



Asian Journal of Management and Commerce

E-ISSN: 2708-4523
P-ISSN: 2708-4515
AJMC 2023; 4(2): 251-259
© 2023 AJMC
www.allcommercejournal.com
Received: 06-10-2023
Accepted: 13-11-2023

Ewa Collins
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Dr. Aneozeng Awo Egbe Esq
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Dr. Patrick
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Montok Igbaji
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Ekpenyong Akiba
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Corresponding Author:
Ewa Collins
Department of Business
Administration, Faculty of
Management Sciences,
University of Cross River State
Calabar, Nigeria

Strategic planning: Effect on the performance of Nigerian bottling company (NBC) Enugu, Nigeria

Ewa Collins, Dr. Aneozeng Awo Egbe Esq, Dr. Patrick, Montok Igbaji and Ekpenyong Akiba

Abstract

The study examined strategic planning and its effect on the performance of Nigeria Bottling Company Enugu, Nigeria. The specific objectives are to ascertain the effect of environmental scanning on the performance of Nigeria Bottling, to determine the effect of strategy evaluation on the performance of Nigeria Bottling Enugu. The study adopted a descriptive research design, the population of the study was 135 it was made up of staff from personnel department, marketing department, administrative department finance and operations department. A sample size of 101 was used for the study, questionnaires was distributed to the respondents. Ninety-one questionnaires were completed and submitted with success. The Statistical Package for Social Sciences (SPSS Version 27.0) was used to analyze the data that was gathered. The results showed that the performance of Nigerian Bottling Company Enugu, Nigeria, is significantly impacted by environmental scanning and strategy evaluation. The study also suggested that the Nigeria Bottling Company's management set reasonable goals that are achievable and clear, and that they support one another. The study also suggested that the goals be precise and measurable because more precise goals are easier to measure and accomplish it, and ought to endure forever, The study goes on to advise management to view environmental scanning as a key organizational policy since it will make it easier for them to accomplish the organization's vision and improve customer satisfaction. It will also act as a benchmark for monitoring the performance and advancement of the business.

Keywords: Strategic planning, performance, environmental scanning, strategy evaluation, vision and mission statement

1. Introduction

Due to its perceived impact on organizational success, the idea and practice of strategic planning have gained widespread acceptance over time, spanning numerous industries (Latif & Gohar, 2013) ^[31]. Strategic planning is a process that organizations in the public and private sectors have adopted thoughtfully as a tool to enhance their performance.

Aremu (2010) ^[6] asserts that strategy is necessary to direct effort and encourage activity coordination. An organization would just become a collection of people without a strategy, thus it is necessary to guarantee group actions and focus efforts on accomplishing organizational goals and plans.

Nowadays, a lot of businesses are concentrating on increasing their level of competitiveness by implementing methods that offer them an advantage over rivals. Developing practical strategies is essential to achieving this (Cater & Pucko, 2010) ^[15]. According to Awino, Muturia, and Oeba (2012) ^[7], strategic planning is a crucial process that serves as the foundation for strategic management.

Wagner (2013) ^[44] proposed four explanations for the significance of strategic planning: environmental scanning, strategy formulation, goal-budget linkage, and strategic planning as a process. Establishing organizational goals is the first step in the strategy planning process, which is widely accepted and applicable to all industries due to its perceived impact on organizational performance (Latif & Gohar, 2013) ^[31]. Both public and private sector organizations.

Management uses the strategic planning process to define goals, schedule activities to achieve those goals, and incorporate a means of tracking advancement (Bulle, 2012) ^[14]. The procedure governs how the company will adapt to new opportunities and meet the needs of its clients and customers. Since strategic leadership and management are key factors in the success of strategic implementation, a lack of effective top management support can

contribute to the failure of strategy implementation.

Strategic planning is a set of predictable actions that includes setting goals and objectives, analyzing the environment, developing strategies, putting them into action, and monitoring them. A strategy unifies the organization's objectives, policies, and course of action into a coherent whole. It serves as the organization's compass for the leader. Few businesses can thrive without a carefully thought-out, long-term plan. Three primary objectives can be met by strategic planning (Koteen, 1997) ^[29]. First of all, what the

Few businesses can thrive without a carefully thought-out, long-term plan. Three primary objectives can be met by strategic planning (Koteen, 1997) ^[29]. First of all, the planning process makes it clear what the organization hopes to accomplish. Second, creating a thorough, step-by-step plan to accomplish stated objectives is a component of a strategic plan. Lastly, according to Zhao (2008) ^[46], the main goal of strategic planning is to establish priorities and give the organization's future direction.

Setting goals and objectives, identifying potential solutions and strategies, formulation, and implementation of a workable alternative were the three steps of the traditional paradigm popular approach employed by management (Kipley, Lewis and Jeng, 2012) ^[28]. A strategic plan can help businesses foresee future possibilities and problems by concentrating on long-term forecasts. Three steps have historically been involved in management's paradigmatic approach: goal and objective setting, strategy creation, implementation, and viable alternative identification (Kipley Lewis, A.O. and Jeng, J., 2012) ^[28]. Long-term projections will be the main focus of the strategic plan, which will help businesses see potential obstacles and possibilities.

1. Companies with detailed written strategies and well-organized plans (business plans). These documents provide a thorough overview of the main facets of the company, such as human resources, product development and innovation, production technology and services, marketing objectives and analyses, and so forth. Modern management approaches and methodologies, such as PEST, Porter's five forces, marketing mix, SWOT, and others, should be incorporated into a thorough strategic document. The strategy paper is updated as needed and covers a minimum of three years into the future. It is frequently compared to the current state of affairs.
2. Companies whose strategic documents are written in a textual but succinct manner and lack sufficient details in all pertinent chapters. With a few notable exceptions, such as strategic issues like production, marketing, or finance, many of these businesses only provide a brief explanation of their mission and vision; other significant chapters are left out.
3. Companies without a formal strategy document. There is never a precise plan. Top management (such as owner managers and entrepreneurs) maintains any resemblance of this in their minds; some elements are either nonexistent or covered by corporate culture. Nigerian bottling company Enugu is not an exception to the rule that companies in today's modern business environment are challenged to adopt business models that enable them to address strategic and security risks facing their businesses.

1.2 Statement of the Problem

Studies from the past and present have demonstrated that there is a rise in both internal and external uncertainty as a result of new opportunities and threats to the awareness of facility-related issues and environmental factors like social, political, economic, and technological factors. Legal and environmental factors (PESTEL).

Ibegbulem and Monye (2018) ^[47]. Rather than anticipating and preparing for changes and problems, many organizations find themselves spending most of their time realizing them and reacting to them after they happen. Any organization that is unprepared will ultimately waste time and money trying to catch up.

There have been numerous studies on strategic planning in Nigerian organizations, including those by Amar, Norlimi, and Isyaku (2020) ^[3] and Akinyele and Fasogba (2007) ^[1], but not many have specifically examined the factors influencing strategic planning processes in the bottling industry.

The bulk of research studies that have looked at the relationship between performance and strategic planning have found that companies with formalized strategic planning processes outperform those without. Additionally, companies using a proactive strategy outperform those using a reactive one in terms of performance. The aforementioned evidence highlights the importance and even necessity of implementing a formal, proactive strategic planning process in any size of organization (Bearnish, 2000) ^[48].

In light of this, the goal of this study was to close the gap by determining the impact of strategic planning in Nigeria bottling company, Enugu. Using strategy evaluation and environmental scanning as the proxies for the dependent variable Strategic Planning.

1.3 Objectives of the study

The main objective of this study is to examine the effect of strategic planning on the performance of Nigeria Bottle Company Enugu, Nigeria. The specific objectives are as follows:

1. To examine the effect of strategy evaluation on the performance of Nigeria bottling company Enugu.
2. To determine the effect of environmental scanning on the performance of Nigeria bottle company Enugu.

1.4 Research Questions

Does strategy evaluation have any effect on the performance of Nigeria Bottling Company Enugu?

How do environmental scanning affect the performance of Nigeria Bottling Company Enugu?

1.5 Research Hypotheses

Ho₁: There is no significant effect of strategy evaluation on the performance of Nigeria Botting Company Enugu.

Ho₂: There is no significant relationship between environmental scanning and the performance of Nigeria Bottling Company Enugu.

2. Literature Review

2.1 Conceptual Review

A strategic plan is an outline of steps planned with the overall objectives of the firm as a top priority, rather than the objectives of specific divisions or offices within the firm. It includes the steps taken to provide a comprehensive picture of what needs to be done and in what order, as well

as how to create a framework suitable for achieving the overall goals. Strategic planning is a popular management tool for approaching the topic of strategy formulation (Rigby, 2001) [38]. It entails individuals who are given this duty gathering data, comprehending it, conceptualizing, modeling, and strategizing for uncertain alternative future scenarios; assessing them and determining the answers to crucial questions regarding the firm's intended and actual position (Boyd, 1998) [49]. Although there are certain similarities among the definitions found in the literature, there are various ways to define strategic planning. According to Hopkins (1999) [50], strategy is the course of action that senior management of a company takes after taking the company's resources, competencies, and environmental risks into account. The process of creating an organization's mission, determining long-term goals, analyzing the external environment, developing an organizational strategy, putting that strategy into action, and maintaining control is known as strategic planning. According to Bryson (2004) [51], "a disciplined effort to produce basic decisions and actions that shape and guide what the organization is, what it does, and why it does it" is another way to describe strategic planning. The goals of strategic planning are to integrate and coordinate processes, including future strategic decisions, and to influence the firm's direction within a specified time frame. The goal of strategic planning is accomplished through a variety of initiatives, such as meetings, strategic reviews, the creation of strategic plans, and more.

2.1.1 Strategic Planning Process

The concept of a system or process for planning is central to a large portion of the literature on strategic planning. The steps in the planning process are frequently listed by authors, who view planning as a very deliberate process that results in an explicit plan. By outlining the fundamental components of strategic planning, (Bryson 2014) [13] offers a straightforward framework for the procedure. Bryson defines A as where you are, B as where you want to be, and C as the means of getting there. The organization's vision, mission, and goals facilitate its transition from point A to point B.

2.1.2 Vision Statement

Any strategic planning process begins with the organization's vision and mission. The mission statement organizes the organization's primary goals and objectives, while the vision statement explains the organization's purpose and the "ideal" state it hopes to attain. Within the framework of the organization's philosophy, the mission statement and the firm's vision are clearly stated. According to Lynch (2000) [52], they serve as a framework for the formulation and assessment of both planned and emergent

strategies. The importance of vision statements in the strategic management process of profit-making, multinational, and small- and medium-sized businesses has gained widespread recognition. Most people agree that mission and vision statements have an impact on strategy and the majority of organizational performance characteristics. Bart 2001 [8], claimed that, in the ten years before his study, mission statements had been repeatedly demonstrated to be the best management tool used by senior managers.

2.1.3 Mission Statement

Mission statements are thought to be the most important place to start for practically any significant strategic project. They are meant to influence members of the organization's behavior in the direction of shared objectives. A mission statement sets the stage for strategy and serves as the final point of reference when allocating scarce resources (Bart, 2001) [8]. It has been stated that the mission statement has a significant influence on both organizational and employee performance. The mission of an organization is its reason for being, or its purpose. It explains the services it offers to the community (Johnson & Scholes, 2002) [26]. A mission statement should outline the core, exceptional, and distinct goals that distinguish an organization from others of its kind. It should also specify the extent of the business's activities. They specify the tasks to be completed by when and, if feasible, should be quantified Grant (2005) [53].

2.1.3 Strength Weakness Opportunity Threat (Swot Analysis)

The most effective method for evaluating problems both inside and outside the company is the SWOT analysis. This is an effective method of assessing the business or undertaking. It assists us in obtaining precise or localized information about the business. Knowing which of the company's strengths can be leveraged to maximize the rate of opportunities is helpful. (Ommani, 2011) [54]. Utilizing the company's strength to lessen the threats you identified is also beneficial. And supports you in acting quickly to minimize the company's weaknesses by turning an opportunity into a strength. Organizational strength refers to the traits and capabilities that an organization uses to differentiate itself from competitors and other organizations. These traits are identified through an internal environment analysis of the organization. Stated differently, organizational strength denotes the traits and circumstances that make an organization superior to its rivals in terms of effectiveness and efficiency. Five criteria can be used to categorize an organization as strong, equal, or weak in relation to its rivals. Understanding the organization's shortcomings is just as crucial as its strengths.

Table 1: Internal and external forces

| Internal forces | External forces |
|-----------------------------|---|
| Strengths | Opportunities |
| What are we good at? | Anything happening outside which will be of advantage to us if we work on it? |
| Weaknesses | Threats |
| What do we need to work on? | Anything happening outside which we need to handle before it gets to us? |

2.1.4 Environmental Scanning

Ansoff (1991) [4] defined strategic planning as the process of trying to improve the fit between a company's technology or

product and its ever-changing environment. He discusses how the internal environment has changed and is now replaced by an unfamiliar world of new technologies, up-

and-coming rivals, changing consumer attitudes, expanded social control, and, above all, questions about the firm's place in society.

According to Campbell (2000) ^[16] and Thompson and Stickland (2007) ^[41], developing a strategic plan entails evaluating an organization's opportunities and challenges as well as identifying its strengths and weaknesses in a changing environment. They go on to say that a plan of action is established to address the current issue while taking the organization's aims and objectives into account. They go on to define strategic planning as a management tool that assesses a company continuously and methodically, identifies its long-term goals and quantifiable objectives, creates an implementation plan, tracks performance, assigns resources, and, if necessary, revises the plan to make sure organizational members continue to strive toward the stated objectives in a changing environment.

2.1.5 Strategy Evaluation

Managers can find and handle strategic planning decisions with the help of several tools and techniques. These methods help managers turn relevant data into formats that are useful for taking action and making decisions (Fleisher and Bensoussan, 2015) ^[18]. These tools are important because they help reduce the risk involved in making decisions by increasing awareness of the business environment, strategic matters, opportunities, and threats. They also help set priorities in complex firms and provide a framework for assessing the relative importance of different business portfolios. Finally, they aid in the presentation of complex issues (Frost, 2003) ^[19]. According to Gunn and Williams (2007) ^[25], applied organization evaluation techniques included SWOT, benchmarking, and critical success factor analysis.

Lefort (2015) ^[51] discovered that businesses that prioritize effective strategy implementation experienced twice as much financial success as those that do not. Effective implementation is essential to an organization's success, even though it can be challenging at times.

2.2 Theoretical Review

This study adopted two theories: Resource Based Theory and Agency Theory.

2.2.1 Resource Based Theory

Penrose (1997) ^[36] is credited with the resource-based theory. He viewed organization as a configuration or collection of resources that are managed and deployed in such a way as to derive unique form and value. This theory posits that organizations differ in some basic ways as each organization possesses certain unique resources that are peculiar to it. This uniqueness of resources determines the competitive strength, and by implication the performance of each firm over another. The resources can be physical, human or organizational. Plant and equipment, fiscal resources, technology and locational resources such as raw materials and markets come under physical resources; training, experience intelligence, skills, judgment, and relationships constitute human resources, while formal and informal relationships among individuals and groups constitute organizational resources (Kazmi, 2008) ^[56]. Holding this same view went further to postulate that if these resources are scarce, non-substitutable or difficult to imitate and very expensive to acquire, then they will lead to

long-term performance and sustainability for the firm that has it.

2.2.2 Agency Theory

Jensen & Meckling (2006) affirmed the existence of agency costs, which result from conflicts between shareholders and debt holders (agency costs of debt) or between managers and managers (agency cost of equity).

The agency model's inherent conflict of interest arises from the division of ownership and control between shareholders (the principal) and management (the agent). Despite being regarded as reasonable individuals, managers cannot always be relied upon to act faithfully and in the principal's best interest because they are also assumed to have personal interests of their own. Because the agency model promoted a distinct division between decision management and control, managers must be restrained using some risk-bearing mechanisms in order to prevent abnormal behavior and moral hazard. Since the agency model promoted a distinct division between decision management and control, managers must be subject to some risk-bearing mechanisms in order to be held accountable.

2.3 Empirical Review

Strategy evaluation on the performance of Benue State's Makurdi metropolis' small and medium-sized businesses (SMEs). 240 carefully chosen SMEs in Benue State's Makurdi metropolis made up the study's population. A census sampling technique was used in the study. The mean, standard deviation, and multiple regressions were used to analyze the data that was gathered from the respondents. The study's conclusions demonstrated that the performance of small and medium-sized businesses in Makurdi, Benue State, is significantly impacted by strategy evaluation consistency, suitability, feasibility, and acceptability. The study suggests, among other things, that management of SMEs should constantly assess their strategies in relation to performance so that necessary adjustments can be made to support the achievement of goals.

A study was carried out to investigate how strategic planning affected the Department of Economic Development's organizational performance in United Arab Emirate (UAE). Using organizational culture, innovation, and information system as the proxies for the independent variable (Strategic Planning). The results demonstrated that strategic planning has a significant statistical impact on the Department of Economic Development's performance. The results also demonstrated the significance of the connection between sustainability and strategic planning of organizational. Furthermore, The results also demonstrated that sustainability has a significant impact on organizational performance, suggesting that the Department of Economic Development's organizational performance will rise as sustainability practices expand. These results are consistent with the resource-based view, which holds that an organization can enhance its performance by utilizing its resources and capabilities.

Amar and Norhilmi (2020) ^[3] carried out a study on strategic planning process and organizational performance in Nigeria public sector. The finding revealed that strategic planning has a significant effect on performance, the study entails that public organization should adopt the process of strategic planning as it will help enhances performance. The study also concluded that strategic planning is a crucial tool

for all types of organizations, including public and private ones. It also found that a wide range of factors, including organizational structure, downward upward communication, strategic choice, and strategic instrument, have an impact on strategic planning. The characteristics of the board, the chief executive officer, organizational culture, resources, and structure are all firm-level factors.

In the study of Khalid and Nusari (2020) ^[57], on the effect of strategic planning, which includes vision, mission, and goals, on operational performance in the UAE public sector. The study's findings demonstrated the three elements of strategic planning's considerable influence on operational

A meta-analysis of 87 associations from 31 real studies was carried out by George and Walker (2019) ^[58], who discovered that the influence is the same in both US and non-US contexts for the public and commercial sectors. Does strategic planning improve the performance of a company? Ultimately, a random effect meta-analysis shows that strategic planning improves organizational performance in a moderate to significant way.

Monye and Ibegbulem (2018) ^[47]. Their paper analyzed the effect of strategic planning for profitability and organizational performance of Zenith Bank PLC in Warri, Delta State. A survey technique was applied, and questionnaires were given to 100 respondents - of whom 80 could be retrieved - who worked as junior and senior employees at different Zenith Bank branches in the city of Warri. The study's conclusions showed that there is a significant relationship between organizational performance and profitability. It also showed that the effectiveness of strategic planning can be gauged by how much it affects an organization's performance, which in turn affects its profitability. With a 95% confidence level, it was determined that strategic planning improves performance and survival.

Sandada, Poe and Dhurup (2014) ^[59]. In their study confirmed that strategic planning has a positive association and predictive relationship with the performance of SMEs.

The components of strategic planning and their connections to business performance were extracted through the use of factor analysis, correlations, and regression techniques. The dimensions of strategic planning that emerged were strategy evaluation, business mission and vision, formality of strategic plans and control, informing sourcing, strategy implementation that encourages employee participation, and time horizons. 200 valid questionnaires that were given to managers and owners of SMEs had their data analyzed.

The performance of Kenyan state corporations was examined by Kathama (2012) ^[60] in relation to their use of strategic planning techniques. According to the study, state corporations implemented several strategic planning techniques that improved their performance; however, the impact was not statistically significant at the 5% confidence level. Consequently, even though the model fit with the same degree of confidence, the study was unable to demonstrate a meaningful impact of strategic planning on firm performance. This may imply that, had the researcher modeled each strategic planning practice separately rather than grouping them all together into a single variable when executing the regression model, some of the practices might have demonstrated a noteworthy impact.

Akinyele and Fasgba (2007) ^[1] in their study investigate the impact of strategic planning on organizational performance and survival they used First bank of Nigeria (FBN) as a case

study 100 questionnaires were distributed to the senior and junior staff in various first bank branches the findings of the study is that strategic planning helps better organizational performance which for long period has impact on its survival and that strategic planning intensity is determined by managerial, environmental and organizational factors.

3. Methodology

3.1 Research Design

Descriptive research design was adopted for this study, descriptive research design has the ability to combine quantitative and qualitative data.

3.3 Population of the study

The study population is made of Administrative Department, Personnel Department, Finance Department and Operations and Marketing Department, which made a total of 135

3.4 Sample size

The sample was randomly selected out of the population and the sample size was ascertained using Taro Yamani's sample size determination method.

Employing the Taro Yamani Formula

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

Where n=desired sample

N = total population

1 = constant

e = acceptable error margin

Substituting the population into the formula, we have thus;

$$N = \frac{135}{1+135(0.05)^2}$$

$$= \frac{135}{1+335(0.0025)}$$

$$= \frac{135}{1+0.3375}$$

$$= \frac{135}{1.3375}$$

$$=101$$

3.5 Data collection instruments/techniques

The researchers have adopted both the primary and secondary sources of data in the course of this study.

3.6 Instrumentation

As was previously mentioned, the questionnaire method has been used in this work to collect primary data. Although the questionnaire was created by the researcher, it was used as a measuring tool to gather information from respondents about their attitudes and opinions regarding the research questions posed in the study.

3.7 Data Analysis

The Statistical Package for Social Sciences (SPSS) version

27.0 was used to clean, verify, edit, and properly code the data before it was subjected to regression analysis. To

achieve the research goal, descriptive statistics were used to analyze the gathered data.

4. Data Analysis, Presentation, Discussion of Findings

4.1 Data Presentation

Table 2: Response Rate

| Category | Number of questionnaires distributed | Number of questionnaires returned | Percentage of questionnaires returned |
|----------------|--------------------------------------|-----------------------------------|---------------------------------------|
| Personnel | 51 | 47 | 46.5 |
| Marketing | 22 | 20 | 19.8 |
| Administrative | 8 | 8 | 7.9 |
| Finance | 9 | 5 | 4.9 |
| Operations | 11 | 11 | 10.9 |
| Total | 101 | 91 | 90 |

Source: Researcher’s Fieldwork, 2023

Table 1 indicated the response rate from the questionnaire distributed. From the table, a total of 101 copies questionnaires were distributed with personnel staff getting 51, marketing staff 22, Administrative staff 8, Finance staff 9 and Operations staff 11. Out of the copies of questionnaires distributed, personnel staff correctly filled and returned 47 representing 46.5 percent, Marketing staff 20 representing 19.8 percent, Administrative staff 8 representing 7.9 percent, Finance staff 5 representing 4.9 percent, and Operation staff 11 representing 10.9 percent.

This data shows that 90 percent of the questionnaires copies that was distributed were correctly filled and returned.

4.2 Presentation of Results

Test of Hypothesis one

H₀: There is no significant effect of strategy evaluation on the performance of Nigeria Bottling Company Enugu.

H₁: There is a significant effect of strategy evaluation on the performance of Nigeria Bottling Company Enugu.

Table 3: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .849 ^a | .721 | .718 | .793 |

a. Predictors: (Constant), Strategy Evaluation

Source: SPSS 27.0

To determine whether there was a significant difference between the independent and dependent variables, the model summary in table 4.2 was consulted. The proportion variation of the independent variable on the dependent variable was also tested using it. With a R square of 0.849, it was possible to determine that changes in the independent

variable caused an 84.9% variation in the dependent variable. The coefficient of determination, or adjusted R square, shows how much the change in the independent variable affects the dependent variable. This suggested that the impact of organizational structure caused an 84.9% variation in the proportion of customer satisfaction.

Table 4: ANOVA

| Model | Sum of Squares | DF | Mean Square | F | Sig. | |
|-------|----------------|---------|-------------|---------|---------|-------------------|
| 1 | Regression | 144.601 | 1 | 144.601 | 230.117 | .000 ^b |
| | Residual | 55.926 | 89 | .628 | | |
| | Total | 200.527 | 90 | | | |

a. Dependent Variable: Performance of Nigeria Bottle Company

b. Predictors: (Constant), Strategy Evaluation

Source: SPSS 27.0

The F-value of 230.117 from the ANOVA results in Table 4.3 is significant at .000 < 0.05. This indicates that the

regression model and the data match, indicating that the use of regression analysis in this study was appropriate.

Table 5: Regression Coefficients

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-----------------------------|------------|---------------------------|------|--------|
| | B | Std. Error | Beta | | |
| 1 | (Constant) | .214 | .253 | .848 | .399 |
| | Strategy Evaluation | .931 | .061 | .849 | 15.170 |

a. Dependent Variable: Performance of Nigeria Bottle Company

Source: SPSS 27.0

The result in Table 4.4, showed $\beta_0 = 0.214$ represented the constant which predicted value of performance of Nigeria bottle company while Strategy Evaluation was held constant at zero (0).

The regression results revealed that strategy evaluation has significance and positive effect on the performance of Nigeria bottle company as indicated by $\beta_1 = 0.931$, $p = 0.0010$, $t = 15.170$. Therefore, we accept the alternative hypothesis

which state that there is a significant effect of strategy evaluation and the performance of Nigeria Bottling Company Enugu.

Test of hypothesis two

H₀: There is no significant effect of environmental scanning

on organizational performance of Nigeria Bottling Company Enugu

H₁: There is a significant effect of environmental scanning on organizational performance of Nigeria Bottling Company Enugu.

Table 6: Model Summary

| Model Summary | | | | |
|---|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .811 ^a | .657 | .653 | .879 |
| a. Predictors: (Constant), Environmental Scanning | | | | |

Source: Research fieldwork (Using SPSS 27.0)

To determine whether there was a significant difference between the independent and dependent variables, the model summary in table 4.5 was utilized. The proportion variation of the independent variable on the dependent variable was also tested using it. With a R square of 0.657, it was possible to determine that changes in the independent

variable caused a 65.7% variation in the dependent variable. The coefficient of determination, or adjusted R square, shows how much the change in the independent variable affects the dependent variable. This suggested that the impact of environmental scanning caused a 65.3% variation in the proportion of organizational performance.

Table 7: ANOVA

| ANOVA ^a | | | | | | |
|---|------------|----------------|----|-------------|---------|-------------------|
| Model | | Sum of Squares | DF | Mean Square | F | Sig. |
| 1 | Regression | 131.765 | 1 | 131.765 | 170.546 | .000 ^b |
| | Residual | 68.762 | 89 | .773 | | |
| | Total | 200.527 | 90 | | | |
| a. Dependent Variable: Organizational Performance | | | | | | |
| b. Predictors: (Constant), Environmental Scanning | | | | | | |

Source: Research fieldwork (Using SPSS 27.0)

The ANOVA results in Table 4.6 show F-value of 170.546, which is significant at .000<0.05. This signifies a model fit and implies a match between the regression model and the

data which means that the use of regression analysis in this study was justified.

Table 8: Regression Coefficients

| Coefficients ^a | | | | | | |
|---|------------------------|-----------------------------|------------|---------------------------|--------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .391 | .279 | | 1.399 | .165 |
| | Environmental Scanning | .871 | .067 | .811 | 13.059 | .000 |
| a. Dependent Variable: Organizational Performance | | | | | | |

Source: Research fieldwork (Using SPSS 27.0)

From the results on Table 4.7, β₀= 0.391 represented the constant which predicted the value of organizational performance while environmental scanning was held constant at zero (0).

The regression results revealed that environmental scanning has significance and positive effect on organizational performance as indicated by β₁=0.871, p=0.0010, t=13.059. Therefore, we accept the alternative hypothesis which state that there is a significant effect of environmental scanning on organizational performance of Nigeria Bottling Company Enugu.

4.3 Discussion of findings

From the result of hypothesis one it showed that strategy evaluation has a plays a significant role on the performance of Nigeria bottle company Enugu, this conform with the study of Adudu, Asenge and Zannu (2022) ^[61]. Who examined the effect of strategy evaluation on small and medium-sized businesses' (SMEs) performance in Nigeria's Benue state, specifically in Makurdi. The study's conclusions showed that strategy evaluation significantly

affects the performance of small and medium-sized businesses in Benue State's Makurdi metropolis.

From the result of second hypothesis, the study found out that environmental scanning has a significant on the performance of Nigeria Bottling Company Enugu. This finding affirmed the findings of Glaister Dincer, Taloglu, Demrbeag and Zaim (2008) ^[22] who carried out a study in Turkey using 135 valid questionnaires that were obtained from the biggest manufacturing firms and published the results, which showed that the study's hypotheses had a lot of support. Formal strategic planning and firm performance developed a strong and positive relationship, which tends to support the claims made in the prescriptive strategic management literature. The test findings also support the moderating effects of firm size, organizational structure, and environmental turbulence on the performance link in strategic planning.

5. Conclusion, Recommendations

5.1 Conclusion

Strategic planning identifies external threats and

opportunities and makes decisions in response to predictable changes. After taking into account all available information, the organization may be able to influence future events by speculating about them. This would be beneficial to the organization's growth. Crucial choices can be made, preventing emergency scenarios. It facilitates internal organization coordination more easily. Through strategy formulation, the organization can assess its position and identify internal weaknesses as well as how to address them. Any organization can make the best decisions about what to do and how to do it as long as strategic planning guarantees and accomplishes the fundamental directions and reasoning for deciding where an organization should head and provides the specifications. It is also impossible to overlook the significance and necessity of strategic planning. Every organization can benefit from the strong and significant role that strategic planning plays.

5.2 Recommendations

The following recommendations were made in line with the findings

1. The management of Nigeria Bottling Company should set good objectives, they should be both clear and attainable, and should support one another, it must be precise and measurable because the more precise the objective is, the more measurable goal it is and easier to achieve it, and should always remain valid.
2. The management should consider environmental scanning as one important policy within the organization, as it will enable them achieve vision easily and enhances customers satisfaction, also serve as yardsticks for tracking the company's progress and performance.

References

1. Akinleye ST, Fasogba OT. Impact of Strategic Planning on Organizational Performance Research Journal of Business Management. 2007;1(1):62-71.
2. Alavi MT, Karami A. Managers of Small and Medium Enterprises: Mission Statement and Enhanced Organisational Performance. The Journal of Management Development. 2009;28(6):555-562.
3. Amar AU, Norhildi M, Isyaku H. Strategic Planning Process and Organizational in Nigeria: A Review of Literature. International Journal of Academic Research in Business and Social Sciences; c2020.
4. Ansoff HI, Avner J, Brandenburg RG, Portner FE, Radosevich R. Does Planning Pay? The effect of Planning on Success of Acquisitions in American Firms. Long Range Planning. 1991;3(2):2-7.
5. Antikanien JM. Implementing a Component Approach to performance measurement in Large Public Service organization, International journal of Performance and Performance management, Approaches. Nairobi: Kenya Acts Press. 2014, 26.
6. Aremu MA. Small and medium scale enterprises as a survival strategy for employment generation in Nigeria. Journal of sustainable development. 2010;4(1):200.
7. Awino ZB, Muturia JM, Oeba LK. Strategic Planning, Planning Outcomes and Organizational Performance— an Empirical Study of Commercial Banks in Kenya. DBA Africa Management Review. 2012;2(3):134-149.
8. Bart CK, Bontis N, Taggar S. A Model of the Impact of Mission Statements on firm performance. Management Decision. 2001;39(1):19-35.
9. Bartkus BR, Glassman M. Do firms Practice what they Preach? The Relationship Between Mission Statements and Stakeholder Management. Journal of Business Ethics. 2004;83(2):207-216.
10. Boyd BK. Strategic Planning and Financial Performance: A Meta- Analytic Review. Journal of Management Studies. 1991;28(4):353-374.
11. Boyne G. Planning Performance and Public Service. Journal of Public Administration. 2011;79(1):73-88.
12. Berman J, Gordon D, Sussman G. A Study to Determine the Benefits Small Business Firms Derive from Sophisticated Planning Versus less sophisticated types of planning. TheJournal of Business and Economic Studies. 2006;3(3):1-11.
13. Bryson JM. What to do when Stakeholders Matter: Stakeholder Identification and Analysis Techniques. Public management review. 2014;6(1):21-53.
14. Bulle GJ. The relationship between strategic planning and financial performance of firms within the ICT sector in Kenya (Doctoral dissertation, University of Nairobi, Kenya); c2012.
15. Cater T, Pucko D. Factors of Effective Strategy Implementation: Empirical evidence from Slovenian Business Practice. Journal for East European Management Studies. 2010;15(3):207-236.
16. Campbell A, Yeung S. Creating a Sense of Mission. Long Range Planning. 2000;24(4):10-20.
17. Dermol V. Relationship Between Mission Statement and Company Performance. Annals of the Alexandru Ioan Cuza University-Economics. 2012;59(1):321336.
18. Fleisher CS, Bensoussan BE. Business and Competitive Analysis: Effective Application of New and Classic Methods. FT Press; c2015.
19. Frost D. Teacher leadership: Rationale, Strategy and Impact. School leadership & Management. 2003;23(2):173-186
20. Galbraith J. Designing Organizations an Executive Guide to strategy Structure and Process. SanFrancisco: Jossey Boes. 2002, 10.
21. Gharleghi E, Nikbakht F, Bahar G. A Survey of Relationship Between the Characteristics of Mission Statement and Organizational Performance. Research Journal of Business Management. 2011;5(3):117-124.
22. Glaister KW, Dincer O, Tatoglu E, Demirbag M, Zaim S. A causal analysis of Formal Strategic Planning and Firm Performance: Evidence from an emerging country. Management Decision. 2008;46(3):365-391
23. Grants RM. Strategic planning in a turbulent environment: Evidence from the oil majors. Strategic Management Journal. 2003;24(6):491-517. DOI: 10.1002/smj.314
24. Green Jr KW, Medlin B. The Strategic Planning Process: The link Between Mission Statement and Organizational Performance. Academy of Strategic Management Journal. 2003;12(1):2-23.
25. Gunn R, Williams W. Strategic tools: An Empirical Investigation into Strategy in Practice in the UK. Strategic Change. 2007;16(5):201-216.
26. Johnson G, Scholes K. Exploring Corporate Strategy' Prentice Hall International; c2002.
27. Kaplan R, Norton D. Transforming Balance Scorecard from Performance Measurement to Strategic Management Part 1, Accounting Horizons; c2005. p.

- 87-104
28. Kipley D, Lewis A. Extending Ansoff's Strategic Diagnosis Model: Defining the Optimal Strategic Performance Positioning Matrix, 2012; c2012.
 29. Koteen J. Strategic management in public and nonprofit organizations: Managing Public Concerns in an Era of Limits. Greenwood Publishing Group; c1997.
 30. Kotler P, Keller KL, Bliemel F. Marketing-management: Strategien für Wertschaffendes Handeln. Pearson Studium; c2007.
 31. Latif B, Gohar FR. Barriers to Effective Strategic Planning. Stud. 2013;1(2):1621.
 32. Litwin M. Strategic Planning: The Key to Enhanced Performance; c1995. <http://www.researchgate.com>
 33. Mintzberg H. The fall and rise of strategic planning, Harvard Business Review. 1994;72(1):107-114.
 34. Palmer TB, Short JC. Mission Statements in US Colleges of Business: An Empirical Examination of their Content with Linkages to Configurations and Performance. Academy of Management Learning & Education. 2008;7(4):454-470.
 35. Pearce JA, Robinson RB. The Impact of Formalized Strategic Planning on Financial Performance in Small Organizations. Strategic Management Journal. 1983;4(3):197-207.
 36. Penrose ET. The Theory of the Growth of the Firm. New York: Sharpe; c1997.
 37. Pucko D. A Holistic Strategy Implementation Model Based on the Experiences of Slovenia Companies. Economic Business Review; c2008.
 38. Rigby D. Management Tools and Techniques: A survey California Management Review. 2001;43(2):139-160.
 39. Sahan J, Ravinda D. Strategic Planning and Organizational Performance: A Review of Conceptual and Practice Perspective' Archives of Business Research. 2019;7:6.
 40. Skokan K, Pawliczek A, Piszczur R. Strategic planning and business performance of Micro, Small and Medium-Sized Enterprises. Journal of Competitiveness. 2013, 5(4).
 41. Thompson A, Strickland A. Strategic Management Business Publications; Plano, TX; c2007.
 42. Veskaisri K, Chan P, Pollard D. Relationship between strategic planning and SME Success: Empirical Evidence from Thailand. International DSI / Asia and Pacific DSI 2007. Full Paper; c2007.
 43. Volberda HW, Foss NJ, Lyles MA. Perspective-absorbing the concept of Absorptive Capacity: how to Realize its Potential in the Organization Field. Organization Science. 2010;21(4):931-951.
 44. Wagner D. (Eds.). Strategic environmental assessment in Europe: Fourth European Workshop on environmental impact assessment. Springer Science & Business Media. 2013, 14.
 45. Wernham A. A Simplified Framework for Incorporating Health into Community Development Initiatives. Health Affairs. 2014;33(11):1939-1947.
 46. Zhao Li YY, Tan J, Liu Y. Moderating Effects of Entrepreneurial Orientation on Market Orientation-Performance Linkage: Evidence from Chinese Small Firms. Journal of Small Business Management. 2008;46(1):113-133.
 47. Monye MC, Ibegbulem AB. Effect of strategic planning on organizational performance and profitability. International Journal of Business & Law Research. 2018;6(2):31-40.
 48. McFarlane GA, King JR, Beamish RJ. Have there been recent changes in climate? Ask the fish. Progress in Oceanography. 2000 Oct 1;47(2-4):147-69.
 49. Boyd RS, Martens SN. The significance of metal hyperaccumulation for biotic interactions. Chemoecology. 1998 Apr;8:1-7.
 50. Hopkins WG, Hawley JA, Burke LM. Design and analysis of research on sport performance enhancement. Medicine and science in sports and exercise. 1999 Mar 1;31(3):472-85.
 51. Bryson JM. What to do when stakeholders matter: stakeholder identification and analysis techniques. Public management review. 2004 Mar 1;6(1):21-53.
 52. Lynch JW, Smith GD, Kaplan GA, House JS. Income inequality and mortality: importance to health of individual income, psychosocial environment, or material conditions. Bmj. 2000 Apr 29;320(7243):1200-4.
 53. Spreitzer G, Sutcliffe K, Dutton J, Sonenshein S, Grant AM. A socially embedded model of thriving at work. Organization science. 2005 Oct;16(5):537-49.
 54. Ommani AR. Strengths, weaknesses, opportunities and threats (SWOT) analysis for farming system businesses management: Case of wheat farmers of Shadervan District, Shoushtar Township, Iran. African journal of business management. 2011 Sep 30;5(22):9448.
 55. Lefort V, Desper R, Gascuel O. FastME 2.0: a comprehensive, accurate, and fast distance-based phylogeny inference program. Molecular biology and evolution. 2015 Oct 1;32(10):2798-800.
 56. Kazmi A. A proposed framework for strategy implementation in the Indian context. Management Decision. 2008 Nov 14;46(10):1564-81.
 57. Khalid M, Nusari M. Impact of strategic planning (vision, mission, and goals) on operational performance. Journal of Critical Reviews. 2020;7(15):3462-9.
 58. George B, Walker RM, Monster J. Does strategic planning improve organizational performance? A meta-analysis. Public Administration Review. 2019 Nov;79(6):810-9.
 59. Sandada M, Poee D, Dhurup M. Strategic planning and its relationship with business performance among small and medium enterprises in South Africa. International Business & Economics Research Journal (IBER). 2014 Apr 28;13(3):659-70.
 60. Kathama LK. Strategic planning and performance of state corporations in Kenya. Unpublished MBA research project, University of Nairobi; c2012.
 61. Adudu AC. Strategy evaluation on performance of small and medium enterprises (smes) in makurdi metropolis, benue state. Sapientia global journal of arts, humanities and development studies. 2022, 5(4).