Mediating Effect of Organization Resources on the Relationship between Strategy Implementation and Performance of Devolved Ministries among Selected Counties in Northern Kenya

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Abstract

The study investigated the mediating effect of organization resources on the relationship between strategy implementation and performance of devolved ministries among selected counties in Northern Kenya. A descriptive research design was adopted in this study. The population was the county ministries in both Marsabit and Isiolo Counties. There are a total of 56 departments in all the 10 ministries of Marsabit County, while in Isiolo County; there are a total of 32 departments in all the 6 ministries. Therefore, the study targeted 88 departments in both counties. A survey was conducted since the population was small. Therefore, 88 department heads were surveyed. Primary data was collected through closed-ended questionnaires. Descriptive statistics including frequencies, percentages, means and standard deviations were used. Further, inferential statistics including correlation and regression analysis were also used to test the relationship between independent and dependent variables. Linear regression models were used to link relationship between dependent and independent variables. The study findings indicated that strategy implementation and performance of devolved ministries related significantly. However, organisational resources did not relate significantly to neither strategy implementation nor performance of devolved ministries. Therefore, the study established no mediation effect of organisational resources on the relationship between strategy implementation and performance of devolved ministries. Further observations indicate that organisational resources augmented the effect of strategy implementation on performance of devolved ministries. This was contrary to the envisaged diminishing effect of organisational resources as a mediator. The study therefore recommends that further research should consider organisational as a moderator rather than a mediating variable. Based on the findings, the study recommends that devolved ministries in Marsabit and Isiolo Counties need to improve their strategy implementation aspects as this was significantly related to their performance. The study provides valuable contributions in the devolved ministries and may inform policy formulation on strategy implementation in institutions.

Keywords: *Organization Resources, Strategy Implementation, Performance, Devolved Ministries.*

1.0 INTRODUCTION

1.1 Background of the Study

Globally, devolution is a central initiative by Governments that wish to take economic resources and political powers to the lower community level thereby bringing services and development close to its citizens. Many governments globally are characterized by devolution (Rodriguez-Pose & Gill, 2003). It involves devolving of functions, like decision making, finance and management, from the national government to the County governments (Simiyu & Mweru, 2014). Among the most important arguments on devolution and decentralization is that it enhances economic efficiency by optimizing information flow, bring public services closer to the people and reduce development cost. Furthermore, devolution creates democratic space for institutions of governance to thrive (Dewees, Lobao & Swanson, 2003). Evidently, devolution aims at enhancing sustained organizational performance.

In Africa, countries such as South Africa has customarily had a central government framework. This was prompted by the need to actualize politically-sanctioned racial segregation at local government level (Cameron, 1995). In the 1980s the National Party (NP) government discarded some customary politically-sanctioned racial segregation standards and adopted certain restricted changes. In particular, a devolved government system was proposed. The real principle supporting the new system was the need to decentralize power.

A total of 47 Counties were created by the Kenyan constitution, each with its identity or county administration. These county administrations are made up of county lawmakers and representatives. Decentralization and local governance in Kenya received a favorable boost in 2010 when Kenyans voted in a referendum for a landmark 2010 constitution with an affirmative majority of over two-thirds. The constitution recognizes, among other things, people's sovereignty and enshrines a Bill of Rights. Devolution is the transfer of governance power and resource management to the counties. The devolved governments are expected to have a strategic plan and to work towards its implementation (Barasa, Manyara, Molyneux & Tsofa, 2017).

1.2 Statement of the Problem

The strategic plan is the county government ministries guideline for ensuring development effectiveness and it is aimed at aligning the ministries development priorities, expected outcomes and general results, with budget levels. In revising the strategy implementation, the county government ministries employ participatory approach, relying on the consensus of stakeholder groups, including civil society, the private sector and donor partners. As a government requirement, strategy implementation has to be linked to the Medium-term expenditure framework's budget process; as well as to human resource planning. This will ensure both financial sustainability and human capacity to facilitate successful adoption and implementation. Ideally these plans should provide direction in regard to resource targeting and program implementation (GoK, 2015). Strategic management process is a new concept in the public sector in Kenya not to mention the county ministries.

However, there have been concerns expressed by the stakeholders in Marsabit and Isiolo Counties and a large proportion of the public concerning inadequate strategic planning implementation in the county government ministries. This can be exemplified by low delivery of services in the county government ministries and slow implementation of government policies. Despite having strategy implementation for a period of five years, the county

ministries have not fully realized their vision of being excellent in management for sustainable development in the two counties.

Previous studies have examined the concept of strategy implementation. For example, Zumitzavani and Udchachone (2014) examined the influence of leadership styles on organizational performance in hospitality industry in Thailand. Mshelia (2017) study examined the Effect of Working Capital Management on the performance of small and medium enterprises (SMEs) in Nigeria. Oanda (2013) investigated challenges of strategy implementation in Private Security Companies in Kenya. Chiuri (2015) investigated the challenges of strategy implementation in Higher Education Institutions (HEIs) in Kenya. Achayo (2016) sought to investigate the factors influencing performance management at the national government of Mumias Sub County.

However, none of the reviewed studies have focused on performance of devolved ministries in Marsabit and Isiolo counties. This study sought to fill the existing contextual and conceptual gaps by investigating the mediating effect of organization resources on the relationship between strategy implementation and performance of devolved ministries among selected counties in Northern Kenya.

1.3 Objectives of the Study

1. To determine the relationship between strategy implementation and performance of the devolved ministries among selected counties in Northern Kenya.
2. To determine the relationship between strategy implementation and organization resources in the devolved ministries among selected counties in Northern Kenya.
3. To determine the relationship between organization resources and performance of the devolved ministries among selected counties in Northern Kenya.
4. To determine the mediating effect of organization resources on the relationship between strategy implementation and performance of the devolved ministries among selected counties in Northern Kenya.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 The General Systems Theory

According to Chen and Stoup (1993), the General Theory (GST) emerged from the works of an Austrian biologist Ludwig von Bertalanffy in 1930's. The theory studies the structure and properties of a system in terms of relationships and interdependencies among various components from which the properties of the whole emerge. The system theory also views the world in terms of relationships and integration and emphasizes the principle of organization.

Bank, Carson and Nelson (1996) define a framework as a gathering of items that are combined in some general connection or relationship toward the achievement of some reason. This suggests a framework is comprised of various segments that cooperate in a regular relationship to accomplish a common goal. The system components include entities, objects of interest within the system, attributes, or defining properties of entities, states of the system's collective descriptive variables at a given time, activities taking place at a given time, and events that have the potential to change the state of the system (Bank et al., 1996).

National government ministries qualify as open systems and within an organization as a system; there exist subsystems like human resource, administrative, management information systems, social-technical, structural and others (Swanson & Holton, 2001). The common features of a system include the systems boundary, its external environment, and sensitivity to disturbances both within and outside the system.

From a systems theory point of view, successful strategy implementation requires a well-coordinated effort and harmonious interactions among various components of an organization (Swanson & Holton, 2001). The leadership component in an organization alone may not succeed in strategy implementation effort without creating proper structures and ensuring active participation of other subsystems like human resources (people), social-technical and information subsystem. Moreover, organizations must also continuously interact with the dynamic environment to obtain the required resources that drive implementation of a strategy to success.

The general theory asserts the interrelatedness of components of an organization, and that changing one component of an organization brings changes to other components (Torraco, 2005). In this regard, the theory gives insight to our discussion on correlation between strategy implementation, organizational resources and performance in the selected devolved ministries. In particular, the theory explains strategy implementation variable.

2.1.2 Resource-Based View Theory

The theory as explained by Wernerfelt (1984), states that it is possible to achieve competitiveness by ensuring superior services are delivered to customers. The main emphasis of the extant literature is the strategic capability of the way in which resources are used to achieve a target of the company (Borg & Gall, 2009). According to the perspectives of international business theorists, the success and failure of organizations in different environments can be achieved by understanding the competitiveness in their environments of operations and their alliance formation strategies in the emerging markets.

Local insight provided by the local alliance constitutes a significant factor in conceptualizing value according to the local demands (Gupta et al., 2011). Resource-based theory is based on the view that resources constitute inputs into production activities of an organization and can be categorized into physical, human, capital, and organizational resources. A capability is a state where a set of resources have the ability to perform a particular task or function (Currie, 2009). Each organization is composed of a number of unique resources and capabilities that are important in achieving a particular return. In the 21st century competitive environment, an organization is composed of a number of improving capabilities under dynamic management for the purpose of achieving above average outcomes. Consequently, different organizations across time are motivated by particular resources and capabilities instead of structures within industries (Currie, 2009).

Organization resources constitute physical, technological, commercial, finances, products, and human resource factors during the performance of particular function. The main areas into which they are classified include: knowledge of employees, experience and skills, employee reputation, and procedures within an organization (Cocks, 2010).

While joining other scholars who have established the function of resources in the development of the organizations, this theory will be critical to our study in explaining the mediating function of the company resources in achieving strategies within the devolved ministries. It is the backdrop against which a discussion on strategic management of resources as affecting

strategy implementation in devolved ministries is founded. The theory thus explains the organization resources variable in this study.

2.1.3 Stakeholders Theory

Stakeholders' theory supports the concept of organizational performance (Hubbard, 2009). Hubbard (2009), argued that stakeholder theory analyze organizational performance in regard to the expectations of the shareholders and other stakeholders of the company who have interest in the operations and activities of the company. Stakeholders' theory is the basis of the Balanced Scorecard (BSC) performance measurement system by Kaplan and Norton (1992) and its successor Sustainable Balanced Scorecard (Hubbard, 2009). Kaplan and Norton (1992) argued that most strategic plans were unbalanced because one stakeholder group namely the stockholders were overemphasized. The BSC entails; customer, market, finance, long term and short-term development factors of the company.

Financial determinants are made up of the traditional indicators like sales, cash flows and return on investments. Business processes is made up of the activities such as processing of orders (Borror, 2009). Determinants of customer measures entails satisfying the customer needs or average wait times on telephone hot lines. The learning and growth perspective recognize the human element in an organization and looks at softer measures such as participation in suggestion programs and training. The BSC provides a framework to translate the strategic plan into specific tasks that frontline employees manage (Borror, 2009).

On the other hand, sustainable balanced scorecard has additional measures on social and environmental issues that consider organizational sustainability (Hubbard, 2009). The emergence of concepts such as sustainability of performance has caused a paradigm shift in how organizations measure performance. The concept of sustainability has implication in implementing the strategies of the firm which has an impact on the performance, and organizations need to consider this concept as a way of achieving competitive advantage as opposed to it simply being a compliance issue or a cost minimization exercise.

Performance is a key concern of the all stakeholders. It is a benchmark for the success of an institution. Devolved ministries affect the social, environmental and economic aspects of the people and therefore a sustainable balanced scorecard is a suitable measure for their performance. In this regard, stakeholder's theory measures the success of the devolved ministries, by widening our scope of performance beyond financial performance. The theory therefore supports the dependent variable in this study, which is performance of devolved ministries.

2.2 Empirical Review

Zumitzavani and Udchachone (2014) assessed the impact of leadership styles on the performance of the company inhospitality sector in Thailand and the analysis showed that there was a significant correlation between leadership styles and the performance of the organization. All these studies on leadership styles reinforce the idea that leadership style positively or negatively affects performance in organizations. However, the study was conducted in Thailand, hence presenting a contextual gap.

Koech and Namsonge (2012) researched the impacts of leadership styles on authoritative execution of state claimed enterprises in Kenya and found a high connection between's transformational administration, a low however noteworthy relationship between's value-based initiative style and execution and no connection between's the aloof avoidant administration (Laissez-faire) style and execution. Further, Okwachi et al. (2013) examined Kenyan SMEs

and discovered that initiative practice has an immediate association with procedure usage. The study concluded that managerial practices impact the implementation of strategies in Kenyan organizations.

Magambo (2012) conducted a study on challenges encountered by organizations during strategy implementation in Kenya. It was found that due to inadequate funding and financial allocations to organizations in Kenya, they encountered difficulty to achieve the objective of achieving the expected level of organizational change. Another outcome of the study was that there was a high resistance to change due to lack of skills of implementation of change. On the contrary, inadequate commitment at the top management, cultures within an organization and structures did not constitute a challenge in strategy implementation in organizations.

In his study, Kipkosgei (2016) determined the challenges of strategy implementation in National Government Ministries in Kenya. The research adopted a cross-sectional survey. It was found that strategy implementation process in national government ministries in Kenya is faced with numerous challenges including, poor organizational structure, in adequate finance and human resources, bureaucracy in organizational structure and culture. The study recommends that government ministries should formulate clear strategic plan that provides vision and mission, identifies the ministries external and internal opportunities and threats (Kipkosgei, 2016).

Ndunge (2016) on his study sought to establish the impact on organizational performance and challenges encountered through the implementation of e-procurement in the Government Ministries of Kenya. The study used survey design in conducting the study where all the ministries in the National government were studied. The study found out that e-procurement had a significant impact on performance of government ministries. The study recommended that E-procurement is supposed to be adapted to aid the management staff appreciate the effect of these program.

Njagi (2011) sought to establish how governance influence performance of sugar companies in Kenya. The specific objectives included establishing the relationships between board size and the financial performance, independent directors and the financial performance, ownership structure and the financial performance, corporate disclosure and the financial performance and audit committee and the financial performance. The study was causal and rebuked all the seven sugar firms that were operational in the vicinity of 2005 and 2011. Specifically, the investigation affirmed that money related execution of organizations enhances with increment in budgetary proficiency of the Board Audit Committee, independence of the Board Members as well as the increase in the disclosure of the corporate governance practices at any given point in time

Wachira (2014) examined factors influencing adequacy of management improvement in the civil administration of Kenya. The examination was exploratory utilizing descriptive survey and focused on administration framework staff in the common administration. Stratified and basic irregular examining was done across Ministries/Departments. The examination set up positive straight connections between administration advancement exercises, Management Development strategy, Human Resource Development Expertise, Organization Politics and adequacy of administration improvement. Every one of the components together had a more grounded relationship than any one factor alone. The examination prescribes prioritization of administration improvement, foundation of a Policy Monitoring and Evaluation structure and upgrade of limit of Human Resource advancement (HRD) experts. However, Wachira's study did not use resources as a mediating factor, thus presenting a conceptual gap.

In his study Kihara (2017) sought to establish the influence of strategy implementation on the performance of manufacturing SMEs moderated by age and size of the firm. In particular, the investigation planned to set up whether authority styles, structure, HR, innovation and key bearing impacts the execution of assembling SMEs in Kenya. The examination was secured in the dynamic capacities' hypothesis. The examination received a blended plan including quantitative and subjective outlines. The examination discoveries uncovered that a positive and significant impact exists between technique execution and execution of the assembling SMEs. What's more, the investigation noticed that the age and size of the firm does not fundamentally impact on the connection between procedure execution and execution of the SMEs in Kenya. Nonetheless, the study used age and size as the mediating variables and not organization resources.

3.0 RESEARCH METHODOLOGY

A descriptive research design was adopted in this study. The population was the county ministries in both Marsabit and Isiolo Counties. There was a total of 56 departments in all the 10 ministries of Marsabit County, while in Isiolo County; there are a total of 32 departments in all the 6 ministries. Therefore, the study targeted 88 departments in both counties. A survey was conducted since the population was small. Therefore, 88 department heads were surveyed. Primary data was collected through closed-ended questionnaires. Descriptive statistics including frequencies, percentages, means and standard deviations were used. Further, inferential statistics including correlation and regression analysis were also used to test the relationship between independent and dependent variables. Linear regression models were used to link relationship between dependent and independent variables. The study findings were presented using tables and figures.

4.0 RESEARCH FINDINGS AND DISCUSSION

4.1 Descriptive Analysis

4.1.1 Strategy Implementation

Table 1. Descriptive Data for Strategy Implementation

Questions		1	2	3	4	5	Mean	Standard Deviation
Over all the ministry strategy are implemented	F	1	11	1	24	34	4.11	1.115
	%	1.4	15.5	1.4	33.8	47.9		
The ministry strategies are implemented within the anticipated timeframe.	F	4	6	0	27	34	4.14	1.15
	%	5.6	8.5	0.0	38.0	47.9		
The ministry objectives are met	F	2	6	0	29	34	4.23	1.017
	%	2.8	8.5	0.0	40.8	47.9		
The methods of implementations are satisfactory to those involved	F	2	5	0	26	38	4.31	0.994
	%	2.8	7.0	0.0	36.6	53.5		
Implementation of outcomes is satisfactory to those involved.	F	1	8	0	33	29	4.14	0.990
	%	1.4	11.3	0.0	46.5	40.8		
The strategies of the ministries are implemented as intended	F	1	9	0	29	32	4.15	1.037
	%	1.4	12.7	0.0	40.8	45.1		
Average (%)		2.6	10.6	0.2	39.4	47.2	**4.18**	1.0505
Summary		13.4 (disagreement)			86.6 (Agreement)			

The findings in Table 1 shows that majority of the respondents (86.6 percent) agreed that there was strategy implementation while (13.4 percent) did not agree to the same. Overall Likert findings indicate that strategy implementation had an overall score of 4.18 in the Likert scale, which indicates that majority of the respondents agreed regarding the assertion that the devolved ministries implemented strategies. This indicates that the company has been able to come up with strategies and to implement them. Strategy implementation was measured by whether the ministry's strategies are implemented and whether the implementation was punctual. This variable also considered the achievement of ministry's goals and the whether such achievements were satisfactory.

4.1.2 Organizational Resources

Table 2. Descriptive Data for Organizational Resources

Questions		1	2	3	4	5	Mean	Standard Deviation
The ministry has adequate building	F	32	34	0	3	2	1.72	0.897
	%	45.1	47.9	0.0	4.2	2.8		
The ministry building is allocated strategically	F	0	5	7	32	27	4.14	0.867
	%	0.0	7.0	9.9	45.1	38.0		
Physical structures are good.	F	22	26	12	11	0	2.17	1.042
	%	31.0	36.6	16.9	15.5	0.0		
We have adequate equipment in the working environment	F	0	7	6	27	31	4.15	0.951
	%	0.0	9.9	8.5	38.0	43.7		
Our budget is well funded	F	2	11	0	31	27	3.99	1.127
	%	2.8	15.5	0.0	43.7	38.0		
Our ministry embraces innovation	F	2	6	0	32	11	4.18	1.004
	%	2.8	15.5	0.0	43.7	38.0		
We have a good organization structure	F	1	4	0	41	25	4.20	0.821
	%	1.4	5.6	0.0	57.7	35.2		
We have clear policies	F	1	8	0	30	32	4.18	1.004
	%	1.4	11.3	0.0	42.3	45.1		
We embrace technology	F	0	6	0	32	33	4.30	0.852
	%	0.0	8.5	0.0	45.1	46.5		
Our ministry has adequate personnel	F	2	6	1	30	32	4.18	1.019
	%	2.8	8.5	1.4	42.3	45.1		
Personnel are well trained	F	34	23	1	8	5	1.97	1.265
	%	47.9	32.4	1.4	11.3	7.0		
Average (%)		12.3	18.1	3.5	35.4	30.9	3.56	0.986
Summary	33.8 (disagreement)			66.2 (Agreement)				

From Table 2, it was observed the ministry has organizational resources. This is due to the high level of agreement (66.2 percent) in regards to whether the ministry has organizational resources. Organizational resources was operationalized using adequacy of buildings, strategic location of ministry buildings, goodness of physical structures, adequacy of equipment, funding of budget, embracing of innovation, organizational structure and embracing of technology. The study established that the ministry had inadequate structures that were dilapidated. The study also established that the funding of budget was not adequate while the ministry also suffered from lack of well-trained personnel because the average Likert score on these parameters was less than four. Despite the challenges of infrastructure and budget funding, the ministry embraced innovation and technology. The ministry also enjoyed a good organizational structure with clear policies in place. Its buildings were also located strategically despite being old. In overall, the score for organizational resources was not average indicating inadequate resources.

4.1.3 Performance of Devolved Ministries

Table 3. Descriptive Data for Performance of Devolved Ministries

Questions		1	2	3	4	5	Mean	Standard Deviation
The resources of the ministry are utilized well.	F	2	6	2	25	36	4.23	1.045
	%	2.8	8.5	2.8	35.2	50.7		
The objectives of the ministry are attained	F	2	6	2	27	34	4.20	1.037
	%	2.8	8.5	2.8	38	47.9		
The ministry operate within the budget	F	1	7	0	39	24	4.10	0.928
	%	1.4	9.9	0.0	54.9	33.8		
The people we serve are happy with our services	F	1	4	0	38	28	4.24	0.836
	%	1.4	5.6	0.0	53.5	39.4		
The county government is happy with our ministry does	F	0	13	6	23	29	3.69	1.114
	%	0	18.3	8.5	32.4	40.8		
Well compared with other ranked high	F	0	10	1	34	26	4.07	0.976
	%	0	14.1	1.4	47.9	36.6		
Our staff are very productive	F	2	5	3	29	32	4.18	1.004
	%	2.8	7.0	4.2	40.8	45.1		
Our ministry has a good image	F	1	3	4	24	39	4.37	0.882
	%	1.4	4.2	5.6	33.8	54.9		
Our staffs are happy working here.	F	1	6	2	30	32	4.21	0.955
	%	1.4	8.5	2.8	42.3	45.1		
Average (%)		1.6	9.4	3.1	42.1	43.8	4.14	0.975
Summary			14.1 (disagreement)		85.9 (Agreement)			

Findings in Table 3 show that each aspect of performance of devolved ministries had a mean Likert scale of at least four out of five. The average score was 4.14, which shows that performance of devolved ministries was good with 85.9 percent of the respondents agreeing on this conclusion about performance. This indicates that the staff are very productive, the ministry has a good image, County government is happy with the work of the ministry, the ministry properly utilized resources and that the ministry attained its objectives. The ministry properly utilized its budget, compared well with other ministries and motivated its staff.

4.2 Testing for Mediation Effects of Organizational Resources on the Relationship between Strategy Implementation and Performance of Devolved Ministries

The study Baron and Kenny (1986) model to test for the mediating effect of organizational resources on the relationship between strategy implementation and performance of devolved ministries. The study used the following steps also used by Iacobucci (2012) and Hsu, Wang, & Hsu (2012) in testing for mediation:

1. How strategy implementation predicts performance of devolved ministries

2. How strategy implementation predicts organizational resources

3. How organizational resources predicts performance of devolved ministries

4. How both strategy implementation and organizational resources predicts performance of devolved ministries

All the four tests should yield significant relationships in order to infer a significant mediation effect (Baron & Kenny, 1986; Iacobucci, 2012; Hsu, Wang, & Hsu, 2012).

4.2.1 Performance of Devolved Ministries against Strategy Implementation

According to the mediation steps listed above, this is the first relationship to be investigated. It involves running a linear regression analysis of performance of devolved ministries against strategy implementation.

Table 4. Model Summary of Performance of Devolved Ministries against Strategy Implementation

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.362[a]	0.131	0.116	2.789

a. Predictors: (Constant), strategy implementation

b. Dependent Variable: organizational performance

From the coefficient of determination (R Square) in Table 4, 13.1 percent of the variations in performance of devolved ministries was due to variations in strategy implementation. The square root of the R square derives the Pearson's correlation coefficient 0.362 also in Table 4 shows moderate strong positive correlation between strategy implementation and performance of devolved ministries.

Table 5. ANOVA Statistics for Performance of Devolved Ministries against Strategy Implementation

Model	Sum of Squares	df	Mean Square	F	p-value
Regression	66.936	1	66.936	8.607	0.005[b]
Residual	443.301	57	7.777		
Total	510.237	58			

a. Dependent Variable: performance of devolved ministries

b. Predictors: (Constant), strategy implementation

Table 5 shows the ANOVA table, which tests the null hypothesis that there is no linear relationship between Strategy Implementation and Performance of Devolved Ministries. The alternate hypothesis is that there is a linear relationship between the two latter variables. The results show that F statistic had a p-value of 0.005, which is less than 0.05, hence rejecting the

null hypothesis and concluding that there was a significant linear relationship between Strategy Implementation and Performance of Devolved Ministries.

Table 6. Regression Coefficients for Performance of Devolved Ministries against Strategy Implementation

Model	Unstandardized Coefficients		Standardized Coefficients	t	p-value	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	22.239	5.246		4.239	0.000	11.733	32.744
Strategy implementation	0.602	0.205	0.362	2.934	0.005	0.191	1.013

a. Dependent Variable: organizational performance

Table 6. shows the linear regression results of performance of devolved ministries against strategy implementation. A marginal increase in strategic implementation leads to 0.602 increase in performance of devolved ministries holding other factors constant. Strategy implementation also had an observed p-value of 0.005, which was less than 5 percent. The t-statistic was 2.934, which was more than 1.96 (as observed in the t-tables at 5 percent significance level). Therefore, strategic implementation significantly affects performance of devolved ministries. This implies that there is an effect that can be mediated (Hsu, Wang, & Hsu, 2012).

4.2.2 Organizational Resources against Strategy Implementation

In accordance to the mediation steps of Baron and Kenny (1986), the second regression involves testing the relationship between the independent variable (organizational resources) and the mediator (strategy implementation).

Table 7. Model Summary of Organizational Resources against Strategy Implementation

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.087[a]	0.008	-0.010	2.941

a. Predictors: (Constant), strategy implementation

b. Dependent Variable: organizational resources

Table 7 shows that the coefficient of correlation (R) and determination (R Square) were 8.7 percent and 0.8 percent respectively. Therefore, there was a weak correlation with 0.8 percent of the variations in organizational resources being due to variations in strategy implementation.

Table 8. ANOVA Statistics of Organizational Resources against Strategy Implementation

Model	Sum of Squares	df	Mean Square	F	p-value
Regression	3.736	1	3.736	0.432	0.514[b]
Residual	492.908	57	8.648		
Total	496.644	58			

a. Dependent Variable: organizational resources

b. Predictors: (Constant), strategy implementation

The weak correlation expressed in Table 7 shows lack of a linear relationship corroborated by evidence in Table 8 of the ANOVA test. The latter tests the null hypothesis of a non-linear relationship between organizational resources and strategy implementation. The p-value in Table 8 was 0.514, which is more than 5 percent significance level. Therefore, there is no significant linear relationship between organizational resources and strategy implementation.

Table 9. Regression Coefficients for Organizational Resources against Strategy Implementation

Model	Unstandardized Coefficients		Standardized Coefficients	t	P-value.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	43.170	5.532		7.804	0.000	32.092	54.247
Strategy implementation	-0.142	0.216	-0.087	-0.657	0.514	-0.575	0.291

a. Dependent Variable: organizational resources

Table 9 shows a decrease in organizational resources by 0.142 due to the marginal increase in strategy implementation while holding other factors constant. However, the t-statistic associated with this relationship shows that the decrease is insignificant. The study found an absolute t-statistic of 0.657 while 0.514 was the corresponding p-value. The second null hypothesis in this study according to Baron & Kenny (1986) mediation tests was that there is no significant relationship between strategy implementation and organisational resources.

Because the absolute value of t-statistic (0.657) was less 1.96 (critical value of t-statistic at 5 percent significance level), the null hypothesis was rejected. A similar inference is also made by observing the p-value found to be 0.514 which is more than 0.05, the chosen significance level of the study. Therefore, is concluded there is no significant relationship between strategy implementation and organisational resources. This means that the there is no mediation effect of organisational resources on strategy implementation (Hsu, Wang, & Hsu, 2012; Iacobucci, 2012; Baron & Kenny, 1986).

4.2.3 Performance of Devolved Ministries against Organizational Resources

The third condition in testing mediation involved testing the relationship between performances of devolved ministries and organizational resources. The results are presented in Table 10, 11 and 12.

Table 10. Model Summary of Performance of Devolved Ministries against Organizational Resources

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.123[a]	0.015	-0.002	2.969

a. Predictors: (Constant), organizational resources

b. Dependent Variable: performance of devolved ministries

Table 10 shows weak positive correlation between performances of devolved ministries and organizational resources with a Pearson's correlation coefficient of 12.3 percent. The coefficient of determination (R Square) was 1.5 percent meaning that 1.5 percent of the variations in performances of devolved ministries is due to variations in organizational resources.

Table 11. ANOVA Statistics for Performance of Devolved Ministries against Organizational Resources

Model	Sum of Squares	df	Mean Square	F	p-value
Regression	7.744	1	7.744	0.878	0.353[b]
Residual	502.493	57	8.816		
Total	510.237	58			

a. Dependent Variable: organizational resources

b. Predictors: (Constant), performance of devolved ministries

Table 11 shows the results of analysis of variance, which tests the null hypothesis that there is no significant linear relationship between performances of devolved ministries and organizational resources at 5% percent significance level. The observed p-value was 0.353, which was more than 0.05 hence rejecting the null hypothesis. Therefore, the observed weak correlation in Table 10 was in deed an evidence of no significant linear associations between performances of devolved ministries and organizational resources.

Table 12. Regression Coefficients for Performance of Devolved Ministries against Organizational Resources

Model	Unstandardized Coefficients		Standardized Coefficients	t	P-value	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	32.655	5.282		6.182	0.000	22.078	43.233
Organizational resources	0.125	0.133	0.123	0.937	0.353	-0.142	0.392

a. Dependent Variable: performance of devolved ministries

Table 12 shows an increase in performance of devolved ministries by 0.125 due to the marginal increase in organizational resources while holding other factors constant. The study found an absolute t-statistic of 0.937 while 0.353 was the corresponding p-value. The observed t-statistic was less than 1.96, which is the critical value at 5 percent significance level. The p-value on the other hand was less than 0.05, the significance level of the study. Therefore, the third null hypothesis according to Baron & Kenny (1986) mediation tests was rejected meaning that there was no significant relationship between performances of devolved ministries and organizational resources. This further confirms the absence of significant mediation of organizational resources on the relationship between strategy implementation and performance of devolved ministries.

4.2.4 Performance of Devolved Ministries against Organizational Resources and Strategy Implementation

The fourth condition of the mediation involved testing the relationship between performance of devolved ministries and strategy implementation after controlling for the effect of organizational resources. According to Hsu, Wang, & Hsu (2012), if the effect of strategy implementation on performance of devolved ministries is diminished after controlling for organisational resources, there is a mediation effect. However, since two conditions (second and third tests) have already being violated, there cannot be a significant mediation effect.

Table 13. Model Summary for Performance of Devolved Ministries against Strategy Implementation and Organizational Resources

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
0.394[a]	0.155	0.125	2.774	2.106

a. Predictors: (Constant), organizational resources, strategy implementation

b. Dependent Variable: performance of devolved ministries

Table 13 shows moderate positive correlation between strategy implementation, organizational resources and performance of devolved ministries with a Pearson's correlation coefficient of 39.4 percent and coefficient of determination (R Square) of 15.5 percent. This means that 15.5

percent of the variations in performance of devolved ministries is due to variations of strategy implementation after controlling for the effect of organizational resources.

Table 14. Regression Coefficients of Performance of Devolved Ministries against Organizational Resources and Strategy Implementation

Model	Unstandardized Coefficients		Standardized Coefficients	t	P-value.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	15.422	7.506		2.055	0.045	0.386	30.459
Strategy implementation	0.624	0.205	0.376	3.048	0.004	0.214	1.035
Organizational resources	0.158	0.125	0.156	1.264	0.212	-0.092	0.408

a. Dependent Variable: performance of devolved ministries

Table 14 shows an increase in performance of devolved ministries by 0.624 due to the marginal increase in strategy implementation after controlling for the effect of organizational resources while holding other factors constant. In a similar way of observation, a marginal increase in organizational resources leads to 0.158 increase in performance of devolved ministries after controlling for the effect of strategy implementation and holding other factors constant.

The study also found that strategy implementation had an observed t-statistic of 3.048, which was more than the critical value of 1.96 (at 5 percent alpha level). The observed p-value of strategy implementation was 0.004 which also less than 5 percent significance level. Therefore, there was a significance relationship between strategy implementation and performance of devolved ministries after controlling for the effect of organizational resources. More observations show that the effect of strategic implementation did not diminish after controlling for the effect of organizational resources.

The initial effect of strategic implementation on performance of devolved ministries was 0.624 before mediation effect. The effect after mediation effect of organizational performance was 0.602, which means that effect actually increased rather than diminished. Therefore, there was no mediation effect as hypothesized in the study.

Table 15. Summary: Mediation Results

	Analysis	P value	Verdict
Step 1	Performance against strategy implementation	0.005<0.05	Significant
Step 2	Organization resources against strategy implementation	0.514>0.05	Not significant
Step 3	Performance against organization resources	0.353>0.05	Not significant
Step 4	Performance against organization resources and strategy implementation	0.004<0.05 0.212>0.05	Significant Not significant

4.2.5 Conclusion of Mediation Test

After testing all the four conditions of the mediation test as stipulated in Baron and Kenny (1986) model, it has been concluded that organization resources does not mediate the relationship between strategy implementation and performance of devolved ministries. Only the first condition was not violated in the mediation steps, that is, the relationship between strategy implementation and performance of devolved ministries. The other three conditions for mediation test were violated hence the study concludes that organizational resources does not mediate the relationship between strategy implementation and performance of devolved ministries.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The first objective was to determine the effect of strategy implementation on performance of devolved ministries. Strategy implementation had moderate Pearson's correlation of 36.2 percent with a p-value of 0.005, which was significant at 5 percent significance level. This shows that there was a significant positive linear relationship between the dependent and the dependent variable. In regards to the magnitude of the influence of strategy implementation on the performance of devolved ministries, the study fitted a linear curve and established a slope of 0.602, which was the increase in performance due to a marginal increase in strategy implementation. This slope was significant with a p-value of 0.005, which is less than 5 percent significance level. This means that there was a strong relationship that could be mediated and these findings validated the first among four steps of testing mediation effect as also used (Baron & Kenny, 1986).

The second objective of the study was to determine the effect of strategy implementation on organizational resources. The study found that the Pearson's correlation was only 8.7 percent with coefficient of determination of 0.8 percent. This means that strategy implementation hardly contributed to the variation in organizational resources. Results further shows that the linear relationship between strategy implementation and organizational resources was insignificant with a p-value of 0.514, which was more than 0.05 (the chosen significance level). An important information was that strategy implementation negatively affected organizational

resources with regression coefficient of -0.142, which means that a marginal increase strategy implementation leads to a decrease in organizational resources by 0.142 units. This corresponds with the observations made in the descriptive section for the two variables. Strategy implementation had a mean Likert score of 4.18 out of 5.00 with an agreement of 86.6 percent.

Therefore, devolved ministries implemented strategies largely as observed in the study. Contrariwise, the average Likert score of organizational resources was 3.50 out of 5.00 which means that the level of organizational resources was low according to the respondents of the study. In the backdrop of high and low agreement in strategy implementation and organizational resources respectively, there is low correlation between the two and hence the low level of significance. In addition, the more respondents affirmed implementation of strategy in the devolved ministries, the lower the acknowledgement of organizational resources hence the negative relationship.

The third objective of the study was to determine the effect of organizational strategy on the performance of devolved ministries. The study found that the Pearson's correlation for these two variables was 12.3 percent with a coefficient of determination of 1.5 percent. Organizational resources was only able to account for 1.5 percent of the variations in performance of devolved ministries. This relationship was not significant given that the p-value associated with the F-test and t-test was 0.353 and this was less than 5 percent significant level. Table 4.27 shows that organizational resources had a regression coefficient of 0.125, which means that a marginal increase in organizational resources leads to 0.125 increase in performance of devolved ministries.

The study has observed that organizational resources had a low score of 3.50 out of 5.00 in the Likert scale. Performance of devolved ministries on the other hand had a mean Likert scale of 4.14 and 85.9 percent agreement with performance. While performance rated high, the rating on organizational resources remained low hence the low observed correlation. Therefore,

The fourth variable of the study was to determine the influence of organizational resources and strategy implementation on the performance of devolved ministries. The study has already established that strategy implementation has positive significant effect on performance of devolved ministries and it has negative insignificant effect on organizational resources. Organizational resources on the other hand has insignificant positive effect on performance of devolved ministries. When organizational resources and strategy implementation are in controlling of each other (combined effects), both have a strong linear relationship to performance of devolved ministries as measured by a Pearson's correlation coefficient of 39.4 percent and a coefficient of determination of 15.5 percent.

The findings further show that there was a significant linear relationship between these two variables and performance of devolved ministries with a p-value of 0.009 which was less than 5 percent significance level. Therefore, 15.5 percent of the variation in performance of devolved ministries accounted for by the predictor and the mediator was meaningful. The effect of strategy implementation on performance of devolved ministries therefore remained significant with a p-value of 0.004, less than 5 percent significance level.

The effect of organizational resources on the other hand remained insignificant with a p-value of 0.212, which was more than 0.05 significance level. This implies that organizational

resources does not diminish the effect of strategy implementation as envisaged for a mediation effect. Therefore, while the mediation test collapsed when the independent variable (strategy implementation) was not significantly related to the mediator (organizational resources), it also did not have any diminishing effect on the influence of strategy implementation on performance of devolved ministries.

5.2 Conclusion

The study aimed at determine the mediating effect of organizational resources on the relationship between strategy implementation and performance of devolved ministries. Descriptive statistics show that devolved ministries implemented strategies largely and this coincided with observed high performance of these ministries. However, devolved ministries lacked sufficient organizational resources as observed in the study. Inferential statistics show that neither strategy implementation nor performance of devolved ministries significantly related to organizational resources. However, strategy implementation related significantly to performance of devolved ministries. Therefore, the study concludes that there was no mediating effect of organizational resources on the relationship between strategy implementation and performance of devolved ministries. The implication of this conclusion is that other variable excluding organizational resources could explain the inherent significant connection between strategy implementation and performance of devolved ministries.

5.3 Recommendations

Despite the dilapidated nature of the devolved ministry's building as well as insufficiency of its resources, what seems to matter for their performance is how well they implemented strategies. Therefore, this study recommends that the devolved ministries should continue with the excellent work of implementing its strategies as well as formulating more actionable long-term strategies for sustainable performance in the future. The study also recommends that the devolved ministries should look into improving its resources because it was observed that it had insufficient resources. This status of these resources can be detrimental to other aspects of the organizational operations not studied in this research.

5.4 Suggestion for Further Research

The study found that organizational resources did not mediate the relationship between strategy implementation and performance of devolved ministries. However, there was another twist to the results in that when the strategy implementation and organizational resources were in controlling of each other in the joint effect, their several influence on performance of devolved ministries augmented. The regression coefficient of strategy implementation increased from 0.602 (individual effect) to 0.624 (joint effects) while the regression coefficient of organizational resources increased from 0.123 (individual effect) to 0.158 (joint effects). Therefore, organizational resources could actually be positively moderating the relationship between strategy implementation and performance of devolved ministries. Following the emergence of the latter trend, this study recommends further study on the moderating effect of organizational resources on the relationship between strategy implementation and performance of devolved ministries.

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