

The Impact of Strategic Planning on Organizational Performance: A Case Study of Peace Standard Pharmaceutical Nig. Ltd.

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Abstract- *This study explores the impact of strategic planning on the organizational performance of Peace Standard Pharmaceutical Nig. Ltd., a leading pharmaceutical company. Factors such as budget allocation, long-term goals, strategy implementation, strategy monitoring, leadership style, organizational culture, employee engagement, and HR management practices are analyzed to understand their influence on organizational performance. While some variables do not show a significant impact, such as budget allocation, long-term goals, leadership style, organizational culture, employee engagement, HR management practices, competitive landscape, economic conditions, and technological advancements, others like strategy monitoring and the regulatory environment exhibit varying degrees of influence. These findings contribute to improving the strategic planning process and driving organizational performance for Peace Standard Pharmaceutical Nig. Ltd. Further qualitative research methods can provide additional insights from key stakeholders to enrich our understanding of the relationship between strategic planning and organizational performance.*

Indexed Terms- *Strategic, planning, Organizational, performance, Budget, Leadership style.*

I. INTRODUCTION

Strategic planning is a critical aspect of organizational management that plays a pivotal role in guiding the decision-making process and aligning resources toward achieving long-term goals. The effectiveness of strategic planning in driving organizational performance has been a subject of great interest and

extensive research in various industries. In the specific context of Peace Standard Pharmaceutical Nig. Ltd., a leading pharmaceutical company, this study aims to explore the impact of strategic planning on the company's organizational performance. By examining and analyzing various factors related to strategic planning, such as budget allocation, long-term goals, strategy implementation, strategy monitoring, leadership style, organizational culture, employee engagement, HR management practices, competitive landscape, regulatory environment, economic conditions, and technological advancements, we seek to gain comprehensive insights into their influence on the organizational performance of Peace Standard Pharmaceutical Nig. Ltd.

The concept of strategic planning involves developing a clear vision and a well-defined roadmap to achieve organizational objectives. It encompasses the formulation, implementation, and evaluation of strategies designed to address the company's internal and external challenges and opportunities. Effective strategic planning enables organizations to align their resources, capabilities, and activities towards achieving their long-term goals and maintaining a competitive edge in the dynamic business environment.

The pharmaceutical industry is characterized by intense competition, evolving regulatory frameworks, rapidly advancing technologies, and changing market dynamics. In such a complex and challenging landscape, strategic planning becomes even more crucial for organizations like Peace Standard Pharmaceutical Nig. Ltd. to navigate through uncertainties, capitalize on emerging opportunities, and sustain growth and profitability.

Budget allocation is a fundamental component of strategic planning, as it determines the financial resources available to execute strategic initiatives. However, it is important to assess whether budget allocation alone significantly impacts the organizational performance of Peace Standard Pharmaceutical Nig. Ltd. In the context of this study, the ANOVA analysis results indicate that the variable "Budget" does not show a significant impact on organizational performance ($p > 0.05$). This suggests that the allocation of financial resources alone may not be a crucial factor in determining the overall performance of the company. Hence, it becomes imperative to explore other variables and their potential impact on organizational performance.

Long-term goals represent the desired outcomes and milestones that organizations strive to achieve over an extended period. The formulation and pursuit of long-term goals are important aspects of strategic planning. However, the ANOVA analysis results reveal that the variable "Long_term_Goals" does not have a significant impact on organizational performance ($p > 0.05$). This implies that the mere establishment and pursuit of long-term goals may not be strongly associated with the performance outcomes of Peace Standard Pharmaceutical Nig. Ltd. Consequently, it becomes crucial to delve into other factors that might influence organizational performance.

Strategy implementation is a critical phase in strategic planning, where organizations translate their strategic objectives into actionable initiatives and allocate resources accordingly. However, the ANOVA analysis results suggest that the variable "Strategy_Implementation" does not show a significant impact on organizational performance ($p > 0.05$). This finding indicates that the successful execution of strategic plans alone may not be sufficient to drive performance improvements in Peace Standard Pharmaceutical Nig. Ltd. To uncover the potential influences on organizational performance, further exploration of other variables is necessary.

Strategy monitoring involves actively tracking and evaluating the progress and outcomes of strategic initiatives. It provides organizations with valuable insights into the effectiveness of their strategies and

enables them to make timely adjustments if needed. In the ANOVA analysis, the variable "Strategy_Monitoring" shows a significant impact on organizational performance ($p < 0.05$). This suggests that actively monitoring and evaluating the implementation of strategic plans may play a role in influencing the overall performance of Peace Standard Pharmaceutical Nig. Ltd. Further investigation into this aspect can shed light on the specific mechanisms through which strategy monitoring contributes to organizational performance.

Leadership style represents the approach and behavior of top executives and managers in guiding and influencing organizational activities. The ANOVA analysis results indicate that the variable "Leadership_Style" does not demonstrate a significant impact on organizational performance ($p > 0.05$). This implies that the particular leadership style employed within Peace Standard Pharmaceutical Nig. Ltd. may not have a strong association with the organization's overall performance. However, it is important to recognize that leadership is a multifaceted concept, and other leadership-related factors, such as leadership effectiveness, communication, and decision-making processes, may influence organizational performance. Organizational culture refers to the shared values, beliefs, norms, and behaviors that shape the collective identity and working environment within an organization. However, the ANOVA analysis results suggest that the variable "Organizational_Culture" does not show a significant impact on organizational performance ($p > 0.05$). This suggests that the prevailing organizational culture may not be a key driver of performance outcomes within Peace Standard Pharmaceutical Nig. Ltd. Nevertheless, it is important to recognize the potential indirect influences of organizational culture on other variables, such as employee engagement and HR management practices. Employee engagement reflects the level of commitment, motivation, and involvement exhibited by employees towards their work and the organization. Although employee engagement is often considered a vital factor in driving organizational performance, the ANOVA analysis results indicate that the variable "Employee_Engagement" does not have a significant impact on organizational performance ($p > 0.05$) in the case of Peace Standard Pharmaceutical Nig. Ltd. This suggests that the level of employee engagement may

not strongly influence the overall performance of the organization. However, it is essential to explore other dimensions of employee engagement, such as job satisfaction, empowerment, and organizational support, to understand their potential impact on organizational performance.

HR management practices encompass various policies, processes, and strategies related to talent acquisition, training and development, performance management, and employee relations. However, the ANOVA analysis results suggest that the variable "HR_Management_Practices" does not demonstrate a significant impact on organizational performance ($p > 0.05$) for Peace Standard Pharmaceutical Nig. Ltd. This implies that the specific human resource management practices employed by the company may not have a substantial influence on its overall performance. Nonetheless, a more detailed exploration of specific HR practices and their alignment with strategic objectives can provide valuable insights into their impact on organizational performance.

The competitive landscape within which organizations operate has a significant influence on their performance outcomes. However, the ANOVA analysis results suggest that the variable "Competitive_Landscape" does not show a significant impact on organizational performance ($p > 0.05$) for Peace Standard Pharmaceutical Nig. Ltd. This implies that the competitive environment within which the company operates may not be strongly associated with its performance outcomes. However, it is important to recognize the dynamic nature of competition and the potential indirect effects of the competitive landscape on other variables, such as strategy formulation and resource allocation.

The regulatory environment encompasses the legal and compliance requirements imposed on organizations operating in a specific industry or jurisdiction. The ANOVA analysis results indicate that the variable "Regulatory_Environment" demonstrates a marginally significant impact on organizational performance ($p < 0.1$) in the case of Peace Standard Pharmaceutical Nig. Ltd. This suggests that regulatory factors and compliance requirements may have some influence on the overall performance of the company. Further exploration of the specific regulatory

challenges and their impact on different aspects of organizational performance can provide valuable insights for managing regulatory risks and leveraging regulatory opportunities.

Economic conditions, including macroeconomic factors such as GDP growth, inflation rates, and consumer spending, can significantly influence organizational performance. However, the ANOVA analysis results suggest that the variable "Economic_Conditions" does not show a significant impact on organizational performance ($p > 0.05$) for Peace Standard Pharmaceutical Nig. Ltd. This implies that the prevailing economic conditions may not strongly affect the company's overall performance. Nonetheless, it is important to consider the potential indirect effects of economic conditions on variables such as market demand, pricing strategies, and investment decisions.

Technological advancements play a crucial role in shaping the business landscape and the performance of organizations. However, the ANOVA analysis results suggest that the variable "Technological_Advancements" does not have a significant impact on organizational performance ($p > 0.05$) for Peace Standard Pharmaceutical Nig. Ltd. This suggests that the adoption or advancement of technology may not be strongly associated with the performance outcomes of the company. However, it is crucial to delve deeper into specific technological factors, such as digital transformation initiatives, research and development capabilities, and innovation processes, to understand their potential impact on organizational performance.

It is important to note that the interpretations provided above are based on the ANOVA summary results of the variables analyzed in this study. To obtain a comprehensive understanding of the relationship between strategic planning and organizational performance in the case of Peace Standard Pharmaceutical Nig. Ltd., further analysis and consideration of the specific context, organizational characteristics, and interdependencies among variables are necessary. Moreover, qualitative research methods, such as interviews and surveys, can provide valuable insights into the perceptions and experiences of key stakeholders, including employees,

managers, and customers, regarding the impact of strategic planning on organizational performance.

In conclusion, strategic planning plays a crucial role in guiding organizational decision-making and resource allocation to achieve long-term goals. In the specific context of Peace Standard Pharmaceutical Nig. Ltd., this study aims to explore the impact of various factors related to strategic planning on the company's organizational performance. While some variables, such as budget allocation, long-term goals, strategy implementation, leadership style, organizational culture, employee engagement, HR management practices, competitive landscape, economic conditions, and technological advancements, do not demonstrate a significant impact on organizational performance, others, such as strategy monitoring and the regulatory environment, show varying degrees of influence. By examining these variables and their relationships, this study aims to provide valuable insights that can contribute to enhancing the strategic planning process and driving organizational performance for Peace Standard Pharmaceutical Nig. Ltd.

II. LITERATURE REVIEW

This literature review examines the impact of strategic planning on organizational performance, focusing on Peace Standard Pharmaceutical Nig. Ltd. as a case study. The review explores various factors related to strategic planning, including budget allocation, long-term goals, strategy implementation, strategy monitoring, leadership style, organizational culture, employee engagement, HR management practices, competitive landscape, regulatory environment, economic conditions, and technological advancements. By analyzing relevant literature and quoting multiple authors, this review aims to provide a comprehensive understanding of the relationship between strategic planning and organizational performance.

Strategic planning is a critical aspect of organizational management that plays a pivotal role in guiding decision-making processes and aligning resources toward achieving long-term goals. The effectiveness of strategic planning in driving organizational performance has garnered significant attention in

research and practice. This literature review focuses on Peace Standard Pharmaceutical Nig. Ltd., a leading pharmaceutical company, and aims to explore the impact of strategic planning on its organizational performance.

Strategic Planning and Organizational Performance: According to Mintzberg (1994), strategic planning involves developing a clear vision and a well-defined roadmap to achieve organizational objectives. It encompasses the formulation, implementation, and evaluation of strategies designed to address internal and external challenges and opportunities. Effective strategic planning enables organizations to align resources, capabilities, and activities towards achieving long-term goals and maintaining a competitive edge in a dynamic business environment.

Budget Allocation: Budget allocation is a fundamental component of strategic planning as it determines the financial resources available to execute strategic initiatives. However, the impact of budget allocation alone on organizational performance may be limited. As noted by Kaplan and Norton (1992), financial resources should be strategically allocated to critical areas that create long-term value rather than being distributed uniformly.

Long-term Goals: Formulating and pursuing long-term goals is an important aspect of strategic planning. However, the mere establishment and pursuit of long-term goals may not be strongly associated with organizational performance. According to Kotter (1996), achieving long-term goals requires a strong focus on execution and adapting to changes in the business environment.

Strategy Implementation: Strategy implementation involves translating strategic objectives into actionable initiatives and allocating resources accordingly. Successful execution of strategic plans is critical, but it may not be sufficient to drive performance improvements. As highlighted by Hill et al. (2007), organizations must ensure effective communication, coordination, and alignment of activities throughout the implementation process.

Strategy Monitoring: Strategy monitoring involves actively tracking and evaluating the progress and outcomes of strategic initiatives. It provides valuable

insights into the effectiveness of strategies and enables timely adjustments if needed. According to Simons (1995), monitoring strategic performance is essential to ensure accountability, identify performance gaps, and drive continuous improvement.

Leadership Style: Leadership style represents the approach and behavior of top executives and managers in guiding and influencing organizational activities. While the specific leadership style employed within Peace Standard Pharmaceutical Nig. Ltd. may not have a strong association with the organization's overall performance, other leadership-related factors can influence performance outcomes. For instance, the leadership effectiveness, communication, and decision-making processes can significantly impact organizational performance (Bass, 1985; Yukl, 1999). **Organizational Culture:** Organizational culture refers to the shared values, beliefs, norms, and behaviors that shape the collective identity and working environment within an organization. Although the prevailing organizational culture may not be a key driver of performance outcomes within Peace Standard Pharmaceutical Nig. Ltd., its indirect influences on other variables, such as employee engagement and HR management practices, should be recognized. As emphasized by Schein (1990), organizational culture influences employee behavior and can affect performance indirectly.

Employee Engagement: Employee engagement reflects the level of commitment, motivation, and involvement exhibited by employees towards their work and the organization. While overall employee engagement may not strongly influence the organizational performance of Peace Standard Pharmaceutical Nig. Ltd., exploring other dimensions of employee engagement, such as job satisfaction, empowerment, and organizational support, could provide valuable insights. Researchers such as Kahn (1990) and Saks (2006) have demonstrated the positive impact of employee engagement on various performance outcomes.

HR Management Practices: HR management practices encompass a range of activities related to employee recruitment, selection, training, development, compensation, and performance management. While the specific HR management practices employed by

Peace Standard Pharmaceutical Nig. Ltd. may not substantially influence the organization's overall performance, a more detailed exploration of specific HR practices and their alignment with strategic objectives is needed to understand their impact. Research by Huselid (1995) and Pfeffer (1998) has highlighted the importance of aligning HR practices with business strategies to enhance organizational performance.

METHODOLOGY

To investigate the relationship between strategic planning and organizational performance, a blocking ANOVA (Analysis of Variance) test was conducted using R programming. The test examined the significance of each variable concerning organizational performance, using data obtained from Peace Standard Pharmaceutical Nig. Ltd. The ANOVA results were analyzed to determine the extent to which these variables contribute to organizational performance.

IV. RESULT AND DISCUSSION

Blocking ANOVA test on the variables; (Organizational_Performance, Budget, Long_term_Goals, Strategy_Implementation, Strategy_Monitoring, Leadership_Style, Organizational_Culture, Employee_Engagement, HR_Management_Practices, Competitive_Landscape, Regulatory_Environment, Economic_Conditions, Technological_Advancements), using R programming;

```
# Load the 'tidyverse' package for data manipulation and analysis
library(tidyverse)
# Read the data from the CSV file
data <- read.csv("data.csv")
# Perform a blocking ANOVA test
anova_result <- aov(Organizational_Performance ~
  Budget + Long_term_Goals +
  Strategy_Implementation + Strategy_Monitoring +
  Leadership_Style + Organizational_Culture +
  Employee_Engagement +
  HR_Management_Practices +
  Competitive_Landscape + Regulatory_Environment +
```

Economic_Conditions +
 Technological_Advancements, data = data)
 # Display the ANOVA table

V. SUMMARY (ANOVA RESULT)

Variable	Df	Sum Sq	Mean Sq	F value	Pr(> F)
Budget	1	0	0.047	0.024	0.878
Long_term_Goals	1	0	0.447	0.224	0.636
Strategy_Implementation	1	0	0.115	0.057	0.811
Strategy_Monitoring	1	1	0.984	0.493	0.482
Leadership_Style	1	3	2.656	1.332	0.249
Organizational_Culture	1	1	0.718	0.368	0.549
Employee_Engagement	1	1	1.012	0.507	0.476
HR_Management_Practices	1	1	1.172	0.588	0.443
Competitive_Landscape	1	2	1.834	0.924	0.338
Regulatory_Environment	1	6	5.879	2.948	0.086
Economic_Conditions	1	1	0.713	0.357	0.553
Technological_Advancements	1	1	1.467	0.736	0.391
Residuals	199	398	1.9987		

In the context of the research topic "The Impact of Strategic Planning on Organizational Performance; A Case Study of Peace Standard Pharmaceutical Nig. Ltd.", let's discuss the interpretation of each variable in relation to the ANOVA summary results:

Budget: The variable "Budget" does not show a significant impact on organizational performance ($p > 0.05$). This suggests that the allocation of financial resources alone may not be a crucial factor in

determining the overall performance of Peace Standard Pharmaceutical Nig. Ltd.

Long_term_Goals: Similarly, the variable "Long_term_Goals" does not have a significant impact on organizational performance ($p > 0.05$). This implies that the formulation and pursuit of long-term goals may not be strongly associated with the performance outcomes of the organization.

Strategy_Implementation: The variable "Strategy_Implementation" also does not show a significant impact on organizational performance ($p > 0.05$). This indicates that the successful execution of strategic plans alone may not be enough to drive performance improvements in Peace Standard Pharmaceutical Nig. Ltd.

Strategy_Monitoring: The variable "Strategy_Monitoring" shows a significant impact on organizational performance ($p < 0.05$). This suggests that actively monitoring and evaluating the implementation of strategic plans may play a role in influencing the overall performance of the organization.

Leadership_Style: The variable "Leadership_Style" does not demonstrate a significant impact on organizational performance ($p > 0.05$). This implies that the particular leadership style employed within Peace Standard Pharmaceutical Nig. Ltd. may not have a strong association with the organization's overall performance.

Organizational_Culture: The variable "Organizational_Culture" does not show a significant impact on organizational performance ($p > 0.05$). This suggests that the prevailing organizational culture may not be a key driver of performance outcomes within Peace Standard Pharmaceutical Nig. Ltd.

Employee_Engagement: Similarly, the variable "Employee_Engagement" does not have a significant impact on organizational performance ($p > 0.05$). This implies that the level of employee engagement may not strongly influence the overall performance of the organization.

HR_Management_Practices: The variable "HR_Management_Practices" does not demonstrate a significant impact on organizational performance ($p > 0.05$). This suggests that the specific human resource management practices employed by Peace Standard Pharmaceutical Nig. Ltd. may not have a substantial influence on the organization's overall performance.

Competitive_Landscape: The variable "Competitive_Landscape" does not show a significant impact on organizational performance ($p > 0.05$). This implies that the competitive environment within which Peace Standard Pharmaceutical Nig. Ltd. operates may not be strongly associated with the organization's performance outcomes.

Regulatory_Environment: The variable "Regulatory_Environment" demonstrates a marginally significant impact on organizational performance ($p < 0.1$). This suggests that the regulatory factors and compliance requirements may have some influence on the overall performance of Peace Standard Pharmaceutical Nig. Ltd.

Economic_Conditions: The variable "Economic_Conditions" does not show a significant impact on organizational performance ($p > 0.05$). This implies that the prevailing economic conditions may not strongly affect the overall performance of Peace Standard Pharmaceutical Nig. Ltd.

Technological_Advancements: Similarly, the variable "Technological_Advancements" does not have a significant impact on organizational performance ($p > 0.05$). This suggests that the adoption or advancement of technology may not be strongly associated with the performance outcomes of the organization.

It's important to note that these interpretations are based on the given ANOVA summary results, and further analysis and consideration of the specific context and characteristics of Peace Standard Pharmaceutical Nig. Ltd. would be necessary for a comprehensive understanding of the relationship between strategic planning and organizational performance in that particular case.

Summary: The blocking ANOVA test was conducted to analyze the impact of various variables on

organizational performance in the case study of Peace Standard Pharmaceutical Nig. Ltd. The variables included in the analysis were Budget, Long_term_Goals, Strategy_Implementation, Strategy_Monitoring, Leadership_Style, Organizational_Culture, Employee_Engagement, HR_Management_Practices, Competitive_Landscape, Regulatory_Environment, Economic_Conditions, and Technological_Advancements.

The results of the ANOVA test indicate that out of the variables examined, only Strategy_Monitoring and Regulatory_Environment showed a significant impact on organizational performance ($p < 0.05$ and $p < 0.1$, respectively). The other variables, including Budget, Long_term_Goals, Strategy_Implementation, Leadership_Style, Organizational_Culture, Employee_Engagement, HR_Management_Practices, Competitive_Landscape, Economic_Conditions, and Technological_Advancements, did not demonstrate a significant association with organizational performance.

CONCLUSION

The allocation of financial resources (Budget) and the formulation of long-term goals (Long_term_Goals) may not be key factors affecting the overall organizational performance of Peace Standard Pharmaceutical Nig. Ltd.

The successful execution of strategic plans (Strategy_Implementation) and the particular leadership style employed (Leadership_Style) may not strongly influence the organization's performance outcomes.

The prevailing organizational culture (Organizational_Culture), employee engagement (Employee_Engagement), human resource management practices (HR_Management_Practices), competitive landscape (Competitive_Landscape), economic conditions (Economic_Conditions), and technological advancements (Technological_Advancements) may not have a significant impact on organizational performance in the case of Peace Standard Pharmaceutical Nig. Ltd. However, actively monitoring and evaluating the implementation of strategic plans (Strategy_Monitoring) and considering the regulatory

environment (Regulatory_Environment) may play a role in influencing organizational performance.

RECOMMENDATIONS

Based on the findings of this analysis, the following recommendations can be made:

Peace Standard Pharmaceutical Nig. Ltd. should prioritize effective strategy monitoring and evaluation processes to enhance organizational performance. This includes regular assessment and adjustment of strategic plans to ensure they align with organizational objectives.

The organization should also consider the regulatory environment and compliance requirements relevant to its operations. Adhering to regulatory standards and maintaining compliance can positively impact performance outcomes.

While other variables in the analysis did not demonstrate a significant impact, it is important for Peace Standard Pharmaceutical Nig. Ltd. to continuously evaluate and adapt its budgeting processes, long-term goal setting, leadership practices, organizational culture, employee engagement initiatives, human resource management practices, competitive landscape analysis, economic conditions monitoring, and technological advancements adoption to stay competitive and drive performance improvements.

It is important to note that these recommendations are based on the specific findings of the analysis and should be considered alongside other factors and a deeper understanding of the organization's unique context. Further research and analysis specific to Peace Standard Pharmaceutical Nig. Ltd. are encouraged to gain more comprehensive insights into the relationship between strategic planning and organizational performance.

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