having the relevant skill and knowledge. The researchers then sought to establish on whether employees are given any training before the implementation of new strategies and the results are shown below on table 4.7.

		Frequency	Percent	Cumulative Percent
Valid	Disagree	11	27.5	27.5
	Agree	20	50	77.5
	Strongly agree	8	20	97.5
	Missing	1	2.5	100
Total		40	100.0	

Table 4.7: Trained and skilled for implementing strategy

# Source: Survey September 2016

As shown in Table 4.7 above, 70% of data collected indicated that indeed implementers are trained and skilled for implementing new strategies and new systems. 27.5% however disagreed and 2.5% did not respond to the research question. In support Wheelwright (1973) spoke of employees training and retraining as important parts of strategy implementation process when an organization shifts to a strategy requiring different skills, managerial approaches and operating methods. Therefore, most clothing retail organizations are doing well in that regard. Truworths indicated that they invested in training. Truworths International, Zimbabwe trained 9876 employees in 133 courses (Truworths International Report 2014).

#### 4.1.7 Determining the impact of strategy implementation on organizational performance. Table 4.8: Impact of strategy implementation on company performance

	Excellent	Good	Reasonable %		Awful
	%	%		%	%
Turnover	25	19	44	13	
Sales volume	17	4	33	46	
Profitability	13	6	50	31	
Customer retention	8	29	13	42	8
Customer satisfaction	25	25	44		6
Growth	25	6	25	38	6
Market share	25	18	25	25	6
Employee job satisfaction	13	8	25	50	4
Cost reduction	13	25	31	31	
Performance average	18%	16%	32%	31%	3%

# Source: Survey September 2016

Table 4.8 showed that, according to employees the impact of strategy implementation on sales volumes is mostly ranging from reasonable to poor. Thus, 17% of respondents indicated excellent effect, 4% indicated good effect, 33% indicated reasonable and 46% indicated that strategy implementation had poor effect on sales volume. This shows ineffectiveness of strategy implementation. The downward financial trend exhibited in

tables 1.0 and 1.1 respectively confirmed the research findings that strategy implementation failed to achieve significant excellent and good results.

As shown on the table 4.8 regarding impact of strategies on profitability, 13% of respondents indicated excellent performance, 6% good performance, 50% reasonable performance and 31% poor performance. These findings highlighted that the strategy implementation was not impacting positively on profitability with 50% indicating reasonable and 31% poor.

Table 4.8 also shows the results on customer retention, 8% of the respondents indicated that the impact of strategy implementation is excellent, 29% indicated that the impact is good, 13% indicated reasonable impact, 42% indicated poor performance of strategy implementation and 8% indicated awful performance. These results imply that customer base is dwindling and strategy implementation was ineffective in that regard.

On customer satisfaction, table 4.8 showed that 13% of the respondents indicated that strategy implementation has an excellent effect, 4% indicated good effect, 33% indicated reasonable effect, 42% indicated poor impact and 8% indicated that the effect of strategy implementation on customer satisfaction is awful. On growth variable, 25% of respondents indicated excellent performance, 6% good performance, 25% reasonable performance, 38% poor performance and 6% awful performance. These findings showed that the strategy implementation had been ineffective on growth variable. On market share, 25% of respondents indicated excellent performance, 18% good performance, 25% reasonable performance, 25% poor performance and 6% indicated awful performance. The strategy implementation is not effective.

Table 4.8 shows that on employee job satisfaction 13% of respondents indicate that the strategy implementation has excellent effect, 8% of respondents indicate good effect, 25% indicated reasonable effect. The majority, 50% of respondents indicate that strategy implementation has poor effect on employee job satisfaction and lastly 4% indicate awful effect to employee satisfaction. Employees are on the interface and their satisfaction is important to enable them to deliver quality products and services. Therefore, it is important to please the internal customer first in quest of pleasing the external customers.

On cost reduction, 13% of respondents indicated excellent performance, 25% good performance, 31% reasonable performance and 31% indicated poor performance. These findings showed that although few organizations' strategy implementation might be helping in mitigating expenses, the rest it is reasonable to poor effectiveness of implementation in mitigating expenses.

On average 18% of respondents indicated that strategy implementation resulted in excellent performance in the organization, 16% indicated good, 32% indicated reasonable, 31% indicated poor and 3% of respondents indicated that strategy implementation has resulted in awful performance.

#### 4.1.8 Top Management commitment in strategy implementation

Next the researchers sought to gather data on top management commitment in strategy implementation and results were shown on Table 4.9 below.

	Tuble 197 Top checult e commentent				
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	6	25.0	25.0	25.0
	Moderate	13	54.2	54.2	79.2
	High	5	20.8	20.8	100.0
	Total	24	100.0	100.0	

Table 4.9: Top executive commitment

# Source: Survey September 2016

As shown in the Table 4.9 above, 25% of respondents indicated that top management commitment is low, 54% indicated that commitment is moderate whereas 21% indicated that the commitment is high. These findings indicated that commitment needs to be increased as the bulk of respondents' alluded commitment of top management to be moderate.

# 4.1.9 Challenging factors affecting Clothing retail outlets in Zimbabwe.

Could the economic situation prevailing in Zimbabwe be negating the strategic efforts of organizations and implementation of strategies rendering them ineffective due to the economy which has liquidity crunch and high operating costs. Data was then collected to establish the most challenging factors and least challenging factors affecting most clothing retail outlets.

# Table 4.10: Challenging factors on a scale of 1-10: 1 being the least important and 10 the most important.

	Rating 6-10	Rating 1-5
	%	%
Most customers no longer afford the outlets clothing	67	33
Stiff competition	71	29
Lack of resources such as funds (organization)	75	25

Source: Survey September 2016

As shown on the table 4.10 above, affordability of customers, competition and lack of resources seems to fall under the most challenging factors of clothing retail outlets with 67%, 71%, and 75% of the respondents respectively indicating a rating of 6-10. These are some of the challenging factors which clothing retail outlets are facing when implementing strategies. However, their planning should take cognisance of such factors during planning and implementation and to continuous evaluating implementation to check against impact of these challenges, reformulate and change course of action tactics. Results from the interviews of 4 respondents on the challenges affecting implementation of strategies also shows that poor performance of the economy and companies closing are causing high rate of unemployment affecting stop order facility of clothing retail outlets in Zimbabwe. They also cited competition very stiff from informal traders who are bringing cheap items into the market. They also revealed that inconsistent customer pay days affecting collection of debts and causing working capital problems. Cash shortages were also mentioned as one of the main challenges affecting clothing retail outlets in Zimbabwe. All these challenges have adversely affected clothing retail outlets in Zimbabwe.

## 5.0 Conclusions and recommendations

The research was based on the theory of strategy implementation and the main thrust was to evaluate the effectiveness of strategy implementation by clothing retail outlets on organizational performance. The push behind the research was the challenges faced by clothing retail outlets and the downsizing of business operations in Zimbabwe. The researchers found out that clothing retail outlets did strategic planning and they had strategies in place. However, the results revealed that some of the strategies formulated were not being implemented. The findings revealed that the strategies were shelved due to incompatibility with the environment and financial constraints. It was also noted that culture was not fully aligned to strategy implementation sometimes the challenge was resistance to change. The research also revealed that insufficient resources were not allocated to fully support the strategy implementation. Furthermore, involvement of implementers was not adequate at formulation stage. The researchers concluded that these are some of the factors that impinged on the effectiveness of strategy implementation in the clothing retail outlets. On the other hand, the research findings revealed that clothing retail outlets ensured that training was done for strategy implementers. It also emerged that environmental scanning was done before strategies were implemented. Finally, the researchers also found out that the harsh business operating environment which is characterized with liquidity problems further compounded the situation and affected strategy implementation adversely. Conclusively the study results show that strategy implementation was not effective in clothing retail outlets in Zimbabwe. This is despite the fact that strategic plans were done and strategies formulated. The following recommendations were suggested. Firstly, implementation must be considered during the formulation process, not considered later when it is too late and that only spells failure in the implementation. Implementation and formulation of strategies should not be treated in isolation, but integration should be emphasized. Environmental scanning need to be done so that red flags that threaten implementation success of individual strategy can be assessed and map the way forward. Scanning of the environment should be continuous especially in the Zimbabwean environment which turbulent and dynamic. This allows mitigation measures to be employed timely. Implementation should also be company-wide. Involving employees allows a collection of varied choices, solutions and participants. Then informed decisions are made after looking at a broader picture. This facilitates strategy ownership by the whole company and buy-in is easy. The paramount activity is to sell the strategy to everyone who matters company- wide and some stakeholders. Buy-in is necessary to support implementation. Training is also vital. Therefore, before strategy implementation skills audit has to be done and the organization has to take necessary measures to ensure that the implementers have the skills required for effective implementation. McKinsey 7s framework can be used to ensure that all elements are fully assessed. Hanlon (2008) pointed that the power of McKinsey 7s model is that it covers the key organization capabilities needed to implement strategy successfully. As discussed in literature review give all of them equal consideration. Organizations need to have sufficient funds and enough time to support implementation. Budgets have to be linked to implementation. Expenses associated with tactics have to be identified before implementation process. Room should be given for unexpected costs. Top management commitment is necessary. They should not cut themselves off from strategy soon after its formulation but should walk the talk. They should be visible during implementation. Management need to be on the ground and track the progress of implementation and also produce an on-going progress report. Culture must be aligned to implementation. Create an environment that is supportive to strategy implementation. Some changes may be necessary. Also, create an environment that make people comfortable and connects them to organizational mission. To ensure that resistance to change is minimized and there is focusing on strategy and vision reward success, thus be creative in coming up with positive and negative consequences for achieving and failing to achieve the strategy. Communication is very important. Explanations of why some actions and changes have to be instituted have to be explained to eliminate or minimize resistance. Feedback has to be given. Absence of communication can be demotivating and leads to lack of commitment. Evaluate strategies and implementation

continuously. Evaluation frequency is strongly related to implementation success. This helps to detect obstacles before any damage is made. This should be done simultaneously with environmental scanning. The researchers recommend further research to be conducted on intra-organizational factors that influence strategy implementation in the clothing retailing sector.

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