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Title: THE RELATIONSHIP BETWEEN STRATEGIC PLANNING AND ORGANIZATIONAL PERFORMANCE: EXAMINING THE MODERATING EFFECT OF

TRANSFORMATIONAL LEADERSHIP

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This study was to examine the relationship between strategic planning (consists of three dimensions strategic planning level, strategic planning implementation and strategic planning barriers) and organizational performance. It examined also the moderating effects of transformational leadership on the relationship between strategic planning (consists of three dimensions strategic planning level, strategic planning implementation and strategic planning barriers) and organizational performance in Yemen banks. The data was collected through self-administered questionnaires from 246 respondents who were the top and middle management staff of Yemen Banks with the percentage of 61.5%. This data was further analyzed using mainly the Structural Equation Modelling (SEM) to investigate causal and moderating relationships between latent variables utilizing the SmartPLS. The results revealed that all of the strategic planning dimensions were significantly and positively related to organizational performance. Accordingly, strategic planning dimensions have contributed significantly on organizational performance. The results have also found that transformational leadership has moderated the relationship between dimensions of strategic planning and organizational performance except for dimension of strategic planning barriers. These findings provided support for all the hypotheses unless one hypothesis of the moderating effect of transformational leadership on the relationship between strategic planning barriers and organizational performance. Findings from this study is very valuable and could serve as guideline for policy makers in organizations especially in Yemen banks in their decision making. It contributed also to the existing body of knowledge and closing the gap of previous empirical findings. These findings are important, as this is, to my best knowledge, the first study that has been conducted to examine the contribution of strategic planning on organizational performance and the effect of transformational leadership in moderating this relationship in Yemen banks context. The findings will benefit both scholars and practitioners as it may provide new insights for further research and help with decision making.