

## Effect of Strategic Planning on Organisational Performance in Nigerian Bottling Company Plc Owerri Plant, Imo State

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DOI: 10.56201/ijssmr.v10.no6.2024.pg111.129

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### **Abstract**

*The study examined and evaluate the effect of strategic planning on Organizational Performance of Nigerian Bottling Company (NBC), Owerri plant. Specifically, the study ascertained the effect of vision and mission on organizational survival (growth) and investigated the effect of human capital development (Training and development) on organizational Profit in NBC Owerri plant. The study employed survey design in which structured questionnaire were used to elicit information from the target respondents who are staff of Nigerian Bottling Company, Owerri, Plant Imo State. This study employed both primary and secondary sources of data, the target population of this research was three hundred and sixty (360) and it consisted of the entire workforce of the Nigerian Bottling Company, Owerri, Plant Imo State. A sample size of 189 which was determined using Taro Yamane's formular. The instrument was face validated by three experts; the validators were requested to examine the instruments with regard to clarity; use of language, relevance of the items to the study and coverage of the instrument in terms of the purpose of the study. Their corrections and suggestions were utilized to improve the initial copies of the questionnaire to produce the final copies while the reliability of the questionnaire involved the test and retest reliability method and the use of Cronbach alpha (1971). An internal consistency of 0.87 was realized through the use of test re-test. Lastly, data were analyzed using descriptive and inferential statistics while the hypotheses were tested using simple regression model. The study found that vision and mission have no significant effect on organizational survival in NBC Owerri plant ( $t p = 0.000 < 0.01$ ); human capital Development has no significant effect on organizational profit in NBC Owerri plant ( $p = 0.000 < 0.05$ ). The study therefore recommends that NBC Owerri should transition from viewing strategic planning as a one-time event to a continuous and evolving process. This involves regular reviews, updates, and transparent communication about the strategic plan at all organizational levels, ensuring it remains relevant and actionable.*

**Keywords:** Organizations, Strategy, Strategic Planning, Vision/Mission, Human Capital Development, Organizational Performance,

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## INTRODUCTION

Over the years, the concept and practice of strategic planning has been embraced wide reaching and across sectors because of its perceived influence on organizational performance (Latif and Gohar, 2021). Organizations from both the public and private sectors have taken the practice of strategic planning critically as a tool that can be adopted to improve their performances. According to Aremu (2020), strategy is needed to focus effort and promote coordination of activities. Without strategy, an organization becomes bunch of individuals, hence strategy is required to ensure collective actions and concentration of efforts towards achieving organizational plans and objectives organizations all over the world are becoming more competitive conscious by launching competitive strategies that give them an edge over others. To do this, it is necessary to design workable strategies (Cater & Pucko, 2020).

Strategic planning is a backbone support to strategic management and it is a major-process in the conduct of strategic management. Wagner (2021), stated that the importance of strategic planning can be explained from four points of view including environmental scanning, strategy formulation, and linking goals to budgets and strategic planning as a process. The strategy planning process starts with setting organizational goals. The strategic planning process is applied by management to establish objectives, set goals, and schedule activities for achieving those goals and includes a method for measuring progress (Bulle, 2022). The process regulates how the organization will change to take advantage of new opportunities that help achieve the needs of customers and clients. According to Thomson and Strickland (2021), strategy implementation can fail due to lack of effective top management support because strategic management and leadership are important drivers to strategic implementation.

According to Khan and Khalique (2019), strategy is traced from a Greek word “strategies which means the roles of a general. Mohamed (2020), posits that planning in management is a process of preparing ways to use resources more economically and efficiently so that the purpose of the company is achieved. Strategic process is important to any organizational work performance because it determines the organization’s success or failure. A strategy is a plan that is planned to achieve a particular purpose. Wernham (2019) observes that in a strategic planning process, resources such as people, skills, facilities, and money to implement the strategy must be adequate.

According to Pearce and Robinson (2020), the strategic planning process can be showed as a series of steps; strategy formulation (Company Vision and Mission. Company Objectives and Internal analysis), situation analysis and environmental scanning (Competitor, industry. Market analysis and strategy selection), strategy implementation and strategy evaluation and control. Strategic planning is a critical part of the strategic-management process which aids non-governmental organizations formulate and appreciate strategies aimed at greater performance effectiveness, improved accountability measures, and sustainable competitive advantage. The business environment has become more indeterminate, complex and very turbulent. The survival of an organization depends on its capability to anticipate the rapid changes around it and incorporate them in its strategy. The environment affects organizational structure, internal process, and managerial decision-making. It creates uncertainty for managers through environmental changes, events, and trends, which continually send signals and ^messages that must be recognized by the

organization (Aremu, 2020). In order to pick up these signals and make use of the information, the organizations need to establish efficient environmental scanning, a process, which can be viewed as a kind of radar to scan the world systematically and signal the new, the unexpected, the major, and the minor. Environmental scanning is critical for all types of organizations to survive and remain successful (Ilesanrni, 2021).

For strategy to be worthwhile and benefit the entire organization, the process should be all inclusive by involving everybody in the organization (Bryson, 2019). According to Wernham (2019), there are three categories of factors that affects strategy formulation process; environmental factors, organizational factors and, employee involvement. These, therefore, call for attention in the formulation process. Formulation of new strategy is concerned with adjustments in the structure, employees, systems, and styles of doing things to accommodate the perceived needs of strategy (Pearce and Robinson, 2020). Performance is the yield or results of activities carried out in relation to the purposes being pursued and to effectively implement the strategic plan, management must know if the plan's goals are being achieved on time and with the allocated resources.

Performance can only be managed if it can be accurately measured. According to Ilesanrni (2021), the problem in most companies is not a lack of measures, but a lack of focused and effective measures. The challenges in selecting the right measures include choosing the right leading and lagging indicators, benchmarking (entails feedback control, identifying gaps and putting strategies in place to fill the gaps) against competitors, balancing financial and non- financial measures, and using an appropriate number of measures. Antikainen (2021), alludes to the fact that performance is a key factor with specific reference to the organization capacity for progress in the competition field. The improvement in improvement provides a good opportunity for firms to contribute to the organizations' bottom line through the improvement of the production processes, rather than concentrating on only the reduction or omission of costs (Ramirez & Nembhard, 2019), Organizational performance remains of great concern today to all organizations including private, public, and profit or not for profit. Organizational performance is a recurrent theme of great interest to both scholars and practitioners. Researchers and practitioners alike have attempted to understand why some organizations achieve higher levels of performance than others.

Furthermore, empirical results show that researches on contextual factors influencing strategic planning processes are either limited or have produced contradictory results especially studies relating to decisions on familiarity magnitude' of impact, organizational size, firm's performance, dynamism hostility, heterogeneity, industry, cognitive diversity, cognitive conflict, and manager's need for achievement of strategic planning processes (Awino & Mutua, 2022), It is with this in mind that this study sought to fill the gap by trying to identify the effect of strategic planning on organizational performance in Nigerian bottling company in Owerri plant Imo state. Specifically, the study ascertained the effect of vision and mission on organizational survival (growth) and investigated the effect of human capital development (Training and development) on organizational Profit in NBC Owerri plant.

## LITERATURE REVIEW

### Conceptual Framework

#### Strategic Planning

Strategic planning is the corporate organizational function. It is the process of identifying and organization's objectives, developing policies, programs and plans to achieve and attain these said objectives, and sharing resources so as to implement, evaluates the policies and plans. It is also good to say that strategic planning is putting together of strategy formulation, implementation and evaluation (David, 2020; Zainal, 2020).

Raduan, *et al.*, (2019), postulated that strategies planning theories come from the angle of system perspective, goal setting approach and information technology approach as well as profit-maximizing and competitive based theory and contingency theory. Strategic planning is the process and approach of identifying or specifying an organisation's objectives or goals, developing policies and plans to achieve and attain these set objectives, and allocating resources so as to implement the policies and plans (David, 2020). Furthermore, strategic planning is the process of examining both present and future environment, formulating the organisations objectives, implementing and controlling decisions focused on achieving these objective in the present and future environment (Adeleke, 2021). Thompson and Strickland (2021) defined it as the manager's tasks of crafting, implementing and executing company strategies. They defined strategy as the same plan management has for positioning the company in its chosen target market, competing successfully, pleasing customer, and achieving good business performance (Iravo, Ongori and Munene, 2019).

Strategic planning can be defined as the process of using systematic criteria and rigorous investigation to formulate, implement and control strategy and formally document organizational expectations (Higgins and Vincze, 2019; Mintzberg, 2021; Pearce and Robbinson, 2019). Strategic planning is a process by which we can envision the future and develop the necessary procedures and operations to influence and achieve that future.

In reality, strategic planning processes are neither scientific nor complex. With modest, front-end assistance and the occasional services of an outside facilitator organization can develop and manage an on-going and effective planning program (Akinyele and Fasogbon. 2020).

#### Process of Strategic Planning

The process of strategic planning begins with; goal setting, analysis, strategy formulation strategy implementation, and strategy evaluation.

- i. **Goal setting:** The vision and goals of the organization are clearly stated in goal setting stage. The short and long terms goal's are defined process to achieve the objectives are identified and current staff is evaluated to choose capable, people to work on the process (Hax and Majluf, 2021).

- ii. **Analysis:** Data relevant to achieve the goals of the organization is gathered, potential internal and external factors that can affect the sustained growth of the organizations are examined and SWOT analysis is also performed.
- iii. **Strategy formulation:** One the analysis is done, the organization moves to the strategy formulation stage where the plan to acquire the require resources is designed, prioritization of the issues facing the business organization are done and finally the strategy is formulated accordingly (Hax and Majluf, 2021).
- iv. **Strategy implementation:** After formulation of the strategy, employees of organization clearly made aware of their roles and responsibilities. It is ensured that funds will be available all the time. Then the implementation begins (M.B.A Shool.com)
- v. **Strategy evaluation:** In this process, the strategic being implemented are evaluated regularly to check whether they are on tract and are providing the desire result. In case of deviations the corrective actions are taken (M.B.A. Skool. Com)

## **Components of Strategic Planning**

### **Organizational Vision and Mission**

A vision statement describes what a company desires to achieve in the long-run, generally in a time frame of five to ten years, or sometimes even longer. It depicts a vision of what the company will look like in the future and sets a defined direction for the planning and execution of corporate-level strategies (Aldehyyat, AlKhattab & Anchor, 2021). While an organization's purpose is declared through its mission. Developing an organizational mission statement requires a deep understanding of what a company hopes to achieve and why. Though brief in format, an effective mission can communicate to those inside and outside the company a lot about a company's values and ambitions (Awino, Muturia, & Oeba, 2022). In this article, we discuss what an organizational mission statement is, explain its importance, show you how to write a mission and provide five examples of organizational missions to reference. An organizational mission, also known as a mission statement, is a brief, broad statement about an organization's goals and how it intends to meet those goals. It often addresses what the organization offers and how it hopes to serve its customers, community, employees, investors or other stakeholders. Some mission statements may also include explanations of the principles that the organization values and hopes to abide by throughout its existence. An organizational mission also helps to guide the actions of an organization. A related but different organizational statement is the vision statement, a declaration of what the organization hopes to become. The difference between a mission and a vision is that the former addresses the organization's purpose, whereas the latter focuses on aspirations for the future based on its current purpose (Bryson, 2019).

### **Importance of organizational mission**

An organizational mission is a statement directed both internally and externally, so it helps inform how stakeholders at all levels perceive the organization. Among the factors that an organizational mission can affect are (Hasse and franco, 2021):

**Brand:** Brand refers to how customers relate to an organization. Part of the function of an organizational mission can be to determine stakeholders, including customers, so it can serve as an invitation to the target audience to explore what the organization offers. The brand also helps distinguish the organization from competitors. There may be similarities in the products or services that other organizations sell, but the mission can establish a unique purpose that resonates with customers.

**Culture:** Organizational culture refers to the working environment in relation to an organization's stated values and goals. Culture can influence how members of an organization interact and function within its system, as it typically involves how the organization treats its stakeholders and how information flows through the organization. The factors that determine culture, such as organizational values and norms, stem from the mission.

**Morale:** The organizational mission can also affect how employees relate to their duties by conveying purpose in the work they do. The mission can show that their responsibilities and actions are part of a larger ambition and help them see the value in their contributions are valuable. When employees see they serve a meaningful purpose, they are more likely to be satisfied in their work and remain with the organization for the long term.

**Standards:** By declaring the organization's goals and plans for development, an organizational mission can create standards to which its members can aspire to meet. Employees can ask themselves whether their actions and output align with the values stated in the mission.

### **How to create an organizational mission**

Although a mission should be unique to the organization that creates it, there are certain components that a successful organizational mission should include, such as the organization's purpose, values and goals. They can follow these steps to write an organizational mission of their own (Awino, Muturia, and Oeba. 2021):

- ❖ **Determine the purpose:** Purpose is the reason that an organization exists. Many businesses serve similar general purposes, so it's important to be as specific as possible when declaring your organization's purpose. For example, a coffee company's general purpose would be to sell coffee, but its specific purpose as it relates to its mission should distinguish it from competitors, such as fostering an appreciation for coffee and the people who grow them.
- ❖ **Understand the purpose:** Knowing the reasoning behind the purpose can help to write a clear, succinct mission, and including the reasoning in the mission can persuade stakeholders to support the cause and business. In the above example of the coffee company, the founders might wish to highlight the hard work that goes into making coffee and to contribute to the everyday happiness of members of the community.
- ❖ **Determine the plan:** The plan refers to how the aim to fulfill their purpose and the long-term goals that align with it. This can be a general statement of what the organization does in relation to its values. The coffee company might state that it hopes to accomplish its goals by selling high-quality fair trade coffee at reasonable prices to its customers. The

plan of selling "high-quality fair-trade coffee at reasonable prices to its customers" defines the company's objectives, which informs its daily operations and can function as an outline for future business developments (Awino & Mutua, 2022).

- ❖ **Condense the mission:** Organizational missions are typically only a few sentences, and some are only a phrase, so a lot of information must fit in a small package. Try writing out a longer version of the mission that incorporates in their purpose, reasoning and plan. Then see where they can cut down on words and combine sentences to produce the most concise statement they can achieve.

## Human Capital Management

Human resource management is the process of employing people, training them, compensating them, developing policies relating to the workplace and developing strategies to retain them. As a field, human resource management has undergone many changes over the last twenty years, giving it an even more important role in today's organisations (Osemeke, 2021). In the past, human resource management meant processing payroll sending birthday gifts to employees, arranging company outings and making sure forms were filled out correctly in other words more of an administrative role rather than a strategic role crucial to the success of the organization. It is necessary to point out here at the very beginning of this text that every manager has some role relating to human resource management. Just because we do not have the title of human resource management does not mean we won't perform all or at least some of the human resource management tasks. For e.g. most manager's deal with compensation, motivation and retention of employees, making these aspects not only part of human resource management but also part of management (Schermerhorn, 2020).

## The Role of Human Resource Management

Keep in mind that many functions of HRM are also tasks other department managers perform, which is what makes this information important, despite the career path taken. Most experts agree on seven main roles that HRM plays in organizations. These are described in the following sections (Storey, 2019).

**Staffing:** They need people to perform tasks and get work done in the organization. Even with the most sophisticated machines, humans are still needed. Because of this, one of the major tasks in HRM is staffing. Staffing involves the entire hiring process from posting a job to negotiating a salary package (Ahmad and Shahzad, 2021). Within the staffing function, there are four main steps:

- i. Development of a staffing plan. This plan allows HRM to see how many people they should hire based on revenue expectations.
- ii. Development of policies to encourage multiculturalism at work. Multiculturalism in the workplace is becoming more and more important, as we have many more people from a variety of backgrounds in the workforce (Absar, 2021)
- iii. Recruitment. This involves finding people to fill the open positions.

- iv. Selection. In this stage, people will be interviewed and selected, and a proper compensation package will be negotiated. This step is followed by training, retention, and motivation.

**Training:** Training is teaching, or developing in oneself or others, any skills and knowledge or fitness that relate to specific useful competences. Training has specific goals of improving one's capability, capacity, productivity, performance and satisfaction. Training refers to the teaching and learning activities earned on for the primary purpose of helping members of an organisation acquire and apply the knowledge, skills, abilities and attitudes needed by a Particular job and organisation (Anafarta, 2021). Abdulla, Baker and Vlastic (2019) postulated that, training is the process of teaching the new and/or present employees the basic skill s they need to effectively perform their jobs, in Imo State. Alternatively speaking, training is the act of increasing the knowledge and skill of an employee for doing his/her job. Thus training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organisation to acquire and also to apply the required knowledge skill and attitudes to perform their jobs effectively (Williamson, 2019). However, Armstrong (2020), observed that, training is the systematic modification of behaviour through learning which occurs as a result of education, instruction, development and planned experience. Training is any process by which the attitudes, skills and abilities of employees to perform specific jobs are improved (Tan and Nasuridin, 2019). Thus, it can be concluded that training is a process that tries to improve skills or add to the existing level of knowledge so that the employee is better equipped to do his present job, or to mould the employee to be fit for higher job involving higher responsibilities (Tabiu and Nura, 2021).

## **Components of Performance**

### **Organization Survival**

Simply put, organizational survival indicates how long an organization can remain afloat, generating enough revenue or attaining its goals while continuing to expand or maintain its current standing. Using the concept of organizational survival, one would define an organization as successful if it survives in the long-term and continues to complete the goals set forth at its inception. If the organization's goals have changed over time, then organizational survival could also mean attaining the new goals that have been defined. Most new ventures fail (or die) before being five years old, so any organization that can survive in the long-term, or longer than five years, could be defined as successful (Bryson, 2019).

### **Importance of Organizational Survival**

Organizational survival is a relative term which is being conceptualized by organizations differently. Greenberg (2019) suggested that a surviving organization depends on employees' performance which is directly affected by individual job satisfaction at workplace and their commitment to the organization. Organizational survival is critical to the fortune of any organization. In order to achieve increased and sustainable business result, organizations need to execute strategy and engage employees justifiably. Organizational Survival provides a rational, research-based approach to creating a durable business strategy designed to meet the needs of today's customers and position an organization to outperform while positively impacting society, the environment, community, and the bottom line. Organizational Survival provides the tools

needed to apply risk management, scenario planning, and due diligence to sustainability initiatives via their innovative SEEE model framework developed in conjunction with International Institute for Learning, which encompasses the social, economic, environmental, and ethical factors of strategic change (Cakmak & Tas, 2021).

## **Profit**

Profit describes the financial benefit realized when revenue generated from a business activity exceeds the expenses, costs, and taxes involved in sustaining the activity in question. Profit is calculated as total revenue less total expenses (Bryson, 2019). Profit is the money a business pulls in after accounting for all expenses. Whether it's a lemonade stand or a publicly-traded multinational company, the primary goal of any business is to earn money, therefore a business performance is based on profitability, in its various forms (Falk, 2021).

## **Functions of Profit**

According to Tyskbo, (2020) there are three main purposes of profit, which are explained as follows:

- i. **Tool for measuring performance:** Refers to the fact that profit generated by an organization helps in estimating the effectiveness of its business efforts. If the profits earned by an organization are high, it indicates the efficient management of its business. However, profit is not the most efficient measure of estimating the business efficiency of an organization, but is useful to measure the general efficiency of the organization.
- ii. **Source of covering costs:** Helps organizations to cover various costs, such as replacement costs, technical costs, and costs related to other risks and uncertainties. An organization needs to earn sufficient profit to cover its various costs and survive in the business.
- iii. **Aid to ensure future capital:** Assures the availability of capital in future for various purposes, such as innovation and expansion. For example, if the retained profits of an organization are high, it may invest in various projects. This would help in the business expansion and success of the organization.

## **THEORETICAL FRAMEWORK**

### **Resource-Based Theory**

Underpinning theory for this study is anchored by Resource-Based Theory. The Resource-Based Theory is a managerial framework used to determine the strategic resources with the potential to deliver competitive advantage to a firm during a succession period. These human resources can be exploited by the firm in order to achieve sustainable competitive advantage. Barney's (1995) work on "Firm Resources and Sustained Competitive Advantage" is widely cited as a pivotal work in the emergence of the resource-based view. However, some scholars such as (Osborne, 2011; Nikagova, 2016) argued that there was evidence for a fragmentary resource-based theory from the 1930s. Resource based theory proposes that firms are heterogeneous, because they possess heterogeneous, resources, meaning firms can have different strategies because they have different resource mixes to help in their planning processes.

The RBT focuses managerial attention on the firm's internal resources in an effort to identify those assets, capabilities and competences with the potential to deliver superior competitive advantages. RBT focuses attention on an organisation's internal resources as a means of organizing processes and obtaining a competitive advantage. Barney stated that for resources to hold potential as sources of sustainable competitive advantage, they should be valuable, rare, imperfectly imitable and not substitutable (now generally known as VRIN criteria). The resource-based theory suggests that organisations must develop unique, firm-specific core competencies that will allow them to outperform competitors by doing things differently.

The theory went further to analyse the component of strategic planning to include vision and mission, human capital development, organizational culture and management support which are the key components of this research work. Hence, the study adopted the resource based theory. Although the literature presents many different ideas around the concept of the resource- advantage perspective. At its heart, the common theme is that the firm's resources are financial, legal, human, organisational, informational and relational; resources are heterogeneous and imperfectly mobile and that management's key task is to understand and organize resources for sustainable competitive advantage by looking inward. Therefore, strategic planning are expected to see their human resources as their most vital tools to be mentored and trained.

## **RESEARCH METHODOLOGY**

This study adopted survey design in which structured questionnaire were used to elicit information from the target respondents who are staff of Nigerian Bottling Company, Owerri, Plant Imo State. This study employed both primary and secondary sources of data, the target population of this research was three hundred and sixty (360) and it consisted of the entire workforce of the Nigerian Bottling Company, Owerri, Plant Imo State. A sample size of 189 which was determined using Taro Yamane's formula. The instrument was face validated by three experts; the validators were requested to examine the instruments with regard to clarity; use of language, relevance of the items to the study and coverage of the instrument in terms of the purpose of the study. Their corrections and suggestions were utilized to improve the initial copies of the questionnaire to produce the final copies while the reliability of the questionnaire involved the test and retest reliability method and the use of Cronbach alpha (1971). An internal consistency of 0.87 was realized through the use of test re-test. Lastly, data were analyzed using descriptive and inferential statistics while the hypotheses were tested using simple regression model.

## **RESULTS AND DISCUSSION**

A total of 190 Questionnaire were administered to 190 respondents and 183 were retrieved, representing 96.31% response rate. The remaining 7 copies were discarded because they were not fully answered or some not correctly filled, the researcher has taken the number of employees in the State into account. This ensured that the sample size as was originally designed remained almost the same thereby ensuring representativeness of the target population and validity of the result of the study. The table below represents the response rate.

**Table 4.1: Analysis of Questionnaire**

Questionnaire	Frequency	Percentage
Questionnaire returned	183	96.31
Questionnaire Not returned	7	3.68
<b>Total</b>	<b>190</b>	<b>100.0</b>

Source: Field survey, 2024

### Presentation and Analysis

A 4-point scale, ranging from strongly Agree (4), agreed (3), disagreed (2) and strongly disagreed (1) instrument was adopted. Respondent were asked to indicate their opinions by choosing questions from 1-4, scale is compound scale. The choice reflects the argument or disagreement with the particular concept. In other word, it reveals the participant emotions, attitudes, beliefs, or points of view, because they show positive or negative emotions towards a concept of selecting a choice best representing their feelings (Likert, 1992).

**Research question one:** What is the effect of vision and mission on organizational survival in NBC Owerri plant?

**Table 1: Coded responses on the effect of vision and mission on organizational survival in NBC Owerri plant**

S/ N	Questions	S				Mea n	Std D	Remark
		D 1	D 2	A 3	SA 4			
1	Vision and mission of the company enhances the organization.	4	73	4 9	57	2.869	0.885 9	Accepted
2	It strengthens the organization to be better positioned for effective competitive advantage.	6	57	1 5	10 5	3.197	0.991 5	Accepted
3	The vision and mission of the company aids the managers in their planning.	1	8	2 1	15 3	3.781	0.540 9	Accepted
4	The vision and mission of the company defined the organization.	2	51	1 9	11 1	3.306	0.916 5	Accepted
5	It held the company to define the niche for itself.	0	81	4 0	62	2.896	0.880 3	Accepted
<b>Clustered mean for decision rule: -</b>							<b>3.21</b>	<b>Accepted</b>

Source: Field Survey, 2024. Decision rule: any mean response  $\geq 2.5$  was adjudged accepted while any mean responses  $< 2.5$  was adjudged rejected

From the result, five questions were designed in the questionnaire to ascertain the effect of vision and mission on organizational survival in NBC Owerri plant. From the result all the variables in the table were accepted by the mean range used for decision which is 2.5 and above. This result shows that the mean responses for items 1, 2, 3, 4, and 5 surpassed the criterion mean (2.869,

3.197, 3.781, 3.306 and  $2.896 \geq 2.5$ ). Specifically, “The vision and mission of the company aids the managers in their planning” has on the average the highest mean ( $\bar{X}= 3.781$ ) i.e. the respondents indicated strong agreement to the question statement; this was followed by “The vision and mission of the company defined the organization” has mean of ( $\bar{X}= 3.306$ ); this was followed by “It strengthens the organization to be better positioned for effective competitive advantage.” ( $\bar{X}=3.197$ ). Furthermore, the clustered mean was 3.21 which was accepted, this therefore implies that vision and mission has effect on organizational survival in NBC Owerri plant.

**Research question two:** What are the effect of human capital Development on organizational profit in NBC Owerri plant?

**Table 2: Coded responses on the effect of human capital Development on organizational profit in NBC Owerri plant  
 N = 183**

S/N	Questions	SD 1	D 2	A 3	SA 4	Mean	Std D	Remark
6	Human capital development enhances profitability of the organization.	0	84	23	76	2.956	0.9366	Accepted
7	It helps to bring out skills of employees	0	25	21	137	3.612	0.7166	Accepted
8	It aids employee to be innovative.	0	18	52	113	3.519	0.6699	Accepted
9	It helps to bring about better ways of production from the organisation.	2	29	67	85	3.284	0.7676	Accepted
10	It aids better method of production in the organization.	2	36	0	145	3.574	0.8411	Accepted
<b>Clustered mean for decision rule:-</b>							<b>3.39</b>	<b>Accepted</b>

**Source:** Field Survey, 2024.

**Decision rule:** any mean response  $\geq 2.5$  was adjudged accepted while any mean responses  $< 2.5$  was adjudged rejected

Table 2 revealed that five questions were designed in the questionnaire to ascertain effect of human capital Development on organizational profit in NBC Owerri plant. From the result all the items in the table were accepted by the mean range used for decision which is 2.5 and above. From the result the mean responses for items 6, 7, 8, 9 and 10 surpassed the criterion mean (2.5). This implies that human capital Development has effect on organizational profit in NBC Owerri plant. This lends credence to the fact that human capital development enhances profitability of the organization ( $\bar{X}= 2.956$ ), It helps to bring out skills of employees ( $\bar{X}= 3.612$ ); It aids employee to be innovative ( $\bar{X}= 3.519$ ), It helps to bring about better ways of production from the organisation ( $\bar{X}= 3.284$ ) and It aids better method of production in the organization ( $\bar{X}=3.574$ ). From the result, the clustered mean was 3.39 which was accepted. This, therefore, implies that human capital Development has effect on organizational profit in NBC Owerri plant.

## HYPOTHESES TESTING

### Hypothesis One

**HO<sub>1</sub>:** Vision and mission have no significant effect on organizational survival in NBC Owerri plant;

**Table 3: OLS estimate for Test of hypothesis one**

Dependent Variable: Organizational

Survival

Method: Least Squares

Included observations: 183

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Vision	0.213419	0.012353	17.27707	0.0000
Mission	0.271999	0.072912	3.730498	0.0003
C	2.864083	0.550052	5.206932	0.0000
R-squared	0.592402	Mean dependent var	2.956284	
Adjusted R-squared	0.582318	S.D. dependent var	0.936589	
S.E. of regression	0.897212	Akaike info criterion	2.637209	
Sum squared resid	144.8982	Schwarz criterion	2.689824	
Log likelihood	-238.3047	Hannan-Quinn criter.	2.658537	
F-statistic	9.162873	Durbin-Watson stat	1.209924	
Prob(F-statistic)	0.000162			

*Source: Field Survey, (2024)*

From the regression analysis above, the value of coefficient of multiple determination ( $R^2$ ) is 0.592, this suggest 59.2% of the changes in Organizational Survival is caused by the independent variables (Vision and mission). The result shows that the coefficient of vision and mission were statistically significant in explaining the dependent variable. The intercept  $\beta_0$  (2.864) shows the value of Organizational Survival when the values of the independent variables are indeterminate or when they are zero; this means that when the independent variable (Vision and mission) is 2.864.

The value of the F-stat, according to the result of the regression is given as (9.163). The decision rule for the F-stat is goodness of fit statistic is satisfactory. In the regression conducted, the value of the Durbin Watson is 1.209924 which means there is no positive but weak serial correlation in the model because the value is greater 1 and approaching two.

**Hypotheses 1** which states that Vision and mission have no significant effect on organizational survival in NBC Owerri plant was rejected, since sig ( $p = 0.000 < 0.01$ ) is less than the 0.01 alpha, meaning that Vision and mission have a significant effect on organizational survival in NBC

Owerri plant. Thus a unit increase in vision will lead to 0.213419 (21.34%) increase in organizational survival in NBC Owerri also a unit increase in mission will lead to 0.271999 (27.20%) increase in organizational survival in NBC Owerri

### Hypothesis Two

**HO<sub>2</sub>: Human capital Development has no significant effect on organizational profit in NBC Owerri plant;**

**Table 4: Test of hypothesis two**

Dependent Variable: Organizational profit

Method: Least Squares

Included observations: 183

Variable	Coefficient	Std. Error	t-Statistic	Prob.
HCD	0.161211	0.063840	2.525236	0.0124
C	4.071498	0.206407	19.72558	0.0000
R-squared	0.634032	Mean dependent var	3.573770	
Adjusted R-squared	0.528695	S.D. dependent var	0.841095	
S.E. of regression	0.828939	Akaike info criterion	2.473529	
Sum squared resid	124.3723	Schwarz criterion	2.508605	
Log likelihood	-224.3279	Hannan-Quinn criter.	2.487747	
F-statistic	6.376815	Durbin-Watson stat	0.688256	
Prob(F-statistic)	0.012421			

**Source: Field Survey, (2024)**

From the regression analysis above, the value of the R<sup>2</sup> was 0.634032, this suggest 63.4% of the changes in Organizational profit is caused by the independent variables (Human capital Development). The result shows that the coefficient of Human capital Development was statistically significant in explaining the dependent variable. Also, the co-efficient was significant at 5% and positively related this implies that 1% increase in Human capital Development will lead to 16% increase in Organizational profit.

The intercept  $\beta_0$  (4.071498) shows the value of Organizational profit when the values of the independent variables are indeterminate or when they are zero, this means that when the independent variables (Human capital Development) are zero Organizational profit is 4.071498.

### F-Statistics

The value of the F-stat, according to the result of the regression is given as (6.376815) 0.00000. The decision rule for the F-stat is that we reject the null hypothesis when the F-stat is less than 0.05 at 5% level of significant. Since the F-stat is less than the required value the level of

significance, it means that the explanatory variables are significant in explaining changes in the dependent variable and so therefore we reject our null hypothesis.

Hypotheses 2 which states that Human capital Development has no significant effect on organizational profit in NBC Owerri plant was rejected, since sig ( $p = 0.000 < 0.05$ ) is less than the 0.05 alpha, meaning that Human capital Development has a significant effect on organizational profit in NBC Owerri plant.

## **DISCUSSIONS OF RESULTS**

Based on results of this findings on effect of strategic planning on Organizational Performance of NBC Owerri plant, the first hypothesis tested indicates that vision and mission has a significant effect on organizational survival in NBC Owerri plan, this implies that an increase in vision and mission will increase organizational survival in NBC Owerri plant. Hence, since sig ( $p = 0.000 < 0.01$ ) is less than the 0.01 alpha, the null hypothesis was rejected. Also, the clustered mean was 3.21 which was accepted, this therefore implies that vision and mission has no significant effect on organizational survival in NBC Owerri plan. The findings affirm findings of Greenberg (2019) who suggested that a surviving organization depends on employees' performance which is directly affected by mission and vision of the organization. Organizational survival is critical to the fortune of any organization. In order to achieve increased and sustainable business result, organizations need to execute strategy and engage employees justifiably. Engaging employees to perform means that the management of the organization owes a duty to create the needed conducive working environment which results in job satisfaction, organizational commitment and high performance. Research has shown that most employees in the business world are willing to work and produce expected and desired results for their organizations if, and only when they feel, the organization treat them fairly, listen to their plights, give them the opportunity to showcase their strengths, and that is why Milukat et al. (2019) confirmed that such treatments in which the managers do not care for the dignity of the employees, be harsh to them and indulge in the breach of trust, are denoted as unfair interactions (Bulle, 2022).

The results from second research question revealed that Human capital Development has a significant effect on organizational profit in NBC Owerri plant; since sig ( $p = 0.000 < 0.05$ ) is less than the 0.05 alpha, Clustered mean was 3.39 which was accepted, this implies that Human capital Development has significant effect on organizational profit in NBC Owerri plant. This result is in conformity with Schermerhorn, (2020) who noted that Human capital Development has a significant effect on organizational profit. Thus as the field, human resource management has undergone many changes over the last twenty years, giving it an even more important role in today's organisations (Osemeke, 2021). In the past, human resource management meant processing payroll sending birthday gifts to employees, arranging company outings and making sure forms were filled out correctly in other words more of an administrative role rather than a strategic role crucial to the success of the organization.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

The importance of strategic planning can be explained from four points of view including environmental scanning, strategy formulation, and linking goals to budgets and strategic planning as a process. The strategy planning process starts with setting organizational goals. The strategic planning process is applied by management to establish objectives, set goals, and schedule activities for achieving those goals and includes a method for measuring progress. The process regulates how the organization will change to take advantage of new opportunities that help achieve the needs of customers and clients. Basically, empirical results from this study finding indicate that strategic planning has significant effect Organizational Performance of NBC Owerri plant. It was, therefore, deduced that Organizational Performance can simply be improved through increase in vision and mission, human capital development, organizational culture and management support.

### RECOMMENDATIONS

Based on the findings, the following recommendations are, hereby, suggested:

- i. NBC Owerri should transition from viewing strategic planning as a one-time event to a continuous and evolving process. This involves regular reviews, updates, and transparent communication about the strategic plan at all organizational levels, ensuring it remains relevant and actionable.
- ii. Empower employees at all levels with the skills and knowledge needed for effective strategic thinking and planning. This could involve targeted training programs, workshops, mentoring opportunities, or online resources focused on strategic analysis, goal setting, and performance measurement.

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