

Employees' Participation and Involvement in Strategic Planning Process in Sudanese Wheat Flour Factories

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Abstract

Purpose: The purpose of this study is to find out the impact of employees' participation and involvement in strategic planning process (formulation and implementation) on performance for Sudanese wheat flour factories.

Methodology: 120 Questionnaires were prepared and distributed to employees. The total number of collected and valid questionnaires is 108. Meetings had been held and prepared questions to employees were posed. Also, some document had been checked and verified.

Findings: The study found that, all hypotheses have been fulfilled, except one hypothesis (H1) which is hypothesized that: employees' participation in formulating the factory mission and vision statement will be having impact its performance.

Keywords: Mission and vision statement; Strategic plan; Participation; Engagement; Involvement; Factory performance

Introduction

This study is an endeavor to find out the impact of employees' participation and engagement in strategic planning processes on wheat flour factories performance in Sudan. Literature, researches and the real working life assure the important and essential role for employees' engagement and participation which is mostly different in the real organization working life. Here in this study the researcher emphasizes the responses of employees and the importance of their participation and engagement in strategic planning process in oneself and the organization performance on the other. Some studies [1] explored the psychological processes of employees' participation in goal setting. In the study of Ali [2] it was noted that, strategic alignment of employees' activities throughout strategic planning process are positively impacting the outcomes of the strategic goals and organizational performance. As some literature and studies suggest that, strategic planning processes solely involve decision making throughout the formulation and implementation stage by top management. Others suggest and call for employees' participation and engagement. Where they insist for participation and engagement which should be existing in all these stages and others do not support this view and prefer participation must be in some stage, and mainly excluding strategic formulation. Roberto [3] argued in his PhD thesis, by presenting some very interesting descriptive evidence regarding who makes strategic decisions within large firms. The findings suggest that strategic decision – making processes do not take place within the so-called senior team or at the top management. Instead, ad-hoc groups form to make each strategic decision. The composition of these groups depends upon the expertise required to make the choice, as well as upon personal relationships among managers.

The Objective

The objective of this study is to address the following question:

What is the impact of employees' participation and involvement in strategic planning process on performance of Sudanese wheat flour factories? This question could be divided into the following sub-questions:

1– What is the impact of employees' participation in formulating

the mission and vision statement on factory performance?

2– What is the impact of employees' participation in strategic goals setting on factory performance?

3– What is the impact of employees' participation in preparing strategies and action plans on factory performance?

4– What is the impact of departments' employee's periodical discussion and revision on progress of strategic goals on factory performance?

5– What is the impact of employees' participating in formulating and drafting the work policies and procedures on factory performance?

Literature Review and Previous Studies

For many years it was witnessed the growing trend toward increasing the level of employee's participation in workplace management. Employees are generally given the chance to participate in decision-making process. Participation has been defined as joint decision making in which employees are invited to help solve organizational problems.

The researcher believes that, planning is one of these decisions making processes. Building a good strategy plan is so essential to any organization [1]. This definitely depends on applying the modern trend, solid and studied steps. One of these steps is to involve employees from very beginning, starting with strategic thinking throughout screening and evaluating the organization environments till to implementation phase. As these employees are meant to execute these plans, they will

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be held self-responsible to successfully achieve these goals in alignment and synergy. A study of Ali [4] found that, aligning decision makers have positive and high impact on organizational performance. Also, a research conducted by Tegarden et al. [5] found that, engaging employees in the goal setting process leads to performance increase of the organization. Stressing on involving multiple levels of organization in strategy planning process will also help increasing employee's commitment and achieving the strategic goals. On the other side, disengagement is contrary to this approach. In the study of Reed [6], it is found that, 30% employees are engaged in the workplace which means that, about seven out of ten employees are checked out or disengaged in the workplace. The consequence of such disengagement is huge. Cataldo stated that, disengaged employees may still arrive at and leave work on time and take their normal breaks throughout the working day: however, disengaged employees are unhappy, their productivity begins to decrease, negative attitudes will increase and they can infect others.

Mission and vision statement

The study of Darbi [7] strongly stressed on the importance of mission and vision statements encountered them as an indispensable part of the strategic management process for organizations of all types whether it is public sector, profit or not-for-profit, private, a multinational or a small and medium scale enterprise. Furthermore, mission and vision statements impact strategy and most aspects of organizational performance. Also, Darbi found that, the ownership of the mission and vision statements can be of utmost importance to employees of the institute and the more they are inclined towards believing that the statements capture their interests, the better the impact that the statements will make on them. The author is assuring involving and participating employees in the stage of developing and putting mission and vision statement is a better way for ownership. They will be committed to fulfilling this purpose and dream of the organization as their own work purpose and dream are embedded in the organization.

Goals setting

The study of Reed found that, employees who had higher level of involvement in their organization's goal setting process would be more likely to have engagement levels in the workplace. The author suggests the levels in the workplace increase based on the level of engagement, the more engagement the more outcomes will be in the performance. These findings are supported by many findings such like: Maylett and Nielsen [8] who have found direct and strong relationship between employee engagement and organizational performance: specifically, return-on investment, customer services, quality and organizational profitability. They mainly focused on employees' engagement to the overall success and performance of their organization. This also could be supported by McKinsey&Company [9] who claimed organization with higher levels of engaged employees have "better business performance, improved customer service, greater revenue growth, and quicker speed to market" (p. 30). The study of Groen et al. [10] showed that, when employees were involved in the development of performance metrics, managers perceived the metrics to be of better quality and employed those metrics more for evaluating and rewarding employees. This requires aligning employees' efforts which will lead to aligning goals setting and aligning goals setting will definitely lead to effectiveness and efficiency of achieving these goals in a time manner Ali [11].

Strategy plan implementation

According to literature and the researcher personal experiences, the easiest thing is to plan and dream, but the real challenge and most difficult stage is to implement the plan and transferring the dream into reality. This is supported by many studies findings and literature views. The study of Candido et al. [12] confirmed the difficulty of successfully implementing new business strategies. This perspective had long been recognized in the literature and concluded that most managers believe that the difficulty of implementing strategy surpasses that of formulating it. As an example, the study found 73% of managers believed that implementation is more difficult than formulation; 72% that it takes more time; and 82% that is the part of the strategic planning process over which managers have least control. The researcher suggests for minimizing such risk of failure is to participate and involve employees and stakeholder to determine critical issues through workshops, meetings and questionnaires. Then formulating good strategy plan and implement it with full confidence and strong loyalty. It is their own plan, set and built by them and definitely they will be having high enthusiasm and willing to successfully achieve the utmost strategic plan projects with satisfactory outcomes.

Study Hypotheses

The main hypothesis of this study is that, the employees 'participation and involvement in strategic planning process have positive impact on factory performance. This hypothesis could be divided into the following sub-hypothesis:

H1: The employees' participation in formulating the factory mission and vision statement will positively impact its performance.

H2: The employees' participation in factory strategic goals setting will positively impact its performance.

H3: The employees' participation in preparing factory strategies and action plans will positively impact its performance.

H4: The employees of departments' periodical discussion and revision on progress of strategic goals will increase the factory performance.

H5: The employees participating in setting the work policies and procedures will positively impact factory performance.

Methods

Sample

This study investigates the impact of employees' participation and engagement in strategic planning process on performance of Sudanese wheat flour factories. This industry in Sudan is critical to government, citizens and public. Rich land is huge for agriculture wheat seeds and scarcity of wheat seeds on same time, as 70% of wheat imported from abroad. Most of the land is not utilized due to many reasons, such like: governmental corruptions, lack of agriculture equipment's and tools... etc. More than five big private flour factories exist in industry city at North Khartoum. Three of them are well established and equipped with high production lines and technology enhanced by qualified manpower. Unfortunately, these factories continuously face great challenges of breakdown. In addition to the above reasons, there are problems of unstable national currency and rising up of foreign currencies against Sudanese pound and brain drain of human capital.

Respondents and study design

In this study, hypotheses were tested by surveying the employees working in three Sudanese wheat flour factories. The total sample was 120 from staff to managers. The collect valid questionnaire is 108 after excluding invalid ones. Also, the researcher used meetings for direct questions with some employees and managers. A few reports and documents were checked, as well.

Results

Alpha Coronbach's: 0.84.

H1: The employees' participation as shown in Table 1 in formulating the factory mission and vision will positively impacts its performance.

It is cleared that, 55 (50.9%) agreed of employees' participation in formulating factory mission and vision statement increases the performance.

H2: The employees' participation as seen from Table 2 in strategic goals setting has positive impact on factory performance.

It is cleared that, 80 (74.1%) agreed of employees' participation in strategic goals setting have positive impact on factory performance.

H3: The employees' participation as seen from Table 3 in preparing strategies and action plans will positively impact the factory performance.

It is cleared that, 83 (76.8%) agreed of participation of employees in formulating strategies and action plans to achieve its strategic goals will effectively and efficiency help to successfully execute these strategic goals.

It is cleared that, 97 (89.8%) agreed the employees' of departments' periodical discussion and revision to progress for strategic goals will increase the performance (Table 4).

Phrases	Frequencies	Percentage
Strongly agree	32	29.60%
Agree	23	21.30%
Agree to some extend	20	18.50%
Not agree	18	16.70%
Strongly not agree	15	13.90%
Total	108	100%

Table 1: Response of the study sample for the H1.

Phrases	Frequencies	Percentage
Strongly agree	43	39.80%
Agree	37	34.30%
Agree to some extend	15	13.90%
Not agree	8	7.40%
Strongly not agree	5	4.60%
Total	108	100%

Table 2: Response of the study sample for H2.

Phrases	Frequencies	Percentage
Strongly agree	51	47.20%
Agree	32	29.60%
Agree to some extend	12	11.10%
Not agree	8	7.40%
Strongly not agree	5	4.60%
Total	108	100

Table 3: Response of the study sample for H3.

Phrases	Frequencies	Percentage
Strongly agree	52	48.10%
Agree	45	41.70%
Agree to some extend	4	3.70%
Not agree	4	3.70%
Strongly not agree	3	2.80%
Total	108	100

Table 4: Response of the study sample for H4.

Phrases	Frequencies	Percentage
Strongly agree	54	50%
Agree	36	33.30%
Agree to some extend	12	11.10%
Not agree	3	2.80%
Strongly not agree	3	%2.80
Total	108	100

Table 5: Response of the study sample for H5.

It is cleared that, 90 (83.3%) employees participating in setting the work policies and procedures will positively impact factory performance (Table 5).

Findings and Discussion

As per the above statistical analysis of Table 6, the hypothesis H2-H5 chic-square calculation is more than chi-square tabulation. This means, these hypotheses are significant and have been fulfilled and supported, except H1 which chic-square calculation is less than tabulation and not supported. The researcher argues and thinks this due to complexity of prior strategic planning processes and what level of efforts and thinking requires. Such like strategic thinking phase which depends on creating, innovating and synthesizing the past, present and future critical issues for factories and organizations' future. Also, how to predict and visionalize the future is the great challenge that request high skills and competency enhanced by deepened sight and forecasting. Such characteristics should be supported and encouraged by the owners and top leaders of the organization. As formulating the vision and mission statement encounter an initial direction map and picture for organization. If the right future map and picture are clearly formulated and cascaded down to departments, units and employees, they will easily set their goals and objectives in align with all operation procedures and actions to successfully achieve these strategic intention. The big challenge for organizations and factories today, is how to put the foundation, and draw the road for the employees and then empower them to smoothly and confidently walk on to fulfill their strategic plan. The hypotheses H2-H5 are mostly dealing with implementation and controlling the operation processes and procedures. It requires buy-in and own by employees, through cleared empowerment, rewards and given duties, responsibilities supported by delegation for taking decision.

Future Studies

It is difficult for the this research to cover all aspects of strategic planning processes and it's all different kind impacts of organization dependent or independent variables: economically, socially, politically, psychosocial, and behavioral. However, the following studies are recommended for future:

1. The negative impact of disengagement of employees' on

Hypotheses	Median	df	X ² _{cl}	X ² _{tab}	Decision
H1: The employees' participation in formulating the factory mission and vision statement will positively impact its performance	5	4	7.83	13.28	Not supported
H2: The employees' participation in factory strategic goals setting will positively impact its performance.	5	4	55.52	13.28	Supported
H3: The employees' participation in preparing factory strategies and action plans will positively impact its performance	5	4	70.61	13.28	Supported
H4: The employees of departments' periodical discussion and revision on progress of strategic goals will increase the factory performance	5	4	112.83	13.28	Supported
H5: The employees participating in setting the work policies and procedures will positively impact factory performance	5	4	94.5	13.28	Supported
Phrase for main hypothesis	5	4	443.56	13.28	Supported

If chi-square calculation more than or equal chi-square tabulation the hypotheses is supported.

Table 6: Chi-square calculation and tabulation, it demonstrates the supporting and not supported hypotheses.

strategic planning process in particular and in organizational performance in general.

- The challenges for organizations and factories to put the foundation.

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