

# Role of Strategic Decision Making on Employees Productivity

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**Abstract:** *This present work is to determine the role of strategic decision making on employees productivity in Osun State, Nigeria. The company considered in this study is Omoluabi Holdings (Osun State Investment Company Limited). The research objectives includes: to investigate the impact of strategic decision on organizations productivity in Omoluabi Holdings; examine if the success of Omoluabi Holdings is based on strategic decision; determine the operational efficiency of the strategic decision in Omoluabi Holdings; assess main factors that affect strategic decision at Omoluabi Holdings. Primary data was used for this study and 50 questionnaires were distributed among the respondents in Omoluabi Holdings. Data were analyzed using descriptive statistics while Chi-square was used to test hypotheses. The result of the hypotheses shows that  $H_0$  is rejected and  $H_1$  is accepted for all four hypotheses examined. Therefore, Strategic decision plays significant role on organizational productivity at Omoluabi Holdings, productivity and profitability of an organization is based on strategic decision at Omoluabi Holdings; there is operational efficiency of the strategic decision in Omoluabi Holdings and there are main factors that affect strategic decision at Omoluabi Holdings. it can be concluded that the strategic decisions making influencing employee productivity include improved infrastructural development, hiring of competent staff, improved academic performance, strategic plan implementation, increased number of staffs, and achievement of set targets and reduction of costs of running the organization. From the findings of the study, also it can be concluded that strategic decisions influence performance of organization through employee productivity. Therefore the study recommends that all organizations in Osun State should adopt these strategic decisions in their day to day decision making processes. Strategic decisions influence performance of employees. Also, the study recommends that all organizations in Osun State should adopt these strategic decisions in order to improve their performance.*

**Keywords:** Strategic Decision Making, Employee, Productivity, Employer Chi-Square

## 1. INTRODUCTION

Strategy is designed to help firms achieve competitive advantage. In the broadest sense, competitive advantage is what allows a firm to gain an edge over its rivals. Competitive advantage enables a firm to achieve high performance over an extended period of time. Strategic decision therefore is part of the contemporary managerial tool kits not only for dealing with the inevitable uncertainty in the management environment but also, for stimulating organizational performance.

Decision-making is the selection of alternative course of action from available alternatives in order to achieve a given objective. A decision could be seen as a mental process that forces us to analyze the situation in order to master it or increase our knowledge in the area in which decision is to be made.

In real situation, most decisions are taken with less than perfect information, inaccuracies and inadequacies of the information available. With these factors and others out of place or inadequate, decisions are made in the wrong way which can create a further problem to the individual or organization. Therefore, all necessary factors needed during decision making needs to be available and adequate in order to make a sound decision to deal with the situation that warrants it.

Employee productivity is one of the most important topics in management research in addition to be the most important criterion in evaluating organizations, their actions, and environments. Employee productivity have been measured substantially based on their profit achievement. None of any organizations wanted to have losses being marked for their business operations during the given accounting period. Thus, managers in the organizations were urged to make profit in the course of business operations, and at the end of their business accounting period. Behind those profits, managers have to make strategic decisions in charting their organization's path in achieving its objectives as directed by the board and top management. Managers needed information in order for them to make a good business decisions.

Although, the managers had substantial information prior to make decisions, they may not come up with the right or perfect strategic decision making for the organizations.

However, decision-making is the one of the most important functions of managers in any kind of organization (Nooraie, 2012). It is central managerial activity in all types of business organizations; large and small, for profit and not - profit, private and public (Elbanna and Child, 2007). Strategic decisions, when implemented correctly, are an opportunity to reposition and realign an organization to better “fit” (Harrison, 1996).

Accordingly, successful strategic decision making enables an organization to maintain competitive position, align internal operations with external environment and survive threats and challenges, while conversely, because of their magnitude, a single, poorly made strategic decision can lead to the demise of an organization and result in corporate embarrassment, large economic losses for stakeholders or even bankruptcy (Mueller et al., 2007). Moreover, all organization members must be involved if they are to understand the need for creativity and if they are to be committed to changing their behaviour at work, in new and improved ways (Singh, 2009; Kingir and Mesci, 2010). Manager’s involvement in decision-making serves to create a sense of belonging among the workers as well as a congenial environment in which both the management and the workers voluntarily contribute to enhance organization performance (Noah, 2008). Therefore, this work aimed to address the role of strategic decision making on employees productivity.

### **1.1 Statement of the problem**

As it has been established that any decision with positive effect also has its negative value, decision making whether it is private or public, the problem of decision making is the interference of the owners of the organisation or the government of the day. In some organisation’ the problem of decision making is government interference in the running of the organisation or formulation of governmental policies that have direct or indirect effect on the organisation especially decision regarding its effective operation.

However, despite the persistence of this problem, which ranges from lack of management making the right decision to lack of manpower and communication channel to carry out the decision made to where it is required for implementation, there is still the belief that decision making is an important tool in every organization.

In Nigeria, most organizations attribute their failure to lack of funds, market situation and product unacceptability. Meanwhile, Ikemefuna (2010) observed that lack of vision; mission, and improper planning are the principal causes of business failure. However, Mintzberg (2011) argued that strategic planning is an involved, intricate and complex process that takes an organization into the uncharted territory. It does not provide a ready to use prescription for success; instead, it takes the organization through a journey and helps develop a framework and context within which the answers will emerge.

The main problem of this study is therefore concerned with issues of haphazard planning; issues of not attaching adequate importance to business environment; and issue of engaging unqualified managers that can undertake effective strategic management decisions in order to meet up with the productivity and profitability of Business organization in Nigeria.

### **1.2 Research Questions**

The following research questions would be asked in the course of this study:

- What is the impact of strategic decision on organizations productivity in Omoluabi Holdings?
- Is the success of Omoluabi Holdings based on strategic decision?
- What is the operational efficiency of the strategic decision in Omoluabi Holdings?
- What are the main factors that affect strategic decision at Omoluabi Holdings?

### **1.3 Research Objectives**

The main objective of this work is to determine the impact of strategic decisions on employee productivity in Nigeria, a case study of Omoluabi Holding (Osun State Investment Company Limited). Specific objectives are:

- To investigate the impact of strategic decision on organizations productivity in Omoluabi Holdings.
- To examine if the success of Omoluabi Holdings is based on strategic decision.
- To determine the operational efficiency of the strategic decision in Omoluabi Holdings.
- To assess main factors that affect strategic decision at Omoluabi Holdings

### **1.5 Research Hypotheses**

The following hypotheses are formulated for this study.

- Strategic decision plays no significant impact on organizational productivity at Omoluabi Holdings.
- The productivity and profitability of an organization is not based on strategic decision at Omoluabi Holdings.
- There is no operational efficiency of the strategic decision in Omoluabi Holdings.
- There are no main factors that affect strategic decision at Omoluabi Holdings.

## 2. LITERATURE REVIEW

### 2.1 Conceptual Review

#### 2.1.1 Strategic Decision Making

Decision-making is a process that occurs daily in homes, schools, political, and governmental organizations, corporate boardrooms and executive offices. Decisions, especially important decisions, are made by leaders and managers located at the top of the organizational hierarchy (Hickson et al., 1986). By definition, decision-making is the process through which managers identify organizational problems and attempt to resolve them (Bartol and Martin, 1994). In the words of Harris (2009) decision making involves an act of identifying and ably selecting among an array of alternatives based on the inclination.

Strategic decision-making is an attempt to plan for the long-term future of an organization and increase the odds that the organization will be successful. Strategic decision-making is a specific type of decision-making that is “important in terms of the actions taken, resources committed, or the precedent set (Eisenhardt and Zbaracki, 1992) in addition to Strategic decisions are a specific type of decision, as opposed to tactical decisions and operational decisions (Bess and Dee, 2008). (Mintzberg et al., 1976) explain the essence of strategic decisions: A strategic decision process is characterized by novelty, complexity, and open-endedness, by the fact that the organization usually begins with little understanding of the decision situation it faces or the route to its solution, and only a vague idea of what that solution might be and how it will be evaluated when it is developed. Only by groping through a recursive, discontinuous process involving many difficult steps and a host of dynamic factors over a considerable period of time is a final choice made.”

The purpose of strategic management is to contribute to finding ways to improve the organization’s performance. This contributes to the strategic decision to take the direction of organization and determine its ability to keep its position in the light of the environment in which they can be predictable. (Tatum et al., 2003) state that managers make day-to-day decisions, or resolve immediate problems. They also elaborated that managers have different decision styles due to the amount of information, number of alternatives, and attempt to integrate and coordinate multiple sources of input. Nevertheless, the managers can take the right strategic decision through the decision-making process, which help to ensure the efficiency of the strategic decision. Elbanna and Child (2007) notes that strategic decision-making process (SDMP) deals with the process of making the strategic decision, implementation and the factors that affect the process.

#### 2.1.2 Decision Making Process

Decision makers and managers need to allow themselves to be in the process of decision-making. This decision making process will give the opportunity to decision makers and managers to come up with the alternatives, evaluate each alternatives, and select the best alternative or solution to the problem. Many studies in the field of strategic decision-making describe the process as a sequence of steps, phases or routes. Several impediments have been identified in the way of a correct definition of the issue which is the subject of decision: Paying attention to effects and not to causes, selective perception, defining problems through solutions etc. (Cornescu et al., 2004).

The seven steps followed by the author (Litherland, 2013) are: Defining the problem, identifying and limiting the factors, development of potential solutions, analysis of the alternatives, selecting the best alternative, implementing the decision and establishing a control and evaluation system. This process represents the most commonly one used by the managers. The process of making strategic decisions has been an important theme of strategy research over the last two decades (Papadakis and Barwise, 2002). (Barnard, 1938) distinguished earlier between “logical” and “non logical” processes as bases for decision-making. (Mintzberg et al., 1976) identify three phases of strategic decision-making: “Identification,” “development,” and “selection.”

#### 2.1.3 Factors Influencing Strategic Decision-Making Processes

Decision-making is one of the most important functions of managers in any kind of organization. Among different manager's decisions strategic decision-making is a complex process that must be understood completely before it can be practiced effectively. Those responsible for strategic decision-making face a task of extreme complexity and ambiguity. For these reasons, over the past decades, numerous studies have been conducted to the construction of models to aid managers and executives in making better decisions concerning the complex and highly uncertain business environment.

The first step in the evolution of strategic management was taken in the late 1950's, when firms developed a systematic approach to deciding where and how the firm will do its future business (Ansoff, 1984). A strategy is a pattern in the organization's important decisions and actions, and consists of a few key areas or things by which the firm is distinguished from others (Digman, 1986).

##### 2.1.3.1 Strategic Issues

Strategic issues can be defined as developments, events and trends having the potential to impact an organizational strategy (Ansoff, 1980; Dutton & Duncan, 1987). These issues can represent problems or opportunities to decision makers. They are important because they affect an organization's ability to achieve its goals or objectives (Dutton & Duncan, 1987). Decision-making on strategic issues generally is treated as strategic decisions and therefore deserves strategic management consideration. According to Pearce II & Robinson (1994) strategic issues typically have the following characteristics:

- Require large amount of the firm's resources,
- Often affect the firm's long term prosperity,
- They are future-oriented,
- Usually have multifunctional consequences,
- They require consideration of the firm's external environment, and
- Require top-management decisions.

### **2.1.4 Productivity**

Glen (2014) stated that the manufacturing sector is an ever changing beast and every year, the industry is faced with fresh challenges. The author stated that virtually all media houses constantly report the closure of industrial units, labour disputes between employers and their employees or reductions in the labour force due to recession and other economic dynamics. As a result, the image of manufacturing industries have been marred by low wages, high labour turnover, inadequate working conditions, poor performance and productivity (Githinji, 2014).

Productivity can be referred to as the quantity of work that is attained in a unit of time by means of the factors of production. These factors include technology, capital, entrepreneurship, land and labour. It is the link between inputs and outputs and increases when an increase in output occurs with a lesser than comparative increase in input. It also occurs when equal amount of output is generated using fewer inputs (ILO, 2005).

Bhatti (2007) and Qureshi (2007) were of the perspective that productivity can be seen as a measure of performance that encompasses both efficiency and effectiveness. It can also be referred to as the ratio of output or production capacity of the workers in an organization. It is the correlation that exists between the quantity of inputs and outputs from a clearly defined process. The performance of a business which determines its continued existence and development is largely dependent on the degree of productivity of its workers. Yesufu (2000) stated that the prosperity of a nation as well as social and economic welfare of its citizens is determined by the level of effectiveness and efficiency of its various sub components.

Productivity is a total measure of the efficiency or capacity to transform inputs that is raw materials into finished products or services. More precisely, productivity is a measure that indicates how well essential resources are used to accomplish specified objectives in terms of quantity and quality within a given time frame. It is suitable when measuring the actual output produced compared to the input of resources, taking time into consideration.

#### **2.1.4.1 Employee Productivity**

Jennifer and George (2006) Argued that the performances of workers contribute directly to an organization's level of effectiveness, efficiency and even towards the achievement of administrative goals. It also stated that a corporation's failure to certify that its workers are motivated has a negative influence on its organizational effectiveness and efficiency thereby affecting employee's productivity levels concerning expected goals and objectives. According to Antomioni (1999) a worker's level of productivity is reliant on the extent at which workers believe that certain motivational desires will be fulfilled stating that workers become demoralized as such less productive once they perceive that their desires can't be met or gratified.

Mathis and John (2003) suggested that productivity refers to a measure of the quantity and quality of work done, bearing in mind the cost of capital used. The greater the level of organizational productivity, the greater the competitive edge. This is because the costs associated with the production of goods and services are lesser. Better productivity ratios does not automatically mean that more output is manufactured; it could also mean that less workers or less financial resources and time were utilized in producing the similar output. McNamara (2003) stated that productivity may be denoted in form of quality, quantity, time and cost. He also stated that evaluating productivity has to with measuring the length of time it takes an average employee to produce a specified level of output. Although measuring productivity may seem difficult, it is however very significant since it directly affects organizational profitability.

### **2.2 Empirical Framework**

Lawler (1968) stated that certain elements affect worker's productivity levels in relation to their jobs. First, productivity is dependent on the amount of monetary or non-monetary benefits they actually receive as opposed to the amount they feel they deserve. Also, evaluating what other workers receive in comparison to their own affects their individual performances, while the worker's contentment with both intrinsic and extrinsic rewards acquired has an effect on overall work performance and productivity levels. Furthermore, workers vary largely in the rewards they crave and the degree of value they attribute to each

reward. Finally, it is observed that extrinsic rewards tend to please workers more than intrinsic because they lead to the achievement of other rewards. As such, these observations propose the necessity for a diverse reward system.

The research carried out by Lin (2007) on the assessment of intrinsic and extrinsic motivation on employee productivity, The results gotten from the examination revealed that there was a significant correlation between extrinsic motivation and the productivity level of the workers, while that of intrinsic motivation was statistically less significant than extrinsic even though a correlation also existed between intrinsic factors and workers' productivity levels. As a result, implications of the findings for future study were stated.

Jibowo (2007) in the study; motivation and workplace productivity amongst workers basically assumed the similar methods as (Herzberg, 2000). The study shows some supports for the impact of motivation on productivity. However more value was placed on extrinsic factors than intrinsic.

Another research by Centres and Bugental (2007) also based their inquiry on Herzberg's two-factor theory of motivation, which divided job variables into several groups: hygiene factors and motivators. They utilized a population of 692 participants to test the rationality of the theory on worker effectiveness and efficiency levels. It was revealed that at higher professional levels, motivators or Intrinsic job elements were more appreciated, while at lower occupational levels hygiene factors or extrinsic job elements were more appreciated. As a result, they concluded that an organization that fulfills both intrinsic and extrinsic elements influencing employees' behavior are able to gain the best out of them.

Assam (2002) also examined the role of extrinsic and intrinsic motivation on productivity among Nigerian workers, it showed that using a sample of employees of high and low professional levels. The assumption that low income employees will be inherently motivated and highly productive was not validated, and the assumption that higher incomes employees will place great values on 47 intrinsic motivational elements than low income employees was also not validated. This explicitly illustrates the degree of value workers place on extrinsic motivational elements even in the absence of any significant change in motivational levels across various classes of employees in the organization.

(Baase, 2009) perceived that poor compensation is linked to the profitability of an organization. Wage differences amongst high and low salary recipients was linked to the loss of morale, lack of commitment and low productivity.

Also Nwachukwu (2004) attributed the decline in productivity levels of employees on some elements, amongst them is a company's failure to cater for the well-being of their staff, provide adequate compensation, training and career development, adequate working conditions, suitable working environment and failure to promote cordial relationships amongst co-workers, managers and their organizations which is very demoralizing to the workforce leading to reduced their levels of productivity.

### **3. METHODOLOGY**

#### **3.1 Research Design**

This work adopted the descriptive research design to determine the role of strategic decision making on employee productivity. The data used in this study was obtained through questionnaire from primary sources.

#### **3.3 Population of the Study**

The population of the study is the staff of Omoluabi Holdings, Osogbo, Osun State. The category of staffs considered includes top senior staff, middle management staff and lower level management staff. Population of sixty (60) respondents was considered and administered with questionnaire but fifty(50) respondents' return the questionnaire.

#### **3.4 Sampling Method**

The sampling denotes the portion of the entire population in order to ensure conclusion about the population, in a bid to bring out accurate and perfect information about the research work. This study used judgmental sampling techniques. This method is a non-probability sampling technique and the researcher used knowledge and professional judgment to determine and selects units as well as quantity to be sampled and considered for the work. Three important units in both firms were considered in this study and they are: Senior. Middle and Low management staffs.

#### **3.5 Research Instrumentation**

The research instrument for the study is the questionnaire. This was designed to elicit vital information in line with the stated objectives of the work. The questionnaires were distributed to sixty (60) respondents in the firms. The completed (filled) questionnaires were retrieved back after some days they were giving to the respondents. Total number of fifty (50) questionnaires were collected back out of sixty (60) administered.

#### **3.6 Validity and reliability of research Instrument**

The constructed questionnaire was submitted to the experts for critical, analytical and logical appraisal and assessment of contents and statements in the instruments and this then made the instrument valid for the study. To ensure proper reliability of the instrument, the questions were not ambiguous to respondents in order to avoid the impression of different interpretation or constructed in a way that give different meaning that could generate inaccurate and inconsistent responses when instrument is repeatedly objectivity with no leading question as to answer desired.

**3.7 Method of data collection**

The primary data was obtained using properly structured questionnaire administered to the respondents from both firms. The questionnaire contained multi –choice question so that the respondents can answer and fill it without much problem, and to know the opinions, ideas and experiences of the respondents.

**3.8 Method of data analysis**

A simple percentage approach was used for the analysis of the questionnaire while hypotheses were tested through the chi-square. The table and percentage method data analysis was employed with below formula:

- $Q\% = \frac{b}{n} \times 100$
- Where n = total number of response to a question
- b = number of respondents ticking a particular Answer
- Q% = “a” expressed as a percentage of N

Analysis and interpretation were done using 5 likert scale have followed respectively in the tables below: SA= Strongly Agreed, A= Agreed, U=Undecided, D= Disagree, SD= Strongly Disagree.

**4. RESULT AND DISCUSSION**

**4.1 Socio-economic Characteristics of the Respondents**

The following socio-economic characteristics were identified and described: Gender, Level of Education, Working Experience, Position in Job and Age of Working place.

Table 1: Socio-economic Characteristics of the Respondents

S/N	CLASSIFICATION	ITEMS	FREQUENCY	PERCENTAGE%	TOTAL%
1	Gender	Male	36	72	100
		Female	14	28	
2	Level of Education	B.Sc/HND	30	60	100
		M.Sc/MBA	15	30	
		Ph.D	5	10	
3	Working Experience	0-5 years	22	44	100
		6- 10 years	16	32	
		11-above years	12	24	
4	Position in Job	Top Level	07	14	100
		Middle Level	15	30	
		Lower Level	28	56	
5	Age of Working Place	Less than 10 years	04	8	100
		More than 10 years	46	92	

Source: Questionnaire Administered, Field Survey 2020

As regards to the frequencies and percentages of the respondents, from the table above, 36(72%) are males while 14(28%) are females. 30(60%) have either B.Sc or HND, 15(30%) have either M.Sc or MBA, 5(10%) are Ph.D among the respondents. 22(44%) have a working experience of one to five years, 16(32%) have six to ten years working experience, 12(24%) have eleven to above years working experience. As regards the position held by the respondents, 7(14%) are Top Level Officer, 15(30%) are Middle Level Officer while 28 (56%) are Lower Level Officer among the respondents (Table 1).

**4.2 The extent to which strategic decisions improve employee productivity**

Table 2: Respondents View on if organization have a strategic plan

Responses	Number of Respondents	Percentage (%)
Yes	50	100
No	0	0
Total	50	100

Source: Field Survey 2020.

From the above table 2, it could be seen that all respondents agreed that organization have a strategic plan.

Table 3: Respondents View on whether strategic decision improve employee productivity in your organizations productivity

Responses	Number of Respondents	Percentage (%)
Yes	50	100
No	0	0
Total	50	100

Source: Field Survey 2020.

The table 3 above shows that the entire respondents 50(100%) responded positively to the fact that strategic decision improve employee productivity in Omoluabi Holdings.

**Table 4: Respondents View on whether success of the organization can be attributed to the strategic decision**

Responses	Number of Respondents	Percentage (%)
Yes	30	60
No	20	40
Total	50	100

Source: Field Survey 2020.

From the above table 4, it could be observed that 33(66%) of the respondents agreed to the fact that the success of your organization be attributed to the strategic decision while 17(34%) of the respondents were of disposition that success of organization cannot be attributed to the strategic decision

Table 5: Respondents View on whether implementation and operation of strategic decision effective in your organization

Responses	Number of Respondents	Percentage (%)
Yes	50	100
No	0	0
Total	50	100

Source: Field Survey 2020.

From the above table 5, the entire respondents were of the opinion that implementation and operation of strategic decision is effective in Omoluabi Holdings.

**Table 6: The extent to which strategic decisions improve employee productivity**

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	A	U	D	SD
1	The strategic plan is implemented	25 (50%)	17 (33.3%)	4 (8.3%)	2 (4.2%)	2 (4.2%)
2	There is improved employees performance	21 (41.7%)	19 (37.5%)	4 (8.3%)	4 (8.3%)	2 (4.2%)
3	The employer/management achieve set targets	23 (45.8%)	13 (25%)	2 (4.2%)	8 (16.7%)	4 (8.3%)
4	Reduction of costs of running the organization	27 (54.2%)	13 (25%)	4 (8.3%)	4 (8.3%)	2 (4.2%)
5	The management hires competent staff	21 (41.7%)	15 (29.2%)	2 (4.2%)	8 (16.6%)	4 (8.3%)

Source: Field Survey 2020.

SA= Strongly agreed, A= Agreed, U=Undecided, D=Disagreed, SD=Strongly Disagreed

The table 6 above shows the extent to which strategic decisions improve employee productivity 50% strongly agreed that the strategic plan is implemented, 33.3% agreed, 8.3% undecided, 4.2% disagreed and another 4.2% strongly disagreed; there is improved employees performance 41.7% strongly agreed, 37.5% agreed, 8.3% undecided, 8.3% disagreed and 4.2% strongly disagreed; the employer/management achieve set targets 45.8% strongly agreed, 25% agreed, 4.2% undecided, 16.7% disagreed and 8.3% strongly agreed; Reduction of costs of running the organization 54.2% strongly agreed, 25% agreed, 8.3% undecided, 8.3% disagreed and 4.2% strongly disagreed; The management hires competent staff 41.7% strongly agreed, 29.2% agreed, 4.2% undecided, 16.6% disagreed and 8.3% strongly disagreed.

### 4.3 Decision Making Process Used by Organization

**Table 7: Decision Making Process Used by Organization**

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	A	U	D	SD
1	The board of management provides an enabling environment for decision making	27 (54.2%)	17 (33.3%)	4 (8.3%)	2 (4.2%)	-
2	The management of the organization evaluates the plan before implementation	25 (50%)	15 (29.2%)	4 (8.3%)	4 (8.3%)	2 (4.2%)
3	The management selects the best alternative for decision making	23 (45.8%)	13 (25%)	2 (4.2%)	8 (16.7%)	4 (8.3%)
4	The board of management communicates decisions to all its employees in order to make decisions	27 (54.2%)	13 (25%)	4 (8.3%)	4 (8.3%)	2 (4.2%)
5	The management shows commitment and support the in implementing strategic decisions	21 (41.7%)	15 (29.2%)	2 (4.2%)	8 (16.6%)	4 (8.3%)

Source: Field Survey 2020.

SA= Strongly agreed, A= Agreed, U=Undecided, D=Disagreed, SD=Strongly Disagreed

The table 7 above shows that response on decision Making Process Used by Organization. 27 (54.2%) of respondents strongly agreed that the board of management provides an enabling environment for decision making, 17(33.3%) respondents agreed and 4 (8.3%) respondents undecided while 2(4.2%) respondents Disagree and strongly disagreed were none; The management of the organization evaluates the plan before implementation 25(50%) respondents strongly agreed, 15(29.2%) respondents agreed, 4 (8.2%) respondents undecided, 4 (8.2%) respondents disagree and another 2 (4.2%) respondents strongly disagreed; The management selects the best alternative for decision making 23(45.8%) respondents strongly agreed, 13(25%) respondents agreed, 2 (4.2%) respondents undecided, 8 (16.7%) respondents disagree and 4 (8.3%) respondents strongly disagreed; The board of management communicates decisions to all its employees in order to make decisions 27(54.2%) of respondents strongly agreed, 13(25%) of respondents agreed, 4 (8.3%) of respondents undecided and 4(8.3%) of respondents disagree and 2(4.2%) of respondents strongly disagreed; The management shows commitment and support the in implementing strategic decisions 21 (41.7%) very large extent, 15 (29.2%) large extent, 2(4.2%) some extent, 8(16.6%) no extent, and 4(8.3%) undecided.

### 4.4 Test of Hypotheses

To carry out this study successfully, four (4) hypotheses formulated in the previous section of this research work shall be examined by subjecting them to statistical test with the aid of chi square distribution at  $P < 0.001$  level of significance to determine the validity or otherwise of the hypothesis. This is computed using the formula:

$$X^2 = (O-E)^2 / E$$

Where:

Ho: Null hypothesis

Hi: Alternative hypothesis

O = Observed frequency from the respondents.

E = Expected Frequency.

$X^2$  = Chi-square statistics.

P = Probability Ratio.

**Decision Rule:** Decision rule has it that  $H_0$  (Null Hypothesis) should be rejected and  $H_1$  (Alternative Hypothesis) accept if the calculated value is greater than or exceeds the critical value otherwise; do not reject the null hypothesis  $H_0$ .

**Hypothesis 1**

H: Strategic decision plays no significant impact on organizational productivity at Omoluabi Holdings.

Using the chi-square ( $X^2$ ) Method for Computation

Responses	O	E	O-E	(O-E) <sup>2</sup>	$\frac{(O - E)^2}{E}$	$X^2$	P
YES	40	25	15	300	12	24	<.001
NO	10	25	-15	300	12		

**Source:** Field Survey 2020.

From the calculations above, chi-square ( $X^2$ ) calculated value of 24 is greater than chi ( $X^2$ ) critical value of 3.09 at P <0.001 level of significance. Thus,  $H_0$  is rejected and  $H_1$  is accepted. Therefore, Strategic decision plays significant role on organizational productivity at Omoluabi Holdings.

**Hypothesis 2**

H: The productivity and profitability of an organization is not based on strategic decision at Omoluabi Holdings.

Using the Chi-square ( $X^2$ ) Method for Computation

Responses	O	E	O-E	(O-E) <sup>2</sup>	$\frac{(O - E)^2}{E}$	$X^2$	P
YES	45	25	20	400	13.3	26.9	<.001
NO	5	25	-20	400	13.3		

**Source:** Field Survey 2020.

From the calculations above chi( $X^2$ ) calculated value of 26.9 is greater than chi ( $X^2$ ) critical value of 3.09 at P <0.001 level of significance. Thus,  $H_0$  is rejected and  $H_1$  accepted. Therefore, productivity and profitability of an organization is based on strategic decision at Omoluabi Holdings.

**Hypothesis 3**

H: There is no operational efficiency of the strategic decision in Omoluabi Holdings.

Responses	O	E	O-E	(O-E) <sup>2</sup>	$\frac{(O - E)^2}{E}$	$X^2$	P
YES	35	25	10	100	4	16	<.001
NO	15	25	-10	100	4		

**Source:** Field Survey 2020.

From the calculations above, chi ( $X^2$ ), calculated value of 16 is greater than chi ( $X^2$ ) critical value of 3.09 at P <0.001 level of significance. Thus  $H_0$  is rejected and H is accepted. Therefore, there is operational efficiency of the strategic decision in Omoluabi Holdings.

**Hypothesis 4**

H: There are no main factors that affect strategic decision at Omoluabi Holdings

Using the chi-square ( $X^2$ ) Method for Computation

Responses	O	E	O-E	(O-E) <sup>2</sup>	$\frac{(O - E)^2}{E}$	$X^2$	P
YES	48	25	23	529	21.16	42.32	<.001
NO	2	25	-23	529	21.16		

**Source:** Field Survey 2020.

From the calculations above, chi-square ( $X^2$ ) calculated value of 42.32 is greater than chi ( $X^2$ ) critical value of 3.09 at P <0.001 level of significance. Thus,  $H_0$  is rejected and  $H_1$  is accepted. Therefore, there are main factors that affect strategic decision at Omoluabi Holdings

**4.5 Discussion of Findings**

The study revealed that the majority of the respondents were male while 60% have either B.sc or HND 36 years and that they have been working in their current position for over 5 years. Reviewing the respondents' continuous service to the organization, the study revealed that the majority of the respondents have worked for the organization for above 5 years. The study also revealed that the organization have been for more than 10 years.

The study revealed that decision making process is used by the organization between strongly agreed and agreed. From the data collected, it was revealed that evaluates plan before implementation, explore and integrate ideas, commitment and support in strategic decisions implementations, selects the best alternative, an enabling environment, board of management investigates alternatives in detail and communication of decisions to all are used at Omoluabi Holding in Agreed and Strongly Agreed.

The study also revealed that strategic decisions influence performance of organization. This is evident through the positive relationship between dependent variable (strategic decisions) and independent variables (hiring of competent staff, reduction of costs of running the organization, improved infrastructural development, improved employee performance, increased number of staffs, strategic plan implementation and achievement of set targets).

## **5. DISCUSSIONS AND CONCLUSION**

### **5.1 Summary**

The results from the process of decision making used by organization indicate that decision making process is used by organization between a moderate and very large extent. From the data collected; evaluates plan before implementation, explore and integrate ideas, commitment and support in strategic decisions implementations, selects the best alternative, an enabling environment, board of management investigates alternatives in detail and communication of decisions to all are used by organization in a large and very large extent.

The finding of the research objective through hypotheses test using Chi-square ( $X^2$ ) shows that calculated value of 24 is greater than chi ( $X^2$ ) critical value of 3.09 at  $P < 0.001$  level of significance. Thus,  $H_0$  is rejected and  $H_1$  is accepted. Therefore, Strategic decision plays significant role on organizational productivity at Omoluabi Holdings. Also, for hypothesis two, chi-square ( $X^2$ ) calculated value of 26.9 is greater than chi ( $X^2$ ) critical value of 3.09 at  $P < 0.001$  level of significance. Thus,  $H_0$  is rejected and  $H_2$  accepted. Therefore, productivity and profitability of an organization is based on strategic decision at Omoluabi Holdings. For the third hypothesis, chi ( $X^2$ ), calculated value of 16 is greater than chi ( $X^2$ ) critical value of 3.09 at  $P < 0.001$  level of significance. Thus  $H_0$  is rejected and  $H$  is accepted. Therefore, there is operational efficiency of the strategic decision in Omoluabi Holdings. Finally, for the last hypothesis, the chi-square ( $X^2$ ) calculated value of 42.32 is greater than chi ( $X^2$ ) critical value of 3.09 at  $P < 0.001$  level of significance. Thus,  $H_0$  is rejected and  $H_1$  is accepted. Therefore, there are main factors that affect strategic decision at Omoluabi Holdings. This shows that the overall model was significant hence there is a positive relationship between dependent variable and independent variables.

### **5.2 Conclusions**

From the findings of the study, it can be concluded that the strategic decisions making influencing employee productivity include improved infrastructural development, hiring of competent staff, improved academic performance, strategic plan implementation, increased number of staffs, and achievement of set targets and reduction of costs of running the organization. This implies that the first research question has been achieved. From the findings of the study, also it can be concluded that strategic decisions influence performance of organization through employee productivity. This is evident through the positive relationship between dependent variable (strategic decision making) and independent variables (hiring of competent staff, reduction of costs of running the organization, improved infrastructural development, improved employee performance, increased number of staffs, strategic plan implementation and achievement of set targets). Therefore, the study recommends that all organizations in Osun state should adopt strategic decisions.

### **5.3 Recommendations**

Strategic decisions influencing performance include improved infrastructural development, hiring of competent staff, improved employee productivity, strategic plan implementation, increased number of students, achievement of set targets and reduction of costs of running the organization, therefore the study recommends that all organizations in Osun State should adopt these strategic decisions in their day to day decision making processes. Strategic decisions influence performance of employees. Therefore, the study recommends that all organizations in Osun State should adopt these strategic decisions in order to improve their performance.

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