

Design of Strategic Planning in Improving Public Sector Organization Performance at TANESCO Morogoro, Tanzania

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ABSTRACT

The study was based on the design of strategic planning for improving public sector organizations. The study employed a case study as the research design to examine design of strategic planning on organizational performance in Tanzania. Strategic management theory was applicable in the study because it showed the rationale that influences the relationship between the theory and the problem under study. The collection of data was done using questionnaires and documentary reviews and based on quantitative data analysis. The inferential analysis was used as a method of data analysis to draw a conclusion. The study findings revealed that the data drawn from the case study of TANESCO Main Office indicated that the design of the strategic planning process was positive and significantly correlated with the dependent variable (performance), thus, design of strategic planning is a major part of the wider activities that influence public institutions' performance. The recommendation is that there should be greater effort on the design of strategic planning for the public sector, but there are some barriers that hinder the implementation of the design of strategic planning, like a lack of information concerning strategic planning. Also, employees must participate in the design of strategic planning and others stakeholders.

Keywords: Strategic planning, Public sector, Organizational Performance, TANESCO

INTRODUCTION

Globally, strategic planning was first introduced in business firms in the mid-1950s (Steiner 1979), in a similar vein that emanates from Western countries and the United States in particular (Whittington & Mayer, 2000), whereby the design and use of the setting for deliberation must include an awareness of effective deliberation (Bryson, 2011). Furthermore, it is a set of concepts, procedures, and tools that organizations use to determine their overall strategic direction and the resources required to achieve strategic objectives. In the same vein, it is usually associated with the performance and future of the business as well as making sure that the business is headed in the right direction (Obaje 2020). A successful strategic plan will examine and make informed projections about environmental realities to help organizations anticipate and respond to change by clarifying their mission and goals, targeting spending, reshaping their programs, fundraising, and other aspects of operations (Petro, 2013). In Tanzania, strategic planning was first initiated in 1991 (Petro, 2013). Most of the firms in Tanzania engage in various strategic plans for the purpose of achieving organizational goals. Various applications of strategy are put in place in different firms; however, these strategy applications are useless if not well planned.

It is a strategic planning and management system that is used extensively in business and industry, government, and nonprofit organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals Bana & Shitindi (2009). In the same vein, various reforms were established, like the Civil Services Reform Programme (CSRP) from 1993-1999, Public Service Reform Programme (PSRP) from 2000-2009, Financial Sector Reform (FSRP), Legal Sector Reform Programme (LSNP), Local Government Reform Programme (LGRP), and the National Strategy for Growth and Reduction of Poverty (NSGRP), commonly known in its kiswahili translation as *Mkakati wa Kukuza Uchumi na Kupunguza Umaskini* (MKUKUTA) (Petro 2013). All those reforms and others brought various significance to the public sector, like, it assisted in providing organization direction (Bryson 2018); tends to make organizations more systematic (Stoner 1994); shapes a company's strategy choice, and has other significance. But in a similar vein, there are some challenges encountered in the design of strategic planning in the public sector, like the inappropriate shading of the Gantt chart

to show the implementation schedule of activities. Oliver (2001), also fails to determine the kinds of inputs and resources needed and other challenges that may hinder the design of strategic planning in the public sector. In order to provide direction to an organization, strategic planning is applicable and this helps stakeholders understand the direction the organization is taking and which areas require additional effort. As a result, it helps the organization define its goals and explore the methods that will lead to the accomplishment of those objectives.

Literature Review

Theoretical Literature Review

The study was guided by a strategic management theory. A strategic management theory may be said to be a supposition, proposition, or system of ideas intended to explain the origin, evolution, principles, and applications of strategic management. Strategic management theories actually stem mainly from the systems perspective, contingency approach, and information technology approach to corporate management. In light of this background, following David (2005) and Mohd (2005), among the common strategic management theorists noted and applicable to modern industrial and governmental organizations are profit-maximizing and competition-based theory, resource-based theory, survival-based theory, human resource-based theory, agency theory, and contingency theory. In addition to strategic planning design and processes, a strong commitment from top-level leadership is an essential element of successful strategic planning and execution because it signals the commitment of the organization to strategic planning (Ramanujam & Venkatraman, 1987). Furthermore, strategic management theory holds that the chief executive officer (CEO) or the top management team (TMT), as it is called in organizations, carries out the responsibilities of the CEO and is responsible for the overall direction, performance, and effectiveness of the organization (Hax & Majluf, 1984). The strategic management theory is applicable in this study because it shows the rationale that influences the relationship between the theory and the problem under study.

Empirical Literature Review

Kidere's (2012) research on the study titled "The Role of Strategic Planning in Organizational Performance, Especially in Relation to Parastatals in Kenya"

confirms that all the human resources aspects are vital in defining staff morale and the general performance of individual members of an organization. Therefore, organizations need to create a state of equilibrium regarding the welfare of human resources in order to maintain an energetic work force that is enthusiastic to perform at their best. On the other hand, Mgombere (2017) conducted a study on the use of strategic planning in enhancing public sector performance in Tanzania: a case of the National Housing Cooperation (NHC) and the Tanzania Metrological Agency (TMA). The study revealed that the organizational culture of the public sector affects strategic plans. The inappropriateness of government policies affects strategic planning; thus, their implementation is not impressive compared to the private sector.

Conceptual Framework

This research was guided by conceptual frameworks in relation to problem identification and based on the design of strategic planning for the performance of public organizations. Strategic planning is the independent variable that impacts firm performance, and performance is the dependent variable. This is diagrammatically illustrated in the Figure 1 below.

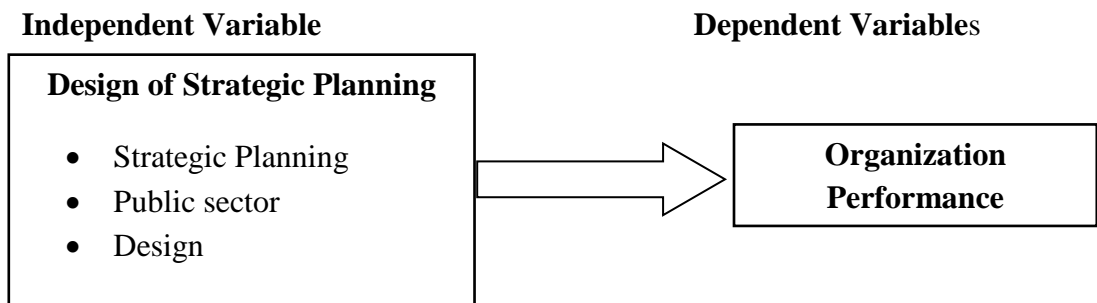


Figure 1 Conceptual Framework

Research Methodology

The study engaged in a case study as the research design. The data was gathered from one hundred and fifty three (153) respondents from TANESCO main office Morogoro. The data collection used two methods namely questionnaires and documentary reviews. The sample selection was based on probability sampling in which simple randomly sampling was applicable in the study whereby everyone had an equal chance of being selected.

Results Findings and Discussion

Descriptive Analysis for Design of Strategic Planning

Design of strategic planning in improving public sector organization performance in this objective found out that the design of strategic planning was related to the public sector performance at TANESCO Morogoro Main Office. The researcher formulated a questionnaire with statements coded B1, B2, B3 and B4 as illustrated in Table 1. The researcher presented the findings in summarized form by combining agreed (A) and disagreed (D) to as strong agreed (SA) and strong disagreed (SD) and neutral (N). According to the findings in table 1, it showed that, 90% of the respondents agreed whereas 7% disagreed, 3% of the respondents were strong disagreed on the statement with code B1 that stated awareness on the different designs of strategic planning. On the memory statement with code B2 that stated design of strategic planning effectively implemented in organization, the respondents were of the view that 73% agreed, 18% disagreed and only 9% were neutral. On the memory statement coded B3 that stated design of strategic planning commitment was relevant to the implementation of strategic plan, the findings indicated that 73% agreed, 21% disagreed and 6% were neutral on the statement. The findings on the statement with code B4 was 71% who agreed, 18% disagreed and 11% were neutral on the statement design of strategic planning guide priority use and allocation of resources human, financial, or material in the particular organization.

Table 1: Descriptive Statistics for Design of Strategic planning

Code		SD	D	N	A	SA	Total
B1	Frequency	5	10	-	138	-	153
	Percentage	3	7	-	90	-	100
B2	Frequency	-	27	14	112	-	153
	Percentage	-	18	9	73	-	100
B3	Frequency	-	32	9	112	-	153
	Percentage	-	21	6	73	-	100
B4	Frequency	-	27	17	109	-	153
	Percentage	-	18	11	71	-	100

Key: SD=strongly disagree D=Disagree N=Neutral A=Agree SA= strongly agree, and Total (frequency Percentage).

Table 2: Correlation Analysis Results

		DSP	PSP
DSP	Pearson Correlation	1	.663**
	Sig. (2-tailed)		.000
	N	153	153
PSP	Pearson Correlation	.663**	1
	Sig. (2-tailed)	.000	
	N	153	153

** . Correlation is significant at the 0.01 level (2-tailed).

Key: DSP=Design of Strategic Planning, PSP=Public Sector Performance

Regression Analysis

Design of Strategic Planning in Improving Public Sector Organization Performance Model Summary

The coefficient of determination (R squared) of 0.440 showed that 44.0% of TANESCO Morogoro performance had positive relationship with design of strategic planning. The adjusted R square of 43.8% depicts that design of strategic planning in exclusion of the constant variable explained the change in public sector organization performance by 43.8%. The remaining percentage can be explained by other factors excluded from the model. The R showed the correlation coefficient of the design of strategic planning, an R =0.663 showed that there was a positive relationship between design of strategic planning and public sector organizational performance. The standard error of estimate (1.09) showed the average deviation of the independent variables from the line of best fit.

Table 3: Design of Strategic Planning in Improving Public Sector Organization Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.663 ^a	.440	.438	1.09598

a. Predictors: (Constant), Design of Strategic planning

b. Dependent Variable: Public Sector Organizational performance
 Source: Field Data (2022)

Design of Strategic Planning and Public Sector Organization Performance ANOVA

The F statistics was used as a test for the model goodness of fit, in Table 4 below (F=275.857, p value =0.000) showed that there was a significant relationship between Design of Strategic Planning and Improving Public Sector Organizational Performance.

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	331.349	1	331.349	275.857	.000 ^b
Residual	421.608	151	1.201		
Total	752.958	152			

a. Dependent Variable: Public Sector Organizational performance

b. Predictors: (Constant), Design of Strategic planning

Source: Field Data (2022)

Design of Strategic Planning and Public Sector Organization Performance Regression Weights

The study findings depicted that *design of* strategic planning had significant relation with improving public sector performance at Tanesco Morogoro whereby ($\beta=0.663$ and p value=0.000). Therefore, a unit increases in *design of* strategic planning leads to an increase in public sector organization performance by 0.180. Therefore, we can conclude that *design of* strategic planning had significant relation with improving public sector performance at TANESCO Morogoro.

Table 5: Design of Strategic planning and Public Sector Organization Performance Regression Weights

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.688	.307		2.241	.026
DSP	.180	.011	.663	16.609	.000

a. Dependent Variable: Public Sector Organizational performance

Source: Field Data (2022)

Conclusion and Recommendation

It was found out that the design of strategic planning had a positive influence on the performance of the public sector. The study findings showed that strategic planning is concerned with recognizing goals and designing a process to meet those goals, which can help an organization better utilize its resources and improve competence and accountability. Study leadership and poor communication at various levels in the organization. There should be a greater effort in the design of strategic planning for the public so that they can adopt it and see that it is very possible that they lack information concerning strategic planning. Also, employees must participate in the design of strategic planning. It is crucial that these people are equipped with the necessary information concerning the process for them to make the best use of it.

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