Impact of Strategic Planning on Organisational Performance (A Study of GTBank Plc)

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ABSTRACT

In view of the many challenges that business organizations are exposed to, it is imperative for them, both profit and nonprofit organizations, to anticipate challenges, identify their strengths to meet anticipated challenges and take control of available opportunities to obtain maximum productivity. Unfortunately, in most organizations, strategic plans are not carried out and implemented properly. Therefore, this study examined the impact of strategic planning on organizational performance using a study of selected GT Bank branches in Ilorin, Kwara State, Nigeria. The study employed survey design. The population consisted of ninety-seven (97) employees of GT Bank. A sample size of seventy-eight (78) respondents was used in this study, which was determined using Taro Yamane formula. The specific objectives of the study were (1) to examine the relationship between setting objectives and profitability. (2)to determine the role of vision and mission statements on market size of GT Bank PLC. To examine the effect of strategy evaluation on efficiency of GT Bank PLC. Descriptive statistics comprising *the simple percentage and tables for a detailed presentation were used. The correlation and regression analysis were adopted for this study. The findings reveal that; There is a significant relationship between setting objectives and profitability. The result shows that the calculated significance value of 0.000 is less than the chosen value of 0.05 significance level. Strategy evaluation has a significant effect on the bank's efficiency, with strategy evaluation having β = 0.815 and p - value = 0.000, which implies that an increase in strategy evaluation will result to 81.5% increase in organization's efficiency. The study therefore concludes that strategy planning has impact on organization performance. The study recommends that organization should be specific about their objectives, ensure its appropriate formulation and communication to staff at all level of the organization. Objective should be set prior to its accomplishment so as to embrace realistic performance measurement.*

Keywords: *Strategic, Planning, Performance, Ilorin*

Introduction

The economic state of affairs is characterized by a competitive and unpredictable business environment which potentially affects the long term organizational performance and survival of businesses. The downward slope in performance, experienced by a major proportion of Nigerian businesses can be traced to but not limited to factors like; poorly defined corporate strategy, human resource challenges, poor financial management, and policy inconsistencies. Downfall of the many organizations in Nigeria, a trend that is now becoming common now threatens the fabric of national economy. Hence, investing in infrastructure and human capital would likely boost economic growth, development and productivity (Adetayo, 2018)

Strategic planning is a vital instrument in an organizational setting. Strategic planning focuses upon long range objectives and short-term priorities. The linkage between goals of the organization, its objective as well as action attainment can be well understood through strategic plan. In majority of organizations in Nigeria, planning is the most important management tool for performance and for organizations to perform well, resources must be well utilized and customers well served. The ability of the company's top management is highly required to implement strategic planning well in aligning the goals of the company with external opportunities and threats. This plan will provide the company's ability to develop strategies for the purchasing of raw materials, the company's operational strategy, and the company's strategy for handling the distribution system and customer order handling (Zeplin, & Hotlan, 2021). To achieve such ends, all of an organization's human and materials resources must be well utilized in the right way and at the right time to create high quality products at minimal cost.

Planning on the other hand, is regarded as the most basic of all the management functions. It involves the selecting from among alternative future course of action for the organization as a whole and every department or section within it. Furthermore, it requires selecting organizational objectives and departmental goals, determines and provides a rational approach to pre-selected objectives.

Statement of the Problem

In view of the many challenges that business organizations are exposed to, it is imperative for them, both profit and nonprofit organizations, to anticipate challenges, identify their strengths to meet anticipated challenges and take control of available opportunities to obtain maximum productivity. Unfortunately, in most organizations, strategic plans are not carried out and implemented properly. Some organizations do not attach any importance to strategic planning and therefore do not have strategic plans for their organizations. This could be borne out of lack of appreciation and knowledge of the relevance of strategic planning to organizational growth.

Despite the fact that strategic planning has brought far reaching revolution which has tremendously transformed most business landscape, it is still plagued with some constraints in so many organizations. Some of these constraints include wrong application of strategic planning, unethical attitude, poor organizational structure and Non conformity of the rules and standards by the workers of the company towards actualization of the strategic goals. In an attempt to address this unfortunate development, there is the need to critically assess the relevance of strategic planning on organizational productivity to enable management appreciate its worth in gaining competitive advantage at the market place.

The performance nature of business organizations has resulted in the use of strategic planning. Few studies have been devoted to examining strategic planning in countries with unique cultural practices, such as Yemen and those of the Middle East, so this is an interesting topic for further investigation (Al-Kilani, 2019; Omar, 2019; Shammari & Hussein, 2008). However, these studies have examined strategic planning (SP) only in the services sector although they should apply to all industries, including manufacturing; their absence in GTB Ilorin, Kwara state is an important gap for this study to investigate. However, extant studies in the advanced countries have revealed that adequate knowledge and application of strategic planning is used to tackle constant change in business environment to enhance financial and nonfinancial performance. Its effect on corporate performance of banking firms in Nigeria coupled with influencing factor still require attention; Therefore the study seek to examine the impact of strategic planning on organisational performance.

Research Objectives

i. examine the relationship between setting objectives and profitability.
ii. examine the effect of strategy evaluation on organisational efficiency.

Research Hypotheses

i. there is no significant relationship between setting objectives and profitability in an organisation.
ii. strategy evaluation does not have effect on organisational efficiency.

Literature Review

Concept of Strategic Planning

Strategy is the direction and scope of the organization over the long term which deliver a competitive edge for the firm amidst an ever changing business environment. Effective strategy configures a firm's resources and core competencies so as to adequately meet the firm's goals and objectives. Strategy is a tool for implementing culture in a firm of which through the firms mission and vision, it concentrate on value adding priorities. The strategic planning process, in general, comprises business objectives, a vision, and a clear design to accomplish the idea and achieve the objectives (Dole 2013). The strategic planning process also entails a scan of the environment (Saunders 2015) and this helps the organization prepare a suitable action based on this information (Guerras- Martína, Madhokb & Montoro-Sánchezc 2014).

Strategic planning is an effort made by the company in a disciplined and systematic way to build interactions with related functions in setting decisions as a guideline for corporate objectives within a specified period to maintain and enhance the company's competitiveness towards its business environment (Amrollahi & Rowlands, 2017). It involves the development of detailed plans to implement policies and strategies to achieve objectives and basic company purposes. Hence, to outperform its rivals in the face of world change, a firm has to use appropriate strategies in order to keep abreast and to thrive in a changing environment (Yadav, Pal, Patra & Yadav, 2020).

These plethora of definitions are complementary in the sense they express and sometimes confuse with planning itself. Is strategic planning synonymous with planning? We will rely on the insights drawn earlier in the definitions of planning, long term planning and consequently strategic planning in this study, to propose a better description of strategic planning as a means designed to pursue well-articulated goals of an organization with reliable alternative means to ensure the attainment of these articulated goals. According to Ikoro, and Nwosu (2017) what makes strategic planning different from ordinary planning include the following:

i. Strategic planning is aimed at capturing, occupying and maintaining competitive positions to have edge over contemporaries while planning is aimed at undergoing normal flow of business activities.

ii. Strategic planning is intended to have long run effects on the firm while planning may only have short run effects.
iii. Strategic planning due to its affiliation with the military and sensitive issues creates actions and alternative actions (intended to responds to possible future changes) towards the goal of the organization while planning may not because there is always time to change the one and only plans without much damage.
iv. All strategic plans are long term but not all long term plans are strategic plan. Some long term plans are not properly planned.
v. Strategic planning is environment conscious while plan/long term plan is not. Strategic planning assumes that an organization must be responsive to a dynamic, changing environment.
vi. A plan is concrete in nature, doesn't allow deviation, and not flexible, but strategic planning is very flexible and open for adaptation and change when needed as a result of real-time strategic issues (Ikoro, & Nwosu, 2017).

Strategic Planning process and practices
Strategic planning is the procedure of authenticating and establishing a direction for business activities by evaluating both the present and future objectives (Henderson & Hines, 2019). Strategic planning refers to the way of formulating and directing strategic management practices. Mostly, firms use the following model in strategic planning process.

- **Company Vision and Mission**

Vision describes the firm's aspirations of what it really wants to be. Vision is the future compass that determines the direction the company wants to reach, the location of the market you intend to achieve and the quality of the resources and abilities you plan to develop (Jantz, 2017). It is very important that the vision must not contradict with the corporation's mission statement and its objective (Alawneh, 2015; Maleka, 2015). A vision refers to the organizational future that same organization envisages to have at some future date. This may require the use of the current strategy or the development of a new strategy altogether that would require radical organizational changes.

Mission is an organization´s character, identity and reason for existence. It can be divided into four interrelating parts: purpose, strategy, behaviour standards and values. Mission provides a rationale for action and Ritson (2008) affirms its linkage with vision.

The conceptual distinction between mission and vision is that a mission statement describes the present scope of an organization's business and purpose (what we do, why we exist and where we are now). The vision is a mental image of a possible and desirable future state of an organization. This image may be as vague as a dream or as precise as a goal. Vision refers to a future state, whereas mission more normally refers to the present. Covey

(2013) has the same view but he adds that mission must be abstract, while vision must be specific.

- **Strategic Goals and Objectives**

Goals are the broad, long-term accomplishments that an organization wants to attain, achieve or where it wants to be. In its operations, an organization always aims at achieving its long term objective. Normally, the vision of an organization is the one that is broadly broken into short and long term goals and objectives which directs the paths towards reaching the required destiny which is clearly described by the vision. Once these objectives have been identified, an organization should always have strategies that guide its activities to realize they said destiny. (Wendy, 2011) indicated that objectives should be set before an organization chooses its strategic plan. In some organizations, the CEO would formulate the objectives while in others, the departmental heads discuss with the employees to come up with objectives that guide in realizing the set vision of the organization.

- **Environmental analysis**

What defines the competitive situation and organizations strategic options are all the forces and conditions that exist in the business environment. An organization should thoroughly investigate the external environment in which it is operating in. SWOT analysis will help an organization know its position in the competitive market. This is also an eye opener where an organization highlights the major areas where it can maximize on the prevailing opportunities and an effective case of strengths. It also makes an organization understand its weaknesses and carve ways of counteracting the threats posed by its rivals. An organization may choose to analyze the external environment by itself or contract some researchers to do it on their behalf. All this help the organization to understand its position in a competitive market (Miriam, 2013).

- **Strategic Choice**

After the process of screening the environment, the last step would be to select options from which a strategic choice would be made. This is done from a vast set of alternative strategies that are formulated. The choice taken should be the best strategy to ensure that the organization is able to achieve its set goals and objectives. The strategy should be well scrutinized before selection so as to ensure easy implementation. To outperform competitors and producers of the same brand, low cost advantage is important and to achieve this, low cost leadership strategy must be adopted by a firm (Miriam, 2013).

Challenges of Strategic Planning

There are some challenges in the implementation of strategic plans which restrained effectiveness of plans. Some of these challenges are (Ikoro, & Nwosu, 2017):

- **Lack of accountability:** No plan could be effectively implemented without reviewing progress of plans regularly. Plans could not be effective without proper monitoring system. Business operation plans becomes irrelevant mostly when the set plans are not constantly reviewed which gives room for no corrective erasures to be made.
- **Lack of commitment:** Lack of commitment from management in the planning process is a main and root cause of all the obstacles in effective strategic planning. When management didn't take interest in formulation and implementation of strategy then all other hurdles create. The causes of lack of management commitment are not limited to strick schedules for reviewing the plan, Limited accountability as well as strict time limits on reviews.
- **Inadequate instructions to employees:** Managers usually fail to adequately anticipate the required training and instructions for the employees in order to equip their employees with the skills required for the implementation of strategy. Sometime planners didn't link employee's performance with the reward system during implementation phase. There is generally a mismatch between anticipated times for implementation which is considered during strategy formulation stage and the actually time needed to takes it to complete the execution of the strategy (Al-Ghamdi, 2008).
- **Power & Influence:** The way in which organizations usually conduct its businesses provide some people in organization with power and influence. Any strategy that could result in a change within organization and which might disrupt their power and influence is generally opposed. People have their interest with status co, sometime such change is also threaten to top management because unfamiliarity with new rolls, analytical techniques (Ikoro, & Nwosu, 2017).

Strategy Formulation

According to Meier, O'Toole, Boyne and Walker (2010), strategy formulation is a guide to the management in defining the business their firm is in, the ends it seeks and the means it will use to accomplish those ends. Hence, organizations formulate strategy by firstly defining the mission of their organization. A company's mission is said to be exceptional because it sets its purpose which is generally different from other companies of its type and it identifies the scope of operations. According to Ujunwa and Modebe (2012), the formulation of strategies can be done through the following modes: Entrepreneurial mode, adaptive mode and planning mode. Entrepreneurial Mode is a strategy formulation mode that is mostly found in small scale businesses. Adaptive mode is a strategy formulation method that is being used for facing relative environment mostly by large firms and government agencies. Planning Mode, this method of strategy formulation is a well-structured and systematic approach to the development of an organization's strategy.

Strategy Implementation

According to Musyoka (2011), strategy implementation is inextricably connected to organizational change. If members of the organization resist changing and maintaining the status completely, implementation will not engage. The implementation incentives construct suggests that SMEs use rewards to motivate employees for goal accomplishment. Implementation on the other hand involves putting strategies and policies into action through programs, budgets and procedures. The separation of strategy formulation and strategy implementation has been one of the pains of understanding strategic management.

Earlier authors posited in their classical writing that this distinction was never clear. They noted that separation was for pedagogical value only. Subsequent scholars have argued that the two are interdependent and managers must understand the general tasks in both. Execution of strategy should be seen as an organizational process. Effective strategy implementation leads to effective outcomes, leading to capabilities for better strategy formulation ideas (Billi, Berger & Hatcher, 2009).

Strategy Evaluation

According to Strydom (2011), strategy evaluation and control is a critical tool for managers to understand reasons behind failures, success of particular objectives established, performance standard and any other performance indicator. Evaluation is the process in which corporate activities and performance results are monitored so that actual performance can be compared with desired performance. Managers at all stages use the resulting information to take corrective action and resolve problems, although evaluation is the final major component of strategic management, it also can pinpoint weakness in previously implemented strategic plans and thus stimulate the entire process to begin again (Hunger & Wheelen, 2011). Mack (2013) laments that in many organizations, the meaningfulness and usability of evaluation information has been limited because of its disconnection from strategic and organizational-level decision making. He posits that if learning and evaluation efforts are to inform an organization's decision making practices, then there is need for creating a comprehensive strategy for evaluating the strategy itself and the organization's effectiveness.

Organisational Performance

Performance is refers to the action or process of carrying out or accomplishing an action, task, or function. Performance comprises both a behavioral and outcome aspect. It is a multi-dimensional and dynamic concept. Daft (2010) identified organizational performance as the ability of the organization to attain its goals by using resources in an efficient and effective way. An effective performance management provides valuable information to a decision make about present condition of performance and the deviation from the objectives (Santos, 2012). This requires the alignment of strategic and operational objectives and the firms set of activities in order to manage performance (Okpara, 2014). Summarily, performance is the accomplishment of a given task measured against present known standards of accuracy, completeness, cost and speed. The measures of organizational performance include the following:

Profitability

Profitability is expressed as financial ratios which look at profits generated in relation to the capital that has been employed to create them. Profitability means ability to make profit from all the business activities of an organization. It shows how efficiently the management can make profit by using all the resources available in the market. Profitability of a firm can be evaluated by comparing the amount of capital employed. A process popularly known as return on investment or return on capital employed. It is regarded as the overall profitability ratio and has two components; net profit ratio and turnover ratio (Vijayakumar & Tamizhselvan, 2010). Profitability has been considered as a measure of improved internal efficiency and value added. This is because in the beginning, firms may not enjoy higher net profits to repay investment or fund further investment.

Sales Volume

Sales volume simply is the number of goods sold in the normal operation of a company in a specified period (businessdictionary.com). It is also said as the amount or number of units that are sold in a particular product or service. Sales volume can be assisted with the use of sales promotion, although there are many definitions and ways of measuring business performance, Olawale and Garwe, (2010) stated that sales data are usually readily available and business owners themselves attach high importance to sales as an indicator of business performance. In addition, they are of the opinion that sales growth is also easier to measure compared with some other indices and are much more likely to be recorded, as they are good indicators of size and growth. Sales promotion is in form of an incentive to attract customers to buy a product of a manufacturer thereby encouraging the sales force to sell more of it. Sales promotion acts as a competitive weapon by providing an extra incentive for the target audience to purchase or support a product over another (Odunlami & Ogunsiji, 2011).

Customer Satisfaction

Customer satisfaction has been major aims of most organizations; as a result, they should be able to understand the existing and future needs of their customer and works towards promoting customers' expectations (Goutam & Prashant, 2007). Customer-centered companies have emphasized a better understanding of customers' needs and wants, and then translated them into the capability to give customers what they really need and want. Simply stated, customer satisfaction is essential for corporate survival or existence (Williams &Naumann 2011). Customer satisfaction is defined as the result of a cognitive and affective evaluation, where some comparison standard is compared to the actually perceived performance. If the perceived performance is less than expected, customers will be dissatisfied. On the other hand, if the perceived performance exceeds expectations, customers will be satisfied. Otherwise, if the perceived expectations are met with performance, customers are in an indifferent or neural stage (Michel, Bowen & Johnston, 2009). In general, increased customer satisfaction leads to higher customer retention rate: increases customer repurchase behavior, and ultimately drives higher firm profitability.

Performance Measurement in the Banks

After the financial crisis that began in 2008, banks are taking steps to improve their performance measurement capabilities in the light of changed economic and market conditions and new management needs. For example, new regulatory structures are affecting the underlying economics of such businesses as payment-card issuing and processing (Karr, 2012). Capital requirements are increasing for most banking businesses. New channels like mobile phones are becoming more important. Revenue growth continues to be difficult to achieve due to weak economic conditions, low interest rates and regulatory restrictions. Banks are trying to manage costs better, deepen relationships with customers and enhance product mix and pricing decisions. These and other factors are causing banks to re-examine and improve the ways in which they measure and report business performance.

Some major areas of emphasis and trends are emerging across the industry:

- Reviewing and enhancing organizational management profitability-reporting methodologies;
- Emphasizing the use of business-unit key performance indicators (KPIs);
- Refining customer- and channel-profitability measurement and analyses;
- Improving alignment of the components of the performance management process;
- Improving systems support and automation of the performance management process;
- Improving data quality and consistency (Karr, 2012).

Theoretical Review

Porter's Five Forces Theory

Porter's five forces examine what distinguishes the competitive environment of an organization (Grant 2014). Porter's framework is argued to be a possible explanation of how a firm can operate within an industry (Grant & Jordan 2015). For the organization, this idea is rather important since the organization is capable of directing its improvements regarding the selection of tactics and investments (Andersen & Nielsen 2009). The five forces described by Porter comprise: the threat of new entrants, threat of substitute products, bargaining power of suppliers, bargaining power of customers and competitive rivalry within the industry (Grant 2014). The literature explains that all these five forces are interconnected, and the first four forces all build up to competitive rivalry within the industry (Andalya 2013).

For this investigation, competitive rivalry within the industry is a factor that addresses the majority of the research objectives. The rivalry between organisations controls the desirability of a segment (Grant 2014). Establishments are struggling to uphold their supremacy; therefore, they make strategies to keep them on top (Grant 2014). Rivalry is a game in which, ordinarily, one participant fails at the cost of the other by formulating and implementing better strategies (Andersen & Nielsen 2009). A move on the part of a participant could result in the other participant creating counter-changes or starting efforts to safeguard themselves from the danger posed by the initial move, hence strategic control and analysis (Grant & Jordan 2015). In this way, organizations within the same trade are equally dependent, and the manner in which their strategy is shaped by the uncertainty in the environment (Grant 2014). Situations in an industry keep changing based on the actions and reactions of the constituent firms (Gruber, Heinemann, Brettel, & Hungeling, 2010). Response to such changes within an industry can mean the difference between success and failure. This places importance on the strategic planning process and its role in making, as argued by Porter (2008), an organization understand itself within a context and map out a position that is more profitable and less vulnerable to attack. The activities within Porter's framework consist of the traditional strategic management process especially those of environmental scanning, strategy formulation, implementation and evaluation (Porter 2004; Ricks & Woods 1996).

Empirical Review

A number of studies have been executed by scholars on the subject matter. Zeplin, and Hotlan, (2021) studied the effects of strategic planning, purchasing strategy and strategic partnership on operational performance. Using 135 manufacturing companies domiciled in the region of East Java, Indonesia. Data analysis used the PLS technique. The objective of the analysis is to assess the measurement model for validity and reliability. Besides, the analysis also examines six hypotheses developed. The result reveals that all six hypotheses were empirically supported. The manufacturing company's strategic planning influences the purchasing strategy and strategic partnership. The result also shows that purchasing strategy through periodic evaluation of supplier capability, influences the strategic partnership in terms of involvement of suppliers in the business process of the company. Overall, strategic planning, purchasing strategy, and strategic partnership affect operational performance. It was also found that purchasing strategy and strategic partnerships mediate the influence of strategic planning on the performance. The results presented here may facilitate improvements in operational performance in the context of supply chain management.

Ikoro, and Nwosu (2017) study investigated the effects of strategic planning on organizational performance with Nigerian Bottling Company Enugu, as a case in hand; the aim is to know whether strategic planning has effect on the overall performance of the organization. The methodology that was used for the study is survey design and the target population was 180 members of staff of Nigerian Bottling Company Enugu while the sample size was 124 which were determined using Taro Yamen's formula. The result of the analysis indicate that there is relationship between effective strategic planning and organizational performance and also that lack of accountability, lack of commitment and lack of understanding of the role in the execution process are challenges in the implementation of strategic planning and therefore recommend among others that Nigerian firms should give more serious attention to strategic planning and finally, employee welfare should also be given adequate attention for efficiency and effectiveness in organization.

Local studies made on the assessment of strategic management practice and strategy implementation of Nib International Bank by Dinberu (2016). Both primary and secondary data were collected using questionnaires, interview and written materials. Simple random sampling was used to collect primary information and accordingly descriptive statistics was used to analyze the data gathered. Based on this, the finding of the study revealed that NIB's practice of communicating the strategy plan is poor and thorough participation of stakeholders is not realized. In addition, the Bank's weak use of SWOT analysis results, misalignment or linking strategic plan with work unites and individual tasks are observed. When it comes to the performance measures, the strategic plan lacks comprehensive performance measurements. Work unit and individuals' performance measurements are not effective; if performance management is not linked with strategic management. The researcher recommended that the bank should work on its strategic plan communication, alleviate its weakness of utilizing its analysis, shall balance its performance measures and link those measures with work unit and individual performances.

Another thesis entitled the assessment on strategic management practice in the case of Ethiopian Insurance Corporation by Amelework (2015). The purpose of the research was assessing the strategic management practices of EIC, both primary and secondary sources of data were used for the research. The quantitative data analysis was done using descriptive statistics while the qualitative data was analyzed using narrative form. The results indicated that the strategy formulation process in EIC doesn't participate all employees on a bottom up approach. Outlining branches and districts aren't also involved in the process. The process gives less emphasis to the long term insurance aspect of the core process. The researcher recommended that as employee engagement in strategy formulation encourages a sense of ownership of the strategy and further develops organizational capabilities, EIC should make sure that all employees have a say in the process. The top management or the process council and the strategic management team shall make sure that the strategy formulation process involves districts and branches outside Addis.

Methodology

For the purpose of this study, survey research design was used to examine the impact of strategic planning on organisational performance. The population of the study consisted of ninety-seven (97) branches (Unilorin 21, Tanke 40, and Unity 36) employees of GT Bank in Ilorin.

Sample Size and Sampling Techniques

The sampling technique employed in the study is simple random sampling technique because it ensures that each member of a population has an equal chance of being selected at a random. However, the study used Taro Yamane (1970) formula to arrive at the sample size of the study.

$$n = \frac{N}{1 + N(e)2}$$

Where: n = Sample Size
N = Population Size.
e= Tolerable error (0.05)

$$n = \frac{97}{1 + 97\ (0.05)^2}$$

$$n = \frac{97}{1 + 97\ (0.0025)}$$

$$n = \frac{97}{1 + 0.2425}$$

$$n = \frac{97}{1.2425}$$

$$n = 78.068410$$

$$n \cong 78$$

Thus, the sample size is 78. Therefore, 78 questionnaires were served to the branch employees of GT Bank in Ilorin.

Method of Data Analysis
The data collected was analysed using both descriptive and inferential statistics. The descriptive method used frequency count percentage; inferential statistics was analysed using multiple regression and correlation analyses. This was carried out using the application of Statistical Package for Social Sciences (SPSS) at 0.05 significance level.

Analysis for Hypothesis One
Ho_{01}: There is no significant relationship between setting objectives and profitability of GT Bank Plc

Table 1a: *Correlations*

		Settings objectives	Profitability
Settings objectives	Pearson Correlation	1	.833**
	Sig. (2-tailed)		.000
	N	78	78
Profitability	Pearson Correlation	.833**	1
	Sig. (2-tailed)	.000	
	N	78	78
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: SPSS Output, 2020

Table 1a above presents the correlation analysis, the correlation coefficient r is 0.833 (i.e. r = 0.833) which indicates that there exists a strong correlation between profitability (dependent variable i.e. the variable being predicted) and setting objectives (independent variable i.e predictor).This implies there is a strong positive relationship between setting objectives and profitability. In addition, the p-value is 0.00 which is less than the alpha level 0.05.This implies that there is a significant positive relationship between setting objectives and profitability.

Hypothesis II

H_{03}: Strategy evaluation does not have effect on organisational efficiency.

Table 2a: *Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.815[a]	.664	.660	.442
a. Predictors: (Constant), Strategy Evaluation				

Source: SPSS Output, 2020

Table 2a above presents the effect of a strategy evaluation on efficiency of GT Bank. From the table above, the coefficient of (R^2) is 0.664 which shows that independent variable has a significant influence on the dependent variable. That is vision and mission statement accounted for 66.4%variation on the market size of GT Bank Ilorin while 33.6% were endogenous variables that are not explained by the model.

Table 2b: *ANOVA[a]*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.382	1	29.382	150.509	.000[b]
	Residual	14.836	76	.195		
	Total	44.218	77			
a. Dependent Variable: Efficiency						
b. Predictors: (Constant), Strategy Evaluation						

Source: SPSS Output, 2020.

Table 2b above presents ANOVA table. The F-statistic as shown from the table is significant since the probability value of .000 is less than the alpha level of 0.05, thus the model is fit. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. This implies that, Strategy evaluation have significant effect on efficiency of GTBank Plc. In addition, the analysis shows the regression sum of square value of (29.382) which is higher than the residual sum of square value of (14.836). This implies that the model accounted for most of the variations in the dependent variables. Moreover, the F calculated value of (150.509) is greater that the tabulated value of (11.50) indicating a significant relationship. In addition, the significant value of p (0.000) is smaller than (0.05) which means that the independent variable (Strategy evaluation) to a large extent accounted for the variations in the dependent variables (efficiency). Hence, Strategy evaluations have effect on efficiency of GT Bank Plc

Table 2c: *Coefficients*[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.353	.115		3.063	.003
	Strategy Evaluation	.759	.062	.815	12.268	.000
a. Dependent Variable: Efficiency						

Source: SPSS Output, 2020

From the coefficient of table 2c above, it could be seen that the overall significant effect for the independent and the dependent variable is less than 0.05 significant levels. Therefore, there is a significant effect of the independent variable on the dependent variable which implies that the null hypothesis is rejected and the alternative hypothesis is accepted. The Beta value of 0.815 for strategy evaluation (independent variable) implies that positive change and increase in the strategy evaluation will lead to 81.5% increment in bank efficiency. . However, since the t statistic indicates the precision with which the regression coefficient is measured, the result of t statistic (12.268) indicates an accurate measurement of the regression. Also, significant value of p (0.000) is smaller than (0.05) which means that the independent variable (Strategy evaluation) to a large extent has effect on the dependent variables (efficiency). Thus, it was concluded that strategy evaluation have effect on organisational efficiency.

Conclusion and Recommendations

In view of the various data collected through the use of questionnaire on strategic planning and organizational performance. The result of the first hypothesis showed that there is a significant positive relationship between setting objectives and profitability (R of 0.833, p-value=0.000). And the second hypothesis with the result (R square of 0.664. p-value=0.000) concludes that strategy evaluation have significant effect on efficiency. Strategic planning should therefore be adopted and effectively implemented by organizations including financial institutions such as banks to ensure that the organization achieves its predetermined objectives, target market size, efficiency and general favourable performance. The study therefore concludes that strategic planning has impact on organizational performance. The study however recommended that;

i. Organisations should be specific about their objectives, ensure its appropriate formulation and communication to staff at all level of the organization. Objective should be set prior to its accomplishment so as to embrace realistic performance measurement.

ii. Organisations should have a strategy evaluation and control system that monitors and examine the performance so as identify lapses for which corrective measure should be developed in order to improve the efficiency of the bank.

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