
EFFECTS OF STRATEGIC MANAGEMENT ON GROWTH AND DEVELOPMENT OF ORGANIZATIONS: A CASE OF SELECTED MANUFACTURING COMPANIES IN PORT HARCOURT



Innocent Glory Chimnechetam

Department of Office Technology and Management,
Federal Polytechnic, Ekowe, Bayelsa State.
glorychimechetan@gmail.com

Amadi Emenike

Department of Office Technology and Information Management,
Ignatius Ajuru University, Port Harcourt. Rivers State.
amadiemenike2@gmail.com

Abstract

The study aims to investigate the impact of strategic management on the growth and development of organizations with a specific focus on manufacturing companies in the Port Harcourt area of Nigeria's Rivers State. The study has selected 63 participants from 21 companies across the three legislative zones of Rivers State, with three participants chosen from each company. Researchers use descriptive statistics like frequencies, means, and percentages to answer four key research questions. They also employ the Chi-Square test to evaluate three key hypotheses. The results reveal that well-executed strategic management is only sometimes present in the companies studied but that adopting effective strategic management practices can significantly impact competitiveness, productivity, and overall performance. The study also finds that effective strategic management practices positively influence employees' behaviour and contribute to the overall improvement of the companies studied. The researchers conclude that Nigerian educational institutions should incorporate strategic management concepts into their curricula to enhance administrative knowledge and improve overall competitiveness in Nigerian organizations. Additionally, scholars should conduct further research to identify the reasons for the widespread adoption of strategic management practices in Nigeria to increase the competitiveness of small and medium-scale businesses nationwide.

Keywords: *Strategic control, Employee Performance, Structural Development, Organizational Performance, Economic Development.*

Introduction

Strategic management outlines an organization's goals, develops policies and plans to achieve them, and allocates the necessary resources to accomplish them. The process includes strategy formulation, implementation, and evaluation, and it is generally based on strategic management theories derived from the systems point of view, the contingent approach, and the information technology approach. Profit maximization and competition-based, resource-based, and contingency theories are popular strategic management theories applied to achieve competitive advantage and improve a company's overall performance.

Strategic control is the ongoing process of assessing and controlling an organization's business operations and industries, evaluating its competition, and setting goals and strategies to meet current and potential competition. The process is then reviewed regularly to determine its success or the need for a new strategy to meet changing circumstances such as new technology, competition, or a new economic or political environment.

Managers of both private and public organizations are aware that indigenous products and services, exceptional public relations, and effective human resource management are crucial sources of competitive advantage. Companies must develop innovative ideas to create unique brands and customer-friendly products/services to maintain this competitive advantage.

There is a need to examine the impact of strategic management on the growth and development of Nigerian organizations, particularly in the manufacturing sub-sector of the economy. Existing studies in Nigeria focused on human resource development, but they have yet to address the impact of strategic planning management on the manufacturing sub-sector. Therefore, this study aims to analyze how manufacturing companies in Rivers State can use strategic management to effectively derive plans for growth and development. Companies can

achieve an advantage over their competitors by employing strategic management appropriate for their size, scope, and operations. How they approach strategic problems can significantly affect the overall growth and development of the company.

Research Objectives

The study analysed strategic management's role in enhancing corporate performance in manufacturing firms located in Rivers State, Nigeria. The study had three objectives.

First, it aimed to determine the level of strategic management practices currently implemented in manufacturing companies in the state. Second, it sought to establish a relationship between competition levels and the implementation of strategic management. Finally, the study assessed the correlation between the adoption of strategic management and the performance of an organisation to provide insights into the effectiveness of such practices. The study's findings will help manufacturing firms in Rivers State implement strategic management practices to enhance their performance in a highly competitive environment.

Research questions

The researchers explored the following questions.

1. What specific strategic management practices are employed by manufacturing companies in Rivers State, Nigeria? How do these practices differ across different companies? How do companies determine which methods to adopt?
2. How does strategic management affect the level of competition in the manufacturing industry in Rivers State, Nigeria? How do companies use strategic management to gain a competitive advantage? How do changes in the competitive landscape affect the strategic management practices of regional companies?
3. How does strategic management impact organizational performance in the manufacturing industry in Rivers State, Nigeria? How do companies measure the effectiveness of their strategic management practices? What are some best practices in strategic management that have led to improved organizational performance in the region?

Assumptions

The study formulated and tested the following null hypotheses: first, that the implementation of strategic management has no impact on the competitiveness of manufacturing companies; second, that the adoption of strategic management does not significantly affect the performance of an organization; and third, that the application of strategic management only significantly influences the structural development of an organization. These hypotheses were intended to provide insights into the complex relationship between strategic management and organizational outcomes, focusing on manufacturing firms.

Research Design

Our study used cluster inspection to determine the appropriate number of production firms to include in our sample. The sample consisted of 63 administration sticks from 21 production firms operating in River State, Nigeria. We followed grammatical rules to ensure accurate and unbiased reporting of mathematical facts about the accused, including their sex, intimateness, age, district, infrastructure, and active occurrence. The study was divided into four sections: Section A included shut-down questions, Section B aimed to determine the level of training production firms provided to their administration staff, and Section C focused on identifying the determinants of effective administration performance. Moreover, Section D analyzed the relationship between the level of competition and the endorsement of calculated administration.

Socio-Demographic Characteristics of the Study

Based on the socio-mathematical analysis of the accused, Table 4.1 reveals that the majority of them are males, indicating a gender bias in production firms' administrative teams. The number of accused individuals ranged from 26 to 41, and the most common group involved in the accusations were humans who were fulfilling senior high school instructional requirements, followed by those fulfilling elementary school instructional requirements.

TABLE 4.1: Data analysis

The areas of the study were between Obio-akpor, Port Harcourt and Ikwere LGAs across River State.

4.1. The data for the study was obtained from the questionnaire.

Question 1: Is crucial administration trained by production firms in Rivers State of Nigeria?

S/N	Variable	SA	A	U	D	SD	REMARKS
1	Structured preparation Mechanism	4(6.3)	12 (19.0)	15(23.8)	27 (42.9)	5(7.9)	Dis agreement
2	Has an inscribed apparition and responsibility Statement	1 (1.6)	20 (31.7)	5 (7.9)	35 (55.6)	2(3.2)	Dis agreement
3	Has possessions control crew that assigns and control money use	0	5 (7.9)	7 (11.1)	40 (63.5)	11 (17.5)	Dis agreement
4	Bases resolutions and conduct on planned administrative procedures	100	3 (4.8)	16 (25.4)	33 (52.4)	11 (17.5)	Dis agreement

Source: Computation from SPSS 17

The research study utilized Analysis Questionnaire parts 1, 2, and 3 to investigate the research question individually. Table 4.1 presents the findings that answer the research question individually. The study revealed that most production firms in Rivers State do not prioritize critical administrative processes. This is evident from the responses of most of the firms' representatives, who indicated that their firms need more structured training programs, well-defined visions and mission statements, system control teams, and the need to make informed decisions based on strategic plans. Failing to prioritize these critical variables suggests that these firms must have bureaucratic administration processes. This, in turn, implies that effective administration needs to be improved in these sample firms.

Question 2: What is the effect of crucial administration honest of competitions?

TABLE 4.2

S/N	Variable	SA	A	U	D	SD	REMARKS
4	Do belongings that present us edgeover our rivals	18(28.6)	38(60.3)	3(4.8)	4(6.3)	0	Agreement
5	Our produce is foreverhandy than additional rivalcrop	0	8(12.7)	22(34.9)	33(52.4)	0	Disagreement
6	Has assortment of designating designs	12(19.0)	31(49.2)	12(19.0)	8 (12.7)	0	Agreement

Source: Computation from SPSS 17 Analysis

To address research question three, we conducted inquiry parts 4, 5, and 6—the question aimed to obtain approval of vital administration friendship and administrative depiction. Our research findings, presented in Table 4:2, indicated that ratification of shrewd administration could result in improved profit and increased influence in consumer connections. These findings suggest that production firms in Rivers State can benefit significantly by adopting vital administration practices.

Hypotheses Testing

Adoption of Strategic Management and Level of Competition

Ho 1: Adoption of crucial administration does not be successful quite honest of contest of production firms. Hypothesis individual was experiment accompanying inquiry part number 11.

Test StatisticsQ.11.

	Do belongings that present us edge over our rivals
Chi-Square	50.841a
Df	3
Asymp.Sig.	.000
Mean	1.88a

0 containers (.0%) have anticipated repetitions inferior

5. The minimum wonted container repetitiveness is 15.8.

The study observed a mean advantage of 1.88, indicating a significant impact of intelligent management on the competitiveness of production firms. This finding is supported by a Chi-Square test with a value of 50.841 and a P-value of 0.000, well below the 5% significance level. As a result, the study rejects the null hypothesis that innovative management does not significantly impact the competitive edge of production firms. In conclusion, the study confirms that intelligent management has a meaningful effect on the competitiveness of production firms.

Strategic Management and Organizational Performance

H02: Adoption of clever administration does not have important belongings on administrative acting Hypothesis two was experiment accompanying questionnaires part number

Test Statistics Q.14.

	Strives for taller net profits each gathering
Chi-Square	90.460a
Df	3
Asymp.Sig.	.000
Mean	2.175a.

o containers (.0%) have wonted recurrences inferior

5. The minimum anticipated container repetitiveness 15.8.

The statistical analysis conducted in this study found that the mean value of the answer was 2.175, which is close to 2, indicating agreement with the proposition that effective administration positively impacts firm performance. The Chi-Square test conducted in this regard yielded a value of $X^2 = 90.460$ with a p-value of 0.000, indicating that the null hypothesis that the maintenance of effective administration does not have a meaningful impact on the administrative act can be rejected. The z-test conducted in the study also yielded a significance level below 5%, further supporting the rejection of the null hypothesis. The study concluded that effective administration significantly impacts administrative depiction for production firms. The mean of the answer is 2.175, which is nearly 2. This displays “agree” to question whether

crucial administration affects firm accomplishment. The test of theory accompanying Chi-Square registered that $X^2 = 90.460$ accompanying p.advantage of 0.000. The importance advantage of the z-test is beneath the 5% level of importance imposed for this study. Since the level of importance of the reactions is beneath 5%, the study vetoes the ineffectual theory that the maintenance of crucial administration does not have a meaningful effect on the administrative act. The study then decided that calculated c administration has an essential effect on administrative depiction for production firms.

Strategic Management and Structural Development of an Organization

Ho3: Adoption of crucial administration does not have important effect on fundamental incident of an institution. Hypothesis three was experiment accompanying inquiry article number.

	Statistics Q. 16. Strives to build wholes to handle singular function
Chi-Square	0.095a
Df	2
Asymp.Sig.	.000
Mean	2.3a.

0 sells (.0%) have wonted repetitions inferior

5. The minimum anticipated container Frequency is 21.0

According to the study, the mean of the answers showed that clever administration could improve the fundamental happening of firms. The Chi-Square test was conducted, and the results showed that the p-value of 0.000 is lower than the 5% importance test advantage specified for the study, thus rejecting the ineffective theory that enactment of crucial administration does not have an essential effect on fundamental happening. Therefore, the study concludes that clever administration has a meaningful impact on the fundamental happening of production firms.

Conclusion And Recommendations

Strategic administration is rare among production firms in Rivers State, Nigeria. However, it has been identified as a reliable solution for enhancing the competitiveness, efficiency levels, and overall growth of production firms in the region and the country.

Research studies have shown that obtaining a competitive advantage and improving firm performance relative to their competitors are the primary objectives that business arrangements aim to accomplish. Additionally, the idea that policy content influences administrative behaviour is critical to public administration theory. The adoption of strategic administration has emerged as a crucial and pragmatic approach to sustaining competitiveness in today's dynamic business environment. This is primarily because strategic administration acknowledges the fundamental purpose of an organization and outlines the requisite plans and actions to realize the said purpose, which allows for efficient and effective decision-making and resource allocation.

Despite this, there has yet to be any research work that has investigated the impact of strategic administration on administrative progress and growth in Nigeria. Existing studies in Nigeria have focused on human capability development and strategic planning. However, they have yet to explore the impact of strategic administration on production firms in the economy. Moreover, more adequate studies on strategic administration in Africa need to be done.

This study aims to examine the significance level and strategic administration's effect on production firms in Rivers State, Nigeria. The study surveyed managers and senior staff members of production firms and used descriptive and Chi-Square tests to analyze the data. The study identified the following findings:

1. Strategic administration is rare among production firms in Rivers State.
2. Strategic administration influences competitiveness, and the adoption of strategic administration significantly affects the competitiveness of production firms in Rivers State.

3. Strategic administration practices have a place effect on firm behaviour, and the implementation of strategic administration has an essential effect on administrative behaviour for production firms.

The study recommends that further research be carried out in Nigeria to understand the reasons for the need for more adoption of strategic administration in Rivers State and the country. Business schools in Nigeria should incorporate strategic administration into their educational programs to develop sound administrative talent and enhance the competitiveness of firms in Nigeria.

References

- Abdulkadir D.S. (2012). Strategic Human Resource Management and Organizational accomplishment in the Nigerian Insurance Industry: The Impact of Organizational Climate, *Business Intelligence Journal*. 5 (1), 8 – 20.
- Ainuddin, R.A., Beamish, P.W., Hulland, J.S. & Rouse, M.J.(2007). Resource attributes and firm conduct in worldwide joint ventures. *Journal of World Business*, 42,47-60.
- Akinyele, S.T. & Fasogbon, O.I. (2007). Impact of Strategic Planning on Organizational Performance and Survival. *Research Journal of Business Management*, (1) 62-71. Retrieved from <http://scialert.net/abstract/?doi=rjbm.2007.62.71>.
- Askarany, D. & Yazdifar, H. (2012). Strategic administration finishes and organisational, Paper Presented at meeting title, Research Interaction Forum 1 in Washington DC Seed of Innovation, American Accounting Association Annual Meeting and Conference on Teaching and Learning Accounting, Monday August 6, 2012<http://aaahq.org/AM2012/abstract.cfm?submissionID=576>.
- Atiku, S.O., Genty, K.I. & Akinlabi, B.H. (2011). Effect of Electronic Banking on Employees' Job Security in Nigeria, *European Journal of Humanities and Social Sciences*, 4(2),68-84.
- Barney, J.B. (1995). Looking inside for back-and-forth competition. *Academy of Management Executive*, 9, No.(4), 49-61.
- David, F.R. (2005). *Strategic Management: Concepts and Cases*, Tenth Edition. Prentice Hall, Pearson Education International, 2005.
- Gichunge, E.M. (2010). The Effect of Formal Strategic Management on Organisational Performance: A study of picked Medium Sized Manufacturing Enterprises in OpNairobi, Kenya. Retrieved from http://computer.network.ku.ac.ke/schools/graduate/countenances/tales/docs/abstracts/2010/june/the_effect_of_established_crucial_administration.pdf.
- Raduan, C.R., Jegak, U., Haslinda, A. & Alimin, I.I. (2009). Management, Strategic Management Theories and the Linkage accompanying Organisational Competitive Advantage from the Resource-Based View. *European Journal of Social Sciences*, 11 402- 418.
- Olatokun, W.M. & Gbinedion, L.J. (2009). The Adoption of cash dispenser machines in Nigeria: An Application of the Theory of Diffusion of Innovation, *Issues in Informing Science and Information Technology* 6,373-393.
- Porter, M.E. & Kramer, M.R. (2006). Strategy and institution: The link middle from two points back-and-forth competition and allied public maturity. *Harvard Business Review*, December 2006.
- Zainal Abidin Mohamed (2005). *Pengurusan Strategik*. Siri Pengurusan dan Pentadbiran Utusan. Utusan Publications & Distributors Sdn. Bhd., Kuala Lumpur.