

# Strategic Planning Practices: A Key Success of Organization Growth and Development (A Case Study of Dal Group Company Ltd)

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## Abstract

This paper asks to what extent strategic planning can have effects on organizations growth and development. Taking in consideration the issues that been raised by some researchers; that the strategic planning process tended to be inflexible since it operates in hyperactive changing environment and poorly adapted to changing environment usually affected organization adversely. The main object of the study was to evaluate the impact of strategic planning on growth and development of manufacturing organizations in Sudan; a country marked by political and economic instability, due to multiple wars and USA economic sanctions, which extended for almost twenty years. More precisely the study focused on Dal Group Company Limited (DGCL). The study has formulated three hypotheses that have more effects on organization growth and development; setting objectives, organization structure, and budget allocations. Data has conducted through questionnaire, interviews, records and observation. Statistical Package of Social Studies (SPSS) has used to test the hypotheses and get results. The findings confirmed that, strategic planning has significant impact on the company growth and development. Therefore, the study revealed that, well implemented strategic planning is effective in an organization growth and development. This underscores the importance roles of strategic management, especially in light of volatile and turbulent environment.

**Keywords:** Strategic planning, objectives, structure, budget, organization growth.

## 1-Introduction

Strategic planning is a disciplined approach utilizing the principles and process of management to identify the corporate objectives and mission of any business. It determines an appropriate target to satisfy the objectives, recognize existing opportunities and constraints in the environment, and device a way by which objectives can be achieved. The performance of any business organization in the competitive economy is highly dependent upon the quality of its management via proper implementation of strategic planning (Dess et. al, 2005).

Strategic planning in these turbulent times must be relevant, cost-effective, and transforming. It can help firms to adapt and respond to new demands and emerging issues. Therefore, this new kind of strategic planning process should base on assumptions that reflect real world, to produces plans fit with the day-to-day questions and actions that shape the success of enterprise.

### 1.1 Dal Group Company Limited

Dal Group Company Limited (DGCL) considered as largest and most diverse conglomerate in Sudan. It operates across many business sectors including, food & beverages, agriculture, earthmoving, real estate, energy, mining, automotive, healthcare and education– with each business playing a leading role in its field. Since its establishment, the company has operated to international standards, underpinned by strong, clear business principles and ethical values.

#### 1.1.1 Historical development

Historically the company founded in 1951 by two British businesspersons, under the name of Sayer & Colley, the company specialized in trading engineering products, such as bearings and belts, and later awarded the Caterpillar dealership for Sudan. In 1966, Caterpillar decides to transfer the dealership to a Sudanese company, so the contract awarded to Mr. Daoud Abdellatif and his newly created Sudanese Tractors Company (SUTRAC). During the 1970s, the British partners shares are bought out and the company fully owned to Mr. Daoud Abdellatif family, who changed the name of the company from Sayer & Colley to Dal Engineering. Since then the company started to expand and diversify. In the 1980s Dal Agriculture Company, which provides agricultural contracting services, is established and built on SUTRAC's ties with the agricultural sector. Followed by Dal Property Development Company established to provide architectural design, construction and facilities maintenance services. The 1990s witnessed remarkable expansion in which a Dal Motors company founded as a natural extension of the company engineering activities awarded the exclusive Mitsubishi dealership for Sudan. Successfully followed by establishing Sayga Flour Mills as Sudan's first large scale, high quality flour mills, with flour sold to bakers across Sudan. Today Sayga is one of the largest milling operations in the region with a

capacity for milling more than one million tons of grains per annum. At the end of the nineties the dairy processing company, Blue Nile Dairy (today DAL Dairy) launched, followed by Dal Medical Company established, with just one product to its name. Today the portfolio comprises hundreds of products from leading multinational pharmaceuticals brands. Lately Sudanese Liquid Air Company (SLAC), the producer and distributor of medical and industrial gases has also joined the group. At beginning of current century, the group awarded the contract to become the sole bottler and distributor for the Coca-Cola Company brands (Coca Cola, Sprite, and Fanta) in Sudan, and Dal Food Industries (DFI) established, followed by establishing Khartoum International Community School (KICS) to provide a first class, international education to the local and international communities in Khartoum.

### **1.1.2 Organizational structure**

Dal Group Company adopts a divisional organizational structure that consists of several parallel teams focusing on a single product or service line. A divisional organizational structure gives the company ability to segregate large sections of the company's business into semi-autonomous groups. These groups mostly self-managed and focused upon a narrow aspect of the company's products and services. The company's organizational structure consists of eight divisions, food and beverage, health care, agriculture, transformative Industries, real estate, transportation, construction, and education. Each division has it specialized and separate management and all are under the management of the general manager. Each division includes a range of different industries, for example food and beverage division, includes, dairy products, cereals, soft drinks and non-carbonated beverages. All divisions and subdivisions work in harmony, cooperation and coordination in order to achieve the company's overall goals.

### **1.1.3 Strategic planning process**

Dal group company strategic planning aims to establish a share understanding of, why it exists, and its aspiration for the future. The company adopts goal based planning model that begins with the «basic» planning approach, which includes five major components, starting by developing the guiding statements (vision, mission, and values), followed by environmental analysis, strategy formulation, strategy implementation, and finally strategy monitor and evaluation. The company activities of basic strategic planning done once to form the company strategic plan, that developed to the yearly operating plan and budget document (from year one of the multi-year strategic plan). The company annual action plan provides a detailed plan for the upcoming year in term of tasks, resources, deliverables, timelines, and responsibilities.

Vision of the company states: “Making Sudan a better place to live, our commitment to Sudan, deep knowledge and experience.” The company envision being the leaders in most of the industries operate in, and positively contributing to the success and growth of each of its partners’ brands, becoming the partner of choice for international brands looking to invest in Sudan (Dal website, 2018).

Mission of the company is to enrich the quality of people’s lives and to behave responsibly in the process, seeking to make Dal group a better company that is more responsible. In order to achieve that, the company contributes to the on-going development of Sudan and the region. The company aims to grow profitably by pursuing opportunities that leverage its expertise and operational excellence. Provide employees with a working environment that stimulates innovation, diversity, teamwork, learning and development, while offering challenging and satisfying work opportunities with recognition and reward for outstanding performance.

Values of the company represent in focusing on customers, offering them best-in-class products and services while building long-term relationships. Strive to maintain a diverse workforce where people are valued and treated solely on merit and competence, irrespective of gender, beliefs, and ethnicity. Build excellent operations, leading the way for others in the region, and highly committed to the social, environmental and economic development of Sudan and the region. The company have no political affiliations, observe the law at all times, and act with integrity and honesty, aiming to be a global leader in responsible business and does not engage in activities that harm people or the environment.

#### **1.1.3.1 Dal Strategic plan**

Dal group adopts objective based strategic plan model. Therefore, it focuses on connecting the plans to goals, objectives, and measures that can used for day-to-day decisions. The company implement annual operational plan that translates the strategic plan into specific goals for the organization. Operational plan typically has a shorter time horizon and a narrower scope than strategic plan. In additional to tactical plan which translates operational plan into specific objectives for functions within business units. Tactical plan is typically short term with a very narrow focus.

Dal group strategic plan is termed OSTP – objectives, strategies and tactics plan. OSTP involves the entire management levels from top to bottom. Top management and the board of directors, are responsible for setting broad objectives. While bottom management set their own departments objectives. The broad objectives become the bases for strategies that middle managers and technicians develop. First line managers then are assigned the responsibility for a "tactical - action program" derived from the strategies. The company strategic plan proceeds in the following four phases.

### **1.1.3.2 Setting objectives and priorities**

Dal group divisions departments take the lead on drafting the department's goals and objectives, drafts shared with the rest of the organization for feedback before agreeing on the final list. Dal group current objectives are focusing on the following: a) broadening geographical footprint in the region with offices opening in Djibouti and Ethiopia. b) deeping product mix with product launches in diary, pulses and animal feed. c) growing human capital through significant investment in learning development and talent management. d) Accelerate speed to market through supply chain optimization and investment. These objectives usually measured by set of standards such as profitability ratios; that includes profit to sales, profit of total assets, and profit to capital (net worth). The company tendency in recent years has been to emphasize the ratio of profits to sales as an important measure of profitability. In addition to marketing ratios, those measure performances relating to products, markets, distribution, and customer service objectives that concerned prospects for long-run profitability. Thus the company measures performance relating to market share, sales volume, number of outlets carrying the products and number of new products developed. The company considers that, the ratios of value added to sales, and to profit are the measures of productivity. Other productivity ratios are the ratios of output to labor costs and capital costs. Physical and financial ratios measures reflect the company's capacity to acquire resources sufficient to achieve its objectives. These measurements are comparatively easy, since numerous accounting, measures can used. Liquidity measures such as working capital turnover, debit to equity ratio, and accounts receivable and inventory turnover can used in establishing objectives and evaluating performance in financial planning.

### **1.1.3.3 Courses of action**

Action is the catalyst that can determine success or failure in meeting objectives. The company-planned courses of action called strategies and tactics. Strategic actions are long run, organization - wide implications, while tactical actions are short-run, unit -wide implications. Usually the company set numerous alternative courses of action. In such cases, managers select the alternative that is least costly, but most effective for example, the company could increase its productivity annually through improved technology and employee training. The company management often can change its primary strategy to take advantage of apparent opportunities. Caponew fresh milk product is an example of that change. The Company courses of action are most efficient and specific, as managers usually test the effects of courses of actions by forecasting. Forecasting is the process using past and current information to predict future events. The company forecasting future demand for its output, using various methods of sales forecasting, such as; hunches, market surveys, time series analysis and econometric models. All these techniques provide estimates, which may or may not be reasonable, but as technological breakthroughs in information processing occur, sales forecasts expected to become more accurate and consequently better guides for planning. At present, however, the company forecasting requires great deal of managerial judgment. The sales forecast presumes that the company has products to sell, so managers must first utilize resources to produce those products. Given an adequate supply of resources, the managers' next task is the allocation of resources necessary to implement the plans. The principal technique management uses in this phase of planning is the budget.

### **1.1.3.4 Budgeting Allocations**

It is the third phase of the company planning process in which resource requirements of the plan forecasted and specified by budgets. The company managers recognize the very close relationship between budgeting as planning technique and budgeting as a control technique. Therefore, they first prepare budgets prior to operation, and then later use them to compare actual results with budgeted (planned) results. Budgeting covers all types of resources, human, financial, and physical resources. The company budgeting process consists of actions, decisions, and documents, which affect the entire organization. The sales forecast plays a key role, as an evident in the placement of the sales budget; all other budgets related to it either directly or indirectly. Budget of production, marketing administrative expense, and miscellaneous should be associated with the level of sales activities. The projected sales and expenses combined in the financial budgets, which consist of proforma financial statements, inventory budgets and the capital additions budget. The company adopts moving budgeting for one year with periodic updating at fixed intervals of one month. In this manner, the most recent information is included in the budgeting process. Therefore, budgets are important instruments for implementing the objectives of the company.

### **1.1.3.5 Implementation of plan**

Implementation of strategic plan requires taking all the necessary steps to apply resources in planned actions to achieve the company objectives. In most instances, the company managers implement plan through other people, they usually support their subordinates to perform planned actions, by directing them to attempt to implement the plan via assignments and tasks. Authority, persuasion and policy are the managers' means of plan implementing. These means can used individually or in combination. The company policy is most effective, as it characterized by flexibility comprehensiveness, coordination, ethical and the clarity. The employees uphold high standards of professionalism in plans implementation and effectively carry out their duties according to annual plan measurements indicators. All departmental heads are responsible for implementation and monitoring. The

company installed an effective efficient reporting and monitoring system for outcome and performance management. Employees' performance measured through quarterly and annual performance reviews. Act of feedback and comments provided by clients carefully considered and responded.

### **1.2 Conceptual framework**

The conceptual framework model captures mainly the relationship between strategic planning process and organization growth and development; and specifically to assess the impact of setting objectives, organization structure, and budgetary allocations on organization growth and development. As mentioned in (Figure -1), the conceptual framework also subject to assess the indirect impact of organization growth and development on strategic planning process.

## **2-Literature review**

A strategy is an overall approach, based on an understanding of the broader context in which you function, your organization's strengths and weaknesses, as well as external opportunities and constraints you are attempting to address. A strategy gives you a framework within which to work, it clarifies what you trying to achieve, and the approach you intend to use. Strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, how it does it, and why it does it, with a focus on the future (Bryson, 2004). Strategic planning helps an organization focus, ensures that all members of the organization are clear on the organization's vision and mission, and that they are all working towards the same goals. It assists you in projecting where your organization will be in three or five years and how to get there. It provides you with the big picture of what you are doing and where you are going. Strategic planning will help your organization transform itself from "good to great (Collins, 2005). Therefore, it will help in discussing issues and come to consensus on what the organization's capacity is in terms of strategy, culture, aspiration, skills, structure, systems and infrastructure.

### **2.1 Setting objectives**

Objectives and goals considered as a bridge that help an organization move from guiding statement and strategies to actions, it will take to make them concrete. Weinrich, 2007 defines objectives are goals or aims which the management wishes the organization achieve. These are the ends towards which all business activities like organizing, staffing, directing and controlling are decided. Only after having defined those points can the manager determine the kind of organizing, the kind of personnel and their qualification, the kind of motivation, supervision and direction and the kind of control techniques, which he must employ to reach those points. Therefore, a solid set of objectives and goals is essential for effective strategic planning, without them; it is easy to be stuck in the big picture. Bernard, 2004 identifies the benefits of setting objectives as follows; it provides a basis for planning and developing other types of plans such as policies, budget and procedures. It acts as motivators for individuals and departments of an enterprise. Mobilizing their activities with a sense of purpose, it helps in development of effective control that measure results and lead to corrective actions. It facilitates coordination behavior of various groups which otherwise may pull in different directions. Setting objectives function as a basis for managerial control by serving as standards against which actual performance can measured. It provides legitimacy to organization activities and finally it facilitate better management of organization by providing a basis for leading, guiding, directing and controlling the activities of various departments.

### **2.2 Organizational Structure**

Organization structure considered as mean by which organizations achieve their objectives, and framework through which activities occur. Mullins, 1996 defines an organization structure as a pattern of relationships among the positions in the organization and among employees of an organization. He confirms, organization structure helps in division of work among members, activities are coordinated therefore achieving the organizational goals and objectives. Channels of communication tasks and responsibilities, work roles and relationships defined in organization structure. Mullins states further structures are preferred and have occurred due to staff being greatly involved and participative, improved efficiencies and competitiveness. Bennett, 1996 refers to an organization structure as the system for breaking down the totality of forms work into units and for allocating those units to people and departments. Mullins, 1996 summarizes the objectives of organizational structures in terms of economic and efficient performance of resources utilization, activities of an organization monitored. Accountability of work done by groups or individuals of an organization. Coordination of different parts or areas of work in an organization, leads to flexibility that leads to response to future demand and development and adapting to influences of environment.

### 2.3 Budget Allocation

Budget is a statement of expected results expressed in numeral terms; it may called a “quantified” plan (Murugan 2006). A budget may expressed in financial terms; as labor hours, units of product, or machine hours; or in any other numerically measurable terms. It may deal with operations, as the capital expenditure budget does, show cash inflow, as cash budget does. However, making a budget is clearly planning. Budgeting is widely considered as a significant part of both planning and the controlling processes used by managers to plan, monitor and control various activities at every level of the organization. Efficient budgetary system should be oriented towards results, simple, effective and understandable (Tosi, 1975). He continues to state that; budget should base on documentable information and not simple guesswork and judgment. A quick and two-way communication should adopted so that the managers get timely information on deviations. Lastly, budget should be viewed as positive and be conducive to self-control. As per Otley, 1998 viewpoint, budget helps management learn from experiences, it induces the management to shift attention to future operation since it is part of planning process and forces managers to anticipate and forecast the trend and changes in the external environment, and lastly it facilitates communications throughout the organization.

### 2.4 Organizational Growth

In hypercharge environment, most organization desire growth in order to survive and prosper. Organizational growth, however, means different things to different organizations. There are many parameters can be selected to measure an organization growth, the most meaningful yardstick is one that shows progress with respect to an organization's stated goals. The ultimate goal of most companies is profit, so net profit, revenue, and other financial data often utilized as "bottom-line" indications of growth. Other business owners, meanwhile, may use sales figures, number of employees, physical expansion, or other criteria to judge organizational growth. Many firms desire growth because it seen generally as a sign of success and progress. Organizational growth is in fact, used as one indicator of effectiveness for small and large businesses and is a fundamental concern of many practicing managers. Strategy planning is the common thread in an Organization's business growth and the product scope of an organization (Ansoff, 2007). According to Crosby, 1999, organizational growth also triggers an almost inevitable "diminution of consensus about organizational goals." He attributed this "in part to the inherent difficulty of getting a larger number of people who know each other less well to agree about anything, in part to the importation of new people and ideas, but mostly to the brute fact that as an organization grows, its relationships to its members and to the environment necessarily change. Caplow, 2009 points out that such growth can be particularly disorienting for employee and owner alike: "often the people involved may not realize that anything significant has occurred until they discover by experience that their familiar procedures no longer work and that their familiar routines have been bizarrely transformed. Business owners, then, face a dizzying array of organizational elements that have to revise in accordance with changing realities. Maintaining effective methods of communications with and between employees and departments, for example, become ever more important as the firm grows. Organizational growth, however, brings with it an inevitable dilution of that "hands-on" capability, while the complexity of various organizational tasks simultaneously increases. "As the organization grows, control becomes more complex by the mere accretion of numbers". There are ways of reducing the complexity by delegating responsibility (Caplow, 2009). Theoretical literature clearly suggests that organization growth mainly implicated by employee's behavior and those human resources management practices can affect individual employee performance through influence over employee's skills and motivation.

### 3- Previous Studies

Gichunge, 2010, examined the effect of formal strategic planning on organizational performance of medium sized manufacturing enterprises in Nairobi, Kenya. It examined the extent to which formal strategic planning is adopted by medium sized manufacturing enterprises in Kenya and investigated the effect of various administrative/legal factors on the extent to which formal strategic planning are adopted. It also determined the relationship between level of competition and adoption of formal strategic planning and investigated the effect of administrative/legal factors on organizational performance. Results showed that some MEs have not adopted any formal strategic planning due to administrative/legal factors, which is consistent with past studies that have mentioned; administrative/legal factors affect both adoption of formal strategic planning and organizational performance. Organizations with formal strategic planning perform better than those without. Competition seemed also influences adoption of formal strategic planning. Askarany and Yazdifar, 2012 investigating the diffusion of six proposed strategic planning tools of the past few decades through the lens of organizational change theory. They examined the relationship between the adoption of these techniques and organizational performance and growth in both manufacturing and non-manufacturing organizations in New Zealand. The findings suggest a significant association between the diffusion of these relatively new strategic planning tools and organizational performance and growth.

#### **4-Statement of problem**

From the foregoing, and looking at today's trend, it is evident that the space of change in our business environment presents fresh challenges daily. No organization exists in a static environment. Social, political and economic trends continually affect the demand for its products and services. It is thus essential that a strategic plan reflect the external environment. The study-explored ways in which Dal group adapted to turbulence environment, questions of how strategic plans are flexible addressed and highlighted the role of heads of department that had direct link at planning and implementation of the strategies set. The study therefore sought to identify the effects of strategic planning on the company organization growth and development.

#### **5-Objectives of Study**

The main purpose of this study is to assess the impact of strategic planning on growth and development of Dal group, beside the following sub objectives:

1. To identify the effects of setting objectives capability on Dal group company growth and development.
2. To determine the effects of organization structure capability on Dal group company growth and development.
3. To assess the effects of budget allocation capability on Dal group company growth and development.

#### **5.1 Research hypothesizes**

To attain the objectives of the study, the following research hypothesizes have been set based on the revelation in the review of literature concerning relationship between strategic planning capabilities and organization growth and development.

##### **Hypothesis 1**

There is strong relationship between the setting objectives capability and organization growth and development.

##### **Hypothesis 2**

There is strong relationship between the organization structure capability and organization growth and development.

##### **Hypothesis 3**

There is strong relationship between the budgetary allocation capability and organization growth and development.

#### **6-Research Methodology**

##### **6.1 Data collection**

Data collection has conducted from primary and secondary resources. The secondary data resources were library researches, published material and worldwide web. While primary data was collected via interviews and questionnaire. Questionnaire designed to measure the impact of strategic planning adoption on Dal group company growth and development. Questionnaire formulated based on three independence variables of strategic planning, which were setting objectives, organization structure, and budget allocation. The dependent variable represented in an organization growth and development that considered in terms of organization volume increases in number of companies, brands, and employees, which conveyed in company activities coverage percentage in Sudan. The study generally displayed the company growth and development over sixty years, focusing on the last two decades. Total of (100) questionnaire were distributed, (88) was returned with response rate of (88%). Some of returned questionnaire excluded due to incomplete information. As result (80) questionnaire considered as valid for test. Overall (40) questions were developed to be answered based on Five Points Likert Scale (one= strongly disagree to five= strongly agree) as it is considered to be an easier approach to collect data.

##### **6.1.1 Sampling**

The target population of this study made up of all Dal Group management staff in Sudan.

##### **6.1.2 Variables**

Respondents asked to indicate their perception about impacts of strategic planning applied on company growth and development. Precisely about the effects of setting objectives, organization structure, and budget allocation on company growth and development. The three strategic planning capabilities measured by two-item five-point rating scales ranging from (1) much lower to (5) much higher.

##### **6.1.3 Test of reliability**

Reliability test is conducted based on Cronbach Alpha to measure internal consistency of questionnaire, results was fall between(0.76) and (0.84), which is valid value, because satisfactory should be more than (0.60) for the scale to be reliable (Malhotra 2002). The overall Cronbach alpha of all scales used in this study was (0.80).

##### **6.1.4 Statistical methods**

The statistical methods used in this study were, mean, standard deviation, and T-test.

6.1.4.1 The mean, which is most commonly used measure of central tendency, researcher have used to measure the average answers of respondents.

6.1.4.2 Standard deviation, which is the most used tool to measure the dispersion and concentration of respondents answers from the arithmetic mean. Deviation value less than (1.00) refers to the concentration of the answers and lack of dispersion, while deviation above (1.00) shows lack of concentration and dispersion.

6.1.4.3 T-test, it is used to determine significant differences on certain points (center hypothesis of the study) or the differences between two means.

Statistical Package of Social Studies (SPSS) has used to test the hypothesis.

## 7-Data analysis and findings

The study data analysis covered both the respondents' demographics characteristics and descriptive statistics such as mean scores, standard deviations, reliabilities, and inter-correlations of the study variables

### 7.1 Respondents demographics

Most respondents were male representing (65%), while female represented (35%) as per table-3, this may be due to the majority of male employees in the company. As per qualification, the majority of respondents (80%) posses B.sc degree, (6%) posses M.sc, and (14%) possess Diploma certificate. This distribution shows that most of the respondents are highly educated people, who could know the concept and impact of strategic planning. Most of the respondents (70%) have 5-9 years experiences in management field and (15%) have more than ten years' experience that assures the respondents actually spent enough time to know the impact of strategic planning on growth and development of the company.

Descriptive statistics are shown in tables (2, 3 and 4) respectively.

The correlations between strategic planning capabilities and organization growth are found to be significant, ranging from  $r = 0.676$  ( $p < 0.05$ ) to  $r = 0.963$  ( $p < 0.01$ ). As per table-2 & 3, the correlation between setting objectives and company growth and development shows higher significant positive correlation due to the value of (0.963), which is statistically significant at rate of  $\alpha = 0.05$ , within high consecration and lack of desperation, due to value of SD (0.84) which less than (1.00). While the correlation between organization structure and company growth and development shows moderate significant positive correlation due to the value of (0.687), which is statistically significant at rate of  $\alpha = 0.05$ , within high consecration and lack of desperation, due to value of SD (0.77) which less than (1.00). Budget allocation shows the lower significant positive correlation due to the value of and of (0.676), which is statistically significant at rate of  $\alpha = 0.05$ , within high consecration and lack of desperation, due to value of SD (0.65) which less than (1.00).

Correlations among strategic planning capabilities as shown in table-2, are statistically significant, ranging from  $r = 0.732$  ( $p < 0.01$ ) to  $r = 0.989$  ( $p < 0.01$ ). It shows a strong positive correlation between setting objectives and budget allocation due to the high value of correlation, which is 0.989 and it is statistically significant at the level of  $\alpha = 0.050$ , this may due to close relevant between objectives time bound and budget amount, as long term objectives required much amount versus short term ones. The correlation among other dependent variables also are positively related. This reveals that any positive change in strategic planning capabilities lead to increase organization growth and development, and even any positive change in any independent variable of strategic planning capabilities, positively effects on others.

Referred to table-3, the participating respondents judged their organization growth rating ( $M=5.86$ ,  $S.D. = 0.93$ ), this indicates highest central tendency of answers and lack of dispersion, that indicates consensus of respondents consensus on impact of strategic planning on their company growth and development. Regarding strategic planning capabilities, setting objectives shows high highest central tendency and lack of dispersion, rating ( $M = 4.70$ ,  $S.D. = 0.84$ ), that assures strong effects of setting objectives on the company growth and development. While budget allocation shows the least central tendency and lack of dispersion, rating ( $M = 4.47$ ,  $S.D. = 0.65$ ), reflecting its lower effect on the growth and development. Organization structure shows moderate effects on the company growth and development, rating ( $M = 4.68$ ,  $S.D. = 0.77$ ). As per table-4, the Dal Group growth volume consecutively increases in terms of companies, brands, employees, which clearly reflected in company activities coverage percentage in Sudan. New companies annual increase represents 30%, as they had increased from one company in 1970s up to 16 companies now days. While annual increment of brands rate was 70%, to reach 36 brands up-to-date. The company current employees increased by annual rate of 60%, exceeding 5,500 employees. Currently the company products covered 90% of Sudan.

### 7.2 Hypothesis testing

Testing of the study hypothesis as per table-3, shows positive correlation values that accomplish the objectives of this study. According to (Welkowitz et al, 2006) correlation coefficient is very useful way to summarize the relationship between two variables with a single number that falls between (-1 and +1). (-1) indicates a perfect negative correlation, (0-0) indicates no correlation, and (+1) indicates a perfect positive correlation.

First hypothesis

Hypothesis testing shows a significant positive correlation between the setting objectives capability and

organization growth and development as per table-3. This is due to the value of correlation which is 0.963 at the statistical significant level of ( $\alpha = 0.05$ ) and standard deviation value of 0.84 which is less than (1.00), that indicates high concentration and lack of dispersion. Participants declared that, most of setting objectives are matching with (SMART) criteria. There were non-mismatching objectives deducted.

#### Second hypothesis

Study test shows a significant positive correlation between the organization structure capability and organization growth and development. This clearly observed from correlation value, which is 0.687, and standard deviation value of 0.77 (table-3). Respondents showed high satisfaction of their positions, pushed them to favor engagement with the company.

#### Third hypothesis

Figures shows a significant positive correlation between the budget allocation and organization growth and development. This refers to the correlation value of 0.676 and standard deviation value of 0.65 (table-2). Respondents assured budgets were mostly sufficient to meet setting objectives and reinforce them to achieve target objectives.

### 7.3 Discussion & results

The hypotheses test confirms significant positive correlation between strategic planning capabilities and company growth and development. As per T-square test, setting objectives capability showed highest positive correlation, which means that it has maximum contribution toward company growth and development, reasons declared by respondents who mentioned that, objectives are well written, clear and understandable and matches (SMART) criteria. They confirmed, each department reached an agreement on the goals and objectives and all department staff have actively contributed to the process. While budget allocation capability showed moderate positive correlation, which means it has moderate contribution toward growth and development. Despite its benefits, but some respondents complained from budget inflexibility, because they have not given free hand in managing their resources. They added budget might change some or not at all making it difficult for employees to meet performance levels. Furthermore, funds allocated for various activities may not be transferable from one account to another. Regarding the advantage of divisional organization structure that implemented in the company, which based on strategic segmentation that allows assessment enterprise in relation to its market. However, its capability showed the least positive correlation within growth and development. Respondents referred this to difficulty of technical competency transmission between divisions; in addition to complexity to manage when interdependency between divisions grows. Despite these negatives but the company could conducting sustainable growth and development throughout time. In last decade, Dal Group Company could succeed many achievements in various divisions. Sayga unveils its pasta plant and launches its Nobo pasta brand as part of its diversification strategy. Dal Motors awarded the Mercedes-Benz franchise; SUTRAC launches its Caterpillar Retail Store and becomes the first one-stop-shop solution provider for contractors in Sudan. It also becomes one of the first three dealers worldwide to have a full term of Caterpillar certified training instructors. Dal Engineering becomes the distributor for specialist brands Manitou, Valtra, Sampo and Grove. Dal Dairy moves into its new dairy processing facility, which designed in conjunction with Tetra Pak. Dal Medical selected as the distributor for GlaxoSmithKline. Least but not last the company launched in August 2017, the first and largest milk and Gum Arabic spray-drying factory in the Sudan. The factory has a production capacity of 12,000 tons of powdered milk annually, worth approximately 50 million USDs. As for the Gum Arabic, the plant has a capacity of producing 5,500 tons of Gum Arabic powder, valued at approximately 37 million USDs. Thus, strategic planning helps Dal Group Company transformed itself from good to greatest company.

### Conclusion

Strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide an organization towards future. Strategic planning assists an organization transform from good to great, even in the environment there are many fluctuations and complications. It helps an organization focus, ensures that all members of the organization are clear on the organization's vision and mission and that they are all working towards the same goals. Every organization handles its strategic planning process differently. Leadership style, maturity of the organization, structure and morale; all of these factors influence how an organization will approach its strategic planning process. However, the most important thing in any process is the implementation of the strategy and its continuous evaluation. These factors help in gauging the practicality of a plan and ensure the company's growth and development.

The results of the study clearly indicated that strategic planning handling at Dal Group Company Limited did help the organization evaluate its business by clearly identifying its long-term goals, objectives, effectively adopting fit structure, and efficiently allocating its resources; thus reinforcing performance in terms of growth. Therefore, an organization to enhance its growth it should enable to set and implement an effective strategic planning.



Due to limitation of this study, the researcher proposed further research to assess the factors that push or pull organization during strategic planning implementation process toward its growth and development. In addition to a replica studies in other sectors to test whether the conclusions of this study would hold true, beside further more studies within different strategic planning practices capabilities to confirm the findings of this study.

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### Appendix

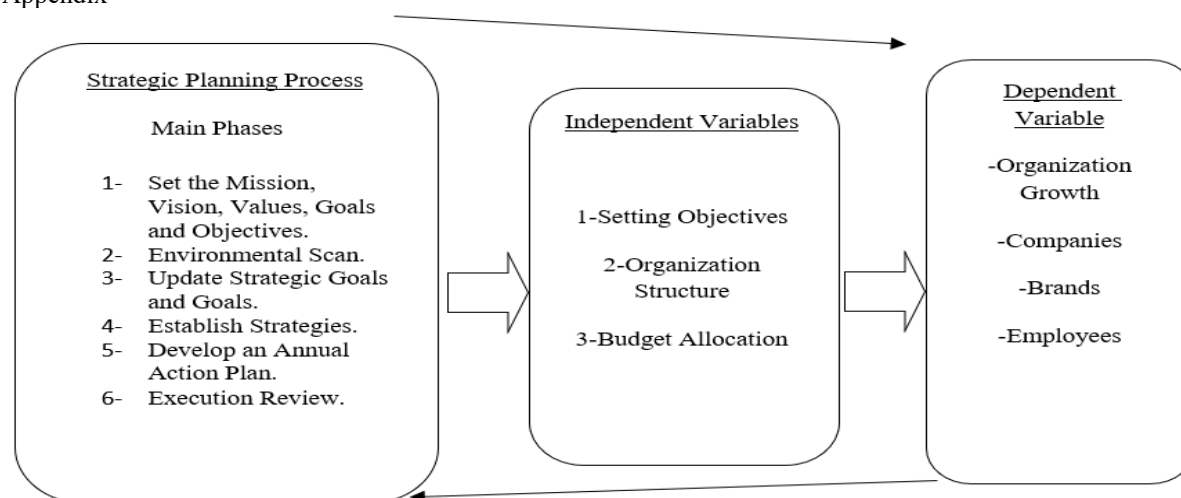


Figure-1 Research Conceptual Framework

Table (1) Demographics of the respondents (80)

Characteristics	Frequency	Percentage
Sex		
Male	52	65%
Female	27	35%
Level of education		
Diploma	11	14%
B.sc	64	80%
M.sc	05	06%
Years of experience		
Less than 5 years	12	15%
5-9 years	56	70%
10-14 years	08	10%
15 year and more	04	05%

Source: Survey data-2017.

Table (2) Correlation between strategic planning capabilities and growth

Variables	Organization Growth	Setting Objectives	Organization Structure	Budget Allocation
Organization Growth	1.00			
Setting Objectives	.963	1.00		
Organization Structure	.687	.965	1.00	
Budget Allocation	.676	.989	.732	1.00

Source: Survey data-2017.

Table (3) Study variables-Mean & Standard Deviation

Variables	Mean (M)	Standard Deviation (SD)
Organization Growth	5.86	0.93
Setting Objectives	4.70	0.84
Organization Structure	4.68	0.77
Budget Allocation	4.47	0.65

Source: Survey data-2017.

Table (4) Dal Group Company growth and development (1970-2018)

Year	1970S	1980S	1990S	2000S	2010S	Annual%
Companies	1	3	5	9	16	30%
Brands	1	5	6	15	36	70%
Employees	175	355	860	1650	5500	61%
Sudan Coverage%	9%	18%	38%	72%	90%	18%

Source: Computed from Dal Group annual reports-2017.