

Strategic planning in turbulent environment: A Conceptual View

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The literature view forms a starting point for further research on the strategic planning in turbulent context. Strategic planning, for organisations to match the pace of changes in the business environment, remains a challenge and an area of discussion by researchers and practitioners. This paper defines strategic planning and explores its importance over the years. There are differences on the content and the number of steps found in strategic planning, leaving readers with questions like: What are the primary steps in the strategic planning and how does the process flow? What literature is available on this field? Is strategic planning still relevant to organisations in a turbulent environment? In an attempt to address these questions, the authors analyse and discuss theories and empirical findings advanced by various researchers and the conceptual framework of strategic planning; outlining gaps likely to elicit further research interest.

Keywords: strategic planning process, turbulent environment, organisations, strategy formulation and implementation, organisational performance.

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Background

Organisations are environment dependent and environment serving (Drucker, 1954; Chandler, 1962; Ansoff, 1987). Strategic planning enable organisations to analyse and learn from their environments, establish strategic direction, create strategies that are intended to move the organisation in a given direction; implementing those strategies in an effort to satisfy various stakeholders (Mintzberg, 1973; Porter, 1987). Generally, strategic planning is made up of three main elements: strategy formulation, strategy implementation and strategy evaluation (Ansoff, 1987; Bailey and Johnson, 2001; Mintzberg, 2008). Despite pursuit of formal planning process, to create a competitive edge, most of the major change initiatives generate only lukewarm results and many of them fail miserably. Why? Could it be because of taking planning as an event rather than a transformational process? Is it because of environmental turbulence, with fast-paced changes, in business environments organisations operate in?

One of the hallmarks of a well-managed organisation is the ability to reposition itself in a competitive business environment (Drucker, 1954). This can be achieved by anchoring core activities of the organisation to the realisation of the set objectives. Strategic planning principally deals with organisational performance and it is critical in developing sustainable competitive advantage (Mintzberg, 2008; Sermon et al., 2006).

Ansoff (1987) discussed the cycle detailing organisation success based on its interaction with the environment. He

further points out that some researchers have chosen different subjects for study – governments, universities, and commercial firms, and different theoretical perspectives that have emerged from these efforts (Porter, 1987; Mintzberg, 1987; Aosa, 2000; Grant, 2003; Anderson, 2004). The link between the organisation and the environment is the strategy (Ansoff, 1987; Mintzberg, 1987; Porter, 1987; Aosa, 2000, among others).

The authors concur that although there is still much to do, there are some basic patterns to what is known and what is not known, and an improving understanding of what works and what doesn't work. Throughout this paper, the authors pose the question: *Is strategic planning still relevant to organisations in a turbulent environment?* Any change in the environment draws organisations to consider internal realignment and strategy modification (Porter, 1987; Melin, et al., 2001; Jarzabkowski, 2005). The paper draws from a wide range of social science ideas to lay out a set of inconsistent insights and assumptions that guide thinking and empirical inquiry about the analysis of strategic planning issues.

Conceptual Perspectives and Theories

The words of Hamel (1996: page 6), "*The strategy industry has a dirty little secret - it doesn't have a theory of strategy creation. Without a theory of strategy creation, we are helpless to improve our capacity to strategize*", set a good stage for the literature review. In a characteristically provocative assessment, Hamel argues that while there has been enormous innovation around the content of strategy, there has been no corresponding innovation around

the conduct of strategy. These statements were made in the 1990s and the situation has worsened following internet access making the environment a global village, resulting to increased competition and restless work force with complicated lifestyles.

Research in strategic planning is paradigmatically diverse and empirically complex for it has been narrow in its focus (Abercrombie and Turner, 1980; Quinn, 1980; Porter, 1987; Bailey and Johnson, 2001; Sermon et al., 2006). Its undoubted contribution has sometimes been obscured by lack of explicit discourse about its analytical foundations (Alexander, 1985; Dess and Beard, 1984). As Hambrick and Mason (1984) point out, the field of strategy is rich in inductive research, based on search for commonly recurring patterns. This has resulted in numerous classification schemes that offer cognitive assistance and help bring order to a cluttered landscape. This landscape has been complicated by the fast-changing environment and a range of strategy archetypes has been developed by various researchers. For reasons of space, all the typologies are not examined in this literature review. The contributions of Ansoff (1987) and Frederickson (1984) are particularly prominent in focussing on the evolution of the strategic planning to learning, which are widely considered the polarities of the field (Mintzberg 1973, 1987; Aosa, 2000).

Recent researchers define strategy in light of environment (Coulter, 2005) while early scholars in the field emphasized on management based on objectives Drucker (1954). Chandler (1962) in defining strategy pioneered the proposition that

structure follows strategy. He viewed strategy as the determination of long-term goals and assigning of resources to facilitate appropriate actions. Ansoff (1987) made his contribution to strategic planning with a focus on strategy-capability gaps. In his case, strategic planning is reactive. This is where analysis is done to determine where the organisation is and where it is anticipated to be and the strategies organisations adopt for repositioning. These views mirror happenings in real practice and experiences of managers (Purcell and Boxal, 2003). This proposition was made when the environment was relatively more stable than it is after 2010.

Strategy may form following consistency in a pattern of decisions in which case, it would be described as emergent (Mintzberg 1987). Strategy can also be described as realized and unrealized. According to Mintzberg, strategy is realized when it has been delivered while unrealized strategy remains an intention as it has not come to pass. This creates another perspective to strategy planning seen as a response to the rational view. Mintzberg criticizes this by alluding to the fact that strategies may evolve, besides being intentional. The strategy planning is thus adaptive (Mintzberg, 2008).

Ansoff (1987) describes strategy as a rule for making decisions. He seeks to differentiate strategy from policy, as the latter was described by Nickols, (2011). Ansoff indicates that while policy is a general decision that is always made in the same way whenever the same circumstances arise, a strategy applies similar principles but allows different decisions as the circumstances differ.

Fredrickson (1984) asserts though organisations do not pursue formal plans in equal measure, they all make strategic decisions. In context, this definition stands out as it captures and takes cognizance of the need for strategy to deal with changing business environment.

Johnson and Scholes (1993) define strategy in terms of the scope of an organisation's activities, the matching of the organisation's activities and resource capability. They also considered the allocation of resources in the organisation and the values, expectations and goals of those influencing strategy which determines the long term direction of the organisation. This definition implies that by assessing the organisation as a whole in terms of the activities, capabilities, resources, and direction, it's possible to tell the kind of strategy being pursued (Alexander, 1985; Mintzberg, 1987). This assumption may not hold in a turbulent environment where several emergent issues keep rocking the boat thus demanding high response and dynamic change management.

Porter (1987) in his work on competitive strategy views strategy as a position. He provided generic strategies that a firm can adopt for competitive advantage. Strategy is about action which gives a firm its direction and from strategic planning emanates strategy. Mintzberg and Quinn (1998) define strategy as a play, ploy, a pattern, a position and a perspective. In their choice of perspective to describe strategy, they sought to define strategy by the way the organisation conceives the outside from the inside. This definition points to the likelihood of effective challenges by groups of a lower level.

Abercrombie et al., (1980) view these scholars' definition as superior's manoeuvring than coercive domination. They allude to what it takes for an organisation to safeguard its position and success.

Johnson and Scholes (1993) in their view have given different approaches to strategy. They look at it as a pattern of behaviour arising from the culture embedded in the organisation. Natural selection is the other approach where the organisation is pressurised to adapt to environmental changes. In this case, strategy is seen as being driven by changes in the environment. Their rational approach is where deliberate planning systems are put in place in determining organisational strategy.

According to Tampoe and Macmillan (2000), strategy envisages various important aspects which include among others: strategy as a statement of intent, where strategy is deemed as a clarification of a corporate purpose as may be defined in the organisation's mission and vision. Secondly, strategy is a fit between capabilities and opportunities where strategy is viewed as a factor that matches the capabilities of an organisation and the organisational abilities to achieve success. Thirdly, strategy is regarded as a responsibility of leaders. Leaders define strategies that influence the daily operations of an organisation. In this definition strategy is seen as purposeful, implying it's intended (Whittington et al, 2005). As the world's environment becomes increasingly complex and changing, today's organisation has one way to make the environment more manageable use strategic planning.

Researchers in strategic management have tried to categorize various streams of thought in this field into groups for better assimilation (Porter, 1987; Mintzberg, 2008).

From the findings of these scholars there is still considerable ambiguity about what top managers actually do in the strategy process. The concept of strategy 'formation', in which strategy formulation is entwined with environmental or Strategic analysis in an on-going, mutually constructive process, positions top managers as active participants in strategy planning (Mintzberg and Waters, 1985; Mintzberg, 1987). Strategic planning has been defined by Chandler (1962) as a way for businesses to build strategies that help the company respond quickly to new challenges emanating from the environment. The process is a very critical process that determines whether an organization will meet its objectives or not. It is not evident that strategic planning remains relevant in a turbulent environment.

In line with the shared literature, strategic planning involves formulation, implementation and evaluation of decisions geared towards achieving organisational objectives. It is a process and concerns the whole organisation and each phase of strategic planning is important as it contributes to the end result of the whole process and is concerned with strategy determination (Jarzabkowski, 2005). The development of strategic management dates back to the 1970s following dissatisfaction with strategic planning in practice. The latter was deemed to have failed due to increased turbulence occasioned by energy crisis of

1973 (Aosa, 2000). This meant that earlier environment characterized by calmness made it difficult for strategic planning to hold. Rigidity of strategic planning could not allow for adoptability to the changing environment. Strategic planning failed to link planning with other domains of an organisation. It further lacked action orientation (Stonich, 1982) as it had been separated from implementation.

Given the implementation challenges encountered, Jarzabkowski (2005) observed that as a result of rigidity in planning, researchers sought to unfold the processes that led to formulation of strategy. This quest yielded different interpretations to how strategies are developed and different writers cite varied approaches to developing strategies. Recent literature on strategizing further develops this research agenda, recommending a focus upon the "pixels of managerial influence" within (Melin, et al., 2001; Whittington, et al., 2005).

Strategy process is viewed as on-going, social and organisation specific Kleindienst and Hutzschenreuter (2006). It is recursive and viewed as complex in nature. It defines how strategies are designed in a firm, validated and adopted to determine a firm's strategic position (Chakravarthy and White 2002; Coulter, 2005). It entails rightly engaging the firm's administrative system to develop desired strategies. Their definition of the process has not been limited to the formulation but has been broadened to embrace the firm's environment which pose opportunities and challenges which influence the firm's strategies.

Various researchers have viewed strategy planning from different perspectives. Johnson and Scholes (1993) provided a definition of strategic management which was processual in character. Strategy process entails development of a strategic plan and its deployment. This view expresses the process as summation of activities leading to development and implementation of strategies. It's a recurring event whose outcome is determined by the context in which the process occurs (Kleindienst and Hutzschenreuter, 2006). These scholars developed an integrative framework highlighting the factors and their linkages as observed from review of various studies. They sought to establish, the impact of antecedent factors on the strategy process, the relationship between antecedent factors and outcomes, and the interrelationship of strategy process factors among each other.

Papadakis, et al., (1998) observed that conducted researches indicate that as organisations enlarge and become complex, they become less committed to formal and procedural strategy processes. Kleindienst and Hutzschenreuter (2006) argue that increase in size leads to decentralization which makes it difficult to have a uniform understanding of the process across the organisation. Researches that explored external forces with regard to the environment and their effects on strategy process indicate varied findings (Coulter, 2005; Pearce and Robinson, 2011).

Bungay (2011) in his research of corporate planning in the South-African context argues that organisations facing unstable environment get involved in the process

due to increased need for integration. This is in contrast to the sentiments of Hofer and Schendel (1978), who observed that these processes are not valued given external constraints. Kleindienst and Hutzschenreuter (2006), in their review of different studies indicate that involvement in the strategy process depends on the organisation's strategy. In their view organisations facing uncertain environment do not restrict themselves to formality in process. Such a view is helpful for adaptability.

There exist different models of strategy process. Some scholars view of strategy process as one that is rational, linear and logical (Chandler, 1962; Porter, 1987). The early writers focused on strategic choice, with little emphasis on implementation and control. Tampoe and Macmillan (2000) viewed strategy process as consisting of a series of steps including strategy formulation, implementation and control. They argue that the formulation stage consists of environmental analysis, resources analysis and value analysis. This model is holistic as it captures the planning and control function of strategy process.

To emphasize the reiterative and recursive nature of the strategic planning process, Thompson and Strickland (1989) in their definition state that nothing is final, it is prone to modifications. Such modifications become more frequent and adverse in a turbulent environment. With this realisation, one is tempted to ask whether strategic planning is still relevant.

Proponents of emergent strategy argue that strategy process is non-linear. It is not planned. It is shaped by recursive process and stages of learning and negotiation for

actualization (Mintzberg, 2008). Strategy process is perceived as being shaped by cognitive models which display managers' perceptions of their environments. This thought brings the influence members from the same organisation have on defining the strategy process within that organisation. This however has been seen as likely to produce strategies that enhance interests of the managers at the behest of organisational pursuits (Abercrombie, et al., 1980).

The environmental context consists of factors such as uncertainty, complexity, munificence and dynamism (Dess and Beard, 1984). The organisational factors are associated with organisational attributes like size, industry and geographical location (Alexander, 1985), structure, age and routines (Chandler, 1962; Fredrickson, 1984; Ansoff, 1987). Fredrickson asserts that a firm's comprehensiveness in the strategy process is partly a factor of its past performance.

Hofer and Schendel (1978) view the strategy process as bearing three elements which include the strategist, the issue and the sequence of actions. Though their concept seems linear it details important elements which contribute to the effectiveness of the process. The

Strategic planning is influenced by environmental and organisational context (Grant, 2003)

strategist's attributes like openness and size influence the decisions made by the individual. Similarly, the strategist's cognitive abilities determine their sensitivity to the environmental and organisational context. This is critical in diagnosing strategic issues. Strategic

issues are defined in their characteristics as urgent, complex or relevant. Kleindienst and Hutzschenreuter (2006) indicate that these influence the order of actions and the outcome of the process in terms of rationality, participation and comprehensiveness (Anderson, 2004). Strategic management process varies in the degree of complexity depending on its context and environmental turbulence.

Strategy can be intended in which case it is deliberately planned by managers (Mintzberg, 1987; Whittington, et al., 2005) or it can be emergent, in which case it develops from everyday organisational routines. These researchers contend that strategies may develop as patterns, incrementally building on prior decisions. There is no one best way of strategy making process but organisations must successfully pursue proper development of strategy.

David (2003) termed strategy as a blue print, a conception in the mind that is put on paper to provide direction for an organisation. Following this definition, many organisations craft mission and vision statement as a beginning point for their strategy formulation. Public and private companies profit and not for profit making organisation alike seek to enhance their competitiveness through rightly defining their objectives and formulating strategies to achieve them. David (2003) modelled the strategy process to depict the continual and recurrent nature that best describes it.

Throughout this paper the scholars have confirmed that there exists different approaches and views of strategy process.

In discussing the process, strategy formulation is one of its key components of strategy development (Coulter, 2005; Paun and Nedelea, 2009). This is not limited to planned or emergent strategies or small or large organisations (Mintzberg, 1973, 1987). The degree of formality varies from one organisation to another but nevertheless strategy formulation involves designing and developing the organisation's strategies. This is a formalised approach that involves planning, taking step-by-step cycle to formulate strategies. Various writers have made their contributions to deliberate strategies development. There is a chronological, step-by-step approach to arriving at strategies of an organisation. This may range from minimal stages to multiple ones marking all relevant aspects of the organisation's environment (Paun and Nedelea, 2009).

Grant (2003) in his study notes that the strategic planning cycle begins with an assessment of the firm's external environment, coupled with drawing of assumptions and guidelines. This is followed by drawing of business plans for discussion with corporate executives. These are then revised and approved for adoption. Environmental analysis is part of the process that scans the organisation's internal and external environment, develops a map detailing action plan for achieving desired objectives (Paun and Nedelea, 2009). Strategy is deemed to be an inter-link between an environment, an organisational operating system and the leadership (Mintzberg, 1987). Determining organisation strengths aids in the formulation of strategies; generally broken down into three organisational

levels: operational, competitive, and corporate.

Situation analysis or environmental analysis is the first step in strategy formulation. The analysis provides information necessary to create an organisational strategic intent. Situation analysis involves "scanning and evaluating the organisational context, the external environment, and the organisational environment" (Coulter, 2005). Such systematic analysis can only remain relevant in a more stable environment.

Organisational activities and processes may lead to long term decisions which define the direction and eventually develop as the organisation's strategy (Whittington, et al., 2005). This process is viewed by Quinn (1980) as logical incrementalism. In his reference, Quinn describes this as learning by experimentation and building on sub-systems. From his studies, this scholar notes that managers play an important role and adopt a generalised view in seeking to have their organisation move in the desired direction. This allows them to experiment and in return come up with favourable strategies. To effectively do this, the managers are seen to be sensitive to environmental uncertainty through continual scanning. The management engages sub-systems which allow for involvement of other groups within the organisation to facilitate inclusiveness in the strategy process.

The conceptual framework developed by Stonich (1982), Hambrick and Mason (1984), Mintzberg and Lampel (1999) and Chakravarthy and White (2002) consist of explicit key implementation factors. These were the first implementation frameworks

to have appeared in the field of strategic management. An analysis of these frameworks reveals important similarities among them. In their studies, Alexander (1985), Dess and Beard (1984) and Thompson and Strickland (1989) made reference to the same implementation factors. Strategy implementation is viewed as the harder step compared to formulation because it is expected to yield results, calling for appropriate actions that would ensure success. Strategy implementation is the vital phase of strategy process for it involves putting the strategy into practice (Coulter, 2005; Nickols, 2011). This includes developing steps, methods, and procedures to execute the strategy. It also includes determining which strategies to be implemented first and those to be implemented later (Nickols, 2011). Coulter (2005) argues that "the approaches to implementing the various strategies should be considered as the strategies are formulated". The organisation should consider how the strategies will be put into effect at the same time that they are being created. For example, while developing the human resources strategy involving employee training, things that must be considered include how the training will be delivered, when the training will take place, and how the cost of training will be covered. Strategy implementation though deemed difficult (David, 2003) is undoubtedly a critical phase for organisation's survival. Thompson and Strickland (1989) describe this phase as a 'make things happen activity' implying that its orientation is execution. Formulated strategies may fail if implementation is not effectively and efficiently done. According to Johnson and Scholes (1993), successful strategy implementation is a factor of

organisational structure, resource allocation and strategic change management.

A strategy can only be said to be successful if it yields intended results. Mintzberg (1987) coined the term 'crafting strategy' to suggest that it is the actual involvement in a business that will determine the outcome or success of strategies formulated. He brings out the subject clearly in his choice of a potter whose final work depends on the interaction between the potter's hands and the clay to bring out what the potter envisaged. The same is replicated in the business world where some strategies are well formulated but few of them come through to implementation because the parties involved are passive as they pay no active role in their implementation. Based on their research and consultancy work, Waterman, et al. (1980) argued that effective strategy implementation is essentially attending to the relationship between the following seven factors; commonly referred to as McKinsey's 7-S model.

Hofer and Schendel (1978) suggest that the implementation stage of strategic management is primarily administrative where one ensures a fit between the chosen strategy and organisation culture. Tampoe and Macmillan (2000) argue that the overall leadership and management of the organisation determine how effective an organisation strategy shall be executed. The efficiency in strategy implementation is a factor of personnel skills which is basically having the right person for the right job. As David (2003) put it, strategy implementation entails mobilizing

employees and managers to turn formulated strategies into action.

Developed strategies do not always succeed because they are prone to effects of internal and external environmental changes thus the need to monitor and review them regularly (Paun and Nedelea 2009). Factors such as changes in social trends, technology and forces of competition influence the strategy in place. Strategy evaluation and control ensures minimal deviation from the predetermined procedures. Regular updating of strategies leads to organisation and environmental alignment.

Strategy evaluation involves "examining how the strategy has been implemented as well as the outcomes of the strategy" (Coulter, 2005). This includes determining whether deadlines have been met, whether the implementation steps and processes are working correctly, and whether the expected results have been achieved. If it is determined that deadlines are not being met, processes are not working, or results are not in line with the actual goal, then the strategy can and should be modified or reformulated.

Strategic planning in a turbulent environment

Alexander (1985) asserts that, one reason implementation fails is that practicing managers and supervisors do not have practical models to guide their actions. Without adequate models, they attempt implementing strategies without a good understanding of the multiple factors that must be addressed to ensure success. Alexander notes that there is a significant need for comprehensive conceptual models related to strategy implementation.

In his study, found a number of explanations from CEOs of 93 firms during follow up telephone interviews 76% of the sampled firms found that their implementation efforts took more than originally allocated. This problem occurred mainly because top management: understates how long various implementation tasks will take to complete; downplays the likelihood of potential problems that may or may not occur; and blind to other problems occurring together. Obviously, when all these three factors occur during implementation, it can lengthen the time it will take to implement the decision effectively. He further observed that 74% of the sampled firms had major problems that had not been identified beforehand surfaced during implementation, thus affecting implementation. 66% indicated that coordination of implementation activities was not effective enough while another 66% reported that competing activities and crises distracted attention from implementing a decision. The capabilities (skills and abilities) of employees involved in strategy implementation were not sufficient as per 63% of the sampled firms. 62% of the firms witnessed inadequate training and instructions given to lower level employees while 60% of those firms cited uncontrollable factors in the external environment (competition, economic, governmental, among other factors) had an adverse impact on strategy formulation and implementation. The above study findings were for a study done in 1980s. One wonders whether these findings would remain the same if the study was to be replicated in 2012!

It is commonly believed that organisations get formalized and highly procedural with growth and complexity according to Mintzberg (2008) but studies by Papadakis, et al., (1998) indicate that organisations face difficulties in organizing and maintaining consistence in the understanding of the process within the organisation. Kleindienst and Hutzschenreuter (2006) argue that organisations prone to environmental turbulences prudently allow for modest margin of error. They enhance the decision making process to guard against effects of uncertainties. In describing the influence past performance may have on strategy process, these authors insinuate that ignorance and increase in politics and conflicts (Papadakis, et al., 1998) may arise within the organisation.

Strategies have also been linked to manager's personal and cognitive characteristics. In their studies, Fredrickson and Iaquanto (1997) found that group size or involvement impacted on agreement and comprehensiveness in the strategy process. Other researches indicate that quality and commitment to the strategy process is directly related to perception of the strategist on the fairness and openness of the process. Strategic choices pursued by a strategist may be a reflection of culture, age or expertise (Kleindienst and Hutzschenreuter 2006). These factors are quite subjective and makes planning as fluid as the ability to make strategic or operational decisions.

In determining the impact of the strategy process on outcome, researches carried out indicate that strategic planning and performance positively correlate (Anderson, 2004). Strategic planning

facilitates communication and coordination within the organisation. Bungay (2011) argues that the relationship between planning and performance varies with the environment, with turbulent environments calling for more information to enable match the organisation's strategy with environment. In resource allocation routines, strategies are seen to emerge from the processes within organisations. Whittington, et al., (2005) argue that though strategic decisions are made at the top, resolutions and what to do is carried out at much lower levels. By virtue of routine resource allocation in pursuing a given project, strategic directions are thus defined. In extremely turbulent environments, resource allocation and cost control measures tend to pull in the opposite direction, making strategy implementation extremely difficult in light of increased competition, making some firms to end up closing operations.

Whittington, et al., (2005) contend that given uncertainty, organisations will pursue courses of action that they are familiar with. This is to mitigate losses arising from unfamiliarity in which case then, the direction of the organisation will have been dictated by doing things the way they are done. Strategy is then construed to arise from assumptions and behaviours in the organisation. The shortcoming of this process is that it fails to recognize the impact of environmental uncertainty on organisational strategy and performance. Strategies are seen as developing from negotiations among internal and external stakeholders. Top executives seek to control major resources and are seen as bona fide owners of the strategy process (Levy, et al., 2006) locking out the role played by society in enhancing strategic

management of organisation. The outcomes of this are highly charged boardroom wars which if not managed may lead dysfunctional organisations or can positively influence new ideas. Studies on this area focus on the internal struggles giving little attention to the external stakeholders defined by the organisational context.

It is evident that as early as 1990s, the strategy process was facing several challenges. How much will the strategic planning process survive the challenges after 2010s? While organisational systems determine adaptability, the rate at which the organisation responds to the environmental change can either be hampered or enhanced by leadership. These aspects of strategy formation are a reflection of the practice in many organisations and are critical in determining organisational strategy (Coulter, 2005). In his article, Coulter observed that *modern organisations struggle with staffing challenges stemming from increased knowledge work, labor shortages, competition for applicants, and workforce diversity*. Grant (2003) argue that organizations that have rigid styles are more difficult to adopt to change than those that have a flexible structure. He further argues that change leaders seek the ideas and advise of those below them in the hierarchy. This is a participatory way of managing change in order to meet customer expectation. In other words, systems should support both internal and external changes.

Purcell and Boxal (2003) argue that the human capital is the most important asset that an organization has and cannot be

replicated. It is therefore prudent that organizations have the right staff in the right places doing the right jobs. In order for the organization to achieve its goals, the staff must ascribe to them as much as possible. This requires the organisation to even train their staff in order to enable them to understand the environment in which they operate in so that they can embrace and accommodate change. This way, organizations can be rest assured that they will be able to satisfy their customers and maintain a competitive edge.

Abercrombie, et al., (1980) posit that shared values are what engender trust and link an organization together. Shared values are also the identity by which your organization is known throughout its business areas. Every organization and every leader will have a different set of values that are appropriate to its business situation. Although Waterman, et al., (1980) defined and discussed each of these factors individually they did not provide clear examples and explanations for the relationships and interactions between them. They did not evaluate how their relationships actually make strategy implementation happen, but emphasized that achieving a fit between the seven elements enhances effectiveness in an organisation. A blend of formality and informality suiting the organisational context thus enhance strategic process.

The strategy as an emergent process and strategy as deliberate process schools of thought operating independent of each other seems elusive of what happens in real practice. The environment in which organisations operate is dynamic calling for alignment of organisational strategy with the former resulting in continuous

modification. Strategy is thus not a result of single comprehensive analysis and a Strategic Plan for a given period. Crisis may drive sustainable strategy. Having reviewed the existing literature on the strategy process, there's not much emphasis laid on what contributes to the managers being monopolists of an exercise that should be devolved and owned in the entire organisation. The indications are that the flow of the processes is top-down. They emanate from management. How effectively can organisational structures and processes support participation in strategy processes? Could it possible that in the processes, interests of the senior management are propagated at the expense of organisational? Better management of the process would entail studies on strategic capabilities relevant to drive institutionalisation of strategic process within the organisation.

While the literature has been enriched by its multi-disciplinary pedigree, it has suffered from a lack of links with strategy outcomes, and with some notable exceptions, a focus on discrete decisions rather than patterns of decisions and actions over time (Laljani, 2002). An over-emphasis on base disciplines has resulted in fragmentation and a lack of multi-disciplinary perspectives in the same study.

The domain has also experienced methodological constraints. Most studies of strategy process to date have been retrospective case histories conducted after the outcomes were known; with the attendant risk that prior knowledge of success or failure may have resulted in bias (Laljani, 2002). While the case studies have provided rich insight, generalizability

has been problematic given their context specificity. Much of the work has been characterised by small sample sizes and self-reporting of phenomena, with the possibility that correlations do not reflect causality, and conversely that reciprocal causality is a very real possibility. Frederickson (1984) asserts that the field is characterised by little testing of many of the observations, and that the lack of empirical testing in strategy process research can be attributed to poorly trained investigators, the intangible nature of strategy process constructs, and the practical difficulties of doing strategic level research in terms of organisational access.

Consequently, most studies of the strategic decision process have produced either focused set of observations regarding one process question, or rich but loose description of the entire decision process. Similarly, Bailey and Johnson (2001) suggest that researchers have sought to derive explanations through the application of unitary frameworks whereas the reality is that the strategy development process is more likely to be multifaceted. It is also apparent that there is an overwhelming geographical bias, as much of the research remains based in the USA, with some European activity. Perspectives from Asia or other parts of the world are conspicuous by their absence. Redressing this balance and also conducting real time studies of strategic change processes as they unfold in their natural field settings using new methods and skills of action science will give this domain an added impetus.

"As performance results or outcomes are realized - at any level of the organisation -

organisational members assess the implications and adjust the strategies as needed" (Coulter, 2005). In addition, as the organisation grows and changes, so will the various strategies. Existing strategies will change and new strategies will be developed. This is all part of the continuous process of improving the business in an effort to succeed and reach organisational goals. Thanks to the efforts of various researchers, the authors' understanding of the realities of the strategic process has become richer and more finely grained over the years. However, much more remains to be done. In particular, many of the findings are descriptive, and do not lend themselves immediately to application in managerial practice.

Conclusion

Previous studies indicate that formalized strategic planning results in superior performance thus it is beneficial to an organisation. On the other hand, changes in the environment affect the validity and obsolescence of the developed strategies. The strategies may be good but due to variations caused by diverse environmental turbulence, organisations are forced to embrace dynamism in managing their plan. Though many researchers have depicted the strategy process as a linear exercise, the process is not clear cut and performed in practice (Paun and Nedelea 2009). This is because the top management may not follow the order of conceptual elements and that the boundaries dividing them are not easily distinguished. Given the continuous and rapid changes in the environment and in technology, following the strategic planning process as it is may be tricky.

In conclusion, there are significant gaps, both in theory and practice, in our understanding of how the strategic process can be managed better to produce the desired strategic outcomes. At the same time, there is considerable evidence to suggest that strategic capability is at the heart of the strategic effectiveness of the organisation. Consequently, an investigation into the nature and dimensions of strategic capability, given what is known about the realities of the strategic process, as well as how such a capability may be acquired or developed within organisational, team, and individual perspectives, offers a meaningful agenda for further research. An organisation's leadership and ability to manage change causes a fit into an extremely turbulent environment. Creating an organisational culture that embraces change and adapts fast to the changing environment determines the success and performance of an organisation.

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