

## **The Role of Strategy Implementation on Corporate Performance in Nigeria Workplace**

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### **Abstract**

Research approach adopted in this study is positivism which supports the use of questionnaire for data collection as well as nomothetic research philosophy in management sciences. Accessible population for this study consists of ten manufacturing firms operating in Port Harcourt. Sample frame of seventy five which includes middle line managers, supervisors and union leaders were sampled using simple random sampling technique. Sixty three copies of the questionnaire were administered to middle line managers, supervisors and union leaders of selected manufacturing firms operating in Nigeria. Mean and standard deviation were used to analyse the research questions. From the results above, it was found that employees are not involved in the strategy planning and formulation process in many corporate organisations in Nigeria. Managers should ensure that teams at all levels should be involved in the strategy formulation and implementation process in order to build a shared vision and increase each individual motivation and participation to see the strategy succeed.

**Keywords:** Strategy, Strategy Implementation, Corporate Performance

### **Introduction**

Strategy was derived from the Greek word “strategoí” which implies the art of a general in the military. This is because a general in the army is expected to lead other troops to war, dominate their enemy, conquer territories of the enemy and remain relevant for a period of time before returning to their military base. How does this relate to business? It does; just as the army is always confronted with threats from their enemies; so also are managers confronted with threats from their competitors. The business environment is a place of life and death and only the smartest strategists survives. This is in line with Master Sun’s argument, a Chinese warrior philosopher in the Art of War which was translated by Thomas Cleary that “military action is significant to any nation; because it is the ground of death and life; it is the path of survival and destruction; hence it is very important to examine it” (Cleary, 1988). Clarifying the above nomenclature, Jia Lin cited in Cleary (1988) affirmed that the ground refers to geographical location of the battle between the army and the enemy. If the army gains the advantage, they will live, if they lose, they will die. On the other hand, the path refers to how the army will adjust and claim victory based on the situation on ground. If they find the path they will survive, if they lose it, they will perish; hence it is important to find it (Cleary, 1988). It is based on this foundation

that business managers adopt strategy as action plans that will aid their success in the battle field with their competitors who are in the same industry. Thus, for manufacturing companies in Nigeria to succeed, survive and prosper, implementation of strategies in all of its operations must be strictly adhered to. This is because most times managers' craft excellent strategies but their implementations are usually the problem. On the other hand, strategy implementation has improved the performance as well as the expansion of many world renowned organisations such as small and medium enterprises that have turn into multinational today (Edeh, 2010). Implementation of formulated strategies opens more business opportunities for small and medium enterprises in developed and emerging countries. It has been shown that implementing formulated strategies enhances the profitability of most organisations (Abbass, 2003; Jeyarathmm, 2008; Hill and Jones, 2010; Hill and Jones, 2012; Hussey (1998) added that without implementing strategies that were formulated by corporate executives it will be very difficult to achieve the specific objectives for a particular period. In support of the above contentions, Johnson, Scholes and Whittington (2008) argued that even if organisational leaders formulate good strategies, if they fail to implement them, the resources that were voted for its formulated will be wasted. Based on this, Wheelen and Hunger (2012) contended that strategy implementation is the key to organisational diversification, entry to new market and customer attraction.

From the foregoing, corporate performance depends on the implementation of formulated strategies. Deussen, Williamson and Babson (2007) argued that it is when business strategies are successfully implemented that firms can measure their performance in terms of market coverage, customer retention, profit maximization, product development, customer patronage and motivation of its employees. It has been shown that without strategy implementation, firms competitive advantage will not be feasible (Evans, 2015). Many corporate organisations are out of business today not because they have bad strategies but these strategies are poorly implemented. Company executives have also thought that strategy implementation is as easy as strategy formulation. Implementing strategy is always accompanied by challenges but leaders of industries have failed to put these challenges into consideration when designing their strategies and when they show-up during the implementation stage it brings about failure of the whole process.

It is certain that strategy implementation and corporate performance are key challenges for manufacturing companies in Nigeria. There are many factors that influence the success of strategy implementation, ranging from the people who communicate or implement the strategy to the systems or mechanisms in place for co-ordination and control. Some of the salient questions that one needs to answer are, how can we better understand these issues and their importance for successful strategy implementation? This research, respond to this question by conducting a research on selected manufacturing firms in Nigeria as a case study to identify key factors influencing the process of strategy implementation, to surface current areas of agreement and disagreement, as well as missing evidence and resulting future research needs. The research also examines the ways in which strategy implementation has been researched so far, in terms of the applied research methods and business strategy contexts.

## **Strategy Implementation and Corporate Performance**

Strategy mean different things for different people, hence its understanding varies amongst scholars across the globe. In business setting, strategy is the course of action that managers employ to achieve organisational objectives. It is also a step by step undertaken decision to monitor how the objectives of the organisation will be achieved. As part of manager's function, Hill and Jones (2010) contended that strategy is a set of actions that are associated with managers' roles to enhance their firm's performance. Wheelen and Hunger (2012) elucidated that a company's strategy is a comprehensive master plan that stipulates how the company will achieve its strategic intent. In another perspective, Johnson, Scholes and Whittington (2008) asserts that a strategy is the direction and scope of an enterprise over a long period of time which gives them advantage over their rivals with the aim of fulfilling the expectations of the business owners. Strategy is also a pattern of objectives, purposes or plans (Hofer and Schendel, 1978). For Porter (1996), strategy is the creation of value position which involves different set of activities. Strategy is also perceived as the art and science of informed action intended to enhance company performance (Daniels, 2006). However, Mintzberg (1987) affirmed that in order to understand what strategy really means, it must be viewed from four cardinal points; as plan, ploy, pattern, position and perspective. Strategy also represents broad activities that managers use to define and accomplish every goal that was set by the organisation (Stoner, Freeman and Gilbert, 2008). It has been shown that for strategy to be effective in the workplace, managers must ensure that both corporate, business and functional levels are taking into consideration as neglecting one will be tantamount to fail (Stoner, Freeman and Gilbert, 2008). White (2004) perceived business strategy as the translation of recognized opportunity into successful results by a prescribed action that is consistent over a period of time. This implies that strategy is not just an action rather it is a step by step process outlined and making resources available. At this point, when managers formulate excellent without rolling out the resources that is required for implementation, the strategy will not achieve its intended objectives.

Drawing from the above, White (2004) accentuates that for implementation to be successful, managers must take into cognizance the five ingredients that are required which are coordination, command, communication, control, and conflict or consensus. This implies that strategy implementation without proper coordination, communicating all relevant information that is associated with the strategy to subordinates will fail and performance will not be improved. What then is strategy implementation? Strategy implementation is concerned with the responsibilities of enforcing strategies into action that follows designing, delivering and supporting products; improving the efficiency and effectiveness of operations; and designing company's organizational structure, control systems as well as culture (Hill and Jones, 2010). Strategic implementation is how to assign responsibilities to every members of the organization and how to group each individual into departments or divisions (Abbass, 2003).

In line with the above, corporate performance can only be achieved when managers who formulate strategy are ready to communicate the step by step process of its implementation to their subordinates. Corporate strategy which rests solely in the hands of top level managers may not be successfully implemented if the business levels strategies were not incorporated into it

especially by answering the question who implements what? Even when such strategy were driven down to middle managers, if the resources such as finance that will be needed for purchasing raw materials, product marketing, promotion and social responsibilities. Thus, corporate performance is positive dependent on effective strategy implementation.

### Research Questions

Based on the extant review of literature above the following research questions were formulated.

- i) Do all the company staffs contribute to strategy formulation and implementation?
- ii) Are delegated responsibilities clear and understandable by employees?

Table 1: Previous investigations on strategy implementation

Author(s)	Title	Analytical tools	Finding
Cater and Pucko (2010)	Factors of effective strategy implementation: Empirical evidence from Slovenian business practice.	Multiple regression analysis	greater obstacles to strategy execution in the forms of inadequate leadership skills and employees' reluctance to share their knowledge have a negative influence on performance, while adapting the organisational structure to the selected strategy as an activity for strategy implementation has a positive influence on performance.
Iris (2016)	Factors influencing sustainable strategy implementation	Descriptive statistics	the knowledge of sustainable strategy implementation is relatively low in both theoretical and practical field
Rajasekar (2014)	Factors affecting effective strategy implementation in a service industry: A study of electricity distribution companies in the Sultanate of Oman	Descriptive statistics	leadership is by far the most important factor influencing successful implementation strategy in the service sector.
Mas, Nader and Fauziah (2014)	Effective strategy implementation	multiple regression analysis	comprehensive strategy implementation models (e.g. 7S) with considerable numbers of interrelated variables can be theoretically

			customized to solve the strategy implementation problem
Kamande and Orwa (2015)	Determinants of strategy implementation in the ministry of lands, Thika, Kiambu County Kenya	Frequency distribution, multiple regression	resource planning, stakeholders' involvement, top management commitment and innovation positively affects strategy implementation
Chemwei, Leboo, and Koech (2015)	Factors that impede the implementation of strategic plans in secondary schools in Baringo district, Kenya	Frequency distribution	inadequate human resources to implement the strategy was a major constraint since without the people to work towards an organisation's vision and mission, it is not possible by all means to succeed in strategy implementation even if the budgetary allocation is sufficient
Anichebe and Agu (2013)	Impact of strategy formulation and implementation in ailing organisations	Simple percentages and mean	the organization loses sales as a result of change in consumption pattern of their customers, secondly, a well conceived and formulated strategy matched with appropriate structure increases productivity in the organization and, behavioural and systemic resistance to strategic changes render strategy formulation ineffective in the organization
Felishana (2015)	Strategy implementation and firm performance among manufacturing firms in Kenya.	Pearson Correlation Coefficient and Regression	strategy implementation has significant relationship with firm performance of manufacturing firms

## **METHODOLOGY**

The research approach adopted in this study is positivism which supports the use of questionnaire for data collection as well as nomothetic research philosophy in management sciences.

### **Population and Sampling procedure**

Accessible population for this study consists of ten manufacturing firms operating in Port Harcourt. Sample frame of seventy five which includes middle line managers, supervisors and union leaders were sampled using simple random sampling technique. In order to give every organisation chance of been represented, Krejcie and Morgan (1970) sample size determination table was used to ascertain a sample size of sixty three from the sample frame.

### **Method of Data Collection**

Sixty three copies of the questionnaire were administered to middle line managers, supervisors and union leaders of selected manufacturing firms operating in Nigeria. The researcher also solicited the assistance of some staffs in the manufacturing firms in Port Harcourt city, Nigeria for distribution and retrieval since most of the workers are very busy with their jobs. The administration and collection of the questionnaire was concluded within two weeks which enhance return rate of 95%. Out of the sixty three copies of the questionnaire administered only fifty seven copies were filled correctly and returned.

### **Method of Data Analysis**

The questionnaire was analysed with mean and standard deviation. Decision of rejection and acceptance is based on mean value of 2.5 and above was accepted while an average mean below 2.5 was rejected.

Table 1: Demographic characteristics of participants

Demographics	Frequency	Percentage (%)
<b>Gender</b>		
Male	41	71.9
Female	16	28.1
<b>Age bracket</b>		
18-30 years	31	54.4
31-40 years	9	15.8
41 years & above	17	29.8
<b>Educational Qualification</b>		
Diploma	13	22.8
Bachelor degree	33	57.9
Master degree	11	19.3

Source: IBM SPSS Output (2020)

The above table shows the analysis of participants' demographic characteristics. 16 participants representing 28.1% are females while 41 participants representing 71.9% are males. Age bracket analysis revealed that 31 participants representing 54.4% fall within 18-30 years; 9 participants representing 15.8% are within 31-40 years; 17 participants representing 29.8% fall within 41 years and above. On educational qualifications, 33 participants representing 57.9% hold bachelor degrees; 13 participants representing 22.8% hold diploma certificates while 11 participants representing 19.3% hold master degrees. Below are the bar charts showing demographics characteristics of participants.

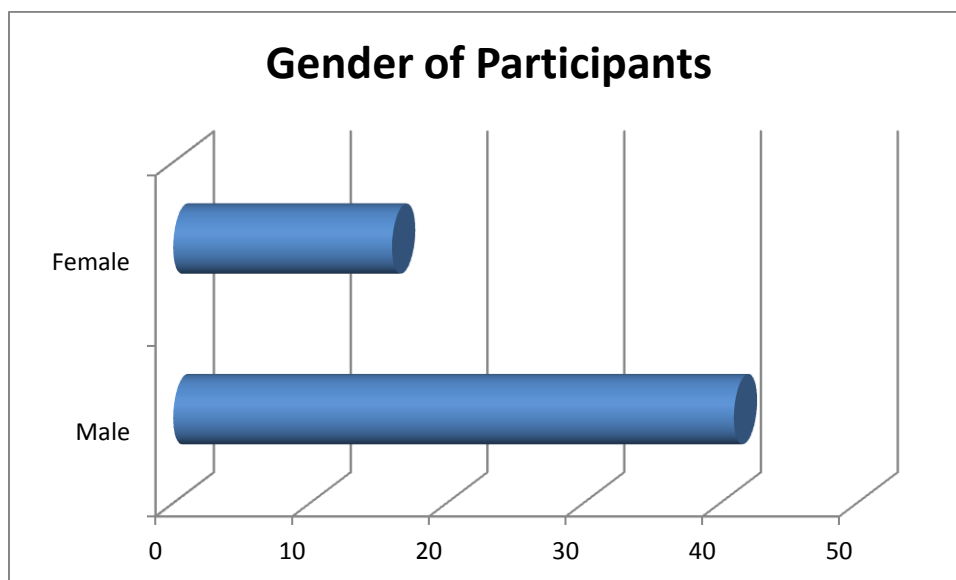


Figure 1: Bar chart showing the gender of participants

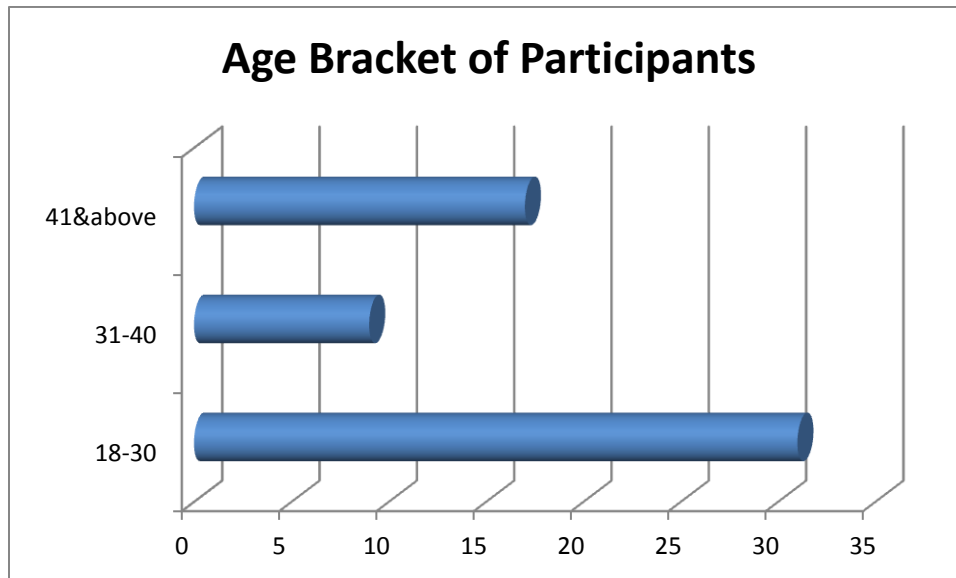


Figure 2: Bar chart showing the age bracket of participants

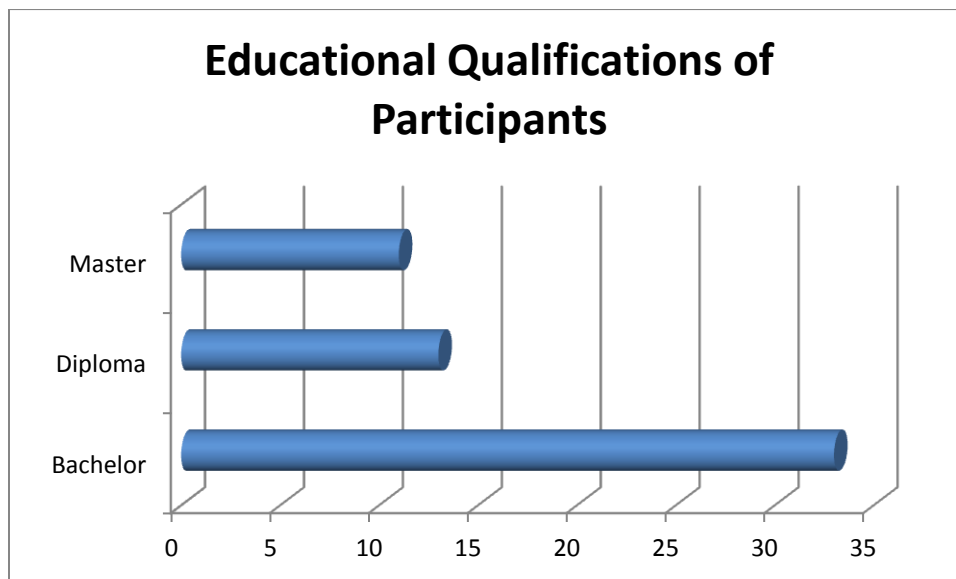


Figure 3: Bar chart showing the educational qualifications of participants

Table 2: Do all the company staffs contribute to strategy formulation and implementation?

S/n	Do all the company staffs contribute to strategy formulation and implementation?	A	SA	D	SD	Mean $\bar{x}$	S.D	Remark
Q1	Staffs are directly involved in the strategy planning process	0	0	11	46	1.19	0.398	Reject



Q2	Staffs are directly involved in the strategy formulation process	0	0	15	42	1.26	0.444	Reject
Q3	Staffs are directly involved in the strategy implementation process	40	14	0	3	3.03	0.626	Accept
Q4	Once the implementation begins, chief executives and senior managers step out of the state	29	27	1	0	3.45	0.536	Accept
Q5	The objective participation of the staffs has positively affected the strategy implementation process	44	8	5	0	3.05	0.479	Accept

Source: IBM SPSS Output (2020)

The analysis of research question one (Q1) above revealed that forty six (46) respondents strongly disagree; eleven (11) disagree representing a mean of 1.19 hence it was rejected. This implies that staffs are not directly involved in the strategy planning process in the workplace. Research question two (Q2) shows that forty two (42) respondents strongly disagree, fifteen (15) respondents disagree representing a mean of 1.26 hence question on item two (2) was rejected. Research question three (Q3) show that three (3) respondents strongly disagree; forty (40) agree while fourteen (14) strongly agree which represent a mean of 3.30 which is accepted. This implies that staffs are actually the ones that implement the strategy process in the organisations. Research question four (Q4) revealed that 1 (one) respondent disagree, twenty nine (29) agree and twenty seven (27) strongly agree which represent a mean of 3.45 and accepted. This shows that once the implementation process of a strategy begins, chief executives disappear from the implementation process. For research question five (Q5) revealed that five (5) respondents disagree, forty four (44) agree and eight (8) strongly agree which represent the mean value of 3.05 and it was accepted. This implies that the collective participation of staffs enhances the performance of the organisation.

Table 3: Are delegated responsibilities clear and understandable?

S/n	Are delegated responsibilities clear and understandable?	A	SA	D	SD	Mean $\bar{x}$	S.D	Remark
Q6	Individual responsibilities are not clear and specific	42	8	2	5	3.19	0.545	Accept
Q7	The vision and importance of the strategy was not properly communicated	37	0	16	4	2.78	0.550	Accept
Q8	Employee's within the company do not understand the strategy	42	11	3	1	3.08	0.483	Accept
Q9	Staffs have been properly educated on how the strategy will be implemented	1	0	19	37	1.36	0.522	Reject
Q10	Employee's feel no personal responsibility to fulfill the strategy	40	10	7	0	3.05	0.548	Accept

Source: IBM SPSS (2020)

Analyses of question six (Q6) revealed that 2 participants disagree; 42 agree, eight strongly agree, 5 strongly disagree representing mean of 3.19 and was accepted. This implies that some of the responsibilities given to staffs are obscure and not clear enough for them to carry out strategy implementation process effectively. Question seven (Q7) show that 16 participants disagree; 37 participants agree while 4 respondents disagree given a mean of 2.78 which was accepted. This indicates that staffs are misinformed or not informed about the vision of the strategy, hence are reluctant to carry out responsibilities effectively. Question eight (Q8) indicated that 3 respondents disagree; 42 agree, 11 strongly agree, and 1 strongly disagree which represent a mean of 3.08 and was accepted. This implies that though the vision might have been communicated, staffs are yet to understand the strategy hence cannot get the desired results during the implementation process. Question nine (Q9) analysis shows that 37 participants strongly disagree; 19 respondents disagree; 1 agree which represent a mean of 1.36 and was rejected. This means that most of the staff lacks the required education and training to execute certain responsibilities in the strategy implementation process for corporate performance. Question ten (Q10) analysis revealed that 7 participants disagree; 40 respondents agree and 10 participants strongly agree which represent a mean of 3.05 and was accepted. This implies that employees do not make it personal to make strategy succeed.

## **DISCUSSION OF FINDINGS**

From the results above, it was found that employees are not involved in the strategy planning and formulation process in many corporate organisations in Nigeria. Once the implementation begins, the chief executives and senior managers are out of the stage leaving a greater part of the implementation process for the employees. Most responsibilities giving to employees during the strategy implementation process are obscure and not understood by the staffs hence retard or impede the strategy implementation process for corporate performance. Employees feel no personal responsibility to fulfill the strategy because, according to some of the respondents, the benefits of implementing a strategy, most times does not affect them. Commitment is a major factor that influences the success of every strategy implementation and once employee's commitment towards implementation of the strategy is not augmented the implementation process will suffer. Strategy implementation may be successful for corporate performance if there is cross-system cooperation amongst various departments or units of any corporate organisation. Employee's are impassive towards the execution of the strategy and exerts no enthusiasm in taking part due to lack of coordination within the management. Because of the overarching goals and undermining tactics of some managers, staffs are not encouraged to participate in the strategy implementation process.

### **Conclusion and Managerial Implications**

In conclusion, it is evident that strategy implementation has long been recognised as critical to corporate performance and an area of particular weakness in many corporate organisations. Despite this, scanty attention was given to how strategy implementation process will influence the performance corporate organisations in Nigeria. The researcher has attempted to address this lacuna by investigating the key determinants of successful strategy implementation for corporate performance; the researcher has established that strategy implementation is a complex process

that requires the interaction of several key factors for it to succeed. Strategy implementation must therefore be carefully planned, formulated by chief executives and senior managers so that all of these factors are successfully managed and controlled. Based on the findings, the researcher wishes to outline the following managerial implications. Managers should ensure that teams at all levels should be involved in the strategy formulation and implementation process in order to build a shared vision and increase each individual motivation and participation to see the strategy succeed. Secondly, in implementing strategic plans, leaders should lead through inspiration and coaching rather than command and control. Thirdly, to ensure that the vision is shared, teams should be given the opportunity to test the theory, voice opinions, challenge premises and suggest constructively alternatives without fear of reprimand. Fourthly, there should be genuine coordination and commitment from the top management level. Lastly, leadership of corporate organisations should clearly and consistently communicate the strategy; they should also operationally define each critical area of the plan to ensure agreement and commitment for successful implementation.

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