



**Factors Affecting the Performance of Strategy
Implementation with special Reference to the Star Class
Hotels in Kandy**

PERMANENT REFERENCE

A Dissertation By

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ABSTRACT

Despite strategy implementation seems straight forward in Strategic Management process, transforming strategy into effect is far more complicated and fraught. This study intends to reveal the impediments that are known as silent killer for effective strategy implementation. Determining the nature of the relationships between impediments and the star hotel performance, assessing the impact of the impediments on the performance, developing a model to identify the impediments and identifying remedies for impediments are objectives of the study. In order to obtain the views from the Executives including General Managers about the strategy implementation process and problem in the implementation, 39 Executives including General Managers of beyond two star hotels, which are located in Kandy, were interviewed with a questionnaire. Reliability was assessed by determining the Consistency and Stability. Five hypotheses were developed to testify the relationships between impediments and the hotel performance and one was developed for identifying the differences of impediments in terms of the star grade. Univariate, Bivariate and Multivariate Analysis were performed for the purpose of carrying out the quantitative data analysis. Descriptive analysis was carried out for identifying the remedies for impediments adopted by Executives including General Managers. Overall findings of the study reveal five major impediments namely; Planning Consequences, Organization, Individual, Managerial and Environmental Impediments that hamper the implementation of strategies in star hotels. Among them, Environmental impediments are the most influential impediments for all categories of hotels in Kandy On the other hand, Planning Consequences become a minor issue in implementing strategies. Every star category of hotels confronts all five impediments of strategy implementation regardless of the star grade. According to the Person's Product moment Correlation Coefficient values, all five impediments demonstrate a negative weak correlation with the hotel performance. All five impediments give a significant negative impact on the performance of hotels. First Five hypotheses were accepted and one was rejected. The model developed in this respect can explain 41 percent of variance in the hotel performance. Executives and General Managers of hotels have been adopting a number of remedies for impediments for effective strategy implementation. Precise strategic planning, effective strategic coordination, organizational commitment, Managers commitments, consensus among the decision makers and bottom up involvement in crafting strategies have been mentioned as the key integral part of effective strategy implementation.