



# Strategic Planning and Organizational Performance of Manufacturing Firms in Rivers State, Nigeria

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## **Authors' contributions**

*This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.*

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## **ABSTRACT**

The study examined the effect of strategic planning on organizational performance. As a cross-sectional analysis, the examined the effect of strategic planning, as manifested in environmental scanning, strategy formulation, strategy implementation and evaluation and control on the indexes of performance (which market share and innovations were used as indexes). We focused on manufacturing firms in Port Harcourt, as stratified random and convenience sampling methods were used to sample 374 employees. Questionnaire structured in two parts and design to reflect Likert 5-point scale was used in gathering information. We assessed this relationship using descriptive and inferential methods, as the Pearson correlation method was used to test the hypothesized relationships. As suggested by the result, strategic planning, manifested by the dimensions used, enhance organization performance. Given this reality, management of the manufacturing firms should adopt strategic planning to enhance performance. By gathering

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information through environmental analysis, manufacturing firms can be able to determine the direction to take and understand the business opportunities and understand their internal competencies.

*Keywords: Strategic planning; organizational performance; manufacturing firms; market share.*

## 1. INTRODUCTION

In today's business environment, firms are faced with fierce and increasing competition, challenges, large opportunities and market conditions that are dynamic, requiring firms, particularly in Nigeria, to understand these realities and confront them in order to enhance performance [1]. The economic environment as we see it today is rapidly changing and this is visible or manifest in the form of globalization, changing consumer preferences and tastes, and investors' priorities (Muagbo, 2013).

As noted by Sanusi & Babatunde [2], surviving this business environment that is now highly competitive, firms which desire to compete successfully must develop strategies to improve productivity, quality of products, cut costs, improve product delivery to market, and improve process and product innovations.

To be competitively positioned to have an advantage and improve performance in relation to rivals, it is incumbent on firms to push to be in line with the changing global landscape. At the corporate level, to realize success, and edge rivals and gain competitive advantage, businesses must establish strategic plans. Most times, strategic planning is done to improve performance of the organization, its various sector and departments. A good strategic plan cannot be emphasized less, as it reduces waste, minimize costs and ensures positions are filled by the right persons and the right individuals are assigned the befitting positions. Strategic planning functions as a compass, directing the company in the right direction to prosperity and where no such strategic plan exist, the firm is bound to move with the waves of the turbulent ocean. Such situation creates mismanagement and chaos, causing the firm to underperform. According to Innocent & Levi [3], strategic planning is the process of determining the future objective and/or goal of a business. It focuses on short-term priorities and long-term objectives. Innocent & Levi [3] argued that the performance level of an organization hinges on the degree to which it deploys strategic planning put in place to ensure its mission and sets of objectives are accomplished.

Globally, the manufacturing sector has led the charge for economic growth as it is a leading sector in value addition, fostering innovation, and its development reduces vulnerability to external shocks. In Nigeria, there has been push to diversify the economy from reliance on fossil fuel, with the manufacturing sector identified, among others, as a critical sector in such pursuit. The manufacturing sector in Nigeria has been suboptimal in performance, fueled by chains of limiting factors that has paralysed its performance, with its share of gross domestic product only meagre. In Q2 of 2016, manufacturing share of Nigeria's GDP was 9.42%, which was 0.13 percentage points lower than its contribution in quarter 2 in 2015. In the second quarter of 2021, activities in the manufacturing sector contracted to -8.78% and by Q4 of 2021, it rebounded growing at 3.49%. Manufacturing activities again slumped, as the sector grew by 3.00% in quarter 2 2022 (NBS, 2023). Sanusi & Babatunde [2] argued that, the challenges the firms are faced with, particularly low performance level may be due to the less importance they place on strategic planning strategies and as such are not armed with strategic plans to drive their organizations. They argued that, this is the result of lack of knowledge of how strategic planning is relevant for organizational performance. It is against this backdrop; this study examines the nexus between strategic planning and performance of selected manufacturing firms in Rivers State.

### 1.1 Objectives of the Study

On a broader level, this study seeks to examine the effect of strategic planning on the performance of manufacturing firms in Rivers State. In specific terms, this study is poised to:

- i. Examine the effect of environmental scanning on market share of manufacturing firms in Port Harcourt.
- ii. Determine the effect of strategy formulation on market share of manufacturing firms in Port Harcourt.
- iii. Investigate the effect of strategy implementation on market share of manufacturing firms in Port Harcourt.

- iv. Analyse the effect of evaluation and control on market share of manufacturing firms in Port Harcourt.
- v. Investigate the effect of environmental scanning on innovation of manufacturing firms in Port Harcourt.
- vi. Examine the effect of strategy formulation on innovation of manufacturing firms in Port Harcourt.
- vii. Analyse the influence of strategy implementation on innovation of manufacturing firms in Port Harcourt.
- viii. Determine the effect of evaluation and control on innovation of manufacturing firms in Port Harcourt.

## 1.2 Research Hypotheses

The underlisted hypotheses were tested in the course of this study:

**H<sub>01</sub>:** Environmental scanning has no significant effect on market share of manufacturing firms in Port Harcourt.

**H<sub>02</sub>:** The relationship between strategy formulation and market share of manufacturing firms in Port Harcourt is not significant.

**H<sub>03</sub>:** There is no significant between strategy implementation and market share of manufacturing firms in Port Harcourt is not significant.

**H<sub>04</sub>:** Significant relationship does not exist between evaluation and control and market share of manufacturing firms in Port Harcourt.

**H<sub>05</sub>:** The innovation of manufacturing firms in Port Harcourt is not significantly influenced by environmental scanning.

**H<sub>06</sub>:** Strategy formulation has no significant effect on innovation of manufacturing firms in Port Harcourt.

**H<sub>07</sub>:** There is no significant between strategy implementation and innovation of manufacturing firms in Port Harcourt is not significant.

**H<sub>08</sub>:** The relationship between evaluation and control and market share of manufacturing firms in Port Harcourt is insignificant.

## 2. LITERATURE REVIEW

### 2.1 Conceptual Literature

#### 2.1.1 Strategic planning

Strategic planning is an approach of management that focuses on the long-term objectives and mission of the organization, how scarce resources will be allocated and deployed in bringing those objectives to fruition, and the guidelines governing how those resources will be acquired and employed. Orishede [1] noted that, firms when engaging in strategic planning must incorporate or consider all available opportunities and critically assess their ability to maximize such opportunities with the intent of acquiring competitive advantage over their rivals. As noted by Sanusi & Babatunde [2], strategic planning is a process organization use for creating and describing a desired future, that are measurable or quantifiable, and selecting the appropriate means or approach to achieving such desired results. By engaging in strategic planning, organization standardize their goals/objectives, carryout situation analysis, consider alternatives, and implement and evaluate such goals/objectives.

Waheed (2013) outlined some features of strategic planning, namely, it an external orientation, follows a holistic approach that is systematic, it is a process used in formulating objectives and programmes, and it follows a systematic approach in analysing alternatives.

#### 2.1.2 Organization performance

Organization performance has occupied the focus of plethora of research. Performance is, most times, measured in monetary terms, using indicators such as profitability and sales turnover. The interest in the research of performance is because, it is the primary goal of every business entity and the long-run survival of the businesses depends on how profitable they are [4]. According to Jalagat & Al-Habsi [5], organizational performance refers to how firms effectively and efficiently employ its resources in the generation of an economic outcome. Organization performance also refers to the capacity of a firm to realize set of objectives, while expanding its output level. Elena-Iuliana & Maria [6] sees it as an organization achieving its goals through efficient and effective utilization of its resources.

In Nigeria, the economic climate and environment is harsh, making it difficult for

manufacturing firms to periodically earn profit. This has led to most manufacturing firms underperforming and cutting back on her workforce, further renewing rising unemployment, inflation, and income inequality. Faced with many challenges such as poor energy supply, worsening ease of doing business, lack of supportive infrastructure, among others, manufacturing firms must anticipate challenges, leverage or zero in on their strengths to confront such challenges and exploit available opportunities to maximize productivity. These can be possible through strategic planning [1].

## 2.2 Theoretical Literature

The experiment of strategic planning been a likely factor that may enhance performance of manufacturing firms is predicated on a number of theoretical postulations, which includes strategic fit theory and the theory of competitive advantage.

### 2.2.1 Strategic fit theory

The epistemology of the strategic fit theory, sometimes referred to as strategic decision theory, can be traced to the thinking of Venkatraman (1989). The theory canvasses that, there is no single prescription in terms of strategic practices that management of organization can abide by or practices. Rather, the choice of and application of the many strategic planning practices varies or changes with the business strategy of the firm, its context and culture of the firm. Those who push this line of thinking asserts that the strategic practices are effective only to the extent such practices are in tandem with the business environment, both its external and internal environment. A key assumption held in the strategic planning process is that, an alignment of the organization's strategy with its environment (that is internal, external, and competitive environment), vision, resources, mission, and capabilities is necessary in order to enhance performance [7]. Hence, this theory assumes that an organization continuously engages in strategic planning process in response to and in order to adjust to the uncertainty and complexity of the dynamic business space and environment.

### 2.2.2 Porter's theory of competitive advantage

The Porter's theory of competitive advantage also provides theoretical basis for this study. Porter (1980) identified five forces that drives the

competitive position of a sector or industry, and the combination of these forces determine its potential benefits. These forces include suppliers and buyers bargaining powers, competitive rivalry, threat of new entrants and threat of substitute. The theory highlights fierce competition, high bargaining power of customers and suppliers, lax entry barriers, and existence of substitute as factors that makes firms less profitable [8]. As suggested by this theory, firm can scale up their performance by pushing out differentiated and distinct products, and been cost effective. The theory contends that, the only approach to realizing this is adopting strategies that are not only superior to one's competitor, but sustainable [9]. Thus, there is need for companies to engage in strategic planning if they are to navigate the complex and fiercely competitive business landscape and constantly evaluate the strategy options that affect the firm's performance [10].

## 2.3 Empirical Literature

Tanui, Makokha & Nyaberi [11] in their work seek to understand whether embracing strategic planning plays a role in how organizations will perform. Their work which draws from the resource-based thinking studied seed processing firms that operate out of Trans Nzoia county, in Kenya. In their work, 89 management staff were targeted and pooled from six (6) of those seed processing firms. Requiring data to experiment their thesis, they questionnaire which they used were structured to ensure they got responses tailored towards their objectives, for which the validated and found reliable. They then analyse retrieved information by using regression method, coupled with correlation and descriptive tools. They reported resource availability been positively correlated with organizational performance using the Pearson method, with significance of the correlation found. The regression results also backed the correlation outcome on how strategic planning is significant and capable of promoting the performance of the seed processing firms.

Orishede [1] set out to assess how important strategic planning is for the organization growth of the manufacturing sector in Nigeria. The research probed if strategic planning is critical important for or determines the market share, profitability and product growth and development of the firms studied. To realize these tripod of objectives, five (5) manufacturing firms operating in Delta State were studied. The selected firms had 200 employees, which formed the population

for the authors research and when the random sampling procedure was followed, the author ended up with one hundred and forty (140) employees as sample. Deployed in collecting the data, for which primary sourced ones were preferred, the author used questionnaire and it was designed to follow the Likert 5-point. The data retrieved were then analysed using descriptive tools of percentage and frequencies, and the inferential tool of Chi-square was used. The findings made lean towards the critical nature of strategic planning, as adopting strategic planning, the firms will be able to significantly increase their profitability, market share, and its adoption facilitates product growth and development.

Babatunde & Sanusi [2] still on the banking space, explored the possibility of upping the performance of banks through engaging in strategic planning. Their essay beamed on First Bank, located in Osun State. The authors outlined three objectives which their research was restricted to, as they seek to unravel whether there is possible link between organization objective and employee turnover; if having a long-range plan does ensure business survival and whether employee turnover respond to strategic implementation. In attempting to see this achieved, they engaging in purposively sampling, getting responses from fifty-six (56) management staff from eight branches of the bank, with seven (7) management staff from each of the branches participating in their research. The responses which they got from issuing questionnaire to the employees of the bank were analysed using Pearson correlation and regression methods. Their findings revealed that strategic planning is effective if implemented right. This was because, engaging in strategic planning significantly improves turnover by employees. They noted the need for banks to have long-range plan, as it significantly ensures their survival. Organization objective, as reported by the authors, significantly contribute to employee turnover, but its impact is detrimental.

Obisi, Samuel & Ilesanmi [12] analysed the significance of workforce planning for the performance of manufacturing firms. The study in determining if a connect is present among these variables focused on two private manufacturing companies that are located in Apapa axis in Lagos State. With a non-probability sampling method, they sampled 300 employees, from which 166 provided valid responses. Questionnaire was the main tool which they employed in getting responses from the

employees of the manufacturing companies, to which estimation of the data which performed using regression and Pearson correlation method. There result evidently points to workforce planning elevating performance level in the firm studied. Further breakdown of their result into components show performance of firm rises was demand/supply changes positively. Though performance is revealed to respond to changing demand/supply, it is reported unresponsive to talent development, having succession plan, and it is unaffected significantly with how the firm recruit and select their workforce.

Abodunde [13] in this essay probed small and medium scale enterprises (SMEs) by engaging or adopting strategic planning, can improve how they perform. To test how valid this hypothesis is, the author randomly selected 470 SMEs from a pool of 1,965 registered SMEs in Lagos, Nigeria. With the activity theory used a theoretical basis for this survey, questionnaire formed one of the means adopted to gather data required to experiment the hypothesis. The other means was data obtained through personal interview. The format of the questionnaire was patterned after the Likert scale and the regression method was the primary method adopted in analysing retrieved data. Evidently, the positive contribution of strategic planning in enhancing performance of the SMEs was reported, with 38% of the performance attained by SMEs directly linked to or due to the practice of strategic planning or the SMEs having strategic plan. Certain factors were suggested as influencing the decision of SMEs owners to adopt strategic plans and these were identified to be the dynamic environment in which they operate, scarce resources, complexity of organizations, and resurgence of new technology.

Gumel [14] investigated whether strategic planning is necessary for small businesses in Nigeria to grow and succeed. The procedure which was adopted in getting this accomplished was adopting the qualitative research approach, with data got from interviewing participants, documents, and from direct and indirect observations. The company which formed the focal point of the research was into food and beverages distribution and has 45 employees. The submission made by the essay is that, what facilitates transitional growth of the small businesses is not strategic planning, rather driven by the planning process. A part of the findings is that, written documents, a tool for

strategic planning, is hardly employed once firms begin operation.

Haleem, Jehangir & Ullah [15] combined to determine the contribution of strategic planning to the performance of SMEs, given how they matter in overall economic prosperity goal. The research which they conducted in Pakistan, had 245 manufacturing SMEs conveniently sampled. The impact on performance was analysed across financial and non-financial indicators. The collected data using questionnaire and performed analysis of it using confirmatory factor analysis. They noted the effectiveness of strategic planning in enhancing the performance, financial and/or non-financial, of SMEs.

Gioko & Njuguna [16] in this essay concerned themselves with how organizations perform, delving into uncovering whether their performance is influenced by strategic planning. Supporting their work with three theories, they specifically studied private hospitals domicile in Nairobi County. Two employees from 25 private hospitals in the county were targeted for their survey and they employed questionnaire as tools in getting responses from the fifty (50) employees on a stream of questions that best fit their research objective. The analysis of these responses was than performed using regression method and conclude that hospitals that desire to scale up their performance will need to engage in certain strategic planning practices. For hospitals to derive this benefit, they must have goals, scan the environment they operate in before making strategic moves and the strategy chosen should be done with ease. The emphasized scrutinizing the environment as it has the greatest influence on performance.

Monye & Ibegbulem [17] perturbed by the spate of underperformance that characteristics banks, launched into probing whether a link exists between strategic planning and performance, and if the adoption of strategic planning is capable of boosting the profitability level of banks. The banks specifically focused on in their study was Zenith Bank Plc, which operates in Warri of Delta State. With the survey technique, they were able to distribute questionnaire to eighty (80) staff of the banks, both senior and those in the junior category. The eight (80) staff were selected randomly from the 100 staff at the bank. The responses upon administering the Likert 5-point scale questionnaire were analysed using Chi-square and t-test methods. The authors resolution from the outcome of their

analysis was that, higher profit level is expected to be earned by the bank when they engage in strategic planning. Also, their results categorically suggest the bank can perform better when they engage in strategic planning.

Obati, Awino & Ogutu [18] investigated whether strategic planning contributes to performance of organizations in Nigeria. While focused on the link between these phenomena, they further inquired on whether the likely effect of having a strategic plan on how organization performs is contingent on organization structure. The intuition is that, where the structure of the organization mediates how strategic plan affect performance, then organization can leverage on or tweak their structure in order to optimize the performance gains from adopting strategic planning. The organization which this hypothesis was tested were non-governmental organizations (NGOs), as they targeted CEOs of 70 NGOs from a population of 667 NGOs were sampled using the stratified random method. The analysis of the data which they got from questionnaire administered to employees of the 70 NGOs were performed using regression and correlation methods. From the Pearson correlation result, it was established that, there is a chance of performance of the NGOs improving in a significant way as they engage in strategic planning. The regression analysis corroborated this result, revealing strategic planning as fostering improved NGOs performance. This drive up in NGOs performance which comes from strategic planning is contingent on the structure of the organization, requiring the need for the organization to be flexible in response to changing business dynamics to keep performance elevated.

Ngige [19] studied whether one of the benefits from implementing strategic planning is increased productivity. The essay tried to uncover if the productivity of SMEs in Anambra, Nigeria can be raised when strategic planning is embraced by operators of the business. Following a quantitative research process, 293 employees were sampled from 1,100 employees across the three SMEs selected. This was done through stratified random sampling and responses from these 293 employees obtained from questionnaire issued to them. The estimation of these data was performed using plethora of methods, not limited to Chi-square, percentages, and frequencies. The study submits that, increasing productivity and competitiveness

of the SMEs requires having a strategic plan. The stance of the paper is that, these desired outcome from practicing strategic planning can only be visible when employees are motivating and this is possible by increasing employee participation. The result is clear on employee involvement mediating how productivity and competitive of SMEs is affected by strategic planning.

Innocent & Levi [3] in their essay concerned themselves with how best curtailed sampled manufacturing company can improve their performance level. They tried to probe the significance of strategic planning and whether it is an important tool that is capable of determining the performance of the company studied. To achieve this important task, they focused on the Nigerian Bottling Company, located in Enugu, Nigeria and from the staff population of 180 members, about one hundred and twenty-four (124) staff participated in the survey, which they sampled randomly. To answer their research questions, data needed to be analysed and these data were got from primary source using structured questionnaire. They posed an array of questions to the staff of the Bottling Company, and these questions followed a Likert 4-points scale. With responses received, they subjected them to critical analysis using mean and standard deviation and their findings were revealing. They were able to uncover the importance of strategic planning, noting that it significantly affects organizational and employee performance. Their research was able to point out some limiting factors to the implementation of strategic planning, namely, lack of commitment, accountability, and understanding of the execution process.

Rintari & Moronge [20] tested the effectiveness of strategic planning as a foundation for improving business performance. The attention of their work was on public institutions as the public service commission of Kenya became the focus. Out of the 130 individuals that work in the commission, 65 employees were randomly sampled and they performed this using the stratified sampling method. Employing a regression method, they analysed how performance index respond to strategic planning, which they employed four indicators to measure, namely, resource allocation, communication, stakeholders' involvement, and environmental scan. Their summarized result was positive as they detailed strategic planning as effective in getting organizations to perform better. All four strategic planning indexes were significant in

accelerate performance, with environmental scan and stakeholders' involvement having the greater impact.

### 3. METHODOLOGY

The survey research design was employed for this study. As discussed in the prior sections, our work focused on the driver of organization performance and assume strategic planning can improve the performance of manufacturing firms. This type of research requires an approach different from using historical data and for that we employed the cross-sectional design. The interest is on the manufacturing firms in Port Harcourt and this formed the population of our study. In total, there are 5,783 employees working in the manufacturing firms in Port Harcourt. We gathered data from a sample of three hundred and seventy-four (374) employees using the Yamane (1967) method. The procedure used in gathering these data from the employees were stratified random and convenience sampling methods. We utilized a two parts questionnaire for our study and we designed it in the Likert 5-point pattern. The first part of the questionnaire consisted of question about the demographics of the respondent and the second part on the indicators of strategic planning (which are of four types) and the indexes of organization performance (with the measurement of two forms). We distributed 374 copies of questionnaire to the employees of the manufacturing firms. By the collection data, we retrieved the questionnaires, screening for the valid and usable ones and found that 361 were usable and 13 were invalid with issues like missing information, among others. The valid questionnaire gave a response rate of 96.5%. It is important to state that we conducted validity and reliability test on the instrument used. The content validity was used and the Cronbach Alpha estimates for the questionnaire items were well above 0.70. The first step in our data analysis was conducting descriptive analysis, which we used frequency and percentage. We used the Pearson product moment correlation method to test the hypothesized relationships.

### 4. RESULTS AND DISCUSSION

The study described certain characteristics of the three hundred and sixty-one (361) respondents that were involved in the survey. These descriptive analyses touched on a host of features, including, but not limited to, gender, education qualification, and experience on the

job. The analysis revealed that majority of participants are male as 53.2% of the respondents indicated that they are male and 46.8% or 169 respondents identified as female. The age demographic of the respondents revealed a youthful and vibrant age distribution as most of the employees that were involved in this survey were youth. From the table, 73.9% of the employees are within the youthful age of 18 – 39 years. 14.7% or 53 respondents are aged between 40 – 49 years and 11.4% have attained the age of 50 years and above. The table show that a lot of the participants in the survey were married as 52.9% or 191 respondents indicated that they are married and 40.7% are single. It was noticed that 4.2% of those that responded to the questions are separated and 2.2% are divorced. An important factor that critical for productivity and performance is human capital and this is best acquired through education. A sense of the educational background of the employees will provide some respite into how the organization can best perform and the ability of the employees of the manufacturing firms to grasp and provide logical answers to the questions that are asked of them. The analysis shows promising figure on the educational strength of the workforce of the manufacturing firm. Statistics summarized in Table 1 indicate that the employees have formal education and have acquired at least a university degree. 14.7% have O'level degrees; those with OND/HND degree only constitute 23.8% of the sample; 37.4% have acquired a bachelor degree; 22.7% are master's degree holders and 1.4% or 5 respondents have doctorate degree. These statistics attest to a workforce that is educated and are likely to understand the strategies laid down by management and ensure their application in order to enhance performance. In terms of experience, results as summarized in Table 1 indicates 70.4% of those working in the manufacturing firms have at least 1 – 10 years experiences; 19.7% indicated that they have offered their labour services to the firm for 11 – 15 years; 7.5% or 27 employees indicated working for the firm for over 16 years and only 2.5% have been on the job for less than one (1) year.

With the object of the survey been to determine whether engaging in strategic planning can accelerate the performance of the selected manufacturing firms, the study conducted inferential analysis to experiment these hypotheses, with estimation performed using the Pearson correlation method. The correlation

between the indicators of strategic planning and indexes of performance were analysis, with the result presented in Table 2.

The results of the correlation analysis between indicators of strategic planning (environmental scanning, strategy formulation, strategy implementation, and evaluation and control) and the indexes of organizational performance (which for this study, we employed market share and innovation as measures) are presented in Table 2. We performed correlation analysis using the Pearson moment product correlation method, mainly due to the attributes of the variables considered, as they are continuous in nature. We observed that by engaging in environment scanning, manufacturing firms are expected to increase the proportion of consumers they provide services to ( $r = 0.794, p < 0.05$ ). This correlation found existing between the variables are strong and significant, implying that manufacturing firms can capture more of the available customers by analysis the structure and dynamics of the environment in which they operate in. The estimate ( $r = 0.695$ ) suggests strong and positive correlation between environmental scanning and innovation, as the analysis categorically manufacturing firms that engage in environmental scanning are expected to be innovative, churning out new products and new process of production. This result is consistent with the findings of Tanui, Makokha & Nyaberi [11]; Babatunde & Sanusi [2].

The summary result as shown in Table 2 details positive correlation between strategy formulation and the indicators of organization performance (that is market share and innovation). With market share as index, the coefficient ( $r = 0.805$ ) suggests strong and positive correlation, indicating that having a mission that provide insight the values and future direction of the organization will increase the market share of the manufacturing firm. Such organization mission significantly fosters innovation as new products and production process are churned out ( $r = 0.622, p < 0.05$ ).

Table 2 empirically highlights the importance of not only formulating strategy, but also ensuring its implementation as doing so can help boost performance. When correlation analysis was performed, we found compelling evidence on the strength that strategy implementation is correlated with market share and market share of the manufacturing firm is expected to improve significantly as the strategy so formulated are



**Table 1. Respondents' demographics**

Details	Classifications	Frequency	Percent
Gender	Male	192	53.2
	Female	169	46.8
Age	18-29 years	159	44.0
	29-39 years	108	29.9
	40-49 years	53	14.7
	50 years and above	41	11.4
Marital Status	Single	147	40.7
	Married	191	52.9
	Divorced	8	2.2
	Separated	15	4.2
Education	O'level	53	14.7
	OND/HND	86	23.8
	Bachelor's degree	135	37.4
	Masters	82	22.7
	PhD	5	1.4
Work Experience	< 1 year	9	2.5
	1-5 years	149	41.3
	6-10 years	105	29.1
	11-15 years	71	19.7
	16 years and above	27	7.5

Source: Author (2023)

**Table 2. Correlation matrix**

		Market Share	Innovation
Environmental Scanning	Pearson Correlation	0.794**	0.695**
	Sig. (2-tailed)	0.001	0.000
	N	361	361
Strategy formulation	Pearson Correlation	0.805**	0.622**
	Sig. (2-tailed)	0.001	0.001
	N	361	361
Strategy implementation	Pearson Correlation	0.638**	0.661*
	Sig. (2-tailed)	0.000	0.025
	N	361	361
Evaluation and control	Pearson Correlation	0.841**	0.539**
	Sig. (2-tailed)	0.000	0.001
	N	361	361

Source: Author (2023)

implemented ( $r = 0.638, p < 0.05$ ). In addition, when use used innovation as an alternative to measuring performance, we found similar result, as the positive influence which strategy implementation had on performance was corroborated ( $r = 0.661, p < 0.05$ ). Our result corroborates the results of Orishede [1]; Obisi, Samuel & Ilesanmi [12]; Haleem, Jehangir & Ullah [15].

It is important that when a particular plan strategized upon is implemented, there is need to circle back and assess whether the results met expected outcome. This process in strategic planning is final step and this study examined the

importance of doing so on organization performance. The result in Table 2 approves of doing so, as there is strong empirical backing that when evaluation and control is done properly, the market share of the manufacturing firm is expected to increase, significantly ( $r = 0.841, p < 0.05$ ). Moreso, we learned from the analysis that undertaking evaluation and control or incorporating it in the strategic planning process or when manufacturing firms engage in evaluation and control, there is higher probability of been significantly innovative, as it correlates positively with innovation ( $r = 0.539, p < 0.05$ ). The findings is in line with the submission of Gioko & Njuguna [16].

## 5. CONCLUSION AND RECOMMENDATION

In the current business environment, the goals of increasing performance levels have been the focus of most business entities. The competitive nature of the market environment has intensified the need for this as organization examine factors that can increase their profit level. This study tested the hypothesis of strategic planning been a driver of organizational performance, focusing on manufacturing firms in Port Harcourt, Rivers State. Our analysis showed strategic planning, manifested by environmental scanning, strategy formulation, strategy implementation and evaluation and control are significantly drivers of performance. These indicators of strategic planning enhance innovation and market share of the manufacturing firms. Given this reality, management of the manufacturing firms should adopt strategic planning to enhance performance. By gathering information through environmental analysis, manufacturing firms can be able to determine the direction to take and understand the business opportunities and understand their internal competencies. The result shows the importance of continued evaluation and control in enhancing performance. Thus, it is imperative that manufacturing firms facilitate the continuity of evaluation and control of their strategic plan process.

### COMPETING INTERESTS

Authors have declared that no competing interests exist.

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