

Strategic Intent and Organizational Performance A Study of Banks in Asaba, Delta State Nigeria

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Abstract

This study was on strategic intent and organizational performance in the banking industry. The purpose was to identify how strategic intent and its dimensions relates with organizational performance. The design of the study was cross-sectional survey. A self-report questionnaire was used for data collection. Two hundred and one respondents make up the study sample. The sample consists of 132 (65.5%) male and female 69 (34.5%). The respondents age ranged between 25 and 58 years. Data analysis rejected all the hypotheses tested. It was observed that strategic intent and its dimensions (mission, vision and objectives) significantly and positively relate with organizational performance. In addition, analysis of effect size revealed that strategic intent account for 34 percent variance in organizational performance. Mission dimension of strategic intent explained 47% variance in organizational performance, vision dimension of strategic intent explained 19% variance in organizational performance, and objective dimension of strategic intent explained 58% variance in organizational performance. It was concluded that overall strategic intent positively and significantly relate with organizational performance and that the various dimensions of strategic intent vary in the degree of variation they account for in organizational performance. It is recommended that founders of, and those who formulate policy and strategy for organizations reflect strategic intent in the organizational mission, vision and objectives. Further study should examine the intervening variables in the relationship.

Keywords: Strategy, Strategic Intent, Mission, Vision, Objectives, Organizational Performance

1. Introduction

Strategic intent represents a crystallized vision of an organization's aspired direction of growth and plays a pivotal role in shaping organizational resource allocation and capability development (Hamel & Prahalad 1994). Conversely, firms with low levels of strategic intent have a "scarcity of ambition" and frequently have trouble with effective goal setting. Strategic intent is about defeating competition and winning the market. It symbolizes and expresses a process of achieving competitive advantage (Brand, 2003). This is so because for an organization to win it should possess certain capability that others do not have or cannot easily and promptly imitate. To realize strategic intent, some level of activities (strategic action) and behaviour is required. Such activities comprise management focusing the attention of the organization on the essence of winning, motivating people by communicating the value of the target, leaving room for individual and team contribution, sustaining enthusiasm by providing new operational definition as circumstances changes and using intent consistently to guide resources allocation (Hamel and Prahalad, 1989).

Relatively recent a concept was theoretically linked to comparative advantage and consequently organizational performance. This concept is strategic intent. McBryde and Gary (2000) noted that through strategic intent sustained competitive advantage can be archived. Hamel and Prahalad (1989) coin the phrase strategic intent and defined it as an obsession of winning at all levels of the organization and that is sustained for a long period of time, usually 10 to 29 years. It is an obsession for winning that undermines limitations imposed by available resources and capabilities. More specifically, strategic intent is defined as management's vision of the firm that creates a misfit between current resources and future ambition (Hamel & Prahalad, 1989). An organization exhibits strategic intent when it relentlessly pursues ambitions strategic objectives and concentrates its competitive actions and energies on achieving the objectives (Brand, 2003). The organization must be optimally misaligned in order to use strategic intent for value creation. Optimal misalignment entails a firm that seeks a competitive goal that is seemingly improbable given the firm's current capabilities. Striving for the seemingly impossible goal guides management in obtaining the capabilities necessary for successful competition by enacting observable, firm wide goals (Brand, 2003). Strategic intent also needs to align with strategic action to avoid some forms of strategic dissonance (Burgelman & Andrew, 1996).

Strategic intent involves statement of direction and intention. And the means by which organization largely expresses its intention are mission, vision and objective statements. Therefore, to confirm the existence of strategic intention would most likely require examine these statements. In the literature, mission, vision and objectives are widely identified as avenues of expressing strategic intent (Brand, 2012).

Organizational performance is the extent to which the organization is able to meet the needs of its

stakeholders and its own needs for survival (Tarabieh & Al-alak, 2011). It is the degree an organization attained its goal, acquired the needed resources, functions with minimum strains and meets the needs and expectations of its stakeholders (Nwanzu, 2013). Large number of proposals on what determines organizational performance exists. And some variables such as organizational citizenship behaviour, transformational leadership style, and organizational culture have been widely and empirically identified as determinant of organizational performance. However, a comparatively recent proposal on determinant of organizational performance that has not attracted much empirical investigation is strategic intent (Richard, 2013).

Strategic intent is a short, succinct, and inspiring statement of what the organization intends to become and to achieve at some point in the future, often stated in competitive terms. It is an obsession of winning at all levels of the organization and that is sustained for a long period of time. Strategic intent was conceptually presented in the literature as a concept that has the potential to initiate core competencies and influence attainment of competitive advantage, and consequently performance. Since the introduction of the concept into the literature some studies have investigated its relationship with organizational performance.

However, review clearly indicated some gap in strategic intent and organizational performance relationship - there is shortage of study on the relationship between strategic intent and organizational performance at global level Richard (2013) and also in the Nigeria context. More so, both at local and international level there is shortage of study on the relationship between strategic intent and organizational performance in banking industry. The need to investigate strategic intent in the banking industry is obvious. The banking industry is very competitive. And conceptually strategic intent was proposed to enhance comparative advantage. This study, thus seeks to address these gaps by examining the degree of strategic intent and the relationship between strategic intent and organizational performance in the banking industry, and in the Nigerian context.

2. Literature Review

2.1 Strategy

Strategy is a complex concept that involves many different processes and activities within an organization. Strategy could be defined as a comprehensive plan that identifies long-term direction for an organization and guides resources utilization to accomplish organizational goals with sustainable competitive advantage. It is the means by which long-term objectives will be achieved. Business strategies may include geographic expansion, diversification, acquisition, product development, market penetration, retrenchment, divestiture, liquidation, and joint ventures (Grant, 2002).

Strategies are potential actions that require top management decisions and large amounts of the firm's resources. In addition, strategies affect an organization's long-term prosperity, typically for at least five years, and thus are future-oriented. Strategies have multifunctional or multidivisional consequences and require consideration of both the external and internal factors facing the firm. Strategy could be intended or emergent. Intended strategy is the strategy that an organization hopes to execute. Intended strategies are usually described in detail within an organization's strategic plan. An emergent strategy is an unplanned strategy that arises in response to unexpected opportunities and challenges. A realized strategy is the strategy that an organization actually follows. Realized strategies are a product of a firm's intended strategy (i.e., what the firm planned to do), the firm's deliberate strategy (i.e., the parts of the intended strategy that the firm continues to pursue over time), and its emergent strategy (i.e., what the firm did in reaction to unexpected opportunities and challenges).

Organizational strategy exists in three level, corporate (corporate strategy), operational (competitive strategy) and functional (operative strategy) (Monroe, 2012). Corporate strategy is concern with the broader issues of what industries the organization wants to compete in. it deals with mergers and acquisitions, and allocates resources between the organization's strategic units. Operational strategy refers to those functional level strategy created to implement and execute competitive advantage. It deals with decisions according to functional lines such as R&D, marketing and finance. It is concern with how the component parts of the organization in terms of resources, processes, people and their skills effectively deliver the corporate- and business-level strategic direction (Grant, 2002; Johnson & Schole, 1999). Competitive strategy refers to those strategies employed to determine how the organization will compete in its market, aimed to secure sustainable competitive advantage. In other words, it is strategy that operates at the business level.

Table 2.1 presents strategic hierarchy.

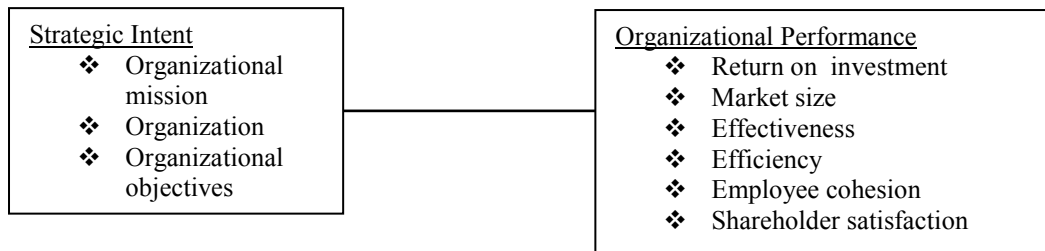


Figure 2.1: Conceptual Frameworks.

Source: Reviewed Literature

Box “A” of Figure 2.1 represents strategic intent- the independent variable. Strategic intent has three components (mission, vision and objectives). Box “B” represents organizational performance- the dependent. A common criticism of studies on organizational performance centered on the use of only financial indicators. This study addresses this weakness by adopting four perspectives (goal, system resources, internal processes and stakeholder) of organizational performance. Goal model (effectiveness and efficiency); system resources (return on investment and market size); internal processes model (employee cohesion) and stakeholder model (shareholder satisfaction). By this both financial and non-financial indicators of organizational performance were examined in this study.

2.2 Strategic Intent

The concept of strategic intent has been recognized in the strategic management literature as important in order to understand the general direction in which a business is headed (Sneddon, & Mazzarol, 2002). Hamal and Prahalad (1989) introduce the concept strategic intent into the literature and defined it as an obsession of winning at all levels of the organization and that is sustained for a long period of time. It is an obsession for winning that undermines limitations imposed by available resources and capabilities. Hamel and Prahalad (1989) viewed strategic intent as critical to the long-term survival of the firm, especially for those wishing to obtain global leadership.

Strategic intent is the planned direction to be pursued by the organization. It is a short, succinct, and inspiring statement of what the organization intends to become and to achieve at some point in the future, often stated in competitive terms. It refers to the category of intentions that are broad, all-inclusive and forward thinking. It is the image that an organization must have of its goals before it sets out to reach them. It describes aspirations for the future, without specifying the means that will be used to achieve those desired ends. It is stable over time, and set goals that deserve personal effort and commitment. It is a vision that defines the desired leadership position for the organization and grounds the objectives by which success will be assessed. It is the heart of all strategy.

To realize strategic intent, some level of activities (strategic action) and behaviour are required. Such activities comprise management focusing the attention of the organization on the essence of winning, motivating people by communicating the value of the target, leaving room for individual and team contribution, sustaining enthusiasm by providing new operational definition as circumstances changes and using intent consistently to guide resources allocation. Strategic intent should also create an internal firm wide tension, inspiring and compelling all employees to be dedicated to the specified future direction (Hamel & Prahalid, 1994).

Zimmermam (cited by Ice, 2007) describe taxonomy of possible strategic intentions. This is presented in Table I below.

Table 2.1: Taxonomy of Possible Strategic Intentions

| S/N | Strategic Area | Definition |
|-----|------------------------|---|
| 1 | Products offered | Focused on the current product mix, look for ways to improve or extend current product capabilities and achieve higher penetration of current markets |
| 2 | Market needs | Provides a range of products to fill current or emerging needs of identified markets; develops new products/services; searches for new markets with similar characteristics |
| 3 | Technology | Offers only products/services that emanates from or capitalize on its technical capabilities; seeks new applications for its technology |
| 4 | Production Capability | Leverages production know-how, processes, systems and equipment: commodity. Inform of commodity characterized by long runs and economies of scale, produces wide range of products which utilize its production know-how. |
| 5 | Method of Sale | Established primary method for convincing customers to buy its products and determines products, markets and geographic scope on the bases of this method of sale |
| 6 | Method of Distribution | Leverages strong distribution channels to deliver products; determines product mix, customers and geographic scope based on existing channels. |
| 7 | Natural Resources | Develops products through the use of conservation of natural resources. |
| 8 | Size/Growth | Determines the products and markets service based on the desire to become larger or smaller; may push into unrelated markets if potential for size/growth exists; often an interim drive force. |
| 9 | Return/Profit | Desires for specific levels of return drive the product and market decisions of this organizations, will change market scope in order to achieve its return/profit requirements |

Source: Ice (2007)

The importance of clear strategic intent has been noted. As Ice (2007) remarked, organizations that are unclear on which strategic intent drives their business or try to operate from multiple strategic intents will produce conflicting priorities, wasted resources, indecision and frustration in the work place and the confusion in the market place.

Influences On Strategic Intent

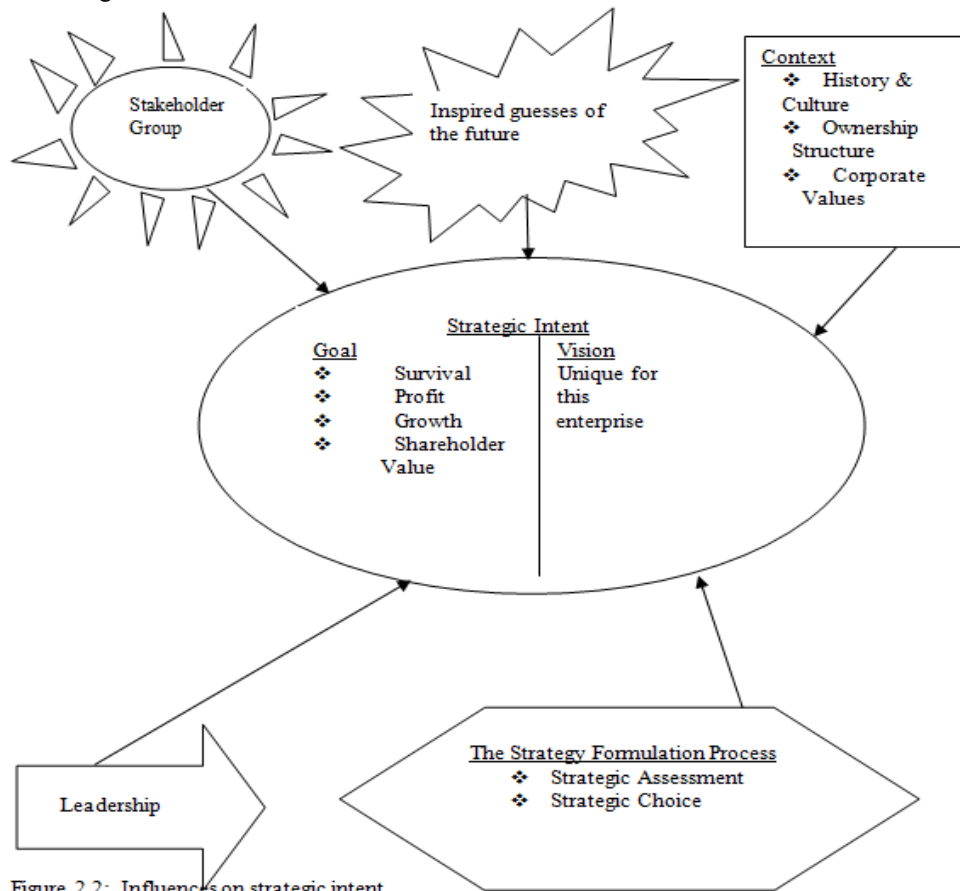


Figure 2.2: Influences on strategic intent
 Source: Brand (2012)

Strategic intent of organizations has been reported to be influenced by some factors. Brand (2012) identified seven factors that comprise stakeholders, leadership, inspired guesses of the future, history and culture, ownership structure, corporate values, strategic assessment and strategic choices. Strategic intent in practice requires acceptability of stakeholders, consistent with the history and culture of the enterprise and must stretch beyond its present aspirations and practices.

2.3 Organizational Mission, Vision and Objectives

Strategic intent express future-oriented behaviour, Consequently strategic intent reflects in the mission, vision and objective of the organization (Brand, 2012). Mission and vision statement are the important explanation of an organization strategic view (Candemir & Zalluhoglu, 2013). The position of strategic intent in these organizational statements is widely expressed in the various definitions of the concept. Strategic intent is a dream, an emotion, a distillation of strategy, a goal and a mission (Hamel & Prahalad, 1989), it is mission for the organization, a statement of goal articulated by the management and it is an organization’s vision of what it want to achieve in the long-term (kotter, 2002; Moroe, 2012)). Strategic intent should lead to an end. That end is the mission of the organization; it is what the organization would ultimately like to become (Jyothimon, 2014).

2.3.1 Organizational Mission

A mission statement is a formalized document defining an organization’s unique and enduring purpose (Gharieghi, Nikbakht, & Bahar, 2011). In the literature mission is widely identified as one avenue of expressing strategic intent (Brand, 2012). An organization’s mission is the purpose or reason for the organization existence. It tells what the organization is providing to the society. It defines the fundamental, unique purpose that set an organization apart from other organization of its type and identifies the scope or domain of the organization’s operations in terms of products (including service) offered and the market served (Candemir & Zalluhoglu, 2013). The mission statement promotes a sense of shared expectation amongst employees and communicates a public image of the organization to important stakeholders (Analoui & Karami, 2002).

Mission statement aimed to ensure unanimity of purpose within the organization, it provide a bases for motivating the use of the organizational resources, it provide a basis or standard for allocating organizational resources, it establishes a general tone or organizational climate, and it serves as a focal point for those who can identify with the organization’s purpose and direction (Jyothimon, 2014).

2.3.2 *Organizational Vision*

An organizational vision is often associated with the founder(s) of the organization and represents a desired state which the organization aspires to achieve in the future. Vision statement describes what the organization would like to become. A vision statement reflects an organization's values and aspirations and intended to capture the heart and mind of each employee and, hopefully, many of its other stakeholders (Candemir & Zalluhoglu, 2013). A good vision is inspiring and exciting, fosters long-term thinking, fosters risk-taking and experimentation, helps in the creation of a common identity and shared sense of purpose, is competitive, original and unique, and represents integrity and is truly genuine (Jyothimon, 2014).

2.3.3 *Organizational Objectives*

An organizational objective is a statement which describes what an organization is hoping to achieve. It is the specific result an organization aims to achieve within a time- frame and with available resources (Koontz, 2011). Objective is a measurable target or benchmark that must be met on the way to attaining goal. Objectives kindle the enthusiasm and spirits of employees at all level.

Peter (2014) listed 10 benefits of objectives to the organization. Objectives determine strategy, provide a guide to action, provide a framework for decision making, coordinate activities, facilitate prioritization and resolve conflicts between departments, measure and control performance, encourage a concentration of long term factors, motivates employee, provide bases for decision making, and provide shareholders with a clear idea of the organization in which they invest.

2.4 *Organizational Performance*

The concept of organizational performance is based upon the idea that an organization is a voluntary association of productive assets, including human, physical, and capital resource, for the purpose of achieving a shared purpose. Those providing the assets will only commit them to the organization so long they are satisfied with the value they received in exchange, relative to alternative uses of the assets (Carton, 2004). It is also often assumed that organizational performance is relatively stable, predictable, determinable, and controllable (Monroe, 2012)

Organizational performance is a highly sort and research variable, but difficult to conceptualized. The treatment of performance in research setting is perhaps one of the thorniest issues confronting academic research today (Mavondo, Gunasekaran & Yamin, 1999). The definitional problem arises largely because the organization has multiple stakeholders (shareholder, employees, customers, suppliers, community, and regulatory government agency) with varied and sometimes incompatible needs and expectations. This has resulted in a number of indicators on organizational performance. For instance, Steer (1975) identified 15 different indicators that have been used by one or more analysts in the measurement of organizational performance. These include adaptability-flexibility, productivity, satisfaction, profitability, resource acquisition, absence of strain, control over environment, development, efficiency, employee retention, growth, integration, open communication and survival. Consequently, organizational performance is a multi-dimensional concept, reflecting both financial and non financial indicators. Scott (1992) grouped these indicators into three - outcomes, processes and structure. Outcomes measures focus on materials or objects on which the organization has performed some operation. Process measures assess efforts rather than effect. Structural measures assess the capacity of the organization for performance.

Multiple indicators has resulted in a number definition on organizational performance For example, organizational performance is the degree an organization achieves it goals, the degree an organization acquires the needed resources, the degree an organization maintains internal harmony, and the degree an organization satisfies it stakeholders, (Nwanzu, 2013). Above definition reflects some model of organizational performance. However, March and Sutton (1997) highlighted a number of difficulties evident in the measurement of organizational performance. First, the future performance may be a reflection of past performance, secondly, the organization performance can be reversed over time due to feedback mechanisms, and third, that differences exist between short-term and long-term influences on organizational performance

2.4.1 *Models Of Organizational Performance*

A number of models on how organizational performance should be assessed exist. Below is a succinct presentation organizational performance models.

- (a) Goal attainment model:
- (b) Systems resources model:
- (c) Internal processes model:
- (d) Strategic constituencies/Stakeholders model:
- (e) Competing values model:
- (f) Ineffectiveness/fault driven model:
- (g) High performance system model:
- (h) Legitimacy model:
- (i) Managerial process model:

2.4.2 *Determinants Of Organizational Performance*

Some factors have been widely identified as determinant of organizational performance. These include structure, environment, leadership variable, organizational strategy, organizational culture, and organizational climate.

- (a) Organizational structure:
- (b) Environmental characteristics:
- (c) Technology:
- (d) Organizational culture:
- (e) Leadership style:
- (f) Job satisfaction and organizational commitment:

2.5. *Strategic Intent and Organizational Performance*

Some studies have been conducted on the relationship between strategic intent and organizational performance. Edison (2007) investigated the relationship between work team strategic intent and work team performance. The study was conducted on 57 student project teams in 12 classes (327) respondents in a defense acquisition university executive level, six week management class in six locations in San Diego. Result of the study revealed a significant direct relationship between work team strategic intent and team performance in all the 15 hypotheses tested. This means that significant relationship was observed in both composite and dimensional analyses of strategic intent.

A limitation of this work is in the instrument used to measure strategic intent. Strategic intent exists in statement of mission, vision and objective, but not every statement in mission, vision and objective is strategic intent. Strategic intent involves statement of intention and action. Contrarily, the measure developed and used for the study were statement on mission, vision and objective that did not expressed strategic intent. Examples of statement in the measure were “how similar is your understanding of your work team’s purpose to that of the other members of your work team?” “How similar is your understanding of your work team’s objectives to that of the other members of your work team?”

Fawcett, Smith & Cooper, (1997) surveyed 131 senior executives to determine whether there was a relationship between strategic intent and firm performance. They found that the greatest obstacle to competitive success seems to be maintaining focus and consistency among strategic goals and value added capabilities. And they concluded that what is measured is more important to employees than the stated strategic intent.

In Japan Laguinto (2011) investigated the relationship between intended strategies and performance in manufacturing firms. Using order of entry (pioneering and leapfrogging) this mixed method (qualitative and quantitative) study concluded that intended strategies has real impact on firm performance and this impact is contingent on environmental factors, in the case of the study, the prevailing business climate.

Monroe (2002) empirically investigated strategic intent in New Zealand firms and found a relationship between the possession and utilization of strategic intent and organizational performance. Successful firms were characterized to hold strategic intent by varying degrees. Those with high levels of strategic intent also possessed high levels of emotional connection to their employees.

Richard (2013) investigated the relationship between strategic intent, among other variables and organizational performance in pharmaceutical industry. In the qualitative study, three hypotheses on strategic intent-organizational performance were test. These were, (a) firm-level strategic intent is negatively related to short term firm’s performance, (b) there exists a negative relationship between the level of strategic intent and magnitude of short-term performance, and (c) that the negative short-term effects of firm-level strategic intent will attenuate over time. While the data analyzed confirmed the first two hypotheses, the third hypothesis was not supported. Richard (2013) study was very creative study. It goes beyond mere examination of direct relationship between strategic intent and organizational performance.

3. Methodology

3.1 *Research Design*

The study is a cross-sectional survey. First, cross-sectional survey design is very feasible for the time frame available for the completion of this study. Another reason for the choice of cross-sectional design is that it is very economical to undertake. As a student researcher, this is an important consideration. And finally, cross-sectional survey design is widely adopted in management research. Survey is the most frequently used organizational research methodology (Rogelberg, Fisher, Maynard, Hakel & Horvath, 2001).

3.2 *Research Population*

The study covered the staff of the sixteen banks in Delta State, Asaba metropolis. The total population was nine hundred and ninety five staff of the sixteen banks. This information was obtained from the human resource departments of the banks.

Asaba is the capital of Delta State. It is the administrative seat of the state. Consequently, it is well

populated by civil servants, a few white collar workers, artisans and business men and women. This feature has attracted a number of banks to the place. As a matter of fact, almost all the major banks in Nigeria have one or more branches in Asaba. The banks and their workforce are presented in Table 3.1 below. The information was obtained from the human resource departments of the banks.

Table 3.1: The Banks And Their Work Force

| SN | Banks | Workforce |
|----|-----------------|-----------|
| • | Access Bank | 70 |
| • | FCMB | 80 |
| • | First bank | 80 |
| • | Eco Bank | 150 |
| • | Fidelity Bank | 40 |
| • | Diamond Bank | 40 |
| • | GTB | 40 |
| • | Keystone bank | 40 |
| • | Mainstream Bank | 30 |
| • | Stanbic Bank | 30 |
| • | Sterling Bank | 30 |
| • | Skye Bank | 30 |
| • | Union Bank | 60 |
| • | UBA | 150 |
| • | Wema Bank | 25 |
| • | Zenith Bank | 100 |
| | TOTAL | 995 |

Source: Human Resource Departments of the Banks

3.3 Sampling Techniques and Size

A total of 240 questionnaires were distributed to management level staff in the 16 banks. After an interval of two weeks, 225 filled questionnaires were received. This gives 93.75 return rate. However, after sorting out the questionnaires that were not completely and properly filled, 201 questionnaires (participants) were used in data analysis. The return rate expressed above exceed survey response rate levels and trends in organizational research (Baruch & Holton, 2008). Specifically, (Baruch & Holton, 2008) reported average response rate of 52.7% (standard deviation of 20.4) and 35.7% (standard deviation, 18.8) for studies that utilized data collected from individuals and organizations respectively.

Table 3.2: Respondents from each banks

| Sn | Banks | Respondents |
|----|-----------------|-------------|
| • | Access Bank | 14 |
| • | FCMB | 14 |
| • | First bank | 16 |
| • | Eco Bank | 30 |
| • | Fidelity Bank | 8 |
| • | Diamond Bank | 8 |
| • | GTB | 8 |
| • | Keystone bank | 8 |
| • | Mainstream Bank | 6 |
| • | Stanbic Bank | 6 |
| • | Sterling Bank | 6 |
| • | Skye Bank | 6 |
| • | Union Bank | 12 |
| • | UBA | 30 |
| • | Wema Bank | 5 |
| | Zenith Bank | 22 |
| | Total | 201 |

Source: Data Collected for the Study

3.4 Method Of Data Collection And Analysis

The questionnaires were administered to two hundred and forty employees in the sixteen banks used for the study. Non probability sampling techniques was used to select the participants. The participants were allowed to

take the questionnaires and respond to them within two weeks. However, within the two weeks, this researcher was visiting the banks to retrieve the questionnaires.

Both descriptive and inferential statistics were adopted for data analysis in this study. The descriptive statistics include diagrams (table and figures) and numbers (mean, standard and deviation). The inferential statistics was simple regression.. This statistics was applied to all the hypotheses. Simple regression was appropriate for this study because the hypotheses tested relationship and established effect size. Like every parametric statistics, Regression coefficient for significant testing required meeting some assumptions. This study was mindful of the assumptions. For instance, the requirement of interval scale for the use of simple regression was met with the adoption of likert scaling format. Data for the study from individual respondent was independent of each other. This means that the score of a participant did not affect the score of another participant in the data set. The statistical package for the data analysis was SPSS version 16.

4. Data Analysis And Presentation

4.1 Descriptive Statistics

The necessity for descriptive statistics on data for any study cannot be over emphasis as decisions based on descriptive statistics alone have a dramatic lower error (Field, 2000). Little wonder, Field, (2000) recommended that a results section should first and foremost be devoted to careful and systematic description of data. In Table 4.1 below the descriptive statistics on the characteristics of the respondents were presented.

Table 4.1: Descriptive Statistics On Characteristics Of the Participants

| | Frequency | Percentage (%) |
|---------------------|-----------|----------------|
| Gender | | |
| Male | 132 | 65.5% |
| Female | 69 | 34.5% |
| Marital Status | | |
| Single | 51 | 25.3% |
| Married | 150 | 74.6% |
| Age Group | | |
| <25 | 20 | 9.95% |
| 26-35 | 99 | 49.25% |
| 36-45 | 44 | 21.89% |
| 46-55 | 30 | 14.92% |
| 56- above | 8 | 3.98% |
| Tenure | | |
| < 1yr | - | - |
| 2-10 yrs | 67 | 33.33% |
| 11- 20 yrs | 104 | 51.74% |
| 21-30 yrs | 30 | 14.93% |
| 31 and above | - | - |
| Education. | | |
| First Leaving Cert. | | |
| WASC/SSCE | - | - |
| OND | - | - |
| HND/BA/B.Sc | 160 | 79.60% |
| MA/MSc | 41 | 20.40% |
| Ph.D | - | - |
| Professional Cert | 164 | 81.59% |

Source: Data Collected

Table 4.1 shows the descriptive statistics of the respondents' characteristic. For gender, the statistics shows that 132 (65%) of the respondent were male, while 68 (34%) were female. For marital status, 51 (25.30%) of the respondents were single, while 150 (74.7%) were married. For age, 20 (9.95%) of the respondents were less than twenty-five years old, 99 (49.25%) were between the age of 26 and 35, 44 (21.89%) were between the age of 36 and 45, 30 (14.92%) were between the age of 46 and 55, 8 (3.98%) were 56 years and above. For tenure, none of the member of the staff was less than 1 years in the job. Sixty-seven (33.33 %) had served between 2 and 10 years, one hundred and four (51.74%) had served between 11 and 20 years, thirty (14.93%) had served between 21 and 30 years. And no member of the staff had served above thirty-one years. The highest education for 160 (79.60%) of the respondent was HND/BA/BSc, forty-one (25.40) had MA/MSc as highest education. None of the respondents reported having a doctorate. One hundred and sixty four (81.59) of the respondent has professional certificate. In Table 4.2 below the descriptive statistics on strategic intent is presented.

Table 4.2: Descriptive Statistics On Strategic Intent Data

| Variable | Min | Max | M | SD |
|---------------------|------|------|-------|------|
| SI ^x | 3.60 | 4.60 | 4.061 | .214 |
| SIMD ^{xx} | 3.50 | 4.70 | 4.05 | .198 |
| SIVD ^{xxx} | 3.60 | 4.70 | 4.85 | .196 |
| SIOD ^{xxx} | 3.70 | 4.40 | 4.40 | .149 |

x Strategic intent, xx Strategic intent mission dimension, xxx Strategic intent vision dimension, xxxx Strategic intent objective dimension.

Source: Data Collected

Table 4.2 above shows the descriptive statistics on strategic intent and its dimensions. The statistics covered the minimum, maximum, mean and standard deviation on strategic intent and its dimensions. The minimum score ranged between 3.50 and 3.70, the maximum score ranged between 4.40 and 4.70, the mean score ranged between 4.05 and 4.85, and the standard deviation ranged between .149 and .214. The study adopted a five point scale. The statistics on the minimum, maximum and mean scores imply that the degree of strategic intent in the sampled banks was high. The SD statistics show that the data on strategic intent and its dimensions spread in the same degree.

Table 4.3: Descriptive Statistics On Organizational Performance Data

| Variable | Min | Max | M | SD |
|-----------------|------|------|------|------|
| OP ^x | 3.70 | 4.40 | 4.05 | .149 |
| OP ^x | 3.50 | 4.70 | 4.05 | .196 |
| OP ^x | 3.30 | 4.80 | 4.06 | .239 |
| OP ^x | 3.70 | 4.40 | 4.50 | .149 |

x Organizational performance

Source: Data Collected

Table 4.3 above shows the descriptive statistics on data for organizational performance, the dependent variable. The statistics covered the minimum, maximum, mean and standard deviation on organizational performance. The minimum score ranged between 3.30 and 3.50, the maximum score ranged between 4.40 and 4.80, the mean score ranged between 4.05 and 4.06, and the standard deviation ranged between .149 and .239.

Table 4.4: Simple Regression Analysis On The Relationship Between Strategic Intent And Organizational Performance

| Variable | N | df | r | R ² | Adjusted R | M | SD | p |
|------------------|-----|-----|------|----------------|------------|-------|------|------|
| Strategic Intent | 201 | 199 | .202 | 0.40 | 0.34 | 4.061 | .214 | .004 |
| Org. Performance | 201 | | | | | 4.036 | .373 | |

Source: Data Collected

Table 4.5: Simple Regression Analysis On The Relationship Between Mission Dimension Of Strategic Intent And Organizational Performance

| Variable | N | df | r | R ² | Adjusted R | M | SD | p |
|------------------|-----|-----|------|----------------|------------|-------|------|------|
| Strategic Intent | 201 | 199 | .231 | .053 | .047 | 4.061 | .214 | .001 |
| Org. Performance | 201 | | | | | 4.052 | .241 | |

Source: Data Collected

Table 4.6: Simple Regression Analysis On The Relationship Between Vision Dimension Of Strategic Intent And Organizational Performance

| Variable | N | df | r | R ² | Adjusted R | M | SD | P |
|------------------|-----|-----|------|----------------|------------|-------|------|------|
| Strategic Intent | 201 | 199 | .144 | .021 | .019 | 4.085 | .196 | 0.42 |
| Org. Performance | 201 | | | | | 4.063 | .239 | |

Source: Data Collected

Table 4.7: simple regression analysis on the relationship between objectives dimension of strategic intent and organizational performance

| Variable | N | df | r | R ² | Adjusted R | M | SD | P |
|------------------|-----|-----|------|----------------|------------|-------|------|------|
| Strategic Intent | 201 | 199 | .264 | .69 | .58 | 4.063 | .186 | .001 |
| Org. Performance | 201 | | | | | 4.052 | .149 | |

Source: Data Collected

5. Summary, Conclusion And Recommendation

5.1 Summary of Major Findings

Analysis on the data for the hypothesis revealed that strategic intent significantly and positively related to

organizational performance. This observation is congruent with the extant literature. For instance, Monroe (2002) empirically investigated strategic intent in New Zealand firms and found a relationship between the possession and utilization of strategic intent and organizational performance. Successful firms were characterized to hold strategic intent by varying degrees. Those with high levels of strategic intent also possessed high levels of emotional connection to their employees.

A plausible explanation for the positive relationship between strategic intent and organizational performance is the competitive and winning nature of strategic intent. In addition strategic intent strives for competence and these features have implication for organizational performance.

Data analysis also revealed significant and positive relationship between these various dimension of strategic intent and organizational performance. This observation has support in the literature. For instance, Edison (2007) investigated the relationship between work team strategic intent and work team performance. The study was conducted on 57 student project teams in 12 classes (327) respondents in a defense acquisition university executive level, six week management class in six locations in San Diego. Result of the study revealed a significant and direct relationship between work team strategic intent, purpose dimension of strategic intent, vision dimension of strategic intent, strategies dimension of strategic intent and team performance.

A plausible explanation for the relationship between mission, vision and objectives dimensions of strategic intent and organizational performance is that these organizational statements determine the activities of the organization that have implications for organizational performance.

The result of this study also revealed that objectives dimension of strategic intent had the highest relationship, and contributed most to organizational performance. In this study, it was observed that objectives dimension of strategic intent accounted for 58% variance in organizational performance, while mission and vision dimensions accounted for 47% and 19% variation in organizational performance respectively. A possible explanation for this observation is that among the various dimensions of strategic intent, objectives dimension is at the level of activities and execution. This makes it more likely to contribute to organizational performance.

5.2 Conclusion

On the basis of the inferential statistics (hypothesis testing) the following conclusion can be reached. Analysis of data for hypothesis 1 yielded regression coefficient of .202 and it was significant at .05 level. Therefore, it could be concluded that, overall strategic intent has a significant and positive relationship with organizational performance in the banking industry. Analysis of data for hypothesis 2 yielded regression coefficient of .231 and it was significant at .05 level. Therefore, it could be concluded that mission dimension of strategic intent has a significant and positive relationship with organizational performance in the banking industry. Analysis of data for hypothesis 3 yielded regression coefficient of .144 and it was significant at .05 level. Therefore, it could be concluded that vision dimension of strategic intent has a significant and positive relationship with organizational performance in the banking industry. Analysis of data for hypothesis 4 yielded regression coefficient of .264 and it was significant at .05 level. Therefore, it could be concluded that objectives dimension of strategic intent has a significant and positive relationship with organizational performance in the banking industry.

The regression coefficient on the relationships between the various dimensions of strategic intent were, mission (.231), vision (.144), and objectives (.264). Consequently, it could be concluded that the relationship between dimensions of strategic intent and organizational performance varies in degree.

On the bases of the effect size observed, it could be concluded that strategic intent contributes significantly to organizational performance. Overall, strategic intent contributes 40% to the variation in organizational performance. It could also be concluded that the various dimensions of strategic intent contribute positively to organizational performance, but in varied degree. Objectives dimension of strategic intent contributes most, followed by mission and vision dimensions in that order.

5.3 Recommendation

The extant literature as well as this study has shown that strategic intent positively relate with organizational performance. However, some issue on strategic intent-organizational performance literature needs to be addressed. Consequently, the following recommendations for further study are offered.

The existing empirical study on strategic intent-organizational performance is scare. Therefore further study on the relationship should be embarked upon. As with most organizational variable, the relationship between strategic intent and organizational performance is likely to be influenced by other variables. Therefore, further studies should aim at identifying the intervening variables (moderating and mediating) in the relationship. Finally, the large majority, if not all the empirical studies on strategic intent- organizational performance relationship used subjective data obtained through self-report questionnaire. There is high possibility of subjective data being distorted. Further study should collect objective data for analyses.

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