



OPEN ACCESS

International Journal of Management & Entrepreneurship Research

P-ISSN: 2664-3588, E-ISSN: 2664-3596

Volume 5, Issue 6, P.No.326-340, June 2023

DOI:10.51594/ijmer.v5i6.494

Fair East Publishers

Journal Homepage: www.fepbl.com/index.php/ijmer



STRATEGIC MANAGEMENT AND PERFORMANCE OF MANUFACTURING FIRMS IN DELTA STATE

Joy SAKPAIDE¹, Vincent I. O. ODIRI², & Eferayejene Joseph SAKPAIDE²

¹PhD Candidate, Department of Business Administration,
Delta State University, Abraka, Nigeria.

²Lecturer, Department of Business Administration,
Delta State University, Abraka, Nigeria.

Corresponding Author: Joy SAKPAIDE

Corresponding Author Email: Joysakpaide45@gmail.com

Article Received: 05-05-23

Accepted: 22-05-23

Published: 01-06-23

Licensing Details: Author retains the right of this article. The article is distributed under the terms of the Creative Commons Attribution-Non Commercial 4.0 License (<http://www.creativecommons.org/licences/by-nc/4.0/>), which permits non-commercial use, reproduction and distribution of the work without further permission provided the original work is attributed as specified on the Journal open access page.

ABSTRACT

This study examined the relationship that exist between strategic management and the performance of manufacturing firms in Delta State Nigeria. During the course of the study, four research questions and four null hypotheses were formulated and the hypotheses were tested. The population of the study was 136 drawn out of some selected manufacturing firms in Delta State, from which a sample of 101 subjects were derived using the Taro-Yamani Formula. The instrument used for data collection was the questionnaire. Face and content validity were jointly used to establish the validity of the research instrument. Relevant statistical tools were deployed for the purpose of data analysis and the formulated hypotheses were tested by means of the regression technique. The findings of the study showed that there is significant relationship between strategic management process and performance of manufacturing firms in Delta State, Nigeria. This study thus recommended that manufacturing firms should always adopt the right and accurate strategies in other to achieve better and impressive performance.

Keywords: Strategic Management, Manufacturing Firms, Business Model, Nigeria, Strategy Formulation.

INTRODUCTION

The main goal of every corporate entity is to remain in business continuously. This can be achieved when the entity is able to generate enough returns on investment in the face of constant changes in the way things are done and high level of consumption. Competition in the business is a battle for superiority and survival (Pumpin, 1984). However, every business that must survive must also have a competitive edge, which is a product of strategic management. Strategic Management is a notion that has contributed greatly to the success of any given organisation to thrive well in this modern contemporary age there is need for such organisation to embrace strategic management in its fullness. The present business environment in which we are is such that changes are very rapid due to the effect of globalisation, internationalisation, increased uncertainty cutthroat competition, financial crisis, digital-based business models, emerging countries and increasing market, developing a new product for the old market or developing a new product for a new market (Okwuise, Ediri & Daniel, 2017; Ugherughe, Okwuise & Ukwuandi, 2020; Okwuise, Kifordu & Oghoghomeh, 2020). These managerial responses might lead to some painful reforms within the organisation as a result of expansion, contraction, diversification or divestment. In turn, these internal structural reforms often lead to changes in staffing, skilling and system (Robert & Peter, 2012).

To alleviate the worries that usually accompany the announcement of a possible internal change in an organisation, it has been widely suggested that Strategic Management should be driven not only by high managerial commitment but it should be participatory or inclusive in nature and the package should incorporate a performance related reward and incentive regime to cushion possible adverse effects of internal changes in the process of strategic formulation and implementation.

Strategic management consists of all the array of competitive moves and business approaches that an organisation employs in conducting its operations. In drafting a strategic plan, management is saying that “among all the paths and actions we could have chosen, we have decided to go in this direction and rely upon these particular ways of doing business.” Strategic management thus entail all managerial choices among the alternatives organisational commitment to specific markets, competitive approaches and ways of operating (Oyetijo, 2004). Organisations either private or public, are increasingly embracing the practice of strategic management on organisation performance and lack of rewards and incentives during and after the implementation of strategic management practice, constraints in finding and partnership management. (Babalola, 2008) concerning the link between strategic management process (Environmental Scanning, strategy formulation, implementation and evaluation and control) and Organisational Performance, mixed results appear to exist. A stream of work appears to suggest that these aspects of strategic management processes are linked to performance metrics within an organisational setting (Arabzad, Ghorbani, Razmi, & Shirouyehzad, 2015).

The term “performance” implies to do or carryout, it refers to accomplishment of a given task measured against present standards of accuracy, completeness cost and speed (Carton, 2014). In other words, it refers to the degree to which an achievement is being or has been accomplished.

This study intends to critically examine the impact of strategic scanning strategy formulation, implementation and strategy-evaluation and control on the performance of some selected firms in Delta State.

Objectives of the Study

- 1) To determine the relationship between Environmental Scanning and Organisational Performance.
- 2) To determine the relationship between strategy formulation and Organisational Performance
- 3) To ascertain the influence of strategy implementation on Organisational Performance.
- 4) To examine the relationship between evaluation and control and Organisational Performance.

Hypotheses of the Study

- 1) There is no significant relationship between Environmental Scanning and Organisational Performance.
- 2) There is no significant relationship between strategy formulation and Organisational Performance.
- 3) There is no significant relationship between strategy implementation and Organisational Performance
- 4) There is no significant relationship between evaluation and control and organisation performance

LITERATURE REVIEW

Theoretical Framework

This study anchored on resource based view theory as enunciated by Werner Felt, 1984. This theory was first authored by Werner Felt (1984) and later reviewed by then contributors who expanded on the influence that both tangible and intangible assets have on the performance of an organisation. The resource based view theory magnifies the importance of internal resources within the firm's competitive markets. The resource-based theory emerged from the principle that the source of organisation's competitive advantage centres on their internal resources rather than external environment. However it evaluates environmental opportunities and threats in conducting business, competitive advantage relies on the unique resources and capabilities that a firm possesses (Barney, 2015). The resource-based approach states that in strategic management fundamental of an organisation predicts that certain types of resources owned and controlled by firma have the potential to generate competitive advantage as well as superior organisation performance.

Concept of Strategy Formulation

Strategy formulation is the development of long rang plans for the roper management of environmental opportunities and threats in view of corporate strengths and weaknesses. It also involves defining the corporate mission, specify achievable objectives, developing strategies and setting policy guidelines. It commences with situational analysis. The easiest way is to analyse through is SWOT analysis. This method is used to analyse the strengths and weaknesses in order to utilize threat and to overcome the threat. The term SWOT is the acronym for Strength, Weaknesses, Opportunities and Threats (Rothwell, 1983).

Andrews (1997) defined corporate strategy as the pattern of major objectives, purposes or goals, and essential policies and plans for achieving those goals, stated in such a way as to

define what business the company is into or engages in. Steiner and Miller (1977) posited that strategy is the formulation of company's vision, mission and setting of objectives as well as developing actions to achieve the objectives.

Corporate Strategy is therefore the art and science of formulating, implementing and evaluating cross-functional objectives.

Concept of Strategic Management

Iravo, Ongori & Munene (2013), stated that one of the important questions in business has been why some organisations succeed and while others fail and this has influenced a study on the drivers of Organisational Performance. Fwaya (2006), viewed performance as a formula for the assessment of the functioning of an organisation under certain parameters such as productivity, employee morale and effectiveness. Nzuve and Nyaega (2012), opined that performance management and improvement is at the heart of strategic management because a lot of strategic thinking is directed towards defining and measuring performance. Awino (2011), asserted that for an organisation to be successful, it has to record high returns and identify performance drivers from the top to the bottom of the organisation.

According to Thompson (1996), a company's strategic management is the "game plan" management has for positioning the company in its chosen market arena, competing successfully, pleasing customers and achieving superior business performance.

Strategic Management Process

There are four basic process of strategic management as identified by Wheelen et al. (2014), they are Environmental Scanning, strategy formulation, strategy implementation, and evaluation and control. These four elements constitute the strategic management process of an organisation.

Environmental Scanning

This refers to the monitoring, evaluating and disseminating of information from the internal and external environments to important people in the organisation, and this determine the future success of the organisation.

SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis is a reliable tool for Environmental Scanning as stated by Oyedijo (2013). The internal environment of a firm itself and which influences its competitive advantage. These variables includes the structure, culture and resources of the firm. The internal environment consist of shareholders, customers, creditors, trade associations, competitors, suppliers and governments. While the external environment of a business firm determines the firms continual existence. The variables include economic forces. Sociocultural forces, political-legal forces, and technological forces. These factors are very essential and be ignored if the organisation must continue to be in existence.

Strategy Implementation

Strategy implementation involves organisation of firm's resources and motivation of the staff to achieve the objectives of the firm. The environmental conditions facing firms have rapidly changes. Today's global competitive environment is complex, dynamic and largely unpredictable. In order to deal with the unprecedented level of change, thinking has been on the issue on the best effective strategies formulation. Strategic management is about managing the future, and effective strategy formulation is crucial, as it directs the attention and actions of an organisation, even if in some cases actual implemented strategy can be very different

from what was initially intended, planned or thought. The assessment of strategy formulation processes becomes important for practitioners and researchers the same in order to conduct and evaluate different formulation processes (Olson, 2006).

Strategy Evaluation and Control

Strategy evaluation and control aims at unfolding any constraints in the process of strategy implementation and or identifying deviations. When strategy is formulated, it is not clearly possible so foresee all the problems and events that might arise in the future when strategy would be executed. Thus, it becomes imperative for managers to evaluate strategy implementation process and then to revise strategy of fine-tune the strategy execution approaches. Once the requirement for implementation for strategy have been fulfilled, the next thing is the evaluation of strategy by the organisation. Evaluation of strategy is that phase of the strategic management process in which managers try to assure that the strategic choice is properly implemented and is meeting the objectives of the organisation. In fact, in strategy evaluation, managers review or appraise the progress in the performance related to strategy implementation, try to find out any deviations of our performance from the chosen strategy that has been put into action, and then appropriate actions for making the strategy work. Strategy evaluation is a kind of follow-through on strategy (Fred, 1999).

Strategic evaluation requires an effective computer-based information system for providing managers with timely feedback in order to enable them to promptly act on the data. In practice, strategic evaluation during and after implementation requires a control system, both are integral parts of the monitoring system of the organisation. Both the system help the managers to monitor the process of a strategic plan.

Concept of Organisation Performance

Organisational Performance is concerned with the overall productivity in an organisation in terms of stock turnover, customers, profitability and market share. The concept of Organisational Performance is core to businesses because the major objective of business is to make profits. The concept of performance of a business firm is based upon the idea that an organisation is the voluntary association of productive assets, including human, physical and capital resources for the purpose of achieving a shared purpose. Alchian and Demsetz (2012); Barney (2005); and Carton (2014).

Awino (2011), asserted that for an organisation to be successful it has to record high returns and identify performance drivers from top to bottom of your organisation. Odhiambo (2009), identify three approaches to performance in organisation which are the goal approach, which states that an organisation pursue definite identifiable goals. The second approach is the system resource approach which defines performance according to an organisation and its environment. This concept defines performance according to an organisation's ability to secure the limited and valued resources in the environment. The third approach is the process perspective which defines performance in terms of the behaviour of the human resource of an organisation (Waiganjo, Mukulu, & Khariri, 2012) Kiragu (2005), highlighted performance in terms of four perspectives which are the key financial drivers of enhancing performance which are profit margin, assets turnover, leverage, cash flow, and working capital (Odhuno & Wadongo, 2010).

The customer focus describes performance in terms of brand image, customer satisfaction, customer retention and customer profitability. Internal processes involve the efficiency of all

the systems in the organisation while innovativeness is concerned with the ease with which a firm is able to adapt to changing conditions.

Empirical Review

Onyekwelu (2020), investigated the effect of strategic management on the Organisational Performance with particular reference to some manufacturing firms in south east Nigeria.

The study employed multiple regression analysis to analyse the data generated. It was discovered that all the strategic processes including strategy objectives, strategy formulation, strategy implementation and strategy evaluation had significant effects on the Organisational Performance of manufacturing firms in south east Nigeria. The study therefore concluded that strategic management has significant effect on organisational objective and effective employee performance. Also, that organisations should seek more input from the lower-level managers and supervisors when formulating strategy so that formulated plans will be effective and in line with both long and short-term objectives of the organisation.

Dauda, Akingbade, and Akinlabi (2010), examine the influence of strategic management and corporate performance in selected small enterprises in Lagos metropolis, Nigeria. Their findings revealed that strategic management practices enhances both organisational profitability and company market share and therefore suggested that strategic planning concepts should be adopted by business organisations.

Adeyemi (1992), discovered that there was a positive correlation between strategic management and Organisational Performance in some selected Nigerian Banks.

Fiberesime and Abdul Rani (2013), examines the impact of strategic management on business success in Nigeria. The study concluded that strategic management was found to be positively related to corporate success, and strategic management practices improves business success.

Muogbo (2013), explored the impact of strategic management on organisational growth and development of selected manufacturing firms in Anambra State in Nigeria. Results from the analysis indicated that the adoption of strategic management has significant effect on competitiveness and significant effect on employee's performance and has significantly increased organisational productivity.

Singh (2005), in his studies examined the impact of strategic planning process variation on supervisor Organisational Performance in non-profit human service organisations providing mental health services. The major finding of this study was the strategic planning is highly correlated with superior Organisational Performance.

RESEARCH METHODS

This study adopted the cross sectional type of the survey research design to ascertain the relationship between the studied variables. This research design was chosen because of its appropriateness for the study.

Population of the Study

The population of the study consisted of all employees of manufacturing firms registered under the Manufacturing Association of Nigeria (MAN), Delta State Chapter as at November 30th 2021, and are registered with the Corporate Affairs Commission (CAC). Due to the high number of employees in these firms, some selected manufacturing firms located in various locations in Delta State with a population of 136 employees were used for the study. The breakdown of the population is as shown in table 1

Table 1
Population of the Study

S/N	MANUFACTURING FIRM	NUMBER OF EMPLOYEES
1.	Ochuks Nig Ltd Warri.	22
2.	Jessy Nig. Ltd Warri.	21
3.	Jomi Nig. Ltd. Ughelli.	24
4.	Moko Integrated Company Ltd, Sapele.	23
5.	Chidi Nig. Ltd., Asaba.	20
6.	Waras Integrated Ltd, Asaba.	21
Total		136

Source: Manufacturing Association of Nigeria (MAN) Delta State Chapter, 2021.

Sample and Sampling Technique

The researcher employed the Taro-Yamane formula to determine the sample size used for the study and as stated below;

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

Where, n= sample size; N= population size; e= estimated standard error. In this study the researcher adopted 95% confidence level, that is, an estimated error of 5%.

$$n = \frac{136}{1 + 136 (0.05)^2}$$

$$n = 101$$

Consequently, the sample size of the study was 101. Since the population of each of the firms varies, the proportionate sampling procedure was then used to determine the sample size for each firm as shown in Table 2

Table 2
Sample of the Study

S/N	MANUFACTURING FIRMS	SAMPLE CALCULATION	SAMPLE SIZE
1.	Ochuks Nig Ltd Warri.	$\frac{27}{136} \times 101$	20
2.	Jessy Nig. Ltd Warri.	$\frac{21}{136} \times 101$	15
3.	Jomi Nig. Ltd. Ughelli.	$\frac{24}{136} \times 101$	18
4.	Moko Integrated Company Ltd, Sapele.	$\frac{23}{136} \times 101$	17
5.	Chidi Nig. Ltd., Asaba.	$\frac{20}{136} \times 101$	15
6.	Waras Integrated Ltd, Asaba.	$\frac{21}{136} \times 101$	16
Total			101

Source: Researcher's Computation, 2022.

Validation and Reliability of Research Instrument

A questionnaire was used to collect data for the study. The questionnaire consisted of two sections. Section A contained the demographic data of the respondents. While section B contain all questions that elicited information on the constructs for the study. Items on the questionnaire were structured on a 5 point Likert scale, ranging from 1 for strongly disagree to 5 for strongly agree. The questionnaire was administered to a sample of 101 employees of the selected organisations. The validity of the instruments were established by experts in the field of Business Administration and measurement and Evaluation. The experts assessed the instruments for appropriateness and suitability to the objective of the study, and their suggestions were effected before the final draft of the instrument was made.

To ensure the reliability of the questionnaire a pilot study was carried out with 31 respondents and a reliability test was thereafter conducted using the Cronbach’s alpha test which gave a value 0.78. Since the value of the reliability test was greater than the recommended minimum value of 0.7, the questionnaire was considered reliable.

Analytical Procedure and Model Specification

The data obtained were analysed using Pearson’s product moment correlation coefficient at a 95% confidence interval. The Statistical Package for Social Science (SPSS) version 26 was used to analyse the data.

The hypotheses of the study were tested based on the specified models which expressed linear relationship between the variables.

Model 1

$$OP = \beta_0 + \beta_1 ES + E_1 \dots \dots \dots \text{Equation 1}$$

Model 2

$$OP = \alpha_0 + \alpha_1 SF + E_2 \dots \dots \dots \text{Equation 2}$$

Model 3

$$OP = \lambda_0 + \lambda_1 SI + E_3 \dots \dots \dots \text{Equation 3}$$

Model 4

$$OP = \theta_0 + \theta_1 SE + E_4 \dots \dots \dots \text{Equation 4}$$

Description of items in the models:

- OP = Organisational Performance
- ES = Environmental Scanning
- SF = Strategy Formulation
- SI = Strategy Implementation
- SE = Strategy Evaluation
- β_0 = Constant term for model 1
- β_1 = Regression Coefficient for model 1
- α_0 = constant term for model 2
- α_1 = Regression coefficient for model 2
- λ_0 = Constant term for model 3
- λ_1 = Regression coefficient for model 3
- θ = constant term for model 4
- θ_1 and θ_2 = Regression coefficients for model 4
- $E_1, E_2, E_3,$ and E_4 = Error terms

RESULTS AND DISCUSSION

This section dealt with the presentation of data obtained and analysed in the study. Out of the one hundred and one copies of the questionnaire administered to the respondents, sixty eight copies were completed and returned representing 67%.

Demographic Characteristics

The result of the demographic characteristics of the respondents is shown in table 4.1 below.

Table 3

Demographic Characteristics

DESCRIPTION	FREQUENCY	PERCENTAGE
Gender		
Male	47	69.12%
Female	21	30.88%
Age		
20-30 years old	11	16.18%
31-40 years old	24	35.29%
41-50 years old	20	29.41%
Above 50 years old	13	19.12%
Education		
ND	26	38.23%
HND	18	26.47%
BA/ B.Sc	15	22.06%
MBA/ M.Sc.	9	13.24%
Years of Work Experience		
0-10 years	26	38.24%
11-20 years	28	41.18%
21 years and above	14	20.58%
Total Respondents	68	100%

Source: Field work, 2022.

The table showed that majority of the respondents were males (69.12%). A large number of the respondents possessed the National Diploma Certificate (38.23%) and 41.18% of the respondents has eleven to twenty years of work experience.

Test of Hypothesis

H₀₁: There is no significant relationship between Environmental Scanning and organisation performance. To test this hypothesis, a regression analysis was employed.

Table 4

Summary of Regression Analysis of impact of Environmental Scanning on Organisational Performance

Model	R	R square	Adjusted R square	Standard Error of the estimate
1	0.571 ^a	0.326	0.261	0.36484

a. Predictors (constant)

Source: Author's Computation Using SPSS (2022)

Table 5

Multiple Regression showing significance of predictors on Environment Scanning.

Model		Sum of squares	DF	Mean Square	F	Sig
1	Regression	3.314	5	.663	5.216	0.001 ³
	Residual	7.197	53	.136		
	Total	10.511	58			

Source: Author's Computation using SPSS 26.0 version (2022)

Table 6

Contribution of Each Predictor to Environmental Scanning

Model		Unstandardized coefficient		Standardized Coefficients	t	Sig
		B	Std Error	Beta		
1	Constant	2.172	.452		4.709	0.000
	ES 1	.184	.079	.302	2.236	0.27
	ES 2	.193	.089	.311	2.182	0.33
	ES 3	.064	.083	.102	.796	.435

a. Dependent Variable: Organisational Performance

b. Predictors: (constants) SE₃, SE₂, SE₁

Source: Author's Computation using SPSS 26.0 version (2022)

From the summary of the regression analysis shown above, a correlation coefficient which is denoted by R= 0.571 and this is a positive linear relationship between the dependent variable and independent variable. The R² value of 0.326 shows that 32.6% variation in the dependent is explained by the independent variable. The summary also shows F (5, 59) = 5.216; p= 0.001 < p= 0.05

Therefore, the result being good fit for the model, the null hypothesis is rejected for the alternative that Environmental Scanning has significant relationship with Organisational Performance.

H₀₂: There is no significant relationship between Strategy Formulation and Organisational Performance.

Table 7

Summary of Regression Analysis of impact of Strategy Formulation on Organisational Performance.

Model	R	Rsquare	Adjusted Rsquare	Standard Error of the estimate
2	.521 ^a	.271	.201	.34833

a. Predictors (constant)

Source: Author's Computation Using SPSS 26.0 version (2022)

Table 8

Multiple Regression Showing Significance of Predictors on Strategy Formulation.

Model		Sum of squares	DF	Mean Square	F	Sig
2	Regression	2.476	5	.495	4.084	0.003 ³
	Residual	6.548	53	.124		
	Total	9.024	58			

Source: Author's Computation using SPSS 26.0 version (2022)

Table 9
Contribution of Each Predictor to Strategy Formulation

Model		Unstandardized coefficient		Standardized Coefficients	t	Sig
		B	Std Error	Beta		
2	Constant	2.912	.292		9.991	0.000
	SF 1	.042	.104	.082	.403	.686
	SF 2	.127	.0876	.278	1.668	.011
	SF 3	.094	.061	-.251	-1.576	.122

a. Dependent Variable: Organisational Performance

b. Predictors: (constants) SF₃, SF₂, SF₁

Source: Author's Computation using SPSS version 26.0 (2012)

From the summary of the regression analysis shown above, a correlation coefficient denoted by $R = 0.521$, showing a positive linear relationship between the dependent and the independent variables. The R^2 value = 0.271 shows that 27.1% of the dependent variable is explained by the independent variable. The summary also showed $F(5,58) = 4.084$; $p = 0.000 < p = 0.05$.

Therefore, the result being good fit for the model, the null hypothesis is rejected for the alternative that Strategy Formulation has significant relationship with Organisational Performance.

H₀₃: There is no significant relationship between Strategy Implementation and Organisational Performance.

Table 10
Summary of Regression Analysis of impact of Strategy Implementation on Organisational Performance.

Model	R	R square	Adjusted R square	Standard Error of the estimate
3	.618 ^a	.382	.362	.33882

a. Predictors (constant)

Source: Author's Computation Using SPSS version 26.0 (2022)

Table 11
Regression Analysis showing significance of predictors on strategy implementation.

Model		Sum of squares	DF	Mean Square	F	Sig
3	Regression	4.056	2	2.028	17.671	0.00 ³
	Residual	6.53	56	.114		
	Total	10.599	58			

Source: Author's Computation using version SPSS 26.0 (2022)

Table 12
Contribution of Each Predictor to Strategy Implementation

Model		Unstandardized coefficient		Standardized Coefficients	t	Sig
		B	Std Error	Beta		
2	Constant	3.011	.172		17.647	.000
	SI 1	.171	.043	.441	3.839	.000
	SI 2	.098	.037	.295	2.641	.011

Source: Author's Computation using SPSS version 26.0 (2022)

a. Dependent Variable: Organisational Performance

b. Predictors: constants, SI₂, SI₁

From the summary of the regression analysis shown above, a correlation coefficient denoted by $R = 0.618$, showing a positive linear relationship between the dependent variable and the independent variable. The R^2 value of 0.382 shows that 38.2% of the dependent variable is explained by the independent variable. The summary also shows $F(2, 58) = 17.67$, $p = 0.000 < p = 0.05$

Thus, the result being good fit for the model, the null hypothesis is rejected for the alternative that Strategy Implementation has significant relationship with Organisational Performance.

H₀₄: There is no significant relationship between Strategy Evaluation and Organisational Performance.

Table 13

Summary of Regression Analysis of impact of Strategy Evaluation on Organisational Performance

Model	R	Rsquare	Adjusted Rsquare	Standard Error of the estimate
4	.571	.326	.312	.34982

Source: Author's Computation Using SPSS version 26.0 (2022)

Table 14

Regression Analysis showing Significance of Predictors on Strategy Evaluation.

Model		Sum of squares	DF	Mean Square	F	Sig
4	Regression	3.584	2	1.792	14.565	0.00 ⁵
	Residual	7.015	56	.125		
	Total	10.599	58			

Source: Author's Computation using version SPSS 26.0 (2022)

Table 15

Contribution of Each Predictor to Strategy Implementation

Model		Unstandardized coefficient		Standardized Coefficients	t	Sig		
		B	Std Error	Beta				
2	Constant	3.066	.203		15.042	.000		
	SE 1	.212	.046	.537			4.400	.000
	SE 2	.038	0.052	.88			.741	.460

Source: Author's Computation using SPSS version 26.0 (2022)

a. Dependent Variable: Organisational Performance

b. Predictors: constants, SE₂, SE₁

From the summary of the regression analysis shown above, a correlation coefficient denoted by $R = 0.571$, showing a positive linear relationship between the dependent variable and the independent variable. The R^2 value of 0.326 shows that 32.6% variable of the dependent variable is explained by the independent variable.

The summary also shows $F(2, 58) = 14.563$, $p = 0.000 < p = 0.05$

Thus, the result being good fit for the model, the null hypothesis is rejected for the alternative that Strategy Evaluation has significant relationship with Organisational Performance.

From the results of the data analysis, it was found that a significant relationship exists between environmental scanning as a strategic management process and organisational performance. From the findings of table 4.21A, environmental scanning accounted for 32.6% variability in the organisational performance. This simply means that strategy formulation as a strategic management process influences organisational performance. It was also found that there is a significant relationship between strategy implementation and organisational performance. From the findings of Table 4.23A strategy implementation accounted for 36.2% variability in the performance of the organisation. This means that strategy implementation as a strategic management process influences organisational performance. Furthermore, it was found that a significant relationship exists between evaluation as one of the process of strategic management and organisational performance. From the findings of table 4.24 A, strategy evaluation accounted for 26.1% variability in the performance of the organisation. This is to say that evaluation as a strategic management process influences organisational performance. These findings are in line with Monday et al (2015), Muogbo (2013) and Onyekwelu (2020).

CONCLUSION AND RECOMMENDATION

Based on the findings of the study, it is revealed that strategic management as a process influences the organisational performance as all the four hypotheses tested have indicated.

It is therefore, recommended that manufacturing firms should embrace the practice of strategic management so as to achieve optimum performance in their business operations.

References

- Adeyemi, S. L. (1992). *Strategic management in selected banks* (An Unpublished Ph.D. Thesis)
- Alchian, A., & Demsetz, H. (2012). Production, Information Costs, and Economic Organization. *Journal of American Economic Review*, 62, 777-795.
- Andrews, R., George, A., Boyne., & Richard, M.W. (2006). Strategy content and organizational performance. An Empirical Analysis. *Public Administration Review*, 1 (2), 148-150.
- Arabzad, S.M., Ghorbani, M., Razmi, J., & Shirouyehzad, H. (2015). Employing fuzzy TOPSIS and SWOT for supplier selection and order allocation problem; *The International Journal of Advanced Manufacturing Technology*, 76(5), 803-818.
- Awino, Z. B. (2011). *Strategic management: An empirical investigation of selected strategy variables on firms performance: A Study of Supply Chain Management in Large Private Manufacturing Firms in Kenya*.
- Babalola, J.B. (2008). *Educational policy and planning in Nigeria: Problems and Prospects. Reference Conference Proceedings*. Ago-Iwoye: Institute of Education, Olabisi Onabanjo University
- Barney, J. (2005). Looking inside for competitive advantage. *Academy of Management Executive*, 9(6), 49-61.
- Carton, R. B. (2014). *Measuring Organizational Performance: An Exploratory Study* (A Published PhD. Dissertation), University of Georgia, Athens.

- Dauda, Y. A., Akingbade, W. A., & Akinlabi, H. B. (2010). Strategic management practice and corporate performance of selected small business enterprises in Lagos Metropolis. *International Journal of Business and Management*, 5(11), 97 -105.
- Fiberesima, D. D., & Abdul Rani, N. S. (2013). *Strategy management and business success*. Proceedings of the 2012 International Conference on Industrial Engineering and Operations Management, Istanbul, Turkey, 3(6), 26-33.
- Fred, R. D. (1999). *Strategic management*. New Jersey: Prentice-Hall.
- Fwaya, O. (2006). *Human resource systems and competitive strategies in hospitality organizational performance* (Unpublished Msc. Thesis), Maseno University. Kisumu.
- Iravo, M., Onogori, J., & Munene, C. (2013) Factors affecting the performance of hotels and restaurants in Kenya. A case of Kissii County. *Interdisciplinary Journal of Contemporary Research in Business*, 4(12), 897-928.
- Kiragu, D. (2005). *A Survey of adaptation of the balanced scorecard by selected companies in Kenya* (Unpublished MBA Project), University of Nairobi.
- Muogbo, U. S. (2013). The impact of strategic management on organization growth and development (A study of selected manufacturing firms in Anambra State. *IOSR Journal of Business and Management (IOSR-JBM)*, 7(1), 24-32. www.iosrjournals.org
- Nzuve, M., & Nyega, G. (2012). *Application of the unbalanced scorecard in performance measurement at Essar Telecom Kenya Limited* (Unpublished MBA Project), University of Nairobi.
- Odhiambo, O. (2009). Implementation of performance contracting in Kenya. *International Public Management Review*, 10(2), 60-84.
- Odhuno, L., Kambona, O., Othuno, E., & Wadongo, B. (2010). Key performance indicators in the Kenyan hospitality industry. A Managerial perspective. Benchmarking. *An International Journal*, 17(6), 858-875.
- Olson, J. C. (2006). *Consumer behavior and marketing strategies* (7th edition) New York.
- Okwuse, U. Y., Ediri, U. J., & Daniel, A. (2017). Strategic financial innovations and performance of oil firms in Nigeria. *International Journal of Economic Perspectives*, 11(1), 73-88.
- Okwuse, U. Y., Kifordu, A. A., & Oghoghomeh, T. (2020). Impact of conflict management strategies on employee performance in the Nigeria banking industry. *International Journal of Advanced Science and Technology*, 29(08), 5167-5177.
- Onyekwelu P. N. (2020). Effects of strategic management on organizational performance in manufacturing firms in South-East Nigeria. *Asian Journal of Economics, Business and Accounting*, 15(2), 24-31.
- Oyedijo, A. (2013). *Business policy and strategic management* (2nd Ed.). Ikeja: Strategic International Press Ltd.
- Oyetijo, A. (2004). *Strategic management: An Introductory Text*. Lagos: Strategic International Press Limited. 1st Edition
- Pumpin, C.C. (1989). *The essence of corporate strategy*. United Kingdom: Gower Publishing Company.

- Robert, A., & Peter, K. (2012). The relationship between strategic planning and firm performance: *International Journal of Humanities and Social Sciences*, 2(22), 201-213.
- Rothwell, N. (1983). Attributional style and life events; *British Journal of Clinical Psychology*, 22(2), 245-248.
- Singh, K. (2005). *The impact of strategic planning process variation on superior organizational performance in nonprofit human service organizations providing mental health services*. Columbia University, ProQuest, UMI Dissertations Publishing.
- Steiner & Miller (1977). *Debt and taxes: Address of Annual Meeting of the American Finance Association, Atlantic City, Georgia*.
- Thompson, A. (1996). *Strategic management*. Business Publications: Plano, TX.
- Ugherughe, J., Okwuise, U. Y., & Ukwandi, S. (2020). The impact of globalization on industrial relations in Nigeria (A study of selected trade unions), *International Journal of Psychosocial Rehabilitation*, 24(7), 11288-11305.
- Waiganjo, E., Mukulu, E., & Khariri, J. (2012). Relationship between strategic human resource management & firm performance of Kenya's corporate organizations. *International Journal of Humanities & Social Science*, 2(10), 62-70.
- Wheelen, T. L., Hunger, J. D., Hoffman, A. N., & Bamford, C.E. (2014). *Strategic management and business policy: globalization, innovation and sustainability* (14th Ed.). New York: Prentice Hall Inc.