

Effects of Strategic Planning on Organizational Productivity of Fiber Home Phils Inc.

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ABSTRACT

The purpose of this research was to look into the "Effects of Strategic Planning on Organizational Productivity of Fiberhome Phils Inc.." The study's objectives included determining the effect of strategic planning on the organizational productivity, examining how strategic planning effect the organizational productivity. and assessing the significance of employee involvement in strategic planning. The employees of Fiberhome Phils Inc. are included in the sample universe. The sample size of the participants was of 45 people. The majority of respondents agreed that employee engagement in strategy planning is important. One of the most effective techniques for aiding implementation is to include individuals early in the design and debate of a plan. Employees should be involved in the strategy formulation stage. According to the data, 40% of respondents stated strategic planning is "Very Effective." Strategic planning increases worker productivity, and 82.20% of respondents indicated it promotes employee satisfaction. Organization performance has grown with 57.80% of the leadership responding. It generates a sense of collective responsibility with 53.30%. This research recommended for actively incorporating employees in strategic planning from the start. Motivate your staff by expressing why you want this to happen so they will have the drive and determination to finish the race. Involve them in achieving the aim of employee empowerment. Long-term strategy should always be done by an organization since it improves the firm's production and competitiveness.

Keywords:- Strategic, Planning, Organizational, Productivity.

CHAPTER ONE

INTRODUCTION

A business strategy refers to all the decisions taken, and actions undertaken by a business for achieving the larger vision. Knowing what business strategy is and how to execute it properly can help businesses become market leaders in their domain. Precisely, a business strategy is the backbone of every business, and any shortcomings could mean that the business goals get lost midway (Emeritus,2019). During time, businesses frequently change, and when they do, the early-stage techniques that were so successful are no longer appropriate. During time, markets develop, competition heats up, businesses become of lower quality, and the value of resources changes. Most importantly, environmental changes render an organization's prior plan ineffective. Hence, adopting a new approach is necessary for ongoing success; failing to do so may result in failure. Despite growing competition and turbulent external conditions, managers consistently make poor strategic decisions and fail to implement new, superior strategies (Rowe, 2014).

As a result, managers' greatest challenge is to plan strategically in order to guarantee future success and to give the firm a sustainable competitive advantage over its competitors. Planning is deciding in advance what to do, how to do and who is to do it. Planning bridges, the gap between where we are to, where we want to go. It makes possible things to occur which would not otherwise occur (Koontz &O'Donnell, 2020). Management's fundamental function is planning. According to Porter (2010), every organization wants to survive and grow in a constantly changing and competitive environment. In order to do so, it must respond to and adjust to changes in the social, economic, and political environments. This is only possible when an organization engages in strategic planning. Strategic planning is a set of underlying processes designed to create or manipulate a situation in order to produce a more favorable outcome for a company (Hopkins, 2012). Management's fundamental function is planning. According to Porter (2010), every organization wants to survive and grow in a constantly changing and competitive environment. In order to do so, it must respond to and adjust to changes in the social, economic, and political environments. This is only possible when an organization engages in strategic planning. Strategic planning is a set of underlying processes designed to create or manipulate a situation in order to produce a more favorable outcome for a company (Hopkins, 2012).

Having a clear objective that departments are working towards helps lessen the perception of rivalry between departments. If the strategic plan involves departments working more closely together to achieve a similar goal, it aids in enhancing the flow of information between departments. Smaller companies, for example, are more likely to use a less formal approach, with managers communicating their strategic plans verbally rather than writing them down, and top and lower-level managers meeting informally to select operational objectives and methods without extensive systematic review. With bigger businesses, however, the strategy process is likely to be considerably more systematic and may even be performed by a professional planning team. There are various problems associated with formalized strategic planning, regardless of the size of the firm. The main difficulty with formal strategic planning is that it necessitates a significant commitment of time, money, and people. Strategic planning may take years to implement in certain firms.

Fiberhome Philippines Inc. is one of the leading equipment vendor and solution provider in the field of information technology and telecommunications. This high-tech enterprise is directly affiliated to the State-owned Assets Supervision and Administration Commission of the State Council. The study on the effects of strategic planning's on organizational productivity would be helpful to the stakeholders and to their development that have a direct influence on the organization's success, requiring a top-down strategy to measuring key performance metrics.

A. Statement of the Problem

In recent years, competitive markets and business environments have been volatile, turbulent, uncertain, complex, and heterogeneous. As a result, firms have implemented valuable competencies, capabilities, and strategies for their business operations and activities to enhance business excellence, encourage competitive advantage, achieve firm performance, gain corporate survival, and promote organizational sustainability in these circumstances (Hitt, Haynes, and Serpa, 2010).

Even though telecommunication industries in the Philippines have made various strategic and leadership changes, there is still high competition in the industry as each of the companies tries to achieve the largest market share. Efforts to offer better services to attract more customers have contributed to some telecommunication industries recording high profits while others are incurring losses.

In this regard, we are trying to understand the effect of strategic planning on the productivity of Fiberhome Phils Inc and its positive influence on its competitiveness.

B. Research Objectives

The study objectives were:

- To determine the effect of strategic planning on the organizational productivity in Fiberhome Phils Inc.
- To examine how strategic planning effect the organizational productivity in Fiberhome Phils Inc.
- To assess the significance of employee involvement in strategic planning.

CHAPTER TWO

RESEARCH METHODOLOGY

A. Research Design

In order to gain a "more complete picture of an understanding of the effectiveness of strategic planning that will be either quantitative or qualitative, by itself, would yield," this research used a combination of quantitative and qualitative techniques (Cre-swell 2013).

B. Data Collection Method

Primary data collection methods are used. We gathered primary data through surveys on the Google Forms platform, which is a free surveying web-based application.

C. Sampling Design

- **Sample Universe:** The employees of Fiberhome Phils Inc. are included in the sample universe.
- **Sample Size:** The sample size of the participants was of 45 people.

D. Questionnaire Design

We created and made available for 7 days an online self-administered questionnaire using Google Forms to collect responses in order to generate the aforementioned. It was made up of closed questions (multiple choice and yes/no questions) because we thought it would be easier for respondents to choose from a set of pre-determined answers.

CHAPTER THREE

RESULT AND DISCUSSION

This part of the research shows the analysis and interpretation of the data gathered to make the chapter more scientific, the researchers followed the questionnaire used in the study. The data was gathered from the respondents among different departments of Fiberhome Phils Inc.

A. Profile of the Respondents

The analysis performed on the data gathered from the questionnaire is shown in the section that follows. The questionnaire was distributed to Fiberhome Phils Inc. employees. Given that the survey was distributed to 75 employees and that 45 of them responded, the overall response rate was 60%.

B. Significance of employee involvement in strategic planning.

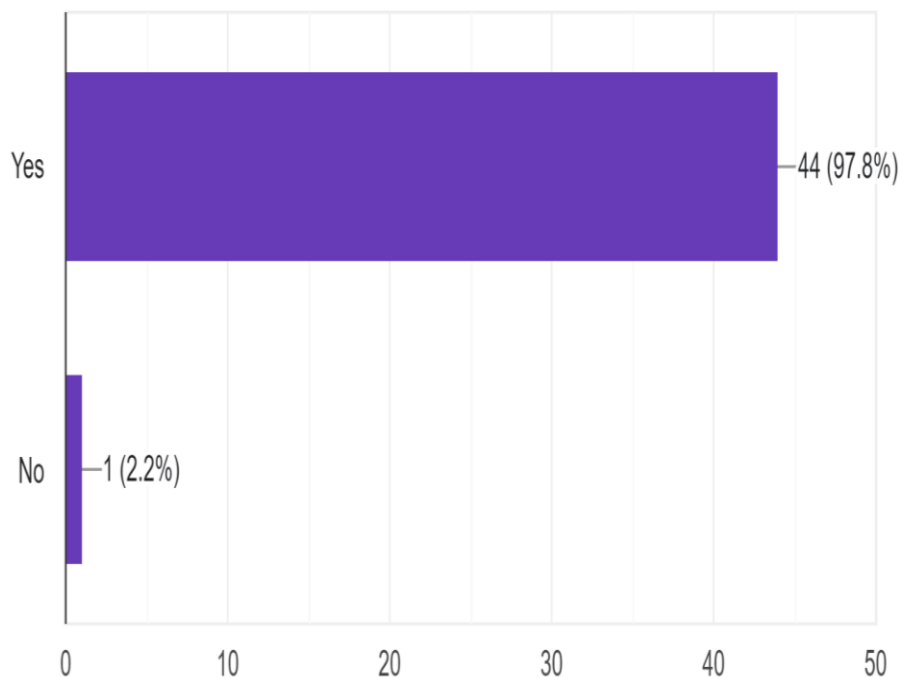


Fig. 1: The following figure shows the significance of the employee's involvement in strategic planning

The significance of the employee's participation in strategic planning is illustrated in the figure above. It can be gleaned from the data above that 97.80% of the respondents answered "Yes," while 2.20% disagreed. Majority of the respondents said that the involvement of the employee in strategic planning is significant. Including people early in the formulation and discussion of a strategy is one of the best tools for facilitating execution. (Van De Maas, 2016). Those who will be impacted by the changes should be invited to participate in the strategy process. Employee participation in decision-making has been found to have numerous benefits, including improved decision quality, better understanding of the strategy, improved organizational learning, higher commitment to the strategy and organization, higher job satisfaction, less resistance to change, and better adaptability of the strategy.

C. Observations on The Appropriate Stage for Employee Participation in Strategic Planning

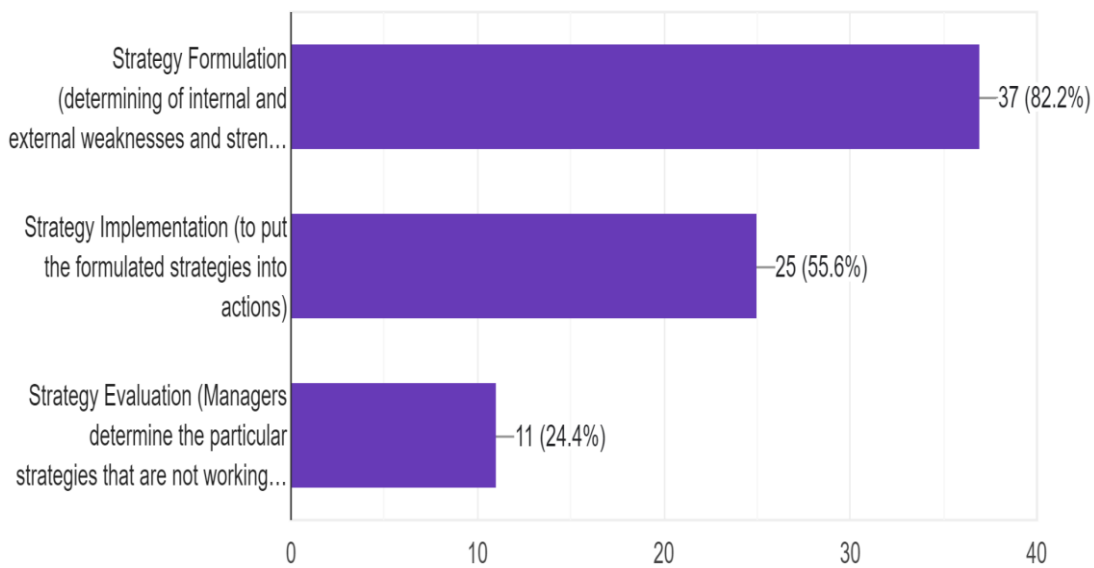


Fig. 2: Responses on what stage should employees be involved in strategic planning

Figure 2 depicts the stages of strategic planning in which employees wish to participate. According to the data presented above, strategy formulation has an 82.20% success rate, strategy implementation has a 55.60 success rate, and strategy evaluation has a 24.40 success rate. According to 82.20% of respondents, strategy formulation is the stage in which employees should be involved. According to the Indeed Editorial Team, strategy formulation is critical for goal achievement and measurement. Following the development of strategies, an organization's employees are typically educated so that they understand the organization's purpose, workplace objectives, and goals.

D. Scale for the Effectiveness of Strategic Planning

3. On the scale of 1-5 how useful do you think strategic planning has been at your company? 1 - Not at all useful 2 - Somewhat useful 3 - Fairly useful 4 - Very useful 5 - Extremely useful

45 responses

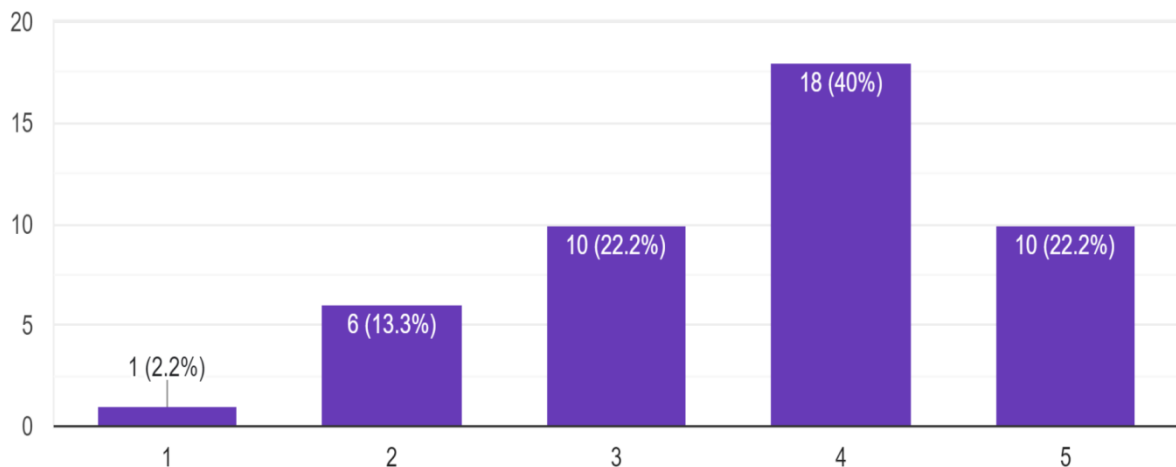


Fig. 3: Level of Strategic Planning Effectiveness

Figure 3 demonstrates how successful Fiberhome Phils Inc.'s strategic planning is. According to the table, 40% of respondents claimed that strategic planning is "Very Effective," followed by "Extremely Effective" and "Fairly Effective," both with 22.20%, 13.30% "Somewhat Effective," and 2.20% "Not All Effective." Strategic planning is the continuing organizational process of documenting a company's planned path by utilizing existing knowledge (Cote, 2020). Strategic planning is useful for defining your organization's direction. It directs your efforts and guarantees that everyone in the company is working toward the same objective. It also assists you in deciding on steps that will lead to business success.

E. The Effect of Strategic Planning on Corporate Internal Productivity

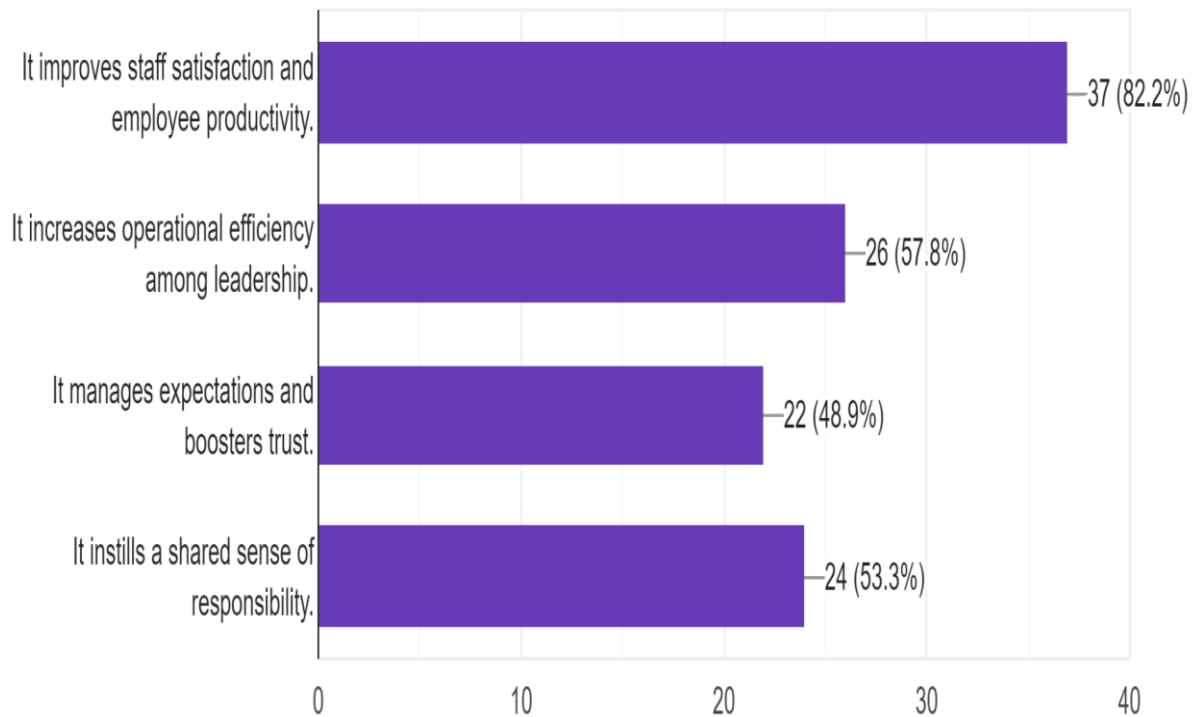


Fig. 4: Strategic Planning's Influence on Corporate Internal Productivity

Figure 4 shows how strategic planning has an impact on the company's internal productivity. Strategic planning increases worker productivity and, according to the replies received, 82.20% of respondents said it increases employee happiness. With 57.80% of the leadership responding, operational efficiency is increased. With 53.30%, it fosters a sense of shared accountability. The lowest score, however, was 48.90%, which lowers expectations and increases trust. Akinyele&Fasogbon (2007), Examined the Impact of Strategic Planning on Organizational Performance and Survival. The implication of the study is that Strategic planning enhances better organizational performance, which in the long run has impact on its survival and that strategic planning intensity is determined by managerial, environmental and organizational factors.

F. The Influence of Strategic Planning on Business Competitiveness.

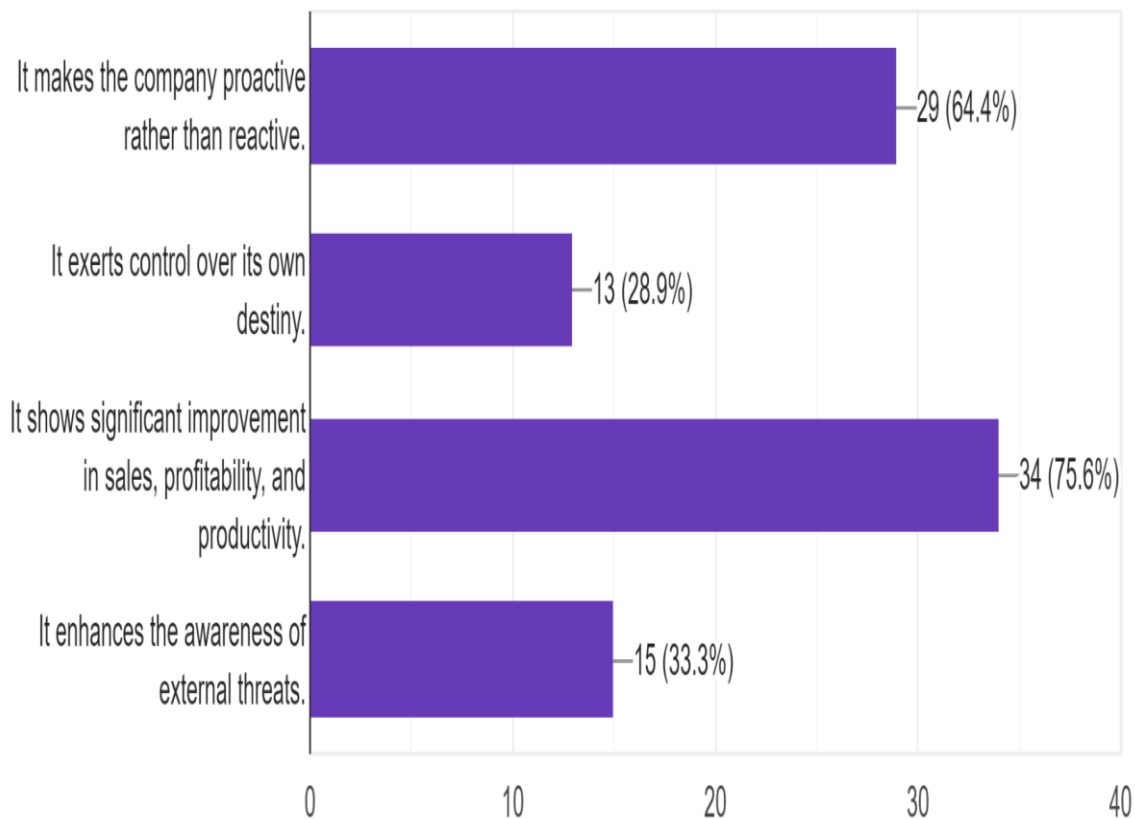


Fig. 5: Strategic Planning's Effect on Company Competitiveness.

Figure 5 illustrates the consequences of strategic planning on the company's competitiveness. 75.60% of respondents agree that strategic planning significantly improves the company's sales, profitability, and productivity. While 64.40% say it makes the firm more proactive than reactive. 33.30% believe it increases knowledge of external risks, while 28.90% believe it has control over its fate. According to Berry (1997) Strategic planning is a tool for finding the best future for your organization and the best path to reach that destination. However, more studies (Miller and Cardinal, 1994; Schwenk and Shrader, 1993) provide convincing evidence that strategic planning does indeed result in superior financial performance. Veskaisri, Chan and Pollard (2007) posited that without a clearly defined strategy, a business will have no sustainable basis of creating and maintaining a competitive advantage in the industry where it operates.

CHAPTER FOUR

CONCLUSION AND RECOMMENDATIONS

A. Conclusions

Strategic planning is a systematic process that helps you set an ambition for your business' future and determine how best to achieve it. It is necessary to determine the direction of your organization. It focuses your efforts and ensures that everyone in the business is working towards a common goal. The result shows that the employees of Fiberhome Phils Inc, think that the involvement of employees in strategic planning is significant. Getting staff involved in your planning process is one of the most effective ways to build early buy-in with your strategic plan. The respondents believe that they can be involved by determining internal and external weaknesses and strengths and the formulation of strategies into actions. Employee involvement has immense benefits that can be experienced once incorporated and adopted in an organization. In the dynamic business environment, it is thus imperative for managers to engage and involve employees to effectively steer through challenges as well as gain a competitive edge. Employees are the engine that drives productivity and results. They thus play an important role in strategic management implementation. Employee involvement taps into the employees' abilities to enhance the processes in a way that traditional top-down management cannot (Riordan, Vandenberg, & Richardson, 2005). Strategic planning greatly affects the productivity of an organization. It improves staff satisfaction and employee productivity, increases operational efficiency among leadership, instills a shared sense of responsibility, and manages expectations and booster's trust. By having strategic planning, you can see significant improvement in sales, profitability, and productivity. It also makes the company proactive rather than reactive as it enhances the awareness of external threats. It also exerts control over its destiny.

B. Recommendations

This study recommended actively involving employees from the beginning of strategic planning. An organization should inform, inspire, and engage. Inform by clearly communicating the company's destination so they can develop direction and focus. Inspire the employees by explaining why you want that to happen so they develop the motivation and determination to see the race through. Engage them in reaching the goal that provides empowerment to employees. An organization should always carry out long term planning as it has a positive effect on the productivity and competitiveness of the firm.

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