

DETERMINANTS OF EFFECTIVE STRATEGY IMPLEMENTATION IN COMMERCIAL BANK OF ETHIOPIA: THE CASE OF AMBO DISTRICT

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Abstract *This article addresses determinants of effective strategy implementation in commercial bank of Ethiopia: The case of Ambo district. The objective of the study was to look into the factors influencing the Commercial Bank of Ethiopia's Ambo District strategy's execution. The study used both descriptive and explanatory research methodologies, with a focus on CBE Ambo District workers and a sample of 290 respondents. For the investigation, both primary and secondary data were employed. The primary data was collected using questionnaires and an interviewing guide. For the analysis of the data both descriptive and inferential statistical tools were used. A range of metrics, such as percentages, means, standard deviations and frequencies, were employed. The study employed a multivariate regression model to investigate the relationship between the independent and dependent variables. The study concluded that the efficacy of the strategy implementation process in CBE, Ambo District, is greatly influenced by organisational leadership, structure, resource allocation, culture and staff dedication. In order to accomplish the intended goals and objectives, it is advised that CBE Ambo district pay attention to the strategy implementation process and the elements impacting its success. In addition, the strategy's execution procedures require sufficient money, on-going oversight and improvement for the success of the firm.*

Keywords: *Effective Strategy Implementation, Organisational Structure, Organisational Resources, Organisational Culture, Organisational Leadership and Employee Commitment*

STATEMENT OF THE PROBLEM

Empirical studies show that about 50–90% of strategies in various organisations fail to deliver their intended results, and the major reason behind this is mainly attributed to the lack of proper implementation of strategies (Bahadori et al., 2018; Scott et al., 2015; Cândido & Santos 2015; Baroto et al., 2014; Rajasekar, 2014; Verweire, 2014; Hrebiniak, 2013).

Strategy implementation is a significant challenge for managers because it involves a diverse set of activities that are difficult to manage in an unstructured manner (Verweire 2014). Senior and middle-level managers require a clear strategy implementation framework to effectively implement their strategies; otherwise, there will be confusion in prioritising and performing tasks while implementing their strategies (Hrebiniak, 2013).

The strategy implementation practices in the Ethiopian banking industry are not well documented and researched (Denberu, 2016; Tadesse, 2015). As noted by some

researchers such as Alemayehu (2019), Abagissa (2019), Kuma (2016), Tadesse (2015) and Henok (2010), most commercial banks in Ethiopia lack an effective strategy implementation framework for implementing their strategies. For example, Henok (2010), in his assessment of strategy implementation practices in the Commercial Bank of Ethiopia, stated that the lack of appropriate direction and process in strategy implementation as well as the absence of a strategy implementation procedure were the major causes of ineffective strategy implementation in the bank. Alemayehu (2019) also pointed out that the vagueness of the assignment of responsibility is the major reason for unsuccessful strategy implementation practices in an Ethiopian commercial bank. Similarly, Abagissa (2019), Guanche (2018), Kuma (2016) and Mamo and Lemma (2015) pinpointed the apparent gap in Ethiopian commercial banks in identifying and prioritising the major activities and factors that are vital for the success of strategy implementation. They noted that failure to give due attention to employees' participation while formulating and implementing their strategy, as well as misalignment of rewards with the performance management system, have

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negatively affected the strategy implementation effort in commercial banks in Ethiopia (Abagissa, 2019; Guancho, 2018; Kuma, 2016; Mamo & Lemma, 2015).

Many organisations face significant difficulties concerning strategy implementation (Hrebiniak, 2006). As the strategy moves into implementation, the primary objectives become disassociated and the initial momentum is lost before the anticipated benefits are realised. Successful implementation is a challenge that demands patience, stamina and energy from the involved managers. The key to success is an integrative view of the implementation process (Raps & Kauffman, 2005), as quoted in Gakenia (2008).

Based on the preliminary assessments made, the researcher learned that implementation of the strategy in CBE Ambo District is not smoothly practiced. During preliminary interview with some selected staffs and managers, they were unable to identify the major factors influencing their strategy implementations. This study is framed to investigate and analyse those factors that significantly affect the implementation of strategy in the Commercial Bank of Ethiopia's Ambo District and suggested ways to ensure that the bank has achieved its strategic goals.

OBJECTIVES OF THE STUDY

General Objective of the Study

The objective of this study is to analyse the effect of factors affecting strategy implementation in the Commercial Bank of Ethiopia, in the case of Ambo district.

Specific Objectives of the Study

In general, the study was considered the following specific objectives:

- To determine whether organisational structure has a statistically significant effect on the implementation strategic plan of the Bank in the District.
- To assess the impact of organisational resources on strategy implementation of the Bank in the District.
- To investigate the impact of organisational culture on strategy implementation of the Bank in the District.
- To examine if organisational leadership has a statistically significant effect on strategy implementation of the Bank in the District.
- To determine the effect of employees' commitment on strategy implementation of the Bank in the District.

HYPOTHESES

On the basis of an extensive literature review, five hypotheses were developed for the study.

Ho₁: Organisational structure has no statistically significant positive effect on CBE Ambo District's strategy implementation.

Ho₂: Organisational resources have no statistically significant positive effect on CBE Ambo District's strategy implementation.

Ho₃: Organisational culture has no statistically significant positive effect on CBE Ambo District's strategy implementation.

Ho₄: Organisational leadership has no statistically significant positive effect on CBE Ambo District's strategy implementation.

Ho₅: Employee commitment has no statistically significant positive effect on the CBE Ambo District's strategy implementation.

LITERATURE REVIEW

Introduction

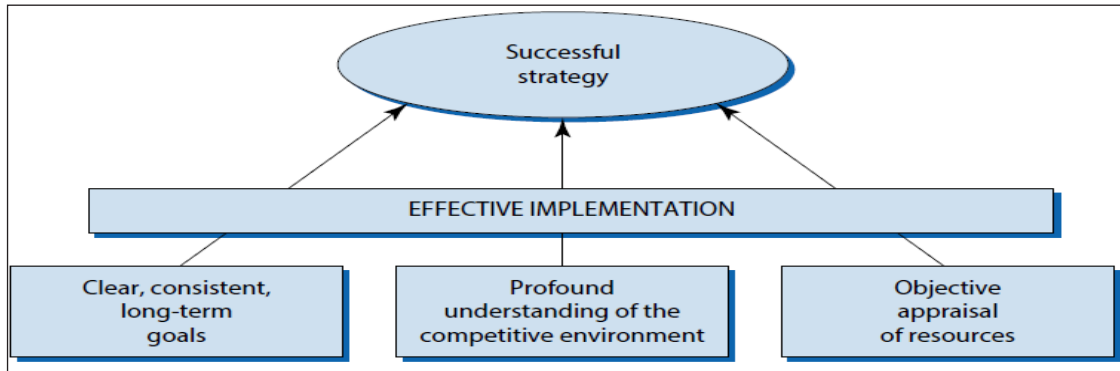
The process of transforming plans into action assignments and ensuring that these assignments are carried out in a way that achieves the plans' stated objectives is known as strategy implementation (Schaap, 2012). Planning, managing, organising, motivating, leading, directing, integrating, communicating and innovation are all part of the process of implementing a strategy, according to Higgins (2005). Implementation is the action taken within an organisation and its connections with practical knowledge and behaviour-driven human activity that necessitates executive leadership and critical managerial abilities (Schaap, 2012).

In other words, strategy implementation is the phase of strategic management during which organisational and managerial methods are employed to steer resources toward accomplishing objectives (Thompson & Strickland, 1996). Several academics concur that putting strategies into practice is a challenging endeavour. According to (Hrebiniak, 2006), making a strategy work is more challenging for a management team to do than coming up with a coherent approach. According to Thompson and Strickland (1996), implementing strategy is challenging due to the variety of managerial tasks involved, the various approaches to each task, resistance to change, the need for people management skills, the requirement to obtain commitment and the cooperation of the various parties involved.

In order to accomplish strategic goals and objectives, a chosen strategy must be translated into organisational action. According to Musyoka (2011), internal administrative tasks make up the majority of the implementation of a strategy. It entails collaborating with others, organising, inspiring and forging solid connections between strategy

and organisational operations. It also entails a process of turning the developed plans into workable operations that will produce the desired outcomes for the firm. She goes on to say that delicate and sensitive topics including resource

mobilisation, restructuring, cultural changes, technical changes, process changes, policy changes and leadership changes are all part of implementing a strategy.



Source: Robert M. Grant, 2018.

Fig. 1: Common Elements in Successful Strategies

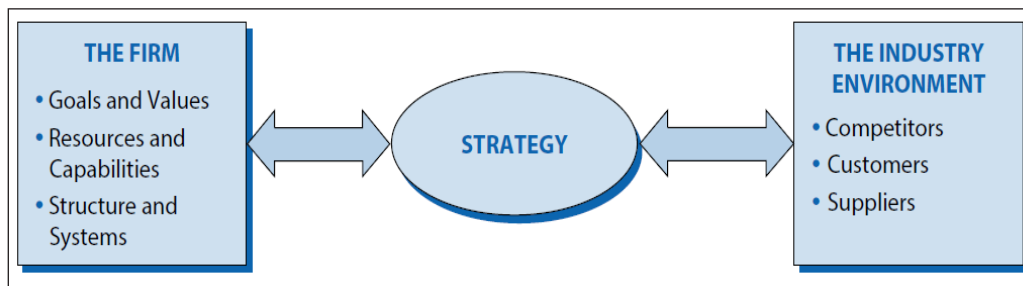
Types of Strategic Management

The strategic management concept can be implemented in various ways. Here are two of the important strategies:

SWOT Analysis

This analysis allows to examine both internal and external influences. The positive (strengths) and bad (weaknesses) features of your organisation are fundamentally internal

forces. If necessary, these variables can be altered. The main positive (opportunities) and negative (threats) external elements are those that exist outside of your firm. If necessary, these factors cannot be altered. The SWOT method aids decision-makers in determining whether an organisation’s assets and skills will be effective in the competitive environment in which it must operate and in enhancing the strategies required to succeed in this context (Grant, 2018).



Source: Robert M. Grant, 2018.

Fig. 2: The Basic Framework: Strategy as a Link between the Firm and its Environment

Balanced Scorecard

A balanced scorecard divides the performance evaluation process into four sections, or “legs,” to assist you identify the areas of your firm that need development. These are the following: customer viewpoints, business processes, learning and growth and financial data. This process can produce timely reporting methods that display all firm growth-related facts (Grant, 2018).

CONCEPTUAL FRAMEWORK

Conceptual framework is a diagrammatical representation that shows the relationship between dependent and independent variables. Fig. 3; depicts the relationship between factors influencing implementation of strategic plans such as strategic organisational structure, organisational resources, organisational culture, organisational leadership, employee commitment and effective strategy implementation.

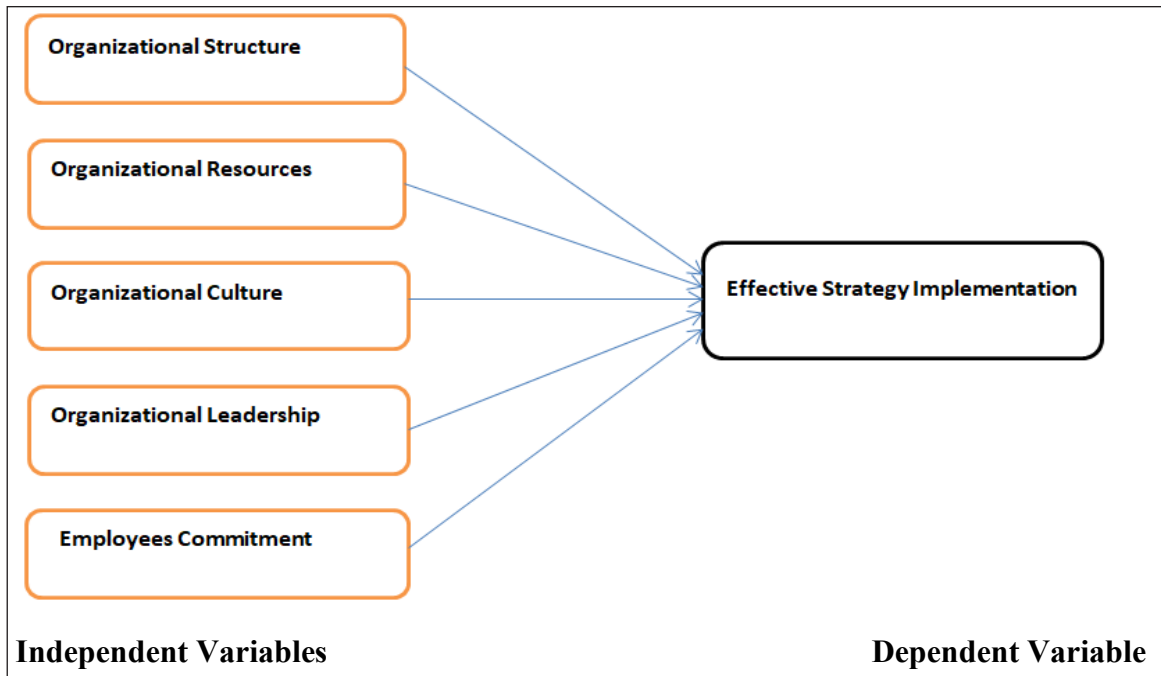


Fig. 3: Conceptual Framework

RESEARCH METHODOLOGY

Study Area

Ambo District, one of the areas in the commercial Bank of Ethiopia, was the subject of the study. It specifically covers the commercial bank of Ethiopia branches in Ambo District specifically in oromia regional state's west showa and south west showa zones.

Research Design

The aim of the study is to analyse factors affecting strategy implementation in Commercial Bank of Ethiopia in Ambo District. According to Y. K. Singh (2006), research design is essentially a statement of the object of the inquiry and the strategies for collecting the evidence, analysing the evidence and reporting the findings. This depends on the type of research design to be selected. In order to capture the logical structure of the study, the researcher used both a descriptive and explanatory research design. Descriptive research studies are those studies that are concerned with describing the characteristics of a particular individual or group (Kothari, 2004). Cooper and Schindler (2006, as cited in NJAGI, 2014) argue that a descriptive research design seeks to identify the what, how and where of a phenomenon. To this end, descriptive and explanatory design were used to describe and explain each variable independently.

Research Approach

The data used were both quantitative and qualitative in nature. Now a day's mixed method is considered as a tool to triangulate the result of single approach through multiple methods (Johnston, 2010). A quantitative method was being chosen because it is thought to be an efficient way of gathering large data sets and comprehensive issues in a short period of time. Ngwenya, (2010), While the qualitative method selected based on the assumption that it enables the researcher to generate meanings and phenomena within the real context of the research participants and to fill the gap left by the quantitative one (Kothari, 2004). The research design is important because it intends to gain immediate knowledge and information. Therefore, the research design (both descriptive and explanatory) is appropriate for this study, as it explores all the necessary information with regard to the research objectives.

Target Population

The target population for the study were the managers and employees of the Commercial Bank of Ethiopia in Ambo District. That is the target population includes a total of 1055 employees working in CBE Ambo District.

Sampling Techniques

The population of the study were permanent employees and key informants were managers and employees of the

Commercial Bank of Ethiopia in Ambo District. The study was employed convenient sampling, purposive sampling, stratified sampling and Stratified Random Sampling techniques. That is, Ambo District is selected by using convenient sampling, the five key informants among the managers and employees of the Commercial Bank of Ethiopia in Ambo District were selected using purposive sampling. Whereas the branches in the district were selected by stratified sampling in which the strata's are Grade I,

Grade II, Grade III and Grade IV respectively. Moreover; the 290 respondents were selected by using Stratified Random Sampling techniques to capture key population characteristics in the sample. According to Field (2005), whenever it is impossible to access the entire population, it is possible to collect data from a sample and use the behaviour within the sample to infer about the behaviour of the entire population. Field also states that the bigger the sample size, the more likely it reflects the whole population.

Table 1: Stratified Random Sampling from CBE Ambo District Employees

S.No	Branches in Strata	Population	Percentage	Sample
1	Grade I	463	43.88%	127
2	Grade II	248	23.51%	68
3	Grade III	280	26.54 %	77
4	Grade IV	64	6.06%	18
5	Total	1055	100%	290

Source: Own computation, based on data collected from CBE Ambo District (2023).

Sample Size Determination

A sample is a part of the population selected to represent the population as a whole. Ideally, the sample should be representative and allow the researcher to make accurate estimates of the characteristics and behaviour of the larger population. If the sample size is too small, the objectives of our analysis may not be addressed precisely. As a result, in order to obtain good representative data, an appropriate sample size must be used. The total population of the study is 1055 that is all employees of CBE in Ambo District. For this study, the researcher will use the Yamane (1967) formula with a 95% level of confidence and a 5% acceptable error to determine the sample size, as shown below:

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

Where

N = is the total population

n = is the sample from the population

e = is the error term, which is 5% (i.e. at 95% confidence interval)

Using the above formula the simple size of the study is determined as:

$$n = \frac{1055}{1 + 1055(0.05)^2} = 290$$

Therefore, based on the above formula the total sample size of the study obtained as 290 which is 27.488% of the total population (290/1055= .27488).

Sources of Data and Data Collection Techniques

The main sources of the data were both primary and secondary sources. The primary sources of data gathered through a questionnaire and an interview with the management and employees of CBE that are found in the Ambo district. To strengthen the primary data, secondary sources were collected through an extensive review of published and unpublished documents. In addition, other key documents, such as national policies and academic journals related to the study objectives, were reviewed to strengthen the quality of the study's findings.

The questionnaire used five-point Likert scale ratings (strongly agree = 5, agree = 4, undecided = 3, disagree = 2 and strongly disagree = 1). Closed questionnaires administered to 219 respondents. The reason for the selection of a questionnaire is that it helps in procuring extensive data at a reasonable cost. It can be used economically to collect data from a large number of people and to cover wide geographical areas. Also, it is best to get a response in a relatively short time.

Furthermore, semi-structured interviews were conducted with five (five) managers and employees in order to improve the reliability of information. It is a widely used method of securing information. It is also used to gather objective facts or subjective data as a means of checking the reliability of data collected by other means, such as a questionnaire. In general, an interview is chosen because it is a flexible method of gathering information; the nature of the questions to be asked and the techniques of questioning can be easily adjusted to suit the circumstances of each case; and it provides a first-hand mental perception of facts and

opinions, which often sheds much light on the reliability of answers given to questions. Misunderstandings can be cleared up through personal conversation so that the replies given are more accurate. This can be done in an informal manner and is often helpful in providing information that cannot be formally obtained.

Data Analysis Techniques

Both descriptive and inferential statistics were used in analysing the data. The primary data collected through a questionnaire and interview were analysed using both descriptive statistics and inferential statistics. Descriptive statistics were employed by using mean, percentage, standard deviations and frequency to assess factors affecting strategy implementation in CBE Ambo district. Furthermore, using appropriate statistical tools such as Pearson’s correlation and multiple regression analysis, we can infer from the data the relationship between two or more variables and how several independent variables might explain the variance in a dependent variable. SPSS 26.0 used to perform the analysis of quantitative data. That is, the researcher further employed a multiple regression model to study the effect of organisational structure, organisational resources, organisational culture, organisational leadership and employee commitment on effective strategy implementation. The research deemed the regression method to be useful for its ability to test the nature of the influence of independent variables on a dependent variable. Therefore, the researcher used linear regression analysis to analyse the data.

Model of Specification

The model of specification indicates the direction of arrows connecting the variables in the model. Based on these, the study was modelled by this multiple linear regression equation:

$$ESPI = \beta_0 + \beta_1 * S + \beta_2 * R + \beta_3 * C + \beta_4 * L + \beta_5 * EC + \epsilon$$

Where,

ESPI - Effective Strategy Implementation (Dependent variable)

S - Organisational Structure (independent variable)

R - Organisational Resources (independent variable)

C - Organisational Culture (independent variable)

L - Organisational Leadership (independent variable)

EC - Employees Commitment (independent variable)

β_0 - is a constant

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ are the coefficients of the independent variables

ϵ - Error term

INFERENCE STATISTICS

Correlation Analysis

The results of inferential analysis confirms that strategic plan implementation in CBE Ambo District where influenced by several factors such as organisational structure (S), organisational resources (R), organisational culture (C), organisational leadership (L) and Employee Commitment (EC). Correlation analysis was performed to measure the degree of relationship between the factors affecting strategic plan implementation in the district. Based on the Table 2 below results of Pearson’s correlation analysis indicated a statistically significant positive association between independent variables (organisational structure, organisational resources, organisational culture, organisational leadership and Employee Commitment) and dependent variable (Effective Strategic plan Implementation).

A significant positive correlation exists between organisational structure and effective strategic plan implementation ($r = 0.747$; $p < 0.05$).

A significant positive correlation exists between organisational resources and effective strategic plan implementation ($r = 0.704$; $p < 0.05$).

A significant positive correlation exists between organisational culture and effective strategic plan implementation ($r = 0.590$; $p < 0.05$).

A significant positive correlation exists between organisational leadership and effective strategic plan implementation ($r = 0.554$; $p < 0.05$).

A significant positive correlation exists between employee commitment and effective strategic plan implementation ($r = 0.395$; $p < 0.05$).

Table 2: Correlation Analyses

		Correlations					
		ESPI	S	R	C	L	EC
ESPI	Pearson Correlation	1	.747**	.704**	.590**	.554**	.395**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	265	265	265	265	265	265
S	Pearson Correlation	.747**	1	.708**	.404**	.823**	.409
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	265	265	265	265	265	265

Correlations							
		ESPI	S	R	C	L	EC
R	Pearson Correlation	.704**	.708**	1	.777**	.445**	.523**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	265	265	265	265	265	265
C	Pearson Correlation	.590**	.404**	.777**	1	.351	.865**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	265	265	265	265	265	265
L	Pearson Correlation	.554**	.823**	.445**	.351	1	.284**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	265	265	265	265	265	265
EC	Pearson Correlation	.395**	.409	.523**	.865**	.284**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.
	N	265	265	265	265	265	265

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

Source: Survey data (2023).

As shown on the above Table 2 the factors affecting Strategic plan implementation (organisational structure, organisational resources, organisational culture organisational leadership and employees’ commitment) all the variables were significantly positive and correlated among each other. The study also confirms that organisational structures were found to be strongly related to effective strategic plan implementation. Organisational resources also found to be strongly correlated to effective strategic plan implementation. The studies also revealed that organisational culture also significantly influence and have positive relationship with strategic plan implementation. On the other hand, there is strong positive correlation between organisational leadership and effective strategic plan implementation. Besides; the results of the study shows that employee commitment were strongly and positively correlated with effective strategic plan implementation. Therefore; from the correlation result we can infer that there is a positive and significant correlation among all the variables.

Regression Analysis

To determine empirically the relationship between the factors affecting strategic plan implementation and effective strategy implementation multiple regressions was conducted. It tells that how much each independent variable has an impact or relationship with the dependent variable. The following common assumptions were taken in to account.

Table 3: Variables Entered and Removed

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	EC, S, L, R, C ^b	.	Enter

a. Dependent Variable: ESPI.
b. All requested variables entered.

Source: Survey Result 2023.

As we can see from the above Table 3, all independent variables were entered. Besides; there is no independent variable were removed.

Multi Collinearity test

The assumption assumes that independent variables are not highly correlated with each other. The assumption is tested by Variance Inflation Factor (VIF) statics as follows:

Table 4: Multi Collinearity

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Organizational Structure	.166	6.030
	Organizational Resources	.204	4.903
	Organizational Culture	.104	9.585
	Organizational Leadership	.175	5.699
	Employees Commitment	.138	7.245

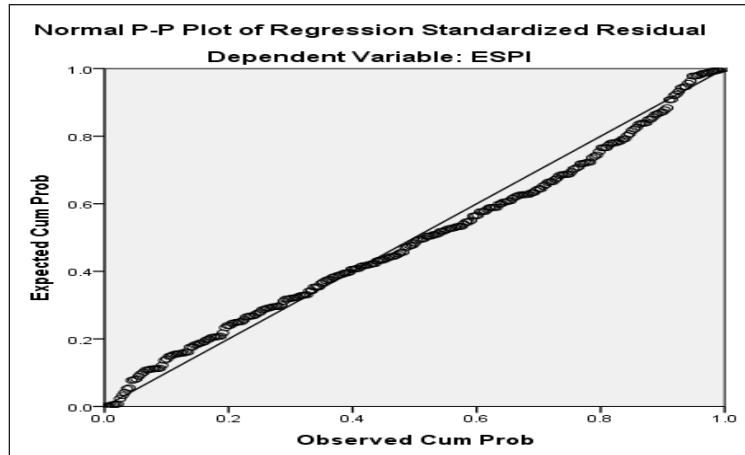
a. Dependent Variable: Effective Strategic Plan Implementation.

Source: Survey Result 2023.

As a principle when VIF is less than 4 there is no multi collinearity, when VIF is between 5 and 10 there is little multi collinearity and it is accepted. However, if VIF greater than 10 there is multi collinearity problems. The above Table 4 shows that all VIF is less than 10. This implies that there is no multi collinearity problem. From this it can be generalised those independent variables of the study are not highly correlated with each other.

Normality Test

The following figure shows the frequency distribution of the standardised residual compared to normal distribution. As we can see in the Fig. 4 below, the data points are close to the diagonal line confirming that there is normality i.e. the data is normal.



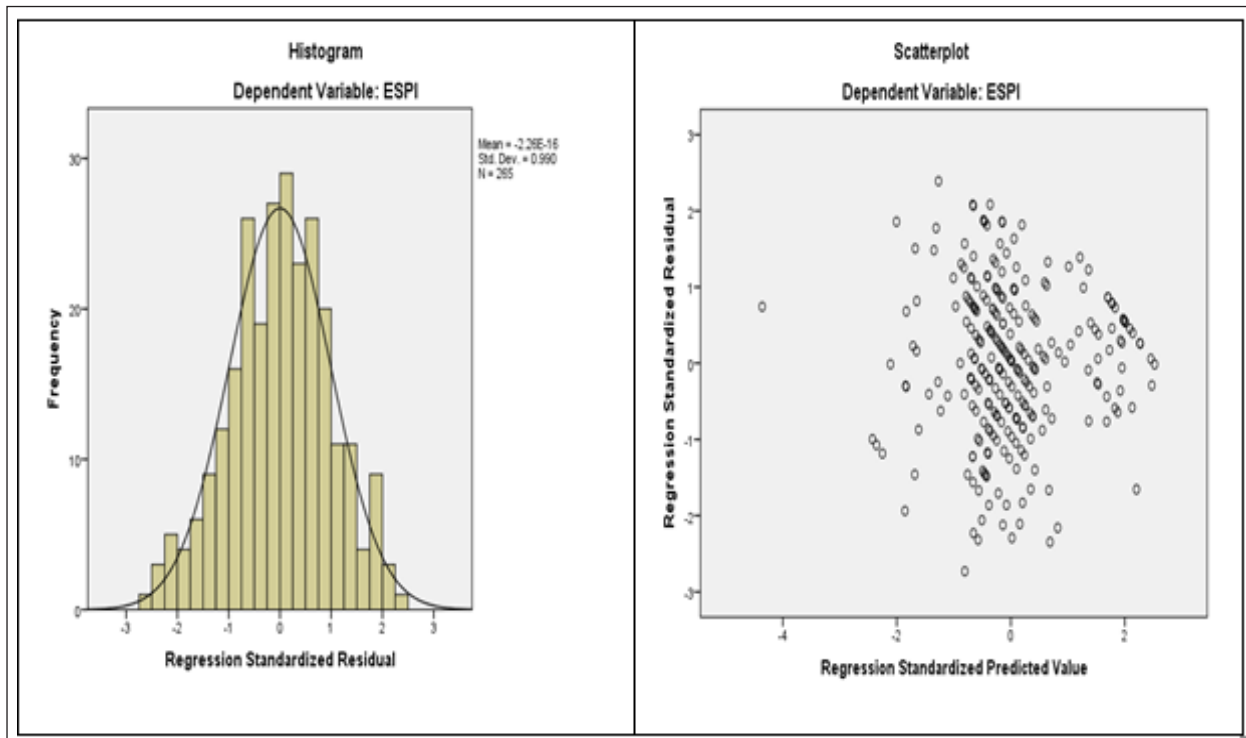
Source: Survey Result 2023.

Fig. 4: Normal P-P Plots

As indicated from the above Fig. 4, the data points are close to the diagonal line confirming that there is normality.

Linearity Test

As we can see from the histogram and scatterplot on the Fig. 5 below there is no linearity problem.



Source: Survey Result 2023.

Fig. 5: Histogram and Scatterplot

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.911 ^a	.830	.826	2.91721

a. Predictors: (Constant), EC, S, R, L, C

Source: Researchers Survey (2023).

The regression result explores the necessary indicators of the effectiveness of strategic plan implementation by using the variables identified in the model. As the regression output above indicates, the correlation coefficient is (R=0.911). This implies that the independent variables are very strong and good predictors of the dependent variable (effective strategic plan implementation). Coefficient of determination/square of correlation coefficient (R²=0.830) is the proportion of variance in the dependent variable (effect) that can be

explained by the independent variables (predictors). This implies that about 83% of the changes in the strategic plan implementation could only be explained by independent variables (organisational structure, organisational resources, organisational culture, organisational leadership and employee commitment), whereas the rest 17 % of the change in effectiveness of strategic plan implementation could be explained by other variables not included in the model of the study.

Table 6: ANOVA

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10735.683	5	2147.137	252.305	.000 ^b
	Residual	2204.113	259	8.510		
	Total	12939.796	264			
a. Dependent Variable: ESPI.						
b. Predictors: (Constant), EC, S, R, L, C.						

Source: Researchers Survey (2023).

As stated on the above Table 6, the researcher was determined to test whether the overall regression model was a good fit for the data. To verify this, Analysis of Variance (ANOVA) was undertaken. Therefore, the results of ANOVA test which shows that the combined independent variables have significant effect on the effectiveness of strategic plan implementation. This can be explained by high F values (252.305) and low p values (0.000) which are less than

5% level of significance. This implies that the regression model was a good fit of the data. Moreover, ANOVA results shows that organisational structure, organisational resources, organisational culture, organisational leadership and employee commitment all together had influence on the effectiveness of strategic plan implementation in the case of CBE Ambo District.

Table 7: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.671	1.050		5.400	.000
	S	.398	.086	.398	4.598	.000
	R	.031	.048	.050	.640	.023
	C	.061	.078	.085	.779	.037
	L	.142	.040	.295	3.510	.001
	EC	.235	.066	.335	3.535	.000

Source: Researcher Survey (2023).

According to the above regression result, effective strategic plan implementation of CBE Ambo district can be accurately predicted from organisational structure, organisational resources, organisational culture, organisational leadership and employee commitment. The coefficients from the above Table 7 reveals that the independent constructs contribute significantly to the dependent constructs at 0.05 level of significance.

As indicated in the previous section, the regressions function;

$$ESPI = \beta_0 + \beta_1 * S + \beta_2 * R + \beta_3 * C + \beta_4 * L + \beta_5 * EC + \epsilon$$

was proposed and applied to further explain the regression analysis results

Where

ESPI -Effective strategic plan implementation

β_0 - represents a constant

$\beta_1, \beta_2, \beta_3, \beta_4$ & β_5 are the regression coefficients of the independent variables

S - Organisational Structure

R - Organisational Resources

C - Organisational Culture

L - Organisational Leadership

EC - Employees Commitment

ε - Represents Error of Margin

Based on the regression result depicted in Table 7, the regression findings were explained and interpreted as;

$$ESPI = \beta_0 + \beta_1 * S + \beta_2 * R + \beta_3 * C + \beta_4 * L + \beta_5 * EC + \varepsilon$$

Becomes:

$$ESPI = 5.671 + 0.398 * S + 0.031 * R + 0.061 * C + 0.142 * L + 0.235 * EC + \varepsilon$$

Moreover, the result of regression analysis presented in above Table 7 shows the relative importance of each predictor variable using beta weights. Based on the regression coefficients result we can infer the following outcome which depicts that by how much amount each independent variable affects the dependent variable:

- The regression equation above has established that taking all factors into account (Organisational structure, Organisational resources, organisational culture, organisational leadership and employees commitment) constant at zero, effective strategic plan implementation will be 5.671.
- A 1% improvement in organisational structure will be accompanied by 39.8% increment on strategic plan implementation effectiveness.
- A 1% improvement in organisational resources allocation practice results in an increase of strategic plan implementation effectiveness by 3.1%.
- A 1% increase in organisational culture practice results in an increase of strategic plan implementation effectiveness by 6.1%.
- As 1% rise in organisational leadership practice it increases strategy implementation effectiveness by 14.2%.
- A 1% improvement in employee commitment results in an increase of strategy implementation effectiveness by 23.5%.

This infers that organisational structure contributes most to the effectiveness of strategic plan implementation. At 5% level of significance, organisational structure had a 0.000 level of significance; organisational resources showed a 0.023 level of significance and organisational culture showed a 0.037 level of significance, organisational leadership showed a 0.001 level of significance and employees commitment 0.000 level of significance hence the most significant factor is organisational structure.

HYPOTHESIS TESTING

Hypothesis One

Ho₁: Organizational structure has no statistically significant positive effect on the District's strategy implementation.

As shown on the above Table 7, organizational structure had a regression coefficient of 0.398 and also the p-value for organisational structure was found to be 0.000 which was less than the significant level of 0.05, ($p < 0.05$).

Thus, the null hypothesis was rejected while the alternative hypothesis was accepted. Thus study draws an inference that organisational structure had a significant effect on the implementation of strategic Plans at CBE Ambo District. Similarly; According to Chijiok, Minh, Helena and Olatunji (2019) their research output shows that organisational structure and implementation of strategic plan in Nigeria mobile telecommunication firms is positively and significantly correlated.

Hypothesis Two

Ho₂: There is no statistically significant positive effect of organisational resources on the District's strategy implementation.

As shown the above Table 7, organisational resources had a regression coefficient of .031 and also the p-value for organizational resources was found to be 0.023 which was less than the significant level of 0.05, ($p < 0.05$).

Thus, the null hypothesis was rejected while the alternative hypothesis was accepted. Thus study draws an inference that organisational resources had a significant effect on the implementation of strategic Plans at CBE Ambo District. Likewise; According to Karari, Peter and Jane (2017) their regression output shows that organisational resources and implementation of strategic plan in high growth firms in Kenya is positively and significantly related.

Hypothesis Three

Ho₃: There is no statistically significant positive effect of organisational culture on the District's strategy implementation.

As shown on the above Table 7, organisational culture had a regression coefficient of 0.061 and also the p-value for organisational culture was found to be 0.037 which was less than the significant level of 0.05, ($p < 0.05$).

Thus, the null hypothesis was rejected while the alternative hypothesis was accepted. Thus the study draws an inference that organisational culture had a significant effect on the

implementation of strategic Plans at CBE Ambo District. Likewise; According to Nduati, Kariuki and Wanjohi (2022) their regression output shows that organisational culture and implementation of strategic plan in small manufacturing firms is positively and significantly related.

Hypothesis Four

Ho₄: There is no statistically significant positive effect of organisational leadership on the District's strategy implementation.

As shown on the above Table 7, organisational leadership had a regression coefficient of 0.142 and also the p-value for organisational leadership was found to be 0.001 which was less than the significant level of 0.05, ($p < 0.05$).

Thus, the null hypothesis was rejected while the alternative hypothesis was accepted. Thus study draws an inference that organisational leadership had a significant effect on the implementation of strategic Plans at CBE Ambo District. Similarly; According to Nduati, Kariuki and Wanjohi (2022) their regression output shows that organisational leadership and implementation of strategic plan in small manufacturing firms is positively and significantly related.

Hypothesis Five

Ho₅: Employee commitment has no statistically significant positive effect on the District's strategy implementation.

As shown on the above Table 7, Employee commitment had a regression coefficient of 0.235 and also the p-value for employee commitment was found to be 0.000 which was less than the significant level of 0.05, ($p < 0.05$).

Thus, the null hypothesis was rejected while the alternative hypothesis was accepted. Thus study draws an inference that Employee commitment had a significant effect on the implementation of strategic Plans at CBE Ambo District. Similarly; According to Chijiok N., Minh V., Helena C. and Olatunji F. (2019) their research output shows that employee commitment and implementation of strategic plan in Nigeria mobile telecommunication firms is positively and significantly correlated.

ANALYSIS OF QUALITATIVE DATA

The CBE Ambo District is successfully implemented its strategy, however not entirely (100%). The primary strategies include the strategies for resource mobilisation, digitisation, loan schemes, deposits, new product, profit and service excellence. There are occasionally good attempts and advancements, but there are still significant shortcomings in the CBE Ambo District's ability to effectively implement strategy. For instance; customers did not bring all their

money to save at CBE Ambo District branches for a number of reasons, including the desire to invest in fixed assets like real estate and homes. Further; obstacles include a shortage of manpower in some branches, a lack of employee commitment, environmental concerns and a structure that is not aligned with the strategy to some extent. These obstacles make it difficult to implement the strategy effectively.

The most frequent factors that have an impact on strategy implementation in CBE Ambo District are a lack of manpower, communication problems, facility issues (such as computer, photocopy and counting machine problems), low-quality devices, environmental challenges, political term oil, season also matters because deposit is seasonal, unskilled manpower with respect to ICT, lack of internet service in some branches, unavailability of power and power outages as well as interruptions in both internet service and electric power.

It is obvious that CBE Ambo District may gain from having workers who possess good strategic thinking abilities in a variety of ways. Some of these are giving clients quality service, raising deposit of the bank and improving customer satisfaction at all level. For instance, if the employees are aware of the meaning of profit, they will be able to quickly increase the bank's profit. Also, it would make it easier to mobilise resources and support the bank in delivering high-quality services. Moreover, it makes it easier to offer services like merchant edgent services, CBE birr, ATM and mobile banking. In general, having staff members with good strategic thinking abilities aid the bank in quickly and cheaply implementing its strategy.

Presently, the bank uses a variety of methods to inform teams and other departments within the CBE Ambo District about the implementation of its strategy. The CBE portal, Outlook, Oracle, Inter-Memorandum, Email, Gieom, Letter, Meeting, Digital Technology, FCT as well as Oral Communication are some of the mechanisms that can be used to communicate the plan.

The loan strategy, the duplication of services on several menus, the use of the same technology across different market segments and the communication strategy are all things that need to be altered in relation to the existing strategy execution methods in CBE Ambo District. For instance, compared to private banks, the loan strategy in the CBE Ambo District is more restrictive and birocratic, which causes clients to switch to other banks. The other is the repetition of services across different menus, such as the services on CBE birr menu are also available on the mobile banking menu. Also, I believe it is wise to deal with the problem of market segmentation because there are many sorts of clients we have. For instance, technology designed for educated customers might not be appropriate for uneducated customers. However, in certain instances, strategy is not communicated to employees as

early as it should be, making it challenging to implement the plan without understanding of it. In general, manual passbooks, manual saving and manual withdrawal are some of the items that need to be modified with reference to the current plan implementation procedures in the CBE Ambo District. Passbook and saving must be automated as a result for the strategy to be effectively implemented.

The Bank benefits greatly from government ownership in terms of executing its strategy. For instance, if we consider the Grand Ethiopian Renaissance dam is a government project; many initiatives in the Ethiopian setting come from the government side. Hence, in order to raise funds, the government sold Bond to the people of Ethiopia thus the bond brought money or resources to the bank easily. The other government employees receive their salaries from CBE, which made it simple for the bank to quickly create money accounts and resources within a short period of time. Also, when investors arrive to Ethiopia, the government sends a letter to CBE; this aids the bank in more easily acquiring resources and clients. In general, the benefits of having government ownership in terms of strategy execution are that it encourages the opening of new accounts easily, for example, most government employees receive their salaries through CBE, which means that it enforces the opening of new accounts, enforces deposit, attracts foreign direct investment and the majority of foreign currency is received through CBE. Also, working with more than 800 hundred international organisations and offering services at the worldwide level are some of them.

The government's ownership of the bank has some impact on how successfully a strategy is implemented. Importers and exporters fear bringing all of their money to CBE because they think their tax obligations may grow as a result. The other CBE complies with all national bank of Ethiopia norms and regulations, but private banks occasionally break them, particularly when it comes to foreign exchange rates, which can vary significantly. Also, it might be difficult to adjust to new structures as they alter in the CBE Ambo District. Moreover, bonus payments for employees in CBE Ambo District were late as compared to Private Banks which demoralises the employees.

SUMMARY, CONCLUSION AND RECOMMENDATION

Summary of Finding

- This study revealed that there is positive and significant relationship between independent variable organisational structure and strategy implementation. Also, the regression analysis confirmed that among independent variables hypothesised/tested, organisational structure factor has significant impact ($R=0.911$) on dependent variable (effective strategic plan implementation).
- From the results of the study, it can be realised that there is strong positive and significant relationship between organisational leadership and strategy implementation in CBE Ambo District.
- The findings of the study also verified that there is positive and significant relationship between organisational resources and strategy implementation in CBE Ambo District.
- The study found that there is positive and significant association between organisational culture and strategy implementation in CBE Ambo District. From this it can be generalised there is statistically significant relationship between organisational culture and strategy implementation in CBE Ambo District.
- The results of the study signify that employee's commitment is strongly positively correlated with strategy implementation in CBE Ambo District.
- The results of the interview also verified that there is a positive relationship between all independent variables and dependent variable (effective strategic plan implementation).
- In general, the findings of this study show that the almost all independent variables have positive relationship with strategy implementation in the case of CBE Ambo District.

Recommendation

- The Bank should maintain strong and stable working culture that helps employees' to enhance commitments toward strategic plan implementation.
- The Bank must have its own model that guides how best the strategic plan will be implemented, monitored and evaluated.
- There must be skilled man power with respect to ICT in the District in order to implement strategy effectively.
- The manual passbooks, manual saving and manual withdrawal should be automated in order to implement strategy effectively.
- Strategy should be communicated to employees as early as possible.
- There must be accountability at each managerial level to develop ownership during the strategic plan implementation.
- The structure in place should enable employees to participate in decision-making and, as a result, enables the workers to feel included in the process of plan implementation.

- I advise Leaders in the District should motivate employees and also encourage the building of shared behaviour, vision, mission and values among the employees.
- The Bank should provide training to Employees on the factors affecting strategy implementation in order to achieve sustained performance through personal growth, values-based leadership and planning to ensure successful strategy implementation.

Suggestion for Further Studies

- Challenges facing effective execution of strategic plans in Ethiopia (both in government and NGOs).
- Relationship between strategic plan and strategic plan implementation of organisations in Ethiopia.

Limitation of the Study

- The study is more of quantitative in nature.
- The study addresses only the case of CBE Ambo District.

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