



## THE LEVEL OF STRATEGIC MANAGEMENT APPLICATION BY KUWAITI PUBLIC ADMINISTRATION AGENCIES FROM EMPLOYEES' PERSPECTIVE

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### ABSTRACT

*This study examines strategic management (SM) in Kuwaiti public administration agencies, (ministries, government authorities/institutions, and state-owned companies) and obstacles they face from employees' perspectives. The study sample was a convenient stratified sample consisting of (381) employees. Study results showed that (69.3%) of government agencies had strategic plans while (30.7%) did not. Moreover, study results showed that strategy formulation was a first priority, while strategy implementation and strategy evaluation processes were respectively second and third priorities. With regard to obstacles, which government agencies faced in adopting strategic management, results showed that lack of leadership was the prime obstacle. Moreover, these results showed strong positive significant correlations and variations between SM and demographic characteristics, and no significant variations between obstacles of SM and demographic characteristics.*

**Key Words:** Strategic management, public administration, Kuwait, administrative reform, strategic planning.

## **Introduction**

Public administration agencies assume an important role in development in different societies. This necessitates close attention and continuous efforts to improve performance through adopting modern management methods. In this regard, SM is essential for any government aiming to achieve developmental goals and meet challenges of continuing rapid drastic changes. SM has been an important topic in management literature and was an evolution of strategic planning. SM aims at examining present and future conditions simultaneously, defining long and short-term goals, and diagnosing strengths and weaknesses of internal and external circumstances. Henceforth, SM in various organizations refers to formulation strategies that help achieve determined goals (O'Regan & Ghobadian, 2002). Given the importance of government role in managing economic, political, and social development, this requires that governmental agencies adopt an integrated mindset, which focuses on managing public resources efficiently and effectively by applying SM concepts. This study aims to investigate this process and shed light on ways of activating efforts in this regard.

## **Problem Statement**

Constant changes in government and private organizations make it essential to adopt SM due to its ability to orient actions of governmental authorities towards initiation and innovation away from the improvised and immediate actions based on reactionary responses to recurrent crises. SM focuses on conducting SWOT analysis concerning strengths, weaknesses, threats, and opportunities in internal and external contexts that affect government agencies more than other types of organizations. This requires government organizations to adopt SM due to the relative rigidity which characterizes them in comparison to private sector organizations (Jackson, Joshi, and Erhardt, 2003). Government agencies most often do not keep up easily with changing social, political, and economic conditions, as they are not market oriented and feel more secure in terms of budgets. Nevertheless, government agencies need to adopt similar methods used by private business organizations (Ring, and Perry, 1985; Drumaux & Goethals, 007). Therefore, this study aims to investigate whether Kuwaiti government agencies apply SM and diagnose obstacles that they face in this regard.

## **Importance of the Study**

This study is important from intellectual and practical perspectives. It can provide researchers with knowledge concerning realities of SM practices in government agencies. In comparison to multiple studies on SM in Western countries, SM studies in the Arab and GCC countries are relatively scarce, as literature review reveals (*Frost, 2003; Greenley et. al. 2004; Schaffer and Willauer, 2003*), which gives this study special importance. The present researcher is not aware of any field study dealing with SM in Kuwaiti public administration agencies. Henceforth, it is hoped that this study can contribute to efficiency and effectiveness of governmental agencies in order to serve national development requirements. It also can draw decision-makers' attention to the importance of SM and suggest best methods of how government agencies can confront and overcome obstacles they face in their efforts toward achieving this goal.

## **Study Objectives**

The study aims to:

1. Examine SM practices in Kuwaiti public administration agencies from employees' perspectives.
2. Identify gaps in SM practices in public administration agencies from employees' perspectives and ways to bridge them.
3. Shed light on the obstacles facing public administration agencies' efforts towards SM from employees' perspectives

## **Research Questions and Hypotheses**

The study aims to answer and test the following questions and hypotheses.

### **Questions**

1. Do Kuwaiti governmental agencies pay enough attention to develop strategic plans in a formal document?
2. Do Kuwaiti governmental agencies provide training for their employees in strategic management?

3. Do Kuwaiti governmental agencies give the same importance to various phases of strategic management?
4. What are the main obstacles Kuwaiti government agencies face in their efforts to apply strategic management?

### **Hypotheses**

H1: Training employees in SM enhances their interest in adopting it.

H2: Staff knowledge that their organizations have strategic plans enhances effectiveness of strategic planning.

H 3: Staff knowledge that their organizations have strategic plans enhances their abilities to confront obstacles facing their implementation.

H 4: There are differences at significant levels in employees' perception of SM according to type of agency, job title, gender, age, education, experience, and nationality.

H 5: There are differences at significant levels in employees' perception of SM obstacles according to job, type of agency, experience, gender, age, education and nationality

### **Research Limitations**

This study focused only at macro SM at the central level and did not include administrative units within government agencies at the micro level.

### **Key Terms**

**Organization:** It is a purposive social coordinated entity, with clear boundaries, works on a permanent basis, to achieve a particular goal or set of goals (*Al -Qarioti, 2015:49*).

**Strategic Management:** It is a process of determining vision, mission, long-term objectives, and interactions with environment to identify distinctive strengths, weaknesses, opportunities, and threats (SWOT), in order to take strategic decisions and make necessary evaluations accordingly. Moreover, SM takes a set of administrative and procedural decisions that determine long-term performance efficiently and effectively, including strategy formulation, implementation and evaluation following a scientific methodology (Eisenhardt, and Martin, 2000).

**Strategic Planning:** It means adopting scientific methodology in predicting future changes, analyzing internal and external conditions to benefit from opportunities, meet challenges and execute strategies for new alternatives, in order to achieve determined objectives (Alcázar, et. al. 2013).

**Strategy Formulation:** It means preparing accurate and clear-cut plans allowing for competition on a sound and realistic grounds.

**Strategic Alternatives:** They mean options which correspond to needs and priorities and are capable of achieving objectives that can be implemented successfully (*Thompson, 1997:606*).

**Strategic gap:** It means gaps in performance comparing current with expected performance in the strategic planning model.

**Strategic Information:** It refers to information collected from several sources outside government agency, which needs processing in an integrated way for internal use (*Roweibeh, 2004:153; Westphal, and Fredrickson, 2001*).

### **Theoretical Framework and Literature Review**

This part of the study includes a theoretical background and a literature review.

#### **Theoretical Framework**

Strategic planning and SM concepts are related. Nevertheless, SM is more comprehensive than strategic planning, which is an important component of SM (*Ansof and Hayes, 1976: 38-39*). SM is a response to disadvantages of strategic planning which focuses on plans without paying enough attention to implementation and accomplishments in comparison to strategic management, which represents managerial behavioral patterns, organizational structure, implementation and monitoring processes (*Davous and Deas, 1984:79-80*). SM is an evolution of strategic planning and a result of managing organizational change, organizational culture, managing resources and environmental conditions. SM focuses on present and future by developing and implementing plans in such a way as to ensure congruence between organizational mission, objectives, and environment effectively and efficiently. (*Assyed, 1999:2-5*). Strategic planning focuses on long range forecasting, and on allocating resources during planning period which enables organizations to identify current and future objectives and formulate necessary action plans to accomplish goals, and evaluate results achieved (*Bruton, Ahlstrom 2010:101*). Many definitions of SM were given.

SM is a decision-making process starting with defining mission, allocating and managing resources, analyzing environmental factors, and making action plans to achieve desired goals and objectives (*Elbanna, 2011:387*). SM in government organizations is relatively a new concept where focus is on increased government response to citizens' demands, providing high-quality services, creating a sense of empowerment among employees, and emphasizing mission and values (*Rainey, 1991; Bozeman and Straussman, 1990, Denardt, 1993*). Poister and Streib, define SM as determining future directions and long-term objectives, and choosing an appropriate strategic style in view of internal and external environmental variables, implementing and evaluating strategy (*Poister and Streib, 2005:46*).

The above-mentioned definitions show that SM determines long-range goals, takes strategic decisions to achieve organizational mission, and justifies its existence. It is an integrated system, which includes mission, goals and policies needed to achieve them, ways to implement and follow up strategy, in line with changes in the environment based on internal potentials. It includes design, implementation, and evaluation of strategies that will enable government agencies to achieve goals (*Al-Qarioti, 2015:162*). According to Hensey, SM passed over several phases. During first phase, the focus was on financial planning in terms of preparation and implementation of annual budget, as government seeks to achieve financial targets in the short term. The second phase during the 1950s, the focus shifted to planning, based on forecasting, analyzing external environment and their influence on government, and then on externally oriented planning, where the government is trying to respond to changes in the external environment, based on strategic thinking. The third phase focuses on predicting future environmental developments. The fourth stage, which began in the 1980s assuming that traditional planning, does not correspond to rapid changes and their unpredictable surprises, which make strategic planning the suitable response (*Hensey, 1997:29-32*). SM focuses on managing resources and preparing for the future, by the appropriate governmental body to meet challenges of the twenty-first century. This phase focuses on determining clear vision, mission, goals and objectives, forecasting, identifying strengths, weaknesses, opportunities, and threats (SWOT analysis) and on ways how to bridge gaps. (*Poister & Stereib, 1999: 311-315; Almorsy et.al, 2002:28-31*). Regarding levels and stages of SM, three different levels, central government, activity unit, and administrative unit. (*Al-Qarioti, 2015:163, Maya et. al. 2007:195-197*). Most researchers in the field of SM mention three core SM components, which include formulation, implementation, and evaluation (*Al-Ghali and Idrees,*

2007:50; Poister & Stereib, 2005: 47-48). The formulation phase involves a series of activities to identify mission, objectives, policies, plans, analysis and assessment of internal and external conditions, identifying strategic alternatives, evaluating and selecting best alternatives (Ofori, and Atiogbe, 2012). The implementation phase includes executing activities that put strategies into practice through operational programs, budgets and procedures. It sets annual goals, schedules, and resource allocation schedules, in addition to specifying operational procedures. This entails most important elements, appropriate regulatory structure, and appropriateness of current policies, policy modifications, and clarification of responsibilities for strategy implementation. At the evaluation stage, the focus is on the extent of achieving predefined targets and on congruence between actual and planned performance. This requires setting the performance standards by which to evaluate organization's strategic position, compare actual performance levels to specific standards, identifying obstacles to strategic management, and taking corrective actions to address causes of failures and diagnosing deviations.

### **Literature Review**

Many studies have addressed SM at international, regional, and GCC levels. Among international studies, one study discussed how important for government organizations to adopt similar mechanisms similar to those adopted by the private sector and make necessary steps accordingly through identifying points of convergence and divergence between both sectors. Lessons drawn from case studies from Germany are relevant to other industrialized countries (Bodeman, 2014). A second study examined relationships between strategic planning and performance management systems in federal government institutions in the United States. It investigated the impact of SM on staff understanding of strategic planning, incentive systems, fairness and accuracy of performance evaluation systems, efforts to improve performance, and variations between staff understanding of these dimensions according to administrative levels. Study results demonstrated interdependence of strategic planning components and those dimensions in the public sector in accordance with administrative levels (Sa, 2013). A third study of the Albanian Post Corporation focused on obstacles facing adopting SM in public services as a means to satisfy beneficiaries of these services, and ways to overcome obstacles. Study results showed success in increasing number of beneficiaries, improving quality of services provided, and training staff in SM (Leskaj and Kume, 2013). A fourth study compared information technology strategic planning properties in higher education institutions with other business organizations in

Malaysia. It examined importance of strategic planning in stimulating creativity, main problems encountered in the development and implementation of such strategic plans, and in obtaining necessary budgets. Study results emphasized the need for developing a methodology suited to those institutions to enhance their effectiveness in achieving the desired innovation (*Ishak, Alias, Adam, and Suradi, 2013*). A fifth study discussed SM process in Los Angeles local authorities, and associated factors that were effective in improving organizational performance through improved decision-making, developing and implementing strategies to improve performance in the public sector. Study results showed the importance of SM in improving performance by enhancing efficiency, effectiveness, flexibility, and speed in responding to public demands, and strong correlations between SM and organizational culture (*Esmail, Yarahmadzehl, and Abtin, 2013*).

A sixth study analyzed factors which managers in public sector organizations use their powers to implement SM to achieve organizational goals, adopt behavioral patterns and attitudes required to serve public interest. Study results showed that important factors which affect SM include a sense of commitment, managing change, ability to translate general and specific objectives to specific initiatives and projects, and capacity to strengthen organizational values such as integrity, and ability to make substantive or operational decisions (*Ayande, Sabouring, Vincent, and Sefa 2012*). A seventh comparative study examined key factors for success and challenges encountering strategic planning process in the three State universities in Ghana. Study results showed that nature, form, and information and communication technologies influence significantly the success of strategic planning at the two universities and that senior management was more committed for strategic planning than academics (*Ofori, and Atiogbe, 2012*). An eighth study researched SM experiences in twelve local governments in Australia, Spain, Sweden, and the United States. It examined factors influencing SM and their impact on implementation. Study results showed that implementation was not consistent with goals, and that the conduct of staff played an important factor in implementing SM (*Pina et.al., 2011*). A ninth study discussed main obstacles facing SM application in the public sector. Study results showed obstacles included ill-defined vision, poor ability to monitor environmental factors, ambiguity of goals, lack of effective leadership in strategic planning and implementation plans, absence of a supportive organizational culture, constant change of leadership, political pressure, lack of adequate resources, and weak oversight of the implementation process of strategic plans (*Fard, et al., 2011*). A tenth study discussed strategic planning and process management in municipalities of populations with more than 25 thousand people in the United States. Study results showed that after more than 20 years'

experience, municipal administrators expressed enthusiasm for SM and for results achieved (Poister and Streib, 2005).

At the regional level, one study discussed importance and possibilities of applying SM from faculty's perspectives in the College of education at Damascus University. Study findings emphasized SM as a change instrument in administrative development. Results showed that SM is very important in providing major basic requirements for development. Moreover, results showed that faculty responses differed according to job, qualifications, and experience with regard to possibilities of adopting SM (Hanna, 2012). A second study from Syria discussed SM, its components, requirements, and practical steps needed by business organizations, and the relationship between the application of SM and performance. It recommended some measures to improve business organizations performance (Maya et. al, 2007). A third study from Jordan discussed major obstacles facing Ministry of education implementation of SM including financial, administrative and technical problems. Study results showed differences in senior management practices of SM attributed to administrative level and no differences attributed to gender, or educational qualifications (Ashboul, 2005). A fourth study from Egypt was on SM practices in (531) governmental and private organizations and joint-ownership or branches of global organizations. Study results showed a weak degree of initial SM, which included preparing annual budgets and annual plans. Weaknesses were due to lack of specialized skills in applying SM and focusing on past and current problems rather than future ones. The study emphasized the importance of reviewing functions and purposes of organizations so that they have a clear strategy based on the analysis of external and internal conditions and resources (Abu Naim, 1994).

With regard to studies on GCC region, one Study discussed effectiveness of SM application in human resources management in the Ministry of education in Oman, and problems and challenges encountered. Study results showed SM was helpful in predicting and dealing effectively with problems, predicting environmental changes, understanding future and preparing educational organizations to participate in identifying missions and formulating strategic goals (Al Shamsi, 2010). A second study examined obstacles, which Saudi Arabia government agencies had faced in adopting SM. Study results showed that most of these agencies do not practice SM because of many weaknesses in formulating and implementing strategy, lack of professionals in strategic planning, and absence of competition. The study recommended that government agencies pay more attention to environment scanning, provide training for top officials and staff to set up

effective strategies, switch from input and control rules and procedures and rules orientation to output and impact orientation (Hashem, 2006). A third study examined strategic planning in PTC desalinization in Saudi Arabia. Study results showed that main important pillars of strategic planning include mission, objectives, scanning external and internal environment, main strategy and sub strategies, employees' participation in implementing plans, attention to analyzing political, economic and technical factors in planning, identification, and clarification of vision (Adelebhy, 1424h). A fourth study examined forecasting processes by central government agencies in Saudi Arabia, to see the amount of time and interest spent in collecting information, and test sources and methods of obtaining and use of this information. Study results showed that the average time spent by officials in handling such information was (3,66) hours a day, and that internal sources of information between superiors, subordinates, and colleagues, and that reports and internal memos were more used than external sources. The study stressed importance of considering scanning activity as an ongoing process, which should continue after making plans, to ensure officials with information about environmental changes (Al-Hamad, 1993).

Regarding specific studies on Kuwait, only one study discussed the extent of awareness in using strategic information by chief executive officers (CEOs) in (86) Kuwaiti public and private institution. The findings showed that CEOs were not aware enough of environmental scanning, and strategic information, and that their knowledge and awareness of these concepts was at a moderate level (Roweibeh, 2004).

The above-mentioned SM studies showed that government organizations application of SM is not up to expected levels. This is due to lack of awareness of senior management of SM importance and its impact on performance. This means that government agencies in the State of Kuwait have to reconsider administrative concepts and methods and apply SM in order to achieve high performance levels and provide better public services. Moreover, despite obvious importance of SM and its impact on improving government performance and responsiveness to external pressures and beneficiaries, studies, which addressed SM practices in the public sector organizations in the Gulf region, show that serious efforts in this regard are still at low levels. Henceforth, it is hoped that this study will contribute to bridging that gap by recognizing the reality of SM in Kuwaiti government agencies, identifying obstacles facing its implementation, and helping in activating this practice.

## **Methodology, Population and Sample**

This exploratory study adopted a descriptive approach in investigating employees' perspectives of Kuwaiti government agencies application of SM. Secondary data and primary data collection methods were used in this endeavor. Secondary data included prior studies, research papers, articles, books and the World Wide Web. Primary data collection included a self-designed questionnaire developed by the researcher based upon literature review, in addition to a number of interviews with a number of officials in government agencies. The questionnaire consisted of three parts. The first part included (8) demographic items covering type of agency, position, gender, age, education, years of experience, participation/non-participation in SM training, and familiarity and non-familiarity with SM. The second part included (34) items dealing with SM phases and their components. At the end of this part, there were two open questions. The first question asked respondents about obstacles facing government agencies in adopting SM. The second question asked respondents on how government agencies can better improve SM. The third part consisted of (15) questions to employees in government agencies, which did not SM plans to identify obstacles facing application of strategic management. Questionnaire's items were measured on a five-point Likert scale (1) "strongly disagree," (2) "disagree," (3) "neutral," (4) "agree," and (5) "strongly agree". When measuring items, respondents showed their degree of dis/agreement. Calculated weights of respondents' answers on a five points Likert's scale were interpreted as follows: Less than 3 means low, 3-3.5 means good, 3.51-3.99 means very good, 4 or more means excellent. As for data analysis of the open questions, the present researcher conducted content analysis to summarize results.

The face validity of the questionnaire was ensured through a pilot study by presenting the questionnaire to (25) respondents, where the format of the questionnaire was modified according to their comments and suggestions. The value of Cronbach alpha of these constructs was (0.954) for questions relating to the practice of strategic management, and (.899) for questions relating to obstacles for adopting SM. These results indicate a high internal consistency as the most often used measure of reliability ranges from (0 to 1) with values of (.60 to .70) deemed the lower limit of acceptability. In addition to questionnaires, (12) interviews were conducted with two CEOs in two agencies from each category of government agencies, which provided important information that helped in designing the questionnaire and getting important information.

## **Data Analysis and Methods of Statistical Analysis**

Descriptive statistical methods which were used in analyzing data include frequencies, percentages, means, standard deviation, variance, inferential statistics, One Way Variance Analysis (ANOVA), and (T-test) using (version 23) of SPSS software.

## **Population and Sample**

The study population as shown in table (1) consisted of employees in (12) government agencies at the central level including (4) ministries, (4) government authorities/institutions, and (4) state-owned companies. The study sample consisted of a convenient stratified sample of (450) employees. A total number of (381) completed questionnaires were collected which accounts for (85%) response rate. The researcher and two trained research assistants administered the questionnaires during the spring of (2015).

Table (1)  
Government Agencies and Returned Completed Questionnaires

<b>Ministries</b>	<b>Questionnaires</b>	<b>Government Authorities &amp; Institutions</b>	<b>Questionnaires</b>	<b>State-Owned Companies</b>	<b>Questionnaires</b>
Ministry of Education	42	Kuwait University	45	Kuwaiti Oil Company	25
Ministry of Interior	36	Pub. Authority for Agriculture and Fisheries	30	Kuwait Oil Tanker Company	15
Ministry of Social Affairs & Labor	35	Pub. authority for Youth and Sport Affairs Information	45	Kuwait National Petroleum Company	30
Ministry of Awqaf & Islamic Affairs	37	Kuwait News Agency	30	Kuwait Gulf Oil Company	11
Subtotals	150		150		81
<b>Total</b>			<b>381</b>		

The study sample as (Table 2) indicates that 53.3% of the respondents were from ministries, 33.6% from government authorities and institutions, and 8.1% state-owned companies. With regard to positions, 58.3% were ordinary employees, 21.0% middle management supervisors, 13.6% top management employees, and 7.1% top leadership positions. With regard to gender, females accounted 63% and males 37%. In terms of age 33.1% were between 30-40 years, 30.2%, between 20-30 years, 22% were between 40-50 years, and 14.7% 50 years and above. In terms of academic qualification, 59.8% had a first university degree, 28.9% had a two-year college degree or less, and 11.3% had a second university degree or more. With regard to experience, 34.6% had more than 12 years, 23.9% had 4-9 years, and 21.5% had less than 4 years and 19.9% had 9-12 years. Most of the respondents 92.7% were Kuwaitis and 7.3% were non-Kuwaitis. As shown in table (3) 44.9% of government agencies had strategies, and 55.1% did not have strategies. This means that most of central government agencies did not practice SM.

Table (2)  
Profile of the Sample  
(N= 381)

Demographic characteristics	Frequency	Percentage
<b><u>Type of Agency</u></b>		
1. Ministry	203	53.3
2. Public authority/Institution	128	33.6
3. State owned Company	50	13.1
<b><u>Position</u></b>		
1. Secretary General/ Undersecretary	27	7.1
2. Middle Management Supervisors	52	13.6
3. First Level Supervisors	80	21.0
4. Non-Supervisory Employees	222	58.3
<b><u>Gender</u></b>		
1. Male	141	37
2. Female	240	63
<b><u>Age Group</u></b>		
1. 20 - less than 30 years	115	30.2
2. 30 - Less than 40 years	126	33.1
3. 40 - less than 50 years	84	22.0
4. 50 years and more	56	14.7

<b>Education</b>		
1. 2 years College and less	110	28.9
2. B.Sc. degree	228	59.8
3. Master degree and above	043	11.3
<b>Experience</b>		
1. less than 4 years	82	21.5
2. 4 to Less than 9 years	91	23.9
3. 9 -less than 12 years	76	19.9
4. 12 years and more	132	34.6
<b>Nationality</b>		
1. Kuwaiti	353	92.7
2. Non Kuwaiti	028	7.3
<b>Total</b>	<b>381</b>	<b>100</b>

## Results

**Question One:** Do Kuwaiti governmental agencies pay enough attention to develop strategic plans in a formal document?

This question aimed at government agencies that had formal strategy document. Data collected indicated as shown in (Table 3), that 69.3% of government agencies had strategies while 30.7% did not.

Table (3)

Distribution of governmental Agencies between those did and those did not have a strategy

<b>Formal Strategy</b>	<b>Frequency</b>	<b>Percentage</b>
Government Agencies who have a formal strategy	264	69.3
Government Agencies Do not have a formal strategy	117	30.7
<b>Total</b>	<b>381</b>	<b>100</b>

**Question Two:** Do Kuwaiti governmental agencies provide training for their employees in strategic management?

This question aimed at government agencies who had training programs in strategic management. Data collected indicated, as shown in (Table 4) that 44.9% of the employees participated in SM training programs while 55.1% did not.

Table (4)

Distribution of Employees in Government Agencies who participated in SM Training Programs

Participation in Training Programs	Frequency	Percentage
• Number of employees in government agencies who participated in training programs	171	44.9
• Number of employees in government agencies who participated in training programs	210	55.1
<b>Total</b>	<b>381</b>	<b>100</b>

**Question Three:** Do Kuwaiti governmental agencies give the same importance to various phases of strategic management.

Table 5 shows means of importance measured on Likert's five-point scale which government agencies with strategic plans gave to different phases of strategic management. Means were respectively (3.51) for formulation, (3.50) for implementation, and (3.42) for evaluation.

Table (5)

Means and Standard Deviations of Importance that Government Agencies Gave to Various Phases of Strategic Management

The Phase	Means	S. Deviations	Rank
Strategy formulation	3.51	.80429	1
Strategy Implementation	3.50	.91048	2
Strategy Evaluation	3.42	1.04533	3
<b>Total</b>	<b>3.48</b>	<b>.80533</b>	

As far as degrees of importance given to various issues in the formulation phase of SM, table (6) indicated that overall evaluation of the importance which government organizations gave to strategy formulation activities was (3.48) on Likert's five points scale. The lowest evaluation (3.17) was to database related to the external environment, while the higher

evaluation (3.83) was for defining specific objectives. Respondents' evaluations of strategy management in the formulation phase activities ranged as shown in table (6) from (3.17- 3.83) on Likert five-point scale. The highest evaluation (3.83) was for government agencies' defining specific objectives, followed by governmental agencies efforts to detailed objectives in order to achieve strategy (3.69).

Table 6  
Means of Importance, Which Government Agencies Gave to Various Activities in the Formulation Phase of Strategic Management

#	Activities	Means	Order
1	Mission statement	3.68	4
2	Defining specific objectives	3.83	1
3	Employees participation in determining the mission	3.27	15
4	Determining detail specific objectives	3.69	2
5	Scanning external environment	3.68	3
6	Employees' participation in strategy formulation	3.43	11
7	Realistic consideration of available resources	3.53	8
8	Coordination between internal and external conditions	3.51	7
9	Updating strategy in response to new conditions	3.57	5
10	Special unit responsible for scanning external environment	3.41	13
11	Collecting data relate to external environment	3.42	12
12	Data base covers relevant information concerning external environment	3.17	16
13	Updating data on regular basis	3.29	14
14	Exploring opportunities	3.46	10
15	Examining possible threats	3.48	9
16	Determining strengths and weaknesses	3.57	6
	<b>Total Average</b>	<b>3.48</b>	

As far as implementation phase is concerned, table (7) showed that the overall evaluation for strategy implementation activities was (3.49) on Likert five-point scale. The highest

evaluation was for restructuring organizational structure to be in tune with the strategy and the lowest (3.32) was for coordination between units' strategies and the main strategy.

**Table 7**

**Means of Importance that Government Agencies Give to Various Activities in the Implementation Phase of SM**

#	Activities	Means	Rank
17	Restructuring organizational structure to fit strategy	3.69	<b>1</b>
18	Commitment to strategy	3.53	<b>3</b>
19	Commitment to plans needed to implement strategy	3.48	<b>9</b>
20	Conducting training programs needed for implementing strategy	3.51	<b>5</b>
21	Providing human resources needed to implement strategy	3.48	<b>8</b>
22	Providing financial resources for implementing strategy	3.49	<b>6</b>
23	Explaining to employees procedures for implementing strategy	3.48	<b>7</b>
24	Determining responsibilities for all units in implementing strategy	3.54	<b>2</b>
25	Training employees on how to implement strategy	3.46	<b>10</b>
26	Coordinating between units' strategies and the main strategy	3.32	<b>12</b>
27	Changing organizational culture to fit strategy	3.44	<b>11</b>
28	Coordinating between yearly plans and strategy	3.51	<b>4</b>
	<b>Overall Mean</b>	3.49	

With respect to evaluation phase, table (8) showed the overall evaluation of its activities was (3.41). The highest evaluation was for collecting data from beneficiaries with regard to services' quality provided by the agency. Evaluations of other activities ensured wise usage of resources to implement strategy, to specify mechanisms for collecting data from other government agencies, use budgets to ensure applying strategy, changing strategy, plans, and programs to respond to changing conditions, to determine specific measures for strategy evaluation.

**Table 8**

**Means of importance that government agencies give to various activities in the evaluation stage of strategic management**

#	Activities	Means	Rank
29	Determining specific measures for strategy evaluation	3.33	6
30	Using budgets to ensure applying strategy	3.39	4
31	Ensuring wise usage of resources to implement strategy	3.45	2
32	Collecting data from beneficiaries with regard to services' quality provided by the agency	3.53	1
33	Specifying mechanisms on how to collect data from other government agencies which deal with the agency	3.40	3
34	Changing strategy, plans, and programs to respond to changes in the conditions	3.38	5
	<b>Total Mean</b>	<b>3.41</b>	

**Question Four** What are the main obstacles Kuwaiti government agencies face in their efforts to apply strategic management?

Many obstacles to SM application in government agencies were reported as Table (9) shows. The highest evaluation of obstacles was low qualification of the staff (3.86) and the lowest evaluation was for lack of financial resources (2.97).

**Table 9**

**Means of Employees' Evaluation of Obstacles to Strategic Management**

#	Obstacles	Means	Rank
35	Lack of appreciation of SM	2.94	15
36	No Written mission	3.40	7
37	No vision	3.47	5
38	No specialized administration for SM	3.47	6
39	Lack of specialized people in SM	3.39	8
40	Difficulty in stating specific objectives	3.14	12

41	Difficulty in stating measurable goals	3.15	11
42	Lack of data base concerning external environment	3.27	10
43	Lack of supportive organizational culture for SM	3.85	2
44	Lack of qualified top administrative leaders	3.86	1
45	Resistance to change	3.64	3
46	SM takes much time	3.30	9
47	Lack of needed competition between government agencies	3.58	4
48	Lack of financial resources	2.97	14
49	Difficulty in collecting data concerning future changes in the external environment	3.03	13

### **Test of Hypotheses**

**H 1.** Training employees in SM enhances their interest in adopting it.

To test this hypothesis, means, standard deviations, and (t) tests were computed to find out the impact of the training received by staff in strategic planning on their interest in strategic management. Table (10) showed that the (t) value is positive and significant (0.000), which support validity of the hypothesis. This result was confirmed by results of other research (Fard et. al., 2011).

**Table (10)**

#### **T- Test of the Impact of Training in SM on Enhancing their Interest in the Subject**

##### **One-Sample Statistics**

	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Std. Error Mean</b>
TRAINING	381	1.5512	.49803	.02551

##### **One-Sample Test**

	<b>Test Value = 0</b>					
	<b>t</b>	<b>df</b>	<b>Sig. (2-tailed)</b>	<b>Mean Difference</b>	<b>95% Confidence Interval of the Difference</b>	
					<b>Lower</b>	<b>Upper</b>
TRAINING	60.796	380	.000	1.55118	1.5010	1.6013

**H 2.** Staff knowledge that their organizations have strategic plans enhances effectiveness of strategic planning.

To test this hypothesis, means, standard deviations, and (t) tests were computed to find out whether the impact of staff knowledge of strategic plans in their organizations enhances effectiveness of strategic plans. Table (11) showed the (t) value is positive (55.237) and significant (0.000), which supports the validity of the hypothesis. This result was confirmed by other research results (Hashem, 2006).

**Table (11)**

**T- Test of the Impact of Employees’ Knowledge of SP on Effectiveness of SM**

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
STR.PLAN	381	1.3071	.46189	.02366

**One-Sample Test**

	Test Value = 0					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
STR.PLAN	55.237	380	.000	1.30709	1.2606	1.3536

**H 3.** Staff knowledge that their organizations have strategic plans enhances their abilities to confront obstacles facing their implementation.

To test this hypothesis, means, standard deviations, and (t) tests were computed. Table (12) showed that the (t) value is positive (21.602) and significant (0.000), which supports the validity of the hypothesis.

**Table (12)**

**T- Test of the Impact of Employees’ Knowledge of SP on Their Abilities to Confront those Obstacles**

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
OVERALLMOFPROBLEMS	114	3.3708	.82159	.07695

### One-Sample Test

	Test Value = 1					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
TRAINING	21.602	380	.000	.55118	.5010	.6013
OVERALLMOFPROBLEMS	30.810	113	.000	2.37076	2.2183	2.5232

**H 4.** There are differences at significant levels in employees' Perception of SM according to type of agency, job title, gender, age, education, experience, and nationality.

To test this hypothesis, (ANOVA) test was conducted. The analysis showed, as table (13) indicated, significant variations at significant levels in employees' perception of SM according to type of agency, sex, age, experience, and nationality, which supports validity of the hypothesis.

**Table (13)**  
**ANOVA for the Perception of SM and Demographic Variables**

The Variable	F value	Statistical Significance	Acceptance/Rejection of Hypothesis
Type of Agency	9.181	.000**	acceptance
Job Title	.571	.634	rejection
Gender	14.56	.000**	acceptance
Age Group	5.908	.001**	acceptance
Qualifications	1.241	.291	rejection
Years of Experience	6.120	.000**	acceptance
Nationality	3.863	.050*	acceptance

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

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

**H 5.** There are differences at significant levels in employees' perception of SM obstacles according to job, type of agency, experience, gender, age, education and nationality.

To test this hypothesis, (ANOVA) test was conducted. The analysis showed, as (Table 14) indicated, no variations at significant levels in employees' perception of SM obstacles according to job, type of agency, experience, gender, age, education and nationality, which does not support the hypothesis.

**Table (14)**

**ANOVA for the Perception of SM Obstacles and Demographic Variables**

<b>The Variable</b>	<b>F value</b>	<b>Statistical Significance</b>	<b>Acceptance/Rejection of Hypothesis</b>
Type of Agency	1.565	.214	rejection
Job Title	.038	.990	rejection
Gender	3.091	.081	rejection
Age Group	.278	.841	rejection
Qualifications	.816	.445	rejection
Years of Experience	.452	.716	rejection
Nationality	.370	.544	rejection

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

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

**Conclusions & Recommendations**

The results of this study indicated that employees of government agencies who have received training in SM form (44.9%) compared to (55.1%) who did not have such training. This explains gaps in the field of SM and many obstacles confronting its adoption. Moreover, results showed that most government agencies in Kuwait (69.3%) realize the importance of SM in implementing strategic plans and in allocating resources. Besides, study results showed that strategy formulation in government agencies was a first priority with a mean of (3.51) followed respectively by implementation (3.50) and evaluation (3.42). The evaluation process was the weakest point compared to formulation and implementation phases. This result can be attributed to lack of specialized personnel in evaluation, which indicates the need for more training in this respect.

Regarding variations in employee's perceptions of SM and obstacles to its application in government agencies, study results showed significant variation in employees' perception of SM according to agency type, gender, age, years of experience, and citizenship. In contrast, study results showed no significant variations in employees' perception of obstacles facing SM's application according to any demographic variables, which reflects a consensus among respondents with regard to obstacles confronting SM in government agencies.

With regard to obstacles encountering SM adoption in government agencies, the main obstacles according to study findings included the following:

- Lack of specialists in strategic planning.
- Lack of specialized administrative units responsible for strategic planning.
- Lack of competition among government agencies.
- Employees' ignorance of their agencies having strategic plans.
  
- Lack of commitment by government agencies to SM.
  
- Government organizations' overemphasis on control inputs, implement actions and business rules at the expense of outputs and results.
- Lack of focus on SM training.

Based on study results, some recommendations are presented as follows:

- Government agencies have to exert special efforts to involve all stakeholders of government agencies in SM to ensure better understanding of their goals, and subsequently a mechanism for preparing and implementing strategies.
  
- Government agencies should focus more on SM training for employees in general and those in leadership positions because that can enable them to respond better to the dynamic changes in the environment.
  
- Placing more emphasis by senior management on environment scanning on a regular basis, which is very essential to effective SM.
  
- Increasing employee engagement in SM, for its positive impact on the development of skills in formulating strategy.

- Better coordination between strategic plans and annual goals can have positive impact on strategy implementation.
- Recognizing obstacles to SM application in government agencies, and exerting more efforts to combat them by working on finding effective strategic information systems for collecting and analyzing data on the external environment, in order to identify positive and negative impact on functioning of the State apparatus.
- Providing all requirements for implementing SM plans including systems and structures, organizational culture, financial, human and technical resources.
- Introducing competition among government agencies through total quality control methods and incentives excellence awards, to simulate SM as a support tool to face competition, which can enhance optimal use of material, technical and financial resources to ensure their competitive advantage.
- Transforming input and control procedures and rules to outputs and outcomes orientation to determine the level of achievements made by government agencies.
- Learning from experiences of other countries that have adopted SM in government, and identifying obstacles encountered and how to confront and overcome them.
- Conducting seminars and workshops to clarify the concept and importance of SM practice by highlighting its benefits.

### **Suggestions for Future Research**

It is important that future studies on SM in the public sector focus specifically on government effectiveness to assess methodology in different phases of strategic plans and contrasting performance of government agencies that adopt SM with those which do not. Moreover, other studies of SM in government agencies at activity and functional levels can be useful.

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