

Impact of Strategy Formulation and Implementation in Ailing Organisations

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Abstract

The study of the “Effects of strategy Formulation and Implementation in Business Organizations in Enugu State (a study of ANAMMCO, EMENE. ENUGU), was carried out to assess the extent of application and workability of formulated strategies in the organization. Descriptive research method, specially survey and case study were employed in carrying out the study. The organization had a population of 185 workers, comprising of Management, Senior and Junior staff. A sample size of 106 was derived using the Freund and Williams formular for sample size determination from a finite population. The simple random sampling technique was used to determine the elements of the sample space. Data were collected through questionnaire administration, oral interviews, personal observations, books, journals and other publications. Data were analyzed using simple percentages and mean (\bar{X}) responses. Based on the analyses, it was discovered that the organization loses sales as a result of change in consumption pattern of their customers. Secondly, that a well conceived and formulated strategy matched with appropriate structure increases productivity in the organization and thirdly, that behavioural and systemic resistance to strategic changes render strategy formulation ineffective in the organization. Against this background therefore, the following recommendations were adduced:- (1) That the top management should reduce uncertainties by adopting product line diversification strategy and strategic technological changes to be in tune with current consumption pattern in the Automobile Industry in Nigeria. (2) That management should integrate management functions through the process of organizations design in terms of strategy implementation. (3) That management should reduce behavioural and systemic resistance to strategic changes through appropriate organization structure and that workers should be well informed on the reasons for the changes.

Keywords: Strategy formulation, Business organisations, Enugu state

INTRODUCTION

The issue of strategy formulation is very vital for organizational growth. The word strategy is synonymous with grand plan. This is a situation where the military makes an arrangement in combat, such that adversary might not take them by surprise. This is to say that strategy has a competitive implication. Today, strategy is a concept used to denote a general programme of actions of an enterprise in a bid to achieve its objectives. Strategy is the determination of basic long term goals and objectives of an enterprise and the adoption of course of action and allocation of resources necessary to carry out these goals, (Chandler, 1962:13)

Therefore strategy can be viewed as the process of deciding what will constitute the objectives of an organization, the changes that are expected in the objectives, the resources that are expected to be used in other to achieve the objectives and the policies that will govern the acquisition, use and disposition of the resources. Strategy can be defined as the broad programmes for defining and achieving an organization’s objectives as well as organization’s response to its environment over time, (Stoner, Freeman and Gilbert Jr, 1996:26).

Strategy is broad programmes of activity to achieve organizational objectives, (Appleby, 1987:49). They are guide as to how resources are to be deployed to achieve the objectives. They can be defined as the adoption of courses of actions and the allocation of resources necessary for carrying out these goals. It is a unified, comprehensive and integrated plan designed to ensure that the basic objectives of the organization is achieved. This is to say that strategy involves rational planning. The question is, what is rational planning? Any organization that is result oriented needs to ask the question “what do we want to become”? The answers to that question leads the executive to the vision of the organization. A clear vision provides the foundation for developing a comprehensive mission statement, (David, 2005:82). Mission leads an organization from “what do we want to become”? To “How do we become what we want to be”? This is like asking the question, what is our business? Asking the question, what is our business? Is synonymous with asking the question, what is our mission? A business mission is the foundation for priorities, strategies, plans and work assignments. It is the starting point for the design of managerial jobs and above all, for the design of managerial structures, (Drucker,

1974:61). Nothing may seem simpler or more obvious than to know what a company's business is. Actually, "what is our business"? The answer to this question is the first responsibility of strategists. Only strategists can make sure that this question receives the attention it deserves and that the answer makes sense and enables the business to plot its course and set its objectives. Strategy is the determination of mission or purpose and the basic long term objectives of an enterprise followed by the adoption of courses of action and allocation of resources necessary to achieve these aims, (Koontz *et al*, 2005:122). Therefore strategy involves a set of objectives and objectives are part of strategy formulation while strategy formulation is a major focus of the business policy and Business policies are the general statements or active process that guides and directs the action of managers towards the firms objectives.

Therefore strategic management directs its attention or interest on how organizations react or respond to environmental changes such that the changes does not spring sudden surprises to the organization as such surprises may result to unnecessary losses to the organization. Understanding the characteristics of a business environment enable managers to formulate appropriate strategies as a response to the changes in the environment. The strategic responses to environmental changes are the strategy implementation and the process of formulating the implemented strategies are strategic planning. (Onwuchekwa, 2000:1). This paper focused on the effects of strategy formulation and implementation in Business Organizations in Enugu State, with special emphasis on the Anambra Motor Manufacturing Company Limited (ANAMMCO), Emene Enugu.

Statement of the Problem

It is common to hear these days that, organizations are being shut down as a result of non-performance, necessitated by sudden environmental changes. It is also common to hear that, a policy of the government has either positive or negative effect on an organization in Nigeria. Environmental changes affect organizations either positively or negatively. The changes in the consumption pattern of customers can also affect the future of an organization negatively or positively. Most organizations in Nigeria today and individual transport operators prefer the use of mini buses as means of transportation rather than the type of Mercedes products that ANAMMCO produces which by few years ago were widely in use. This in one way or the other could affect the sales volume of the Anambra Motor Manufacturing Company Limited (ANAMMCO), negatively. ANAMMCO assembles more trucks and luxury buses than mini buses. This is to say that ANAMMCO might have formulated strategies to meet up with certain changes but failed to also change the product line and structure of the organization to be in tune with the formulated strategies. Each time an organization implements a strategy, it affects its organizational structure therefore appropriate organizational structure that matches the environment and the productive activities of an organization is necessary in strategic management (Onwuchekwa, 2000:1). Secondly, ANAMMCO just like many other organizations in Nigeria was faced with developmental problems of behavioural and systemic resistance to strategic changes in the organizations.

Thirdly, the current world economic meltdown trend also affects the Anambra Motor Manufacturing Company Limited as well as many other Nigerian Organizations negatively.

Objectives of the Study

The objectives of the study are

1. To find out to what extent the changes in consumption pattern of both government and other customers of ANAMMCO affect the organization.
2. To find out if ANAMMCO do match their strategy formulations with appropriate organizational structure and its effect to their productivity.
3. To also examine how behavioural and systemic resistance to strategic changes affect strategy formulation and implementation in the organization.

Research Question

The following questions will guide the study;

1. To what extent does changes in the consumption pattern of both government and other customers affect ANAMMCO sales turnover?
2. How does strategy formulation matched with appropriate organizational structure affect the Anambra Motor Manufacturing Company Limited's productivity?
3. Does behavioural and systemic resistance to strategic changes affect strategy formulation and implementation in Anambra Motor Manufacturing Company Limited?

Review of Related Literature

Theoretical Foundation

The concept "strategy" is ancient, carried from the Greek word strategic, which means the art or science of a general. It is a military term used for describing grand plan used for gaining advantage over adversary in war period. Today, the business organization have adopted the concept and it is now commonly used among managers. The concept can be used to denote a general programme of action and deployment of emphasis and

resources to attain comprehensive objectives. Strategies are the firm's overall plan dealing with and existing in its environment, (Christensen *et al*, 1978:128-142).

Strategies result from the process of deciding on objectives of organizations, on changes in these objectives, on resources use to attain these objectives and other policies that are to govern the acquisition, use and disposition of these resources, (Anthony, 1965:24). Strategy is the science and art of employing the political, economic, psychological and military forces of a nation or group of nations to afford maximum support to adopted policies, (Websters Ninth New Collegiate Dictionary, 1991:1165). Applying the above definition to business organization, strategy is the science or art of employing the group of organizations to afford the maximum support to adopted policies of the organization or group of organizations, (Enudu, 1999:163).

Strategies are the broad programmes for defining and actuating an organization's objectives as well as the organization's response to its environment over time, (Stoner *et al*, 1996:267). Strategy is a unified, comprehensive and integrated plan designed to ensure that the basic objectives of the organization is achieved, (Ile, 2001:649). Strategy is the firm's action plan aimed at achieving its objectives. Satisfying the needs of the customers and surviving the competition in its environment, (Enudu, 1999:164). Therefore, strategy involves rational planning.

Any organization that is choosing its objectives, identifying the courses of action that best enable it fulfill its goals and allocating resources optimally is regarded as applying strategy. Strategies are the basic pattern of proposals and policies that define the firm and its business, (Hicks and Gullet, 1987:273). They state that strategy answers such basic questions as:-

1. What business are we in?
2. Who are our customers?
3. How do we compete?
4. What kind of organization are we?
5. What are we trying to achieve?

Strategies are the means by which long-term objective will be achieved. Business strategies may include Geographic expansion, diversification, acquisition, products development, market penetration, retrenchment, divestiture, liquidation and joint ventures (David 2005:44). Strategy is the determination of the basic long-term objectives of an enterprise and the adoption of course of action and allocation of resources necessary to achieve these goals, (Wehrich and Koontz, 2005:100)

Strategy Formulation

According to Pearce II and Robinson Jr (2009:23), strategy formulation is a guide to executives in defining the business their firm is in, the ends it seeks and the means it will use to accomplish those ends. Therefore, organizations formulate strategy by firstly defining the mission of their organization. A company's mission is the unique purpose that set the company apart from others of its type and identifies the scope of operations.

Organizations are consciously created at one point in time to accomplish certain objectives, (Onwuchekwa, 1993:106). In order to accomplish the objectives which they have set, organizations formulate appropriate strategies which give rise to development of organization structure through which the set objectives will be achieved, hence in strategic management, organizations choose appropriate organizational structure that matches the environment in which the organization operates as well as the productive activities of the organization.

At the implementation level of formulated strategies there could be further environmental changes which indicates that there could also be further strategic planning analysis of the new changes. This is done by the organization such that the organization is not taken by surprise, which could lead to some losses in investment caused by the new changes. The new analysis to the changes are called real time response issue or surprise issue, (Ansoff, 1984). When formulated strategies are being implemented as a response to changes in the environment, two major problems are faced by organizations. (Onwuchekwa, 2000:1). The problems are:-

1. Behavioural resistance to strategic changes and
2. Systemic resistance to strategic changes

The former being mostly common among the middle and first line managers who have most time feel that their interests and positions may be affected by the new strategic changes hence they psychologically resist the changes. The systemic resistance to changes occur in a situation where there are the structure deficiencies in the organization. The structure of the organization must contain appropriate skills system, flexibilities, managerial mentalities and critical success factors if the purpose for which strategies were formulated must be accomplished. These problems were profound in Nigeria organizations and in major sectors of Nigeria like ANAMMCO and these resistance posses danger to the organizational developments or strategic formulation, (Onwuchekwa, 2000:1).

Ways of Formulating Strategies

The process of defining or formulating mission statement of an organization is a major issue that should be done

from the inception of the organization.

According to Ansoff (1965), strategies are the overall concepts of a firm's business in terms of;

- (a) Product market scope strategy
- (b) Growth-Vector strategy
- (c) Competitive advantages strategy and
- (d) Synergy

A typical business begins with the beliefs, desires and aspirations of a single entrepreneur and such an owner manager's sense of mission usually is based on the following fundamental beliefs, (Pearce II and Robinson Jr, 2009:20).

1. The product or service of the business can produce benefits at least equal to its price
2. The product or service can satisfy a customer need of specific market segment that is currently not being met adequately.
3. The technology that is to be used in production will provide cost and quality competitive product or service.
4. With hard work and the support of others, the business can not only survive but also grow and be profitable.
5. The management philosophy of the business will result in a favourable public image and will provide for those who are willing to invest their labour and money in helping the business to succeed.
6. The entrepreneur's self concept of the business can be communicated to stockholders.

As the business grows or is forced by the competitive pressure to alter its products, markets or technology, it becomes necessary to redefine the mission statement of the organization. When this is going on, the revised mission statement will contain the same components as the original.

The basic type of products or services to be offered, the primary markets or customer groups to be served, the technology to be used for production or delivery, the business fundamental concern for survival through growth and profitability. The organization's managerial philosophy, the public image the organization seeks and the self concept those afflicted with that firm should have of all these fundamental beliefs.

The concept of strategy is a set of decision making rules for guidance or organizational behaviour, (Ansoff, 1984). According to Hicks and Gullet (1987:274), strategy can be formulated through any of the following modes:-

- (a) The entrepreneurial mode
- (b) The adaptive mode
- (c) The planning mode

Entrepreneurial Mode

This is strategy formulation mode that is mostly found in small scale businesses. Strategy is formulated by the owner of the business, hence the manager/owner of the business does not make any consultation with anybody before arriving at what should be his strategy. He does not make use of much data since small businesses keep little or no record. Therefore the strategy is formulated based on intuition rather than careful planning. The objective here is mostly to achieve rapid growth.

Adaptive or Incremental Mode

This method of strategy formulation is mostly used by government agencies and large firms facing relatively stable environment. Here strategy is formulated based on the interplay of various powerful coalitions within and outside the organization. In a government agency, strategy formulation is influenced by the management team, the head of government, ministers or commissioners, party stalwarts, legislators and the general public. This is to say that there is no central source of power as in the entrepreneurial firm. Therefore there is no clear strategy for the organization. The strategy formulation is characterized by disjointed incrementalism, sequential piece-meal decisions in which each decision is created separately rather than item as part of an integrated whole as in the planning mode.

Planning Mode:

This method of strategy formulation is a systematic and structured approach to the development of an organization's strategy. Here the internal and external data related to the problems at hand are collected, analyzed and alternative strategies identified and evaluated in terms of their costs and benefits before one of the alternatives is selected as one of the organization's strategies. It is mostly found in very large organizations, where planning specialists are employed to perform the functions of collection and analyses of data, on the basis of which the operating executives made strategic decisions. However, in small and medium scale firms, these planning activities may be undertaken by operating management especially the top executives. In recent decades, more and more firms are turning to the planning mode, in their strategy formulation, (Enudu, 1999:166).

Most large firms now have planning departments which specialize and concentrate on the development of data for decision making, while the small and medium enterprises are cultivating the habit of keeping records based

on which future decisions can be made. This could be due to some reasons like increasing dynamism of environmental factors surrounding business organizations, such as technological changes, economic, social, political/legal and ethical factors that do also affect strategic choices. More so, organizations have come to see formal planning as a logical way of dealing with the environmental changes as it lay emphasis on collection of current data, hence changes are taken care of since planning provides direction for organizations. Organizations that use formalized strategic planning do attain superior results than those that does not.

In strategic planning process, the first step is to define the mission of the organization. This is called “Common thread” for the organization’s activities, (Ansoff, 1965). Organizations find the common thread by asking some of the following question;

- i. What is our customers and who should it be?
- ii. Who are our customers and who should they be?
- iii. Where are we heading to and where should we be headed?
- iv. Who are our competitors and what major competitive advantage do we have?
- v. In what area of competence do we excel?

The moment an organization is able to answer the above questions, they can move on to formulate appropriate strategy through strategic planning.

Steps In Strategic Planning

The formulation of the strategy of an organization involves elaborate analysis of technological, environmental and organizational resources and other structural factors, (Onwuchekwa, 2000:66). The elaborate analysis of organization’s technological and environmental factors which influence strategy formulation is called strategic planning. The steps in this strategic planning for organizations according to Enudu (1999:174-181), are as follows;

Goal Formulation

These are reviewing and understanding of the organization’s purposes, defining its mission and established objectives which translate that mission into concrete terms. The first step in goal formulation is to define the mission of the organization. Identifying the organization’s mission can take managers a long way toward deciding what objectives that will be pursued. Before deciding what their objectives are going to be, managers must know the purpose and mission of their organization.

Identification of Current Objectives and Strategy

Once the organization’s mission has been defined and translated into concrete objectives, managers are ready for the next stage in the process. Steps 2 through 6 provide the basis for determining what must be done differently to achieve those objectives. The first step in these series is to identify the organization’s existing objectives and strategy. Some times, the newly defined mission and objectives will be quite similar to the mission and objectives on which the existing strategy was based. Often, however, the goal formulation process yields a substantial change in mission and objectives; this is especially true if the organization has been failing to meet key objectives.

Environmental Analysis

The knowledge of organizational goals and existing strategy provide a frame work for defining which aspects of the environment will have the greatest influence on the organization’s ability to achieve its objectives. The purpose of environment analysis is to identify the ways in which changes in an organization’s economic, technological, social/cultural, political/legal and ethical environment can indirectly influence the organization. Direct influence is exerted on the organization as these factors act on the organization market, industry, suppliers, competitors or key resources and skills.

Resource Analysis

The organization’s goals and existing strategy also provide a framework for analyzing its resources. This analysis is necessary to identify the organization’s competitive advantages and disadvantages. These are the strengths and weaknesses of the organization relative to its present and likely future competitors.

Identification of Strategic Opportunities and Threats

Identifying strategy, analyzing the environment and the organization’s resources (steps 2, 3 and 4), come together in the fifth step determining the opportunities available to the organization and the threats it faces. Opportunities and threats may arise from many factors, thus an environment that pose a threat to one organization may offer opportunities to others.

Determination of Extent of Strategic Change Required

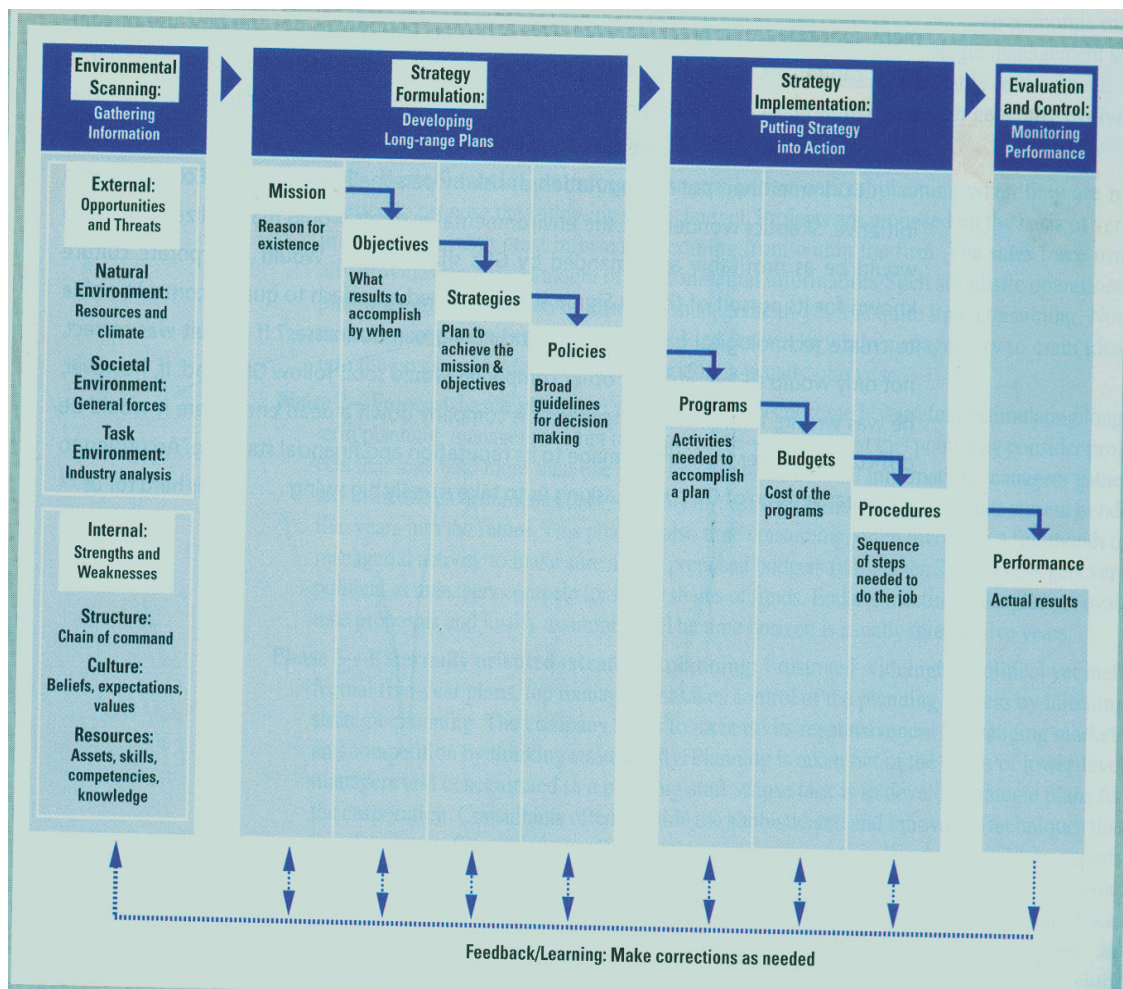
After the analysis of resources and environment, it is possible to forecast the result of the existing strategy. The longer that strategy has been in place and the more stable the environment, the easier it will be to make this prediction. Then the managers can decide whether or not to modify that strategy or its implementation. This decision should be based on whether performance gaps can be identified. A performance gap is the difference between the objectives established in the goal formulation process and the result likely to be achieved if the

existing strategy is continued. An organization that continues successfully to implement a strategy formulated several years earlier may find no fault with its past performance. On the other hand, the objectives may not have changed over the years but the existing strategy may have failed to achieve results because of effective responses by competitors, changes in the environment, loss of resources or because the strategy itself have not been well thought out. The greater the performance gap, the greater the change in strategy is likely to be.

Strategic Decision Making

If a change in strategy appears necessary to close the performance gap, the next step involves identifying, evaluating and selecting alternative strategic approaches. This is strategic decision making.

Strategic management is therefore a set of managerial decisions and actions as illustrated in the model below, that determines the long run performance of an organization. It includes environmental scanning, strategy formulation, strategy implementation and evaluation and control. (Wheelen and Hunger, 2010: 53). The study of strategic management, therefore, emphasizes the monitoring and evaluating of external opportunities and threats in light of a corporations strengths and weaknesses.



Adapted from Wheelen and Hunger, 2010:51.

Adapted from wheeelm and hunger, 2010:15

Method and Materials

Research Method

The descriptive research method was used in carrying out this study. This method was chosen because it was the method that best interprets the problems as well as the prospects of strategy formulation in the Anambra Motor Manufacturing Company Limited (ANAMMCO), Emene Enugu without loss of facts. Specifically, two descriptive research methods were used namely, survey research and case study.

Sources of Data Collection

The data for this study were generated from both the primary and secondary sources. The primary data were generated through interviews and questionnaire administration, while the secondary data were from existing

documents.

Population of the Study

The population of this study constituted of all the workers of ANAMMCO categorized into Management, Senior and Junior staff, totaling 185 (ANAMMCO, Norminal Roll, 2005). Earlier in the 1990s, the staff strength of the company was an average of 810 with an Expatriate/Nigeria employee ratio of about 1:17. Due to fluctuating economic trend in Nigeria, the company had carried out several staff rationalization/retrrenchment exercises. This population of 185 was made-up of 20 Management, 65 Senior and 100 Junior staff members.

Sample Size Determination

To draw a sample for the study from the population, the researcher adopted the Freund and Williams formular for sample size determinate from a finite population. It states thus.

$$n = \frac{Z^2 Npq}{Ne^2 + Z^2 pq}$$

Where n = Sample size

N	=	Population	=	185
p	=	Probability of success	=	80% (0.8)
q	=	Probability of failure	=	20% (0.2)
Z	=	Standard error of the mean	=	1.96
e	=	Level of significance	=	5% (0.05)

The researcher conducted a pilot survey, to determine the acceptability of the study. The survey recorded 80% success and 20% failure, hence the 0.8 and 0.2 for 'p' and 'q' above respectively. The researcher choosed a 5% level of significance, because it was his opinion that any endeavour with a 95% success was fair enough. Therefore, substituting into the formular to determine the sample size;

$$n = \frac{(1.96)^2 185 (0.8) 0.2}{185 (0.05)^2 + (1.96)^2 (0.8) 0.2}$$

$$= \frac{3.8416 (29.6)}{0.4625 + 0.614655} = \frac{113.71135}{1.077156}$$

∴ n = 106

Proportional Apportionment of Sample Size

The researcher determined the percentage of the sample size to the population, to determine the sample size from each stratum of staff thus:

	$\frac{106}{185}$	=	0.573	
Therefore for Management	=	20 (0.573)	=	12
Senior	=	65 (0.573)	=	37
Junior	=	100 (0.573)	=	<u>57</u>
Total Sample Size	=		=	<u>106</u>

Sampling Technique

The researcher adopted the simple random sampling technique to select those that constituted the sample space. Selection without replacement method was applied to pick the sample elements. This was because it gave all members of the population equal opportunity of being selected or otherwise.

Method of Data Collection

The instrument for collection of primary data for this study was questionnaire and oral interview. The questionnaire was structured and covered the essential problems and prospects of strategy formulation in ANAMMCO. The interview guide was used to elicit information from the management staff, while the questionnaire was made up of structured multiple choice, open-ended and dichotomous questions. The structured questions drawn from the objectives and research questions of the study, gave the respondents opportunity to choose from the list.

Method of Data Presentation and Analyses

The data for this study were presented in tables and descriptive statistic mainly percentages and mean (x) responses were used in the analyses. Out of the 106 copies of questionnaire distributed, 6 copies representing 5.66% were either not returned or not completely correctly completed. Therefore the analyses were based on 100 copies, representing 94.34% of the sample size that was completely, correctly completed and returned.

Table 1: Do you agree that, patronage of other brands of vehicles by Government and other customers have a negative effect on the sales turnover of ANAMMCO Mercedes-Benz products?

CATEGORY OF STAFF	AGREED		DISAGREED		TOTAL	
	Respondents	%	Respondents	%	Respondents	%
Management	12	12	00	00	12	12
Senior	30	30	05	05	35	35
Junior	45	45	08	08	53	53
	$(\bar{X})_{29}$	87	$(\bar{X})_{4\frac{1}{3}}$	13	100	100

Source: Field study, 2011

Decision: Since the mean responses 29 and 87% for 'AGREED' was greater than $4\frac{1}{3}$ and 13% for 'DISAGREED' respectively, we concluded that, changes in consumption pattern of Government and other customers has negative effects on the sales turnover of ANAMMCO Mercedes-Benz products.

Table 2: Do you agree that, whenever there is a new strategy/structural adjustment in your organization, your productivity increases?

CATEGORY OF STAFF	AGREED		DISAGREED		TOTAL	
	Respondents	%	Respondents	%	Respondents	%
Management	10	10	02	02	12	12
Senior	28	28	07	07	35	35
Junior	40	40	13	13	53	53
	$(\bar{X})=26$	78	$(\bar{X})=7\frac{1}{3}$	22	100	100

Source: Field study; 2011

Decision: From table 2 above, with mean response 26 and 78% for 'AGREED' and $7\frac{1}{3}$ and 22% for 'DISAGREED', we concluded that strategy formulation matched with appropriate organizational structure increases the productivity of the Anambra Motor Manufacturing Company Limited (ANAMMCO).

Table 3: Do you adapt easily to strategic changes in your organization and does the changes increase your performance?

CATEGORY OF STAFF	AGREED		DISAGREED		TOTAL	
	Respondents	%	Respondents	%	Respondents	%
MANAGEMENT	07	07	05	05	12	12
SENIOR	20	20	15	15	35	35
JUNIOR	21	21	32	32	53	53
	$(\bar{X})_{16}$	48	$(\bar{X})=17\frac{1}{3}$	52	100	100

Source; Field study, 2011

Decision: From table 3 above, we observed that the mean of 16 and 48% for 'AGREED' was less than the mean of $17\frac{1}{3}$ and 52% for 'DISAGREED' respectively. We therefore concluded that, behavioural and systemic resistance to strategic changes render strategy formulation and implementation in the Anambra Motor Manufacturing Company Limited (ANAMMCO), ineffective.

Findings and Discussions

From the data presentation and analyses, it was observed that Government that used to be the major customer of the Anambra Motor Manufacturing Company Limited as well as other customers had a shift in their purchase order which favoured other brands of vehicles and that this shift in consumption pattern had a negative effect on the sales turnover of the Anambra Motor Manufacturing Company Limited, Mercedes-Benz products. This was seen in the responses in Table 1, which showed that the entire 12 management staff, 30 out of 35 Senior staff and 45 out of 53 Junior staff agreed that their sales turnover dropped as a result of changes in consumption pattern of ANAMMCO customers. To counter this, the organization should use product diversification strategy and technological strategic changes in the product lines to be in line with current taste of customers that patronize more of small commuter buses than big buses and trucks in Nigeria.

Secondly, it was observed that strategy formulation matched with appropriate organizational structure increases the productivity of the Anambra Motor Manufacturing Company Limited, this was shown in Table 2 where 10 out of 12 Management staff, 28 out of 35 Senior staff and 40 out of 53 Junior staff totaling 78 out of 100 respondents stated that their productivity increases whenever a new strategy was formulated and there was adjustment in the organizational structure however, 22 respondents disagreed to this notion. This was to say that ANAMMCO do match their new strategies, with new capabilities to perform. This was to ensure that the objectives for which the new strategies were formulated were achieved.

Thirdly, it was also revealed that whenever there was a change in strategy, it brings about structural changes to match the strategic changes with capabilities, but behavioural and systemic resistance by workers who were afraid to loose their positions seem to render the strategy formulated ineffective. This could have arisen as a result of additional work load that might be created by the newly formulated strategy which could be beyond the working capacity of the already overloaded workers, but after sometime, the workers began to understand the new strategy and getting used to it hence greater performance on the part of workers.

This was observed from the responses in Table 3, where 7 out of 12 Management staff, 20 out of 35 Senior staff and 21 out of 53 Junior staff making a total of 48 out of 100 respondents said that they adapt easily to strategic changes and that the changes increase their performances, but 52 respondents made up of 5 Management staff, 15 Senior staff and 32 Junior staff opined that they do not adapt easily to changes and that their performances was not usually commensurate with expected performance standard of the new changes. Based on this, it was therefore the management role to reduce uncertainty for the company to enable the workers carry out their productive activities with certainty.

Summary

The findings from the analyses based on the obtained data revealed that the Anambra Motor Manufacturing Company Limited loses sales as a result of change in consumption pattern of their customers. The findings also revealed that a well conceived and formulated strategy matched with a well structured organization increases productivity and finally that, there was existence of behavioural and systemic resistance to strategic changes in the organization and that this tends to render strategy formulation and implementation ineffective.

Conclusion

This study had shown that there were lots of benefits from well conceived and formulated strategy. The most problem area was in its application to planning, organizational structure and design, environmental and technological changes. These could contribute to loss of customers and resistance by workers to changes. Therefore in conclusion, strategy formulation and implementation enables organizations like the Anambra Motor Manufacturing Company Limited to place the company in a position where it will continue to secure its productive activities and reduce environmental uncertainties in areas of constraints, threats and opportunities, hence the Management of the Anambra Motor Manufacturing Company Limited can be measured in terms of its environmental and technological impact in the Automobile Industry in Nigeria.

Recommendations

From the findings, the following recommendations were therefore adduced:-

1. The top management should take more responsibility in reducing uncertainties for the organization through strategy formulation. By this, they can gain back their customers through product line

- diversification strategy and strategic technological changes, to be in tune with the current consumption pattern in the Automobile Industry in Nigeria.
2. The management should through strategy formulation and positioning of activities, integrate the management functions through the process of organizational design in terms of strategy implementation. This will go a long way increasing the workers productivity.
 3. Behavioural and systemic resistance should be reduced, through appropriate organizational structure and workers should be well informed on why such strategic changes. This will reduce fear and encourage workers to perform optimally.

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