

# Interrogating Effectiveness of Strategic Management in Selected Public Sector Organisations in Anambra State Nigeria

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**Abstract:** *This study examined the effect of strategic management and the performance of government organizations in Anambra State Nigeria. Selected public sector organisations were studied. Questionnaire and face to face interview were used in the collection of data. Relevant literature was thoroughly reviewed and the study was anchored on the three theories, namely: The Contingency theory by Fred Edward Fiedler in 1964, Resource Based View (RBV) Theory by Jay Barney in 1991 and the New Public Management Theory by Hood (1991). The study revealed that strategic human resource management, digitalization and strategic financial management have effects on public service delivery in selected public sector organisations in Anambra state, Nigeria. The study therefore, recommended that human resource activities in the public sector, especially public enterprises should be strategically geared towards the attainment of better services to the public.*

**Keywords:** Strategic Management, organization, performance, service delivery

## 1.0 INTRODUCTION

Public sector organisations exist to provide public goods and services. Public goods and services, in their simplest forms can be said to be those goods and services that are provided by the government for the benefit of all. According to Samuelson (1954), public goods require public expenditure as they are subject to ‘market failure’. They are characterized by ‘non-rivalry’ and ‘non-excludability’. Non-rivalry means that the consumption of the good by one person does not reduce the quantity available for consumption by another person, while non-excludability means that no person can be excluded from the benefits or effects of that good.

Services such as security and defense, provision of infrastructural facilities – good roads, potable water, healthcare etc. are usually examples of some of these public goods. However, the nature and scope of public goods have continued to expand with the increasing role of government to cover areas where, for some reasons, market failures have made the private sector unable to provide these goods and services. Thus, government over the years have had to intervene through the establishment of public enterprises to cater for aspects of private goods that the private sector has failed to deliver.

A public enterprise is an organization that is set up as a corporate body and as part of the governmental apparatus for an entrepreneurial-like objective (Ugbo, 2013). The creation of public enterprises, according to Ugbo (2013), result from the desire to infuse more flexibility and more efficiency in the organization of some governmental activities. Thus, public enterprise combines the features of public administration with the key attributes of a private enterprise. In the private sector, the emphasis is on profitability, expansion and growth. Organizational growth, however, means different things to different organizations and there are various parameters a company can select to measure its growth. The most meaningful yardstick is one that shows progress with respect to an organization's stated goals (Odongo and Datche, 2015). The ultimate goal of most private sector organisations is profit, so net profit, revenue, and other financial data are often utilized as bottom-line indicators of growth. Other business owners, meanwhile, may use sales figures, number of employees, physical expansion, or other criteria to judge organizational growth.

Many firms desire growth because it is seen generally as a sign of success and progress and organizational growth is, in fact, used as one indicator of effectiveness for small and large businesses and is a fundamental concern of many practicing managers (Cole, 2002). Ultimately, success and growth of an organization will be gauged by how well a firm does relative to the goals it has set for itself in the midst of an ever turbulent business environment.

In a competitive business environment, organisations do not succeed by chance or happenstance. It is usually a product of strategic planning that focuses on the organisation's core competences, comparative advantage, business strategy, resource allocation and utilization, among others. Thus, strategic management is a source of sustainable competitive advantage and in recent years, large enterprises have adopted various strategic management practices to guarantee their fit within the constraints of their environment.

Strategic management is a field that deals with the major intended and emergent initiatives taken by the managers of organisations on behalf of their owners, involving utilization of resources, to enhance the performance of firms in their external environments (Nag, Hambrick, & Chen 2007). It entails specifying the organization's mission, vision and objectives, developing policies and plans, often in terms of projects and programs, which are designed to achieve these objectives, and then allocating resources to implement the policies and plans, projects and programs.

## 1.2. STATEMENT OF THE PROBLEM

Public sector inefficiency and ineffectiveness have remained a thorny issue in the last five decades. The performance of public sector organizations has been the focus of intensive research efforts in recent times and how well public sector organizations implements their policies and programs and accomplishes their strategic intent in terms of their mission is of paramount concern. Scholars like Igbokwe-Ibeto, Agbodike, & Anazodo, (2015); Briggs (2007), among others, investigated the problem of poor service delivery in the public sector and how it is being affected by the federal character principle in recruitment. Also, Chkwuemeka, Uboch & Okechukwu (2017) and Olaitan (2015) investigated the possibilities of addressing the menace of poor service delivery through the application of information and communication technology (ICT) to public sector.

It is instructive to note that while there are public sector organisations that performs purely governance function – policy implementation, maintenance of law and order, etc., there are also others that perform the business functions of government. Organisations under this category usually fall within the classification of public enterprises. In developing countries, the justification for government establishing public enterprises ranges from political to social and economic considerations. Unlike in advanced capitalist economies, government of developing countries like Nigeria provide the bulk of the goods and services while the private sector plays complementary role (Ugbo, 2013).

To this end, public enterprises are not just expected to provide public goods and services, but such must be done efficiently and effectively. In a mixed economic system like Nigeria, the hypercompetitive business environment is pushing public organizations to limits, dictating the need to adopt strategic management practices that support plans, choices and decisions that will lead to an improvement in service delivery and to also achieve profitability, success and wealth creation (Kourdi, 2009). Thus, while private sector organisations compete among themselves to attract and retain a significant percentage of the market share for their products and services in order to make more profit, public sector organisations strive to improve on their services in order to retain public trust. The element of competition in both cases suggests that similar strategies can be adopted to similar situations to achieve similar results.

Management experts are of the view that strategic management addresses the question of why some organizations succeed and others fail and it covers the cause of their successes or failures (Melchorita, 2013). In Anambra state for instance, the Transport Company of Anambra State (TRACAS) and ANIDS Transport Limited, which are government owned transportation outfits are not competing favourably with their counterparts in terms of services rendered to their customers. Evidence abound to attest to the fact that majority of the vehicles under the TRACAS scheme are poorly maintained. This researcher has on more than one occasions experienced delays occasioned by vehicle breakdown halfway into proposed trips. An independent survey of selected passengers has also confirmed similar occurrences.

ICT initiatives for online bookings, ticketing, payments and logistics services have not been fully utilized. Some transport companies have even gone ahead to create a mobile application (Mobile-App) for customers to transact with them from the comfort of their locations anytime, anywhere, a feature that is lacking at TRACAS and ANIDS Transport Limited.

Coupled with the above is the fact that most of their drivers are unruly and lack good human relations skills. They tend to react aggressively and unprofessionally to passengers' complaints especially in cases where there is vehicle breakdown on the road or delays in loading a bus as a result of low turnout of passengers. Also, the Anambra Broadcasting Services (ABS) Awka, is nowhere near its counterparts in terms of profit maximization and quality of programming. A testament to the above assertion that the best radio and television stations in Nigeria are usually privately owned media outfits.

The failure of government in areas where the private sector is thriving lends credence to the axiom that government is a bad manager of businesses. The private sector contemporaries of most of these public enterprises are not only financially self-sustaining, but generate profit for their owners, while the reverse seem to be the case in most public sector organisations. It is in the

light of the above that this study investigates the effect of strategic management on public service delivery in selected public sector organisations in Anambra state, Nigeria.

### 1.3. OBJECTIVE OF THE STUDY

1. Determine the effect of strategic financial management on public service delivery in selected public sector organisations in Anambra state, Nigeria.

### 1.4. RESEARCH QUESTION

1. What is the effect of strategic financial management on public service delivery in selected public sector organisations in Anambra state, Nigeria?

### 1.5. HYPOTHESIS

1. Strategic financial management has no effect on public service delivery in selected public sector organisations in Anambra state, Nigeria.

### 1.6 SCOPE OF THE STUDY

In the light of broad coverage, the research is focused on the effect of strategic management on organizational growth in selected public organizations in Anambra State, Nigeria which include the Anambra Broadcasting Service, National Light Newspaper Limited, Transport Company of Anambra State and ANIDS Transport Limited. The scope of the research therefore, covers a period of 2010 to 2018 where the goal is not only to managing environmental changes but to ensure maximum utilization of organizational resources in relation to objectives of the firm. Probabilistic sampling will be used to select five public organizations in Anambra State, Nigeria using their size, budget allocation and operational activities as a guideline.

## 2.0 LITERATURE REVIEW

### 2.1.1 Stages of Strategic Management

**1. Environmental Analysis:** This is often the first step in strategy formulation and it involves analyzing the internal and external environment in which the organization operates. While the external analysis aids managers in identifying organizations' opportunities and threats, the internal analysis is for identifying the distinctive competencies (Kraja & Osmani, 2013). Explaining further, Muriuki, Cheruiyot & Komen (2017) state that environmental analysis includes the: remote external environment (political, economic, social, technological, legal and environmental landscape-PESTLE); industry environment (competitive behavior of rival organizations, the bargaining power of buyers/customers and suppliers, threats from new entrants to the industry and the ability of buyers to substitute products-the Porter's 5 forces); and internal environment (strengths and weaknesses of the organization's resources-its people, processes and IT systems).

**2. Strategy Formulation:** This includes developing a vision and mission, identifying the organization's external opportunities and threats, determining its internal strengths and weaknesses, establishing long-term objectives, generating alternative strategies and setting policy guidelines and rules (Branislav, 2014). As elucidated in Burugo & Owour (2017), a strong mission statement together with situational analysis tools facilitates the formulation of a competitive strategy. Strategy formulation is the development of long-range plans for the effective management of environmental opportunities and threats, in light of corporate strengths and weaknesses, (Machuki, Aosa, & Letting, 2012). It includes defining the corporate mission, specifying achievable objectives, developing strategies and setting policy guidelines. At this stage firms are normally focused on achieving their set goals which have a long term influence on their organizational performance. Major focus of the institution will be influence by externalities, and the weakness of the organization as compared to its strengths (Wheelen & Hunger, 2008). According to Johnson and Scholes (2009) strategy formulation entails marching strategies and the environment the firms operates. Forces in the external environment are so dynamic and collaborative that the impact of any single element stirs a ripple effect.

Marching external environment, internal environment, resources in terms of financial and human capital will result to good strategic process which will in turn bring about long term strategies that are geared towards the goals and objectives of the organization in question as compared to other competing firms in similar business environment. Therefore, in formulating the

strategies, management should exercise caution not to exclude any of the strategic planning practices (Ronald, 2003). The critical success factors required to adequately implement strategic planning are mission and vision, goals, objectives, programs, budgets, policies and the drivers of these key success factors of strategic planning in an emerging firm, that is, the business owner or management, stakeholders and the employees. The key components of 'strategic planning' include an understanding of the firm's vision, mission, values and strategies and other success imperatives. The key components are:

**a.) Vision:** Outlines what the organization wants to be, or how it wants the world in which it operates to be. It is a long-term view and concentrates on the future. It can be emotive and is a source of inspiration Wheelen and Hunger (2004).

**b.) Mission:** Defines the fundamental purpose of an organization or an enterprise, succinctly describing why it exists and what it does to achieve its vision. It is the purpose or reason for the organization's existence Wheelen and Hunger (2004). It was what the company is providing to society, either a service like housecleaning or a product like automobiles. A well-conceived mission statement defines the fundamental, unique purpose that sets a company apart from other firms of its type and identifies the scope of the company's operations in terms of products or services offered and markets served. It may also include the firm's philosophy about how it does business and treats its employees. It puts into words not only what the company is now, but also what it wants to become management's strategic vision of the firm's future.

**c.) Values:** Beliefs that are shared among the stakeholders of an organization. Values drive an organization's culture and priorities and provide a framework in which decisions are made.

**d.) Data gathering:** Gathering data about the factors, internal and external, that will have an impact on achieving the mission statement.

**e.) Objectives:** Objectives are the end result of any planned activity Wheelen and Hunger (2004). They state what is to be accomplished by when and should be quantified if possible. The achievement of corporate objectives should result in the fulfilment of a corporation's mission. In effect, this is what society gives back to the corporation when the corporation does a good job of fulfilling its mission. Objectives must be established at a corporate, divisional and departmental levels depending on structure. Objectives need to be challenging, understandable, clear, reasonable, quantified, specific time limit, prioritized, and consistent across departments. Objectives provide direction and purpose.

**f.) Goals:** Formulating long term goals consistent with the mission statement and the available. The term goal is often used interchangeably with the term objective, in contrast to an objective, we consider a goal as an open-ended statement of what one wants to accomplish with no quantification of what is to be achieved and no time criteria for completion. The goal of strategic planning mechanisms like formal planning is to increase specificity in business operation, especially when long-term and high-stake activities are involved. In an organisational setting, the organization may co-ordinate goals so that they do not conflict with each other. The goals of one part of the organization should mesh compatibly with those of other parts of the organization. Most importantly the goals must be SMART (specific, measurable, related or realistic, time bound).

**g.) Strategies:** Strategy, narrowly defined, means "the art of the general." A combination of the ends (goals) for which the firm is striving and the means (policies) by which it is seeking to get there. A strategy is sometimes called a roadmap which is the path chosen to plow towards the end vision. The most important part of implementing the strategy is ensuring the company is going in the right direction which is towards the end vision. A strategy of a corporation forms a comprehensive master plan stating how the corporation will achieve its mission and objectives Wheelen and Hunger (2004). It maximizes competitive advantage and minimizes competitive disadvantage. According to Wheelen and Hunger (2004) the typical business firm usually considers three types of strategy;

- 1. Corporate strategy:** Describes a company's overall direction in terms of its general attitude toward growth and the management of its various businesses and product lines. Corporate strategies typically fit within the three main categories of stability, growth, and retrenchment.
- 2. Business strategy:** Usually occurs at the business unit or product level, and it emphasizes improvement of the competitive position of a corporation's products or services in the specific industry or market segment served by that business unit. Business strategies may fit within the two overall categories of competitive or cooperative strategies.
- 3. Functional strategy:** This is the approach taken by a functional area to achieve corporate and business unit objectives and strategies by maximizing resource productivity. It is concerned with developing and nurturing a distinctive competence to provide a company or business unit with a competitive advantage. Business firms use all three of strategy simultaneously.

**h.) Policies:** A policy is a broad guideline for decision making that links the formulation of strategy with its implementation Wheelen and Hunger (2004). Companies use policies to make sure that employees throughout the firm make decisions and take actions that support the corporation's mission, objectives, and strategies.

It is clear that the strategic planning process can be time-consuming and requires a substantial amount of managerial resources. Once the mission and strategy statements have been completed, and the goals and objectives have been established, the senior managers of the relevant business unit (or the firm as a whole in the case of corporate-level strategies) will obviously be eager to push forward. Before proceeding, however, it is wise to have an objective, independent group composed of members that have not been involved in the strategy formulation process conduct a final pre-implementation strategy review.

**3. Strategy Implementation:** Strategy implementation, according to Wheelen & Hunger (2011), is the sum total of the activities and choices required for the execution of a strategic plan to accomplish the objectives of the organization. Koech & Were (2016) explains that this process encompasses the functional, business and corporate levels of any organization. Strategy implementation is an organizational adaptation activity through which continued organizational stellar performance can be achieved (Murgor, 2014). Strategy implementation is a vital component of the strategic management process. Implementation addresses who, where, when and how of reaching desired goals and objectives.

Many scholars have defined strategy implementation in different but similar terms. It is the process by which strategies and policies are put into action through the development of programs, budgets and procedures. Thus, implementation is the process of translating strategic plans into results (Favaro, 2015). Strategy implementation is the process by which strategies and policies are put into action through the development of programs, budgets, and procedures Wheelen and Hunger (2004). This process might involve changes within the overall culture, structure, and or management system of the entire organization. Sometimes referred to as operational planning, strategy implementation often involves day-to-day decisions in resource allocation except when such drastic corporate-wide changes are needed, however, the review by top management. A program is a statement of the activities or steps needed to accomplish a single-use plan. It makes the strategy action oriented. It may involve restructuring the corporation, changing the company's internal culture, or beginning a new research effort Wheelen and Hunger (2004)

The management of the firm depends largely on strategy implementation. This will give a road map on how an organization should be run to achieve its mission, vision and strategic goals. Application of strategies have crossed the normal norm of their applicability in profit making organization to even those that are not geared towards profit. Christian religious institutions find strategic management applicability vital to their operations which is a deviation from their normal way of solving their operational shortcomings (Hanlon and Scott, 2013). According to Baum (2001), organizations that have been applying strategies for example the porters and Ansoffs strategies have been performing exemplary as compared to those that have not been well applying the strategies.

Mintzberg and Quins (2004), elaborates that 90% of well-formulated strategies fail at implementation stage and only 10% of formulated strategies are successfully implemented. The successful implementation of strategy is fully dependent on involvement of all the participants in an organization. Communicating progress of implementing the strategy to the stakeholders will assist them in determining whether corrective action is required (Pearce and Robinson, 2008).

Strategy implementation has become a key focus for firms and continues to attract attention as it plays a key role in success of firms today worldwide. Johnsons and Scholes (2002) proclaimed that in knowledge based economies people were truly the most valuable asset which human resources policies need to reflect. Johnson and Scholes (2004) notes that strategy implementation is the translation of strategy into actions. It entails institutionalization and operationalization of strategies and managing the ensuing change.

**4. Strategy Evaluation and Control:** Strategy evaluation involves setting control processes to continuously review, evaluate and provide feedback concerning the implemented strategies to determine if the desired results are being attained such that corrective measures may be taken if needed. Strategic control is concerned with tracking the strategy as it is being implemented, detecting problems or changes when deemed necessary and making the necessary adjustments (Pearce and Robinson, 2008). The review of monthly, quarterly and annual reports is one of the means management exercise their evaluation and control of a strategy. The reviews require a look at for instance the profit margins, sales, earnings per share and return on investment to assist management determine the effectiveness of the strategy being implemented. Managers urgently need to understand when specific strategies are not functioning as required and strategy evaluation is the essential means for getting this information. This is because, as stated in Muriuki, (2017), the implementation and control initiatives undertaken are the significant aspects of an effective strategic



management practices for corporations. It is vital to any organization's well-being, most especially if timely as it can alert management to likely situations before they become critical (Ahmed & Mukhongo, 2017). Explaining further, Ahmed & Mukhongo (2017) stated that none of strategy formulation or implementation is a once-and-for-all-time task since even the best formulated and implemented strategies can become obsolete as circumstances could arise within a firm's external and internal environments that can necessitate corrective adjustments on strategies already planned. Strategy evaluation is the process of comparing the actual performance against the desired performance. Strategic application in organizations have been viewed on different spectrum, some researchers views the influence of strategy on performance as statistically significant (Zajac et al., 2000). Strategy evaluation includes reviewing the existing strategies in order to determine if they are offering the solution at hand (Hill & Jones, 2001).

Ondera (2013) argued that, the hospital formulates implements and evaluates the work plan by involving all staff working at the hospital and that the management allocated funds based on the work plan to facilitate the process of strategy implementation. Lastly the evaluation process addresses the aspect of amending the developed strategies so as to achieve competitive advantage. This is feed back to the original plan and reiterated until most of the organization is in concert with the plans.

Meanwhile, strategy control is the process of checking and monitoring strategies as it undergoes series of implementation procedures to ensures that the firm meet the required threshold, so as to determine if the companies has met or variation has to made to meet the desired results. (Pearce and Robinson, 2008). The review of monthly, quarterly and annual reports is one of the means management exercise their evaluation and control of a strategy. The reviews require a look at for instance the profit margins, sales; earnings per share and return on investment to assist management determine the effectiveness of the strategy being implemented.

Pappas (2007) examined the joint influence of control strategies and market turbulence on strategic performance in sales-driven organizations. Results from the survey of sales-driven organizations indicated that self, professional, activity, and output control systems had varying effects on participation in strategic activity.

Therefore, a well-developed strategy coupled with proper execution is crucial for an organization to remain competitive in this environment and make growth of firms certain (Koech and Were, 2016). However, as Makanga and Paul (2017) put it, all strategic plans put in place should realize desired objectives and also encourage the efficient utilization of available resources. This is all that strategic management process represents.

### **2.1.2. Strategy Formulation vs. Strategy Implementation**

Before strategy formulation leaders have to identify the need for change by proper careful scanning of environment in which organization exist (Zainal, 2005). Environment scanning or situational analysis is the starting point of whole strategic process. In the strategy formulation after changing the understanding of people about change leaders try to find different suitable ways to translate organizations vision into realistic purpose (goals and objectives). In the strategy formulation process leaders sets the objectives then analyze the environment both internal and external. Then fix the targets to be achieved, sets the measures for performance evaluation and finally select or formulate the proper strategy. Strategy formulation is all about planning for future (Applyby, 2007). On the other hand, strategy implementation is a process of conversion in which planned strategies are converted into real actions. So that goals and objectives can be achieved (Barney, 2015).

### **2.1.3. Strategic Management Practices and Organizational Growth**

This constitute a vast array of activities that are necessary to clearly understand how environment influence the firm's activities as well as understanding how risks can be mitigated to reduce risks that might be experienced in the process. Studies across the globe show that strategic practices are beneficial for organizational growth and attainment of competitive age.

Firms operate in an environment that permits competitors to carry out a substituted products and services and therefore firms have no option other than adopting strategies that would help them remain competitive in a changing business environment. For example, some firms adopt porter's competitive strategies that is; differentiation, focus and cost leadership while others have adopted Miles and Snow argument that reactors do not influence firm's performance as opposed to his other strategies like defenders, prospectors and analysers. However, it is important to note that each firm is entitled to choose among the many

strategies as formulated by several authors depending on its operational environment and competition in its market niche to remain relevant to the customers and enhance its overall performance if not operate on a brake even scale.

In choosing a strategy that suits the competitive environment of a firm it is important first for a firm to critically analyse its firm internal processes including personnel, physical resources and the financial muscles in order for it to compete without straining. The competence of the firm is anchored on how it can apply its resources and internal processes to boost its best chosen strategy for it to succeed since weakness in its core competences will result to failure of the best strategy which might be applied by the competitors to gain more superiority on the market.

The success of any firm in a competitive business environment depends on its core resources in place. Porter's strategies can be applied by firms depending on the resources the firms possess and the nature of the firms' goods and services it offers to the market. For instance, differentiation strategy is applied by firms with clear knowledge of the market to offer unique products with the customers' needs and expectation in their mind. Focus strategy can be applied by firms that needs to focus on a particular market niche due to the resources they have in place. Cost differentiation is applied by organization that want to produce at the lower cost depending on its internal structures and processes and the ability to outsource at a cheaper rate in order to remain competitive than competitors and also meet the customers' expectations. Firms that do not carefully select a strategy that fits its market and the resources it possesses automatically will fail as compare to those that are careful on the choice of the strategy that do not strain its resources and internal processes

#### **2.1.4. Employees' Performance and Organisational Performance**

The concept "employee performance" cannot be pinned down to a universally acceptable definition. This is because it has fallen into semantic predicament to the extent that the literature on it replete with so many definitions of the term by various scholars and authors with subtype. However, we shall comb the conceptual terrain of the term with a view to finding the middle ground for its heuristic investigation.

Employee performance simply is the extent to which an individual, unit or department carryout task assigned to him or it. It is also a means by which an organization evaluate an individual employee input and out level especially in the area of attaining set goals or task assigned to him or her. In the view of Byars and Rue (2010) employee performance is the degree to which an employee accomplished the tasks that make up his or her job. Employee performance focuses directly on employee productivity by assessing the number of units of acceptable quality produced by an employee in a manufacturing environment, within a specific time period. However, the researcher's working definition for purpose of this study is achievement of targets of the tasks assigned to employees within particular period of time. It involves the execution of duties and responsibilities assigned by constituted authorities which one have promised to do, so as to achieve set goals.

The success of any business depends on employees' performance. One of the most effective ways to increase organizational performance and profit is to increase the employees' performance, from the lowest levels of the organization to senior management. Performance improvement is not only a result of well-functioning system but also depends on effective human resource strategies that succeed in recruiting and maintaining a committed and motivated workforce (Al-Ahmadi, 2009).

Performance is an important aspect of organizational behaviour because its level at any given time in an organization is co-extensive with effectiveness or efficiency or otherwise. The conceptual reference for the effective performance of an organization in its statutory functions is productivity as defined above. For example, Central Bank of Nigeria (CBN) is effective when it successfully controls commercial banks according to the terms of its statutory duty. It is effective when it can do so at a low cost for example, carrying out a measure of control function such as auditing or inspecting the returns made by commercial banks using reduced number of staff (personnel) or days (time) (Akhakpe et al, 2012).

Huselid, (1996) provides empirical evidence on the constructive association between human resource practices and organizational outcome like improved efficiency, employee performance and job retention which he claims is a set of human resource "best practices". Huselid, (1996) described these practices as "high performance job practices". Subsequent studies by Huselid, Jackson, and Schuler (1997); Delery and Doty (1996); emerged to sustain this claim and came up with a bunch of nine "best HR practices" that can improve or hamper employee performance. According to them, this include job analysis, job design, job evaluation, job security, job succession planning, employee recruitment, job performance, job satisfaction and job retention.

A positive correlation has been established between organisational performance and individual performance evaluation (Delery and Doty, 1996; Huselid, 1996). Yet, according to Ichniowski and Shaw (1999); Huselid (1996), there is a link between effective HR practices for recruitment and selection and employee performance.

Employees' performance measures aid the tracking, measurement and management of performance and can serve as the criteria of job success. Both objective and subjective measures of performance are typically in use, and the starting point in the construction of appropriate performance measures is the identification of organizational goals and objectives with consideration for divisional purpose and objectives. The role of organizational strategy in performance measurement construction should therefore not be underestimated.

### 2.1.5. Organizational Performance Measurement

Many measures of performance may be more relevant to some sectors than others. When measuring organizational performance, the choice of measures should be informed by the sector and business-specific context. Measurement of organizational performance is not without its challenges. Measures based on accountancy are to some extent, open to manipulation and therefore may be difficult to compare over time, or between organizations. Many measures do not necessarily capture the quality of a product or service and where part-time work is frequent and to be comparable, measures need to take into account hours worked (Pollitt, 1996).

Pollitt and others developed a set of 'core' measures of organizational performance that have general application, to enable benchmarking and comparison across sectors. The 'core' set of measures include:

1. **Productivity:** Productivity could be measured using Net added value per hour worked or Net added value per worker. However, this measure will be affected by investments other than those in skills and training, for example in capital.
2. **Profitability:** Return on assets is a useful measure of profitability, and measures how well a company is using its assets to generate earnings. However, values can vary substantially between companies and between sectors and therefore for wider benchmarking purposes profit per employee may be more effective.
3. **Quality:** Manufacturing organizations could estimate quality using the Number of defects in a given number of products. More generally, customer satisfaction could be used. Exactly how customer satisfaction is measured is likely to vary from organization to organization.
4. **Innovation:** Sales (N) from new or adapted products or services is a measure that could be used to benchmark innovation across sectors and which takes some account of the success of the innovation.
5. **Staff performance:** Employees' performance is appraised against pre-set standards. A range of staff performance measures are detailed below.

### 2.1.6. Public Service Delivery

Public as used here is an adjective qualifying service, 'public service'. It distinguishes the public service which is the main concern of this section from that which is strictly private. In other words, which public or what constitutes the public that provide public service? Here, the focus is on the organized public sector of the economy in contrast to the private sector. In Nigeria, the public service is the nerve center on which policy implementation hinges, apart from its strategic advisory role in policy formulation. It is the public service that provides the substantial public goods and services needed as catalyst for development by both public and private sectors of the economy. Here lies the place of public service delivery.

The concept "public service delivery" cannot easily be pinned down to a universally acceptable definition. Simply put, public service delivery is getting public goods and services as expected and as quick as possible by (recipients) citizens (Fagbemi, 2006). In the views of O'Toole Jr. & Meier (2011), service delivery refers to the achievement of public programmes and organizations in terms of output and outcomes that they produce. According to Oronsaye in (Onyekwelu, 2016), service delivery is the process of getting the needs of citizens through prompt and efficient procedures. It presupposes that the interaction between citizens and government results in value creation. According to Akhakpe (2014), public service delivery is the provision of goods and other life support amenities by government to maximize the welfare and well-being of the people. Indeed, to Franz (2011), it involves considerable human activity, hence human resource management is important as human element is often the key ingredients of



service industries. In essence, public service delivery entails the provision and implementation of government policies and programmes that will enable the citizens to improve their living conditions.

The above definitions of public service delivery are all encompassing and a close examination of the definitions suggests that public service delivery is the degree and hallmark of excellence in the public service. Public service delivery is one of the major challenges facing developing countries Nigeria inclusive. This should be a top priority of the government if the country is to make substantial progress in socioeconomic development.

## **2.2. Review of Empirical Literature**

Nnamani, Ejim and Ozobu (2015) investigated the effect of strategy formulation on organizational performance at Innoson Manufacturing Company Ltd Emene, Enugu. A total sample size of 100 was obtained from a total population of 185 workers using the freund and Williams formular. The parametric tests method (T-test statistical technical and non-parametric test method (chi – square) were used to test the three hypothesis that guided the study. The study revealed that a well-conceived and formulated strategy matched with appropriate structure systematic resistance to strategic changes render formulation ineffective. Against these background therefore, the researcher concluded and recommended that top management should take more responsibility in reducing uncertainties by improving performance for the organization through strategy formulation by this, they can gain back their customers through product line diversification strategy and strategic technological changes.

Aremu and Oyinloye (2014) studied the impact of strategic management on organizational performance with a focus on some selected banks in Ilorin Metropolis, Ilorin, Kwara State, Nigeria. This study employed survey research. Primary data were used for the study with questionnaires as research instruments. Statistical techniques were adopted in order to express the variables in statistical, measurable terms. The hypothesis was tested using T-test and Multiple Regression Analysis with the aid of Statistical Package for Social Science (SPSS). The findings of the study revealed that the strategic management affected organizational performance and recommended that the process of strategic management must be strictly adhered to in order for an organization to be outstanding in its performance (i.e. competitive advantage).

Akpotu and Asiegbu and Tamunosiki (2013) studied the influence of social assets like trust, reciprocity and cohesiveness on firm competitiveness. Through a cross-section survey approach, the study generated data and analysed it. A strong link was found to exist between social assets and firm competitiveness. The study concluded that there is an imperative need for social asset development and recommended that managerial actions that supports social relationships be encouraged as it supports positive organizational climate.

Olanipekun, Abioro, Akanni, Arulogun and Rabi (2015) studied the impact of strategic management on competitive advantage and organization performance in Nigerian bottling company. Primary data with the aid of a structured questionnaire was used to elicit information from respondents. The data collected were analyzed using both descriptive such as frequencies, percentages mean, standard deviation and inferential statistics of Chi-square and Analysis of Variance (ANOVA). The findings revealed that indeed the adoption and implementation of strategic management practices makes the organization not only to be proactive to changes but also initiate positive changes that consequently leads to competitive advantage and sustainable performance. It was recommended that organization should continuously maintain, sustain and improve strategic management practices since it is an indispensable tool for business organization performance.

Marao and Muntari (2015) investigated the influence of strategic management practices on performance of floriculture firms in Kiambu County- Kenya. Descriptive survey design was used with a target population of 21 floricultural firms out of which 10 firms were selected by simple random sampling, and 5 respondents from each of the 10 firms purposively chosen. The findings established that strategy formulation, implementation, evaluation and control had significant influence on the performance of flower firms to a moderate extent. The researcher recommended that top-level managers should seek more input from the lower level managers and supervisors when formulating strategy so that the formulated plans are effective and in line with both long and short term objectives of the organization.

James, Akinola, Ologbenla, and Aladeraji (2014) investigate the relationship between strategic management and firm performance of manufacturing industries in Nigeria. The study relied on primary data which were obtained using structured questionnaire administered to 50 purposively selected respondents of the selected firms. The data collected were analysed using Analysis of Variance (ANOVA) and correlation analysis as well as descriptive analysis in pursuance of the stated specific objectives of the

study. The result showed that strategic management had positive relationship with the level of competition of the firms. This study concluded that the practice of strategic management is sine qua non in boosting firm performance in the manufacturing industries in Nigeria.

Sharabati and Fuqaha (2014) investigated the effect of strategic management by using on Jordanian Pharmaceutical Manufacturing (JPM) organizations' business performance. The questionnaire was delivered to about 140 managers out of 250; only 95 questionnaires were completed, out of 95 questionnaires only 90 were suitable for further analysis. Statistical techniques such as descriptive statistics, t-test, ANOVA test, correlation, simple and multiple regressions were employed. The study found that there was a high relationship among balanced scorecard variables and between balanced scorecard variables and JPM Organizations' business performance.

Nwokah, Ugoji and Ofoegbu (2009) examined product development and corporate performance in the Nigerian brewing industry. The data were analyzed using appropriate statistical tool (spearman rank order correlation co-efficient). The data revealed among other things that product development facets of product quality and product lines/product mix were positively and significantly correlated with the corporate performance facets of profitability, sales volume and customer loyalty. The study concludes that a positive and significant relationship exists between product quality product lines/product mix and profitability, sales volume and customer loyalty. To this end, it was recommended among other things that high product quality should be maintained and that the breweries should continuously develop new market segments and develop appropriate product accordingly.

Babalola and Taiwo (2016) examined the impact of strategic management on academic performance of selected private universities in the south-western part of Nigeria. The research work adopted a survey design with a well-structured questionnaire. The emerging data were analyzed using an ordinary least square (OLS) regression technique. The study showed that commitment to strategic planning enhanced the academic performance. The study therefore, concluded that strategic management impacted positively on academic performance of private universities in Nigeria. Based on the findings, the study recommended that for Nigerian private universities to obtain an optimum academic performance, they should ensure a continuous improvement in the levels of their commitment.

Muogbo (2013) investigated the impact of strategic management on organizational growth and development of selected manufacturing firms in Anambra State. The study used descriptive statistics (frequencies, mean, and percentages) to answer the four research questions posed for the study. Results indicated that the adoption of strategic management has significant effect on competitiveness and also influences manufacturing firms. The study concluded that though strategic management is not yet a common business practice among manufacturing firms in Anambra State, it has been identified as veritable tool for improving the competitiveness, performance levels, and structural development of manufacturing firms in Anambra State. The researcher recommended that entrepreneurial centre and business schools in Nigeria should incorporate strategic management principles into their curricula.

Wadike, Abuba, Wokoma and David (2017) investigated management strategy for profitability of corporate organizations in Nigeria. The study used primary data collected with the use of questionnaire distributed to 50 managers of 5 quoted companies, purposively selected from among leading firms in their different areas of industry in Port Harcourt Rivers State. The data was analysed using frequency percentages and weighted mean to answer the research questions. The study found that the processes of strategic management improved the profitability of corporate firms in Nigeria. Therefore, the study concluded that to enhance management strategies, the full processes as identified by the model must be followed.

Madubueze, Mougbo and Umetiti (2016) examined the concept Strategic Management, its tenets and roles as a reform initiative that can facilitate the effectiveness of public sector organizations in Nigeria. With reliance on secondary sources of data collection and backed by the analytical approach, the paper observed that a reformed and well-focused public service anchored on the tenets of Strategic Management, offers a ready tool for effective public service performance in Nigeria. The paper recommended that the structural barriers and other encumbrances to the implementation of public service reforms should be tackled on a sustainable basis. Also, that appropriate institutional framework that will entrench the tenets of strategic thinking across Nigeria's public service should be encouraged.

Akinyele and Fasogbon (2010) examined the impact of strategic planning on organizational performance and survival of First Bank of Nigeria, Plc. A survey technique was used with the administration of questionnaires to 100 respondents (of which 80 was retrieved) comprising of both the senior and junior staff in various First bank branches in Lagos metropolis. The data collected

were analyzed using the Statistical Package for Social Sciences (SPSS). Also, T -Test and Chi-square statistical methods were used in testing the hypotheses using the SPSS. The three hypotheses were confirmed. The study found that there is a link between strategic planning and organization's survival and recommended that Organizations should accord priority attention to the elements of strategic planning.

Mulei (2016) investigated effects of strategic management practice on growth of NIC Bank Limited. A case study research design was adopted, both primary and secondary data were collected. The study found that some of the major strategies that were observed for instance good corporate governance, acquisition, and automation of business processes, branch network expansion and acquisition of new technologies allowed further penetration in various markets. The study therefore recommended that for the bank to gain more competitive advantage it should put in place strategies for their customers to benefit from as well as institute Islamic/Sharia compliant policies to tap the growing Islamic believers market and further boost the generation of non-interest income.

Omale and Idodo (2016) examined the extent to which strategic management of government public policies enhance economic development of Nigeria. The study engaged analytical and qualitative research methods as we did not test any model. Data was gathered from multiples sources, including internal documents, policy documents, and publications of research organizations, articles published in management and social sciences journals and the internet. The paper revealed that strategic management of new government public policies enhances public self-reliance on the Nigerian leadership particularly when there is growing understanding on the part of many that policies have to be formulated through the vigorous participation of the concerned communities. The study recommended that there should be standing policies that will serve as bases for individual, firms or government actions or in-action.

Garad, Abdullahi and Bashir (2015) investigate the relationship between strategic management and organizational performance in Mogadishu. The study employed the use of both descriptive and correlation research design to establish the nature of the relationships. To analyze the data, the spearman correlation statistical tool was used with the aim of establishing the relationship between above variables. The findings revealed the existence statistically significant has a positive relationship between strategic management and organizational performance and on the basis of the findings, the researchers recommend that organizations should factor into account, the internal and external factors that can effects organizational performance.

Needorn and Nwaeke (2015) examined the extent to which strategic management influences the survival or consumer goods manufacturing companies. The population of the study consists of eleven (11) consumer goods manufacturing companies in Rivers State. The findings revealed that strategic management significantly enhance the survival of consumer goods manufacturing companies. Based on the above, it was therefore recommended that consumer goods manufacturing companies should endeavour to make good use of strategic management, in order to enhance corporate growth and survival and every member of the organization should be integrated into the strategic initiatives.

Ting, Kweh and Chan (2014) examined the impact of organizational growth on the profitability of Malaysian public listed companies for the period of 2001-2010. The sample consists of a balanced panel data of 240 companies from various sectors listed on the Main Board of Bursa Malaysia. The study develops multiple regression models to test the impact of organizational growth on firm performance. The results revealed that organizational growth has an impact on profitability and recommended that other growth factors such as dividends and cash flow into their recurrent strategy.

## **2.4. Gap in the Literature**

All the studies reviewed showed a positive relationship between strategic management and organizational performance in the various private and public organizations in Nigeria. To the best of our knowledge, works that have adequate empirical investigation on strategic management and organizational growth in public organizations in Anambra State, Nigeria are very sparse. This study stands to update the findings of previous researchers or the problem identified using the most current information available in the selected public organizations in Anambra State. This study therefore intends to fill the gap in the literature.

## **2.5. Theoretical Framework**

In attempt to establish a theoretical premise and gain further understanding of strategic management practices, this study is rooted on three theories, namely: The Contingency theory by Fred Edward Fiedler in 1964, Resource Based View (RBV) Theory by Jay Barney in 1991 and the New Public Management Theory by Hood (1991).

**Contingency Theory:** A contingency theory is an organizational theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent (dependent) upon the internal and external situation. A contingent leader effectively applies their own style of leadership to the right situation. The contingency theory emphasizes the importance of both the leader's personality and the situation in which that leader operates. Fiedler and his associates studied leaders in a variety of contexts but mostly in military context and their model is based on their research findings. The Contingency Theory embraces the most effective governance structural design where the structure matches with the situation. However, there are numerous major challenges to it. Some of these being theoretical, while others are empirical. The organizational designs can be likened to the strategies embraced and managed by an organization. Just like strategic management, governance structures have been described as the matrix of rules, regulations, protocols and conventions that narrate to the transaction Porter and (Cramer, 2006).

The development of contingency approach was stimulated by managers, consultants and researchers who tried to apply the concepts of the major schools of management to real-life situations. They often found that methods that were highly effective in one situation would not work in other situations. They discovered that a technique that works in one case may not necessarily work in all cases because of differences in their respective situations. They then sought an explanation for these experiences which brought about the contingency based theory (McWilliams, 2002).

The contingency theory draws the idea that there is no one or single best way or approach to manage organizations. Organizations should then develop managerial strategy based on the situation and condition they are experiencing. Contingency theory tries to identify and measure the conditions under which things will likely occur. Since human service practice varies substantially, contingency theory offers a useful approach to model and predict contingency approach practice. Contingency theory allows one to analyse a situation and determine what variables influence the decision with which you are concerned.

The idea of governance structure is comparatively modest, but actually defining a complex structure. Studies have attempted to draw out several relevant dimensions. The firstly, the degree of integration of purchasing and providing roles, and ownership of the associated infrastructure. In this construction, it is useful to differentiate between ownership and control (Barney, 2001). The contingency theory offers no specific way or approach to manage organizations. It is at the discretion of the organizations to develop a managerial strategy based on their conditions or specific situations in which they operate. This theory therefore informs the study in the sense that governance issues are necessary in achieving competitive advantage.

The contingency theory is relevant to the study in the sense that as situation demands, strategic decisions and management actions can help address the particular situation without necessarily making reference to previous situations. Bureaucracy in its traditional approach work with strict adherence to rules and precedence. But under contingency approach, there is room for flexibility on the part of the management to innovate and chart new course of action for better performance.

**Resource Based View Theory:** The Resource Based View (RBV) theory is used to examine the relationship between the internal organizational capabilities and the tangible and intangible assets that firms use to conceive and implement their strategies (Barney, 2001). The RBV theory has three important concepts – resources, capability, and competencies (Yang, 2009). The RBV of the firms suggests that combining resources, including finance, information, assets and humans to enhance performance (Dangayach & Deshmukh, 2001). In this theory, the competitive advantage and superior performance of an organization is explained by the distinctiveness of its capabilities (Johnson, Scholes and Whittington, 2008). The resource-based view (RBV) as a basis for the competitive advantage of a firm lies primarily in the application of a bundle of valuable tangible or intangible resources at the firm's disposal (Wernerfelt, 1984; Rumelt, 1984; Penrose, 1959; Wernerfelt, 1995).

To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile. Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort (Barney, 1991). Strategy has been defined as the match an organization makes between its internal resources and skills and opportunities and risks created by its external environment. The resources and capabilities of a firm are the central considerations in formulating its strategy; they are the primary constants upon which a firm can

establish its identity and frame its strategy. The key to a resources based approach to strategy formulation is understanding the relationships between resources, capabilities, competitive advantage and performance. The resource based view has been a common interest for management researchers and numerous writings could be found for same. A resource-based view of a firm explains its ability to deliver sustainable competitive advantage when resources are managed such that their outcomes cannot be imitated by competitors, which ultimately creates a competitive barrier (Mahoney and Pandian 1992).

RBV explains that a firm's sustainable competitive advantage is reached by virtue of unique resources being rare, valuable, inimitable, non-tradable, and non-substitutable, as well as firm specific (Barney 1999). Helfat and Peteraf (2003) associates the theory to human resource interactions by recounting and analyzing the interrelationship among the assets and most importantly the human resources which have a ripple effect on the general performance of the organization. This will guarantee that the goals and objectives of the organization are achieved. RBV theory lays a good foundation for strategic management practices, therefore working on the firms' resources and managing them to achieve a competitive edge.

The resource based approach sees firms with superior systems and structures being profitable not because they engage in strategic investments that may deter entry and raise prices above long run costs, but because they have markedly lower costs, or offer markedly higher quality or product performance. This approach focuses on the rents accruing to the owners of scarce firm-specific resources rather than the economic profits from product market positioning. Competitive advantage lies upstream of product markets and rests on the firm's idiosyncratic and difficult to imitate resources.

The first theory above lay a rich foundation in comprehending strategic management concept. However, for this particular study, the resource-based theory offers deeper insights and thus overarches other theories. For the purpose of this study, the resource-based theory (RBT) of the firm's competitive advantage will be the underlying theoretical foundation applied and fundamental basis of the variables and their ensuing relationships that will be analysed. Hence, this study will focus especially on the internal attributes (i.e. resources, capabilities and systems) of the organization towards attaining competitive advantage. Although there are some minimal external dimensions and elements (i.e. interactions) to be considered, these elements are mainly inherent within the organization. Hence, it justifies the adoption of the RBT as the main research tenet.

**New Public Management Theory:** New Public Management is a modern management practice with the logic of economics retaining core public values which are not a static but evolving. The traditional concepts of public administration have been transformed to cope with the emerging geo-political and economic challenges. Indeed, the greater role of the government until the 1960s in socio-economic transformation, market oriented reforms, production, provision and regulatory activities came under severe criticism as there were fiscal crisis, imperious bureaucracy, poor performance and lack of accountability in public organizations, wide spread corruption, changes in public expectation and emergence of better alternative forms of service delivery (Minogue, Polidano and Hulme, 1998) that have given rise to the emergence of NPM (Sarker, 2006). After appearance, NPM becomes a leverage of managing public sector organizations with two key features which include, the separation of policy formulation from operation and secondly, the importance of management driven by private sector management strategy.

New Public Management theory is the transition from traditional public administration theories to an arrangement that is workable, practicable and result oriented. It places emphasis on efficiency, effectiveness, corporate governance, technological innovation and democratization. New Public Management theory is a relentless effort in the direction of greater cost reduction, transparency and accountability in resource allocation and performance management through the quality of service (Pollit, 1996).

New Public Management theory therefore, captures the basis of institutional and organization restructuring as an attempt to raise its performance by improving the quality of service delivery. It is result focused rather than the process of result. New Public Management theory came up with different concepts for performance and principles to achieve it (Hood, 1991). Consequently, Hood identified the principles as 'accountability and efficiency; reduction of public sector expenditure; improvement in resource use through labour discipline; flexibility in decision making; competition in the public sector through decentralization and emphasis on result and not procedure.

New Public Management theory is an effort towards democratization and citizens' participation as well as improvement in government service delivery to the citizenry because of the expectations of the people. The main thrust of New Public Management literature is not with what to do but how to do it better. The emerging trend on client orientation and results-based performance is encouraging public sector organizations to innovate in many parts of the world. As a deviation from the principles of NPM, the public sector abysmal performance in Nigeria can be viewed and understood as a carryover effect of this deviation.



The tenets of the New Public Management theory are as follows;

1. Hands on professional management of public organization: Visible managers at the top of the organizations are free to manage by use of discretionary power.
2. Explicit standards and measures of performance: Management by objectives (MBO) that is goals and targets defined and measurable as indicators of success.
3. Shift to decentralization or disaggregation of units in the public sector: Disaggregate public sector into corporatized units of activity, organized by products, with devolved budgets. Units dealing at arm's length with each other.
4. Greater emphasis on output control: Resource allocation and rewards are linked to performance.
5. Emphasis on private sector styles of management practice: Move away from traditional public ethics to a more flexible pay, hiring rules etc.
6. Paradigm shift to greater competition in the public sector: Move to contracting out/out sourcing public sector tendering procedures and introduction to market disciplines and customer oriented public sector.
7. Greater discipline, economy, efficiency and effectiveness in the use of public resources: Cutting direct cost, raising labour discipline, limiting compliance cost to business.

As the other theories, the New Public Management theory is also relevant to the study in the sense that it places emphasis on private sector business best practices in the management of public sector organisations to improve efficiency and effectiveness.

### 3.0 METHODOLOGY

The study was descriptive in nature, data were collected through questionnaire, focus group discussion, observation and secondary sources.

The population of the study comprised the senior staff of selected public enterprises in Anambra State, which include Anambra Broadcasting Service, Transport Company of Anambra State, Anambra Rice Mill Limited, National Light Newspaper Limited and Agulu Lake Resort Limited. These organisations were selected based on their size, budget allocation, operational activities and coverage, and staff strength. The population figure is hereby presented in table 3.1 below.

**Table 3.1: Table of Selected Public Organizations in Anambra State, Nigeria**

S/N	Organisation	Location	Population
1.	Anambra Broadcasting Service	Awka	95
2.	National Light Newspaper Ltd	Awka	101
3.	Transport Company of Anambra State	Awka	112
4.	ANIDS Transport Limited	Awka	146
<b>TOTAL</b>			<b>454</b>

*Source: Field Survey, 2018*

The researcher used a combination of Face Validity and Content Validity. These have addressed whether or not the conceptual variables appeared to be adequately measured both on the content and surface. The face and content of the validity were ensured by giving out copies of questionnaire to statisticians and experts in research in the department of Public Administration. They reviewed the contents items of the questionnaire for clarity of words, contents coverage, relevance and effectiveness in measuring the problem under study and also reviewed the appropriateness of the language expressions and instructions to respondents.

Face validity was geared towards language simplification, structure and face appeal of the questionnaire while content validity made sure that the questionnaire offered coverage. Copies of the questionnaire were sent to different expert validators for their inputs. The construct validity was carried out by subjecting the instrument to factor analysis with the use of SPSS version 20 by giving out the item of questionnaire to 226 employees of selected public organizations in Anambra State, Nigeria to ensure accuracy of the sampling adequacy, the result is as shown below.

**Table 3.2 KMO and Bartlett's Test**

Kaiser-Meyer – Olkin Measure of Sampling Adequacy	0.846
Bartlett's Test of Approx. Chi – Square	3372.5
Sphericity Degree of freedom	860
Sig.	.001

**Source: SPSS VER.20**

Decision Rule: Measurement of Appropriateness of Facto Analysis

Interpretative adjectives for the Kaiser-Meyer – Olkin Measure of Sampling Adequacy are;

0.90's are labeled as marvelous

0.80's are labeled as meritorious

0.70's are labeled as middling

0.60's are labeled as mediocre

0.50's are labeled as unacceptable

The value of the KMO measure of sampling adequacy for this set of variables is 0.846 which would be labeled meritorious; since the KMO measure of sampling adequacy meets the minimum criteria, we do not have a problem that requires us to examine the Anti-Merge correlation matrix. Therefore, the instrument is deemed to be valid.

The study instrument was scrutinized for reliability using Spearman-Brown's Split-Half technique and the result obtained was .953 which is above the .7 benchmark of acceptance of an instrument as reliable.

**Table 3.3: Reliability Statistic**

Reliability Statistics			
Cronbach's Alpha	Part 1	Value	.786
		N of Items	10 <sup>a</sup>
	Part 2	Value	.775
		N of Items	10 <sup>b</sup>
	Total N of Items		20
Correlation Between Forms			.912
Spearman-Brown Coefficient	Equal Length		.953
	Unequal Length		.953
Guttman Split-Half Coefficient			.812

**Computation: SPSS ver. 20**

Formula used in calculating the reliability is given below as:

$$r_{SB} = \frac{2r_{hh}}{1 + r_{hh}}$$

Where

$r_{hh}$  = Pearson correlation of scores in the two half tests.

Applying the formula, we would have:

$$r_{SB} = \frac{2 \times .912}{1 + .912}$$

$$r_{SB} = \frac{1.824}{1.912}$$

$$r_{SB} = 0.9539748$$

$$r_{SB} = 0.953$$

The data gathered from the survey was analyzed using Statistical Package for Social Science (SPSS) version 20. Descriptive statistics was used for mean and correlation coefficient analysis was used to test the hypotheses. This is in a bid to establish the nature of relationship that exists between the dependent and independent variables. The level of significance used will be 5 percent interval reliability. The test of hypothesis will be addressed through the application of Pearson Product – Moment Correlation analysis. A 5-point Likert scale assigned numerical values of Strongly Agree (5), Agree (4), Undecided (3), Disagree (2) and Strongly Disagree (1) was used.

$$\text{Mean } [\chi] = \frac{5+4+3+2+1}{5} = 3.0$$

### Decision Rule

A cut point of 3.0 was adopted as the criterion mean. This implies that any mean score that is 3.0 and above was considered as Agreed/Accepted while mean score below 3.0 was considered as Disagreed.

## 4.0 TEST OF HYPOTHESIS, DISCUSSION OF FINDINGS AND RECOMMENDATIONS

### 4.1. Test of Hypothesis

The hypothesis for this study was tested using the Pearson Product Moment Correlation Coefficient. The results of the returned questionnaires were captured on Microsoft Excel and then exported to Statistical Packages for Social Science (SPSS) version 20 for analysis and interpretation. Data used for the test were obtained from the responses of respondents to various questions in the questionnaire item that relate to the various hypotheses. A 0.05 level of significance was adopted for the study.

**Decision rule:** We accept the null hypothesis when the probability value is greater than the alpha value, otherwise we reject it.

**H<sub>0</sub>:** Strategic financial management has no effect on public service delivery in selected public sector organisations in Anambra state, Nigeria.

**H<sub>1</sub>:** Strategic financial management has an effect on public service delivery in selected public sector organisations in Anambra state, Nigeria.

### Descriptive Statistics

	Mean	Std. Deviation	N
Strategic Financial Mgt.	3.7041	.24311	350
Public Service Delivery	3.0226	.52138	350

### Correlations

	Strategic Financial Mgt.	Public Service Delivery
Strategic Financial Mgt.	1	.141**
	Pearson Correlation	
	Sig. (2-tailed)	.011

	N	350	350
Public Service Delivery	Pearson Correlation	.141**	1
	Sig. (2-tailed)	.011	
	N	350	350

\*\*. Correlation is significant at the 0.05 level (2-tailed).

In testing the hypothesis, the analysis shows that the probability value (0.011) is less than the alpha value (0.05), the researcher therefore accepts the alternative hypothesis and concludes that strategic financial management has an effect on public service delivery in selected public sector organisations in Anambra state, Nigeria with a correlation value of 0.141.

#### 4.2. Discussion of the findings

The Hypothesis is on the issue of finance and its effect in the delivery of public goods and services. Finance is important to all organizations whether they be public or private. The truth of this assertion is in the fact that while the private sector needs money (capital) to set up, their ultimate aim for establishment is to make profit through effective utilization of the capital in the production of goods and provision of services. Similarly, government or the public sector on their part needs money to provide public goods and services, good governance and ensure the prosperity, political, economic and social stability of the societies they govern.

Results from the test of the hypothesis led the researchers to accept the alternative hypothesis and conclude that strategic financial management has an effect on public service delivery in selected public sector organisations in Anambra state, Nigeria with a correlation value of 0.141. The finding from the test of this hypothesis supports the study by Hofer and Schendel (cited in Omale and Idodo 2016), to the effect that strategic management does result in organizational performance and profitability. They conclude that formalized strategic management process does make a difference in the recorded measurement of profits, sales and return on investment. Firms that adopt strategic management approach can expect that the new system will lead to improved financial performance.

#### 4.3. Recommendations

1. Public sector organizations should embrace digitalization. It is appalling that most government Ministries and Department do not have functional and user friendly websites. Of special focus in this recommendation are those public sector organizations that operate like business organizations. It is recommended here that they should embrace competition in this regard from their counterparts in the private sector.
2. One of the fundamentals of every business organization is to minimize inputs in the maximization of outputs. Public enterprises should strategically adopt cost saving measures that will help increase efficiency and effectiveness. Investment in technology, reduction of huge personnel cost, combating corruption in the allocation and use of government funds, among others, are some of the measures that can be taken to strategically enhance financial management in these organizations in order to improve service delivery.

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