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Effect Of Strategic Planning On The Growth And Survival Of An Emerging Firm

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Abstract: - The objective of this paper is to examine the impact of strategic planning and engender a better understanding of the importance of the implementation of strategic planning on the survival, growth and income streams of emerging firms. The paper provides a broad overview of what strategic planning is, how it can be formulated commensurate with proper implementation coupled with its importance as a guide for management and as a success imperative for survival, growth and development of an emerging firm.

Keywords: - *Strategy, Strategic Planning, Strategic Management, Emerging firm.*

I. INTRODUCTION

The first major step in the development of a formal planning process was when most companies began developing annual operating budget in the post war era in the late 1950s and early 1960s. Their budges were being extended two or five years into the future.. Furthermore, the need for more comprehensive planning was made pertinent by the rapid changing economic conditions in the early 1960 during this decade the planning horizon was gradually broadened to include projections of size to ten years into the future. In every economic system there are two major producers of goods and services for consumers use, they are the private owners of factors of production and government. The basic task of these producers is to determine what to produce, how to produce and for who should production be targeted.

Business activities in challenging economies faces several major challenges, advance in technology and telecommunication have brought the world’s countries together into one global economy. No country today can remain isolated from the world economies if it closes its market to foreign competition its citizens will pay much more for lower quality goods. But if it opens its markets, it will face severe competition and many of its local business will suffer. Around the world, we can see that nations have embraced information and communication technology (ICT) as a means to enrich public and private sector processes, while providing citizens with easier access to these services (Fang, 2002). The emphasis on ICT has also boosted Internet penetration and literacy rates as well as investments in research and developments. The emergence of technological innovations has opened up to new opportunities and challenges to a nation’s economic development (Yunos, 2002). It is worth to mention that information technology has becoming an important fact to the business community as it helps improve the business processes.This decade has witnessed remarkable advances in the availability of information, the speed of communication, in raw materials, in electronic marvels and in biogenetics advances and drugs. The most certain thing in life is that change will occur. Yet things generate as much anxiety in managers as impending change. The level of angst included by major change often is such that it leads to breakdown of those culture attributes that hold organizations together. Many businesses have failed because extreme level of distrust engendered by the change process made the communication of shared values, which drive the firm, ineffective. Clearly, the fear of the unknown by human nature can make change highly dysfunctional for organizations, private or public. The challenge of management in a rapidly changing world and challenging economies is therefore to prepare the leaders in governance, captains of industries, entrepreneurs, managers and the citizens to cope with unforeseen change and to manage planned change in such a way that it enhances performances and sharpens the countries and organizations growth and development.

Leaders in governance, captains of industries, entrepreneurs and managers in the private and public sectors of the economy and the entire world over are faced with the dilemma of how to respond to intense competition particularly in a rapidly changing environment. It may sound elementary to ask an obvious question of why make changes corporate wide ? The answer may be that we can see the future and we know that the existing structure simply will no longer work. It could perhaps, also be as a result of change in management or change in corporate focus in which priorities are re-assessed so as to stimulate strategic performance. In reality, for a challenging economy to be consistently relevant, the answer is to continually re-invent and remake their ways of doing things so as to move from where they are to where they want to be. Economically, politically and socially, the world around us has been changing so fast that corporate landscapes of industrialized economies have equally changed drastically. Increase in global competition and liberalization of markets combined with shift in consumer demand and preferences (changes in peoples values and priorities) have prompted the drive for lower cost margins and greater efficiency. As a result of this, countries and corporates have been more or less forced to cut out wasteful and unproductive activities and concentrate resources in their areas of core-competence in order to achieve sustainable competitive advantages. On the other hand, worldwide, recession has affected company structure and practices while global management has brought companies face to face with complex cross-cultural issues and competitions. To survive these unpremeditated turmoil, most organizations embarked on strategic management using a number of business innovations namely: re-engineering, benchmarking, repositioning, restructuring, redesign, re-organization, re-inventing and remaking among other creative innovations to engender competitive edge.. Whether the strategic choice used by strategic managers is total quality management, benchmarking, Re-engineering, paradigm shift or learning organization, the aim is to solve today's problems by improving business processes so as to engender strategic performance. In recent times, the world is experiencing a global depressed economy, Nigeria which is a developing country is no exception, the implication of this is that an organisation has to be sound both strategically and operationally to cover its cost and stay in business.

However, any company that places much emphasis on strategic planning and implement it will have little problem in meeting present, emerging and future business challenges.

II. CONCEPTUAL FRAMEWORK

Strategic Planning framework entails the establishment of necessary structures to ensure that the principles and concept of strategic planning are instituted and practised. The concept is about developing a systematic mental process in which to calibrate today's decisions with the inherent values and objectives of the firm. Strategic planning attracts so much attention from scholars, corporate watchers and stakeholders because it is concerned with the economic health of an organisation.The concept has been viewed from various perspectives and different authors have come up with different definitions that reflect their various perspectives. Simply put, strategic planning determines where an organization is going over the next year or more, how it's going to get there and how it'll know if it got there or not. The focus of a strategic plan is usually on the entire organization, while the focus of a business plan is usually on a particular product, service or program.The way that a strategic plan is developed depends on the nature of the organization's leadership, culture of the organization, complexity of the organization's environment, size of the organization and expertise of planners etc.Strategic planning is asubset of strategic management,The process of strategic planning involves establishing the vision and mission of the company, setting the objectives, developing a strategy and then a detailed set of action steps to implement the ideas.Strategic management is a continual process of making and implementing a particular strategy, and then evaluating performance. It is the mechanism for establishing a learning organization that is proactive. Generally, strategic planning is viewed as the process for determining where an organization is going over the next year or—more typically—3 to 5 years (long term), although some extend their vision to 20 years.

III. LITERATURE REVIEW

A good deal of the early literature on strategic planning was concerned with helping companies to remain profitable and attain competitive edge. In short, the concept of strategic management developed principally among corporations as their tools in the midst of a difficult and fast changing environment. For a policy to be meaningful, there must be some operational strategy that will translate it into action. According to Marks (2007) Growth is a key goal and objective for emerging companies and management must carefully determine the best way to combine the core competencies within a firm's functional departments to provide the firm with the best opportunity for achieving and sustaining a competitive advantage in its chosen environment.

Marks (2007) also posited that strategy is about the forest and the trees. It means taking a long-term view of what you are trying to accomplish, integrating the dynamics specific to a particular company and to its industry, developing a set of initiatives to achieve a particular future position, and then distilling it down into bite-size activities and actions, that in an appropriate sequence, allow you to meet your objectives. Strategy is the set of decisions defining the activities that positions your company advantageously relative to your rivals. According to *Mintzberg(1990)* Strategy is the determination of the purpose (or mission) and basic long-term objectives of an enterprise, adoption of course of action and collection of resources necessary to achieve their aims. Marks (2007) opined that growth is a key goal and objective for emerging companies and management must carefully determine the best way to combine the core competencies within a firm's functional departments to provide the firm with the best opportunity for achieving and sustaining a competitive advantage in its chosen environment. He also posited that **s**trategy is about the forest and the trees. It's taking a long-term view of what you are trying toaccomplish, integrating the dynamics specific to a particular company and to its industry,developing a set of initiatives to achieve a particular future position, and then distilling itdown into bite-size activities and actions, that in an appropriate sequence, allow you tomeet your objectives. Strategy is the set of decisions defining the activities thatpositions your company advantageously relative to your rivals.

Porter (2008) defines Strategyand his perspective below:

"Competitive strategy is about being different. It means deliberately choosing a different set of activities to deliver a unique mix of value. Given Porter's comments, this paper would like to suggest that strategy for an emerging growth company is generically two pronged:

(1) having a defined plan to address the fundamental issues discussed in the previous section concerning crossing the chasm, and

(2) having a understanding of your market, its needs, and your defined position and activities to perform as good if not better than your competitors.

Strategies must be implemented effectively in order to enhance the key performance indicators organisation-wide. Oluwasanya (2011). According toWheelen and Hunger (2004)strategies "are scheme methods manoeuvres which management hope to deploy in order to move the organization from its present recognizing that during the intervening period in the environment. Empirical evidence suggests that entrepreneurs in emerging firms plan in a way tha is quite different from the standard textbook approaches (McCarthy, 2003). In the multitude of SMEs, not top management teams, but the entrepreneur himself is the enterprise's main strategist and decision maker, developing the vision, mission and strategies, and also implementing them (Analoui&Karami, 2003). Strategic decisions reflects the subjective orientations and attitudes of the entrepreneur.

The role of the entrepreneur and his attitude towards strategies issues are therefore often critical for the implementation of strategy (Kraus, 2007). Likewise, the entrepreneur's personal goals, traits and strategic orientation will have a significant impact on the enterprise's strategy (McKenna, 1996). Many entrepreneurs routinely operate their daily business, but do not believe that strategic management applies to them. However, it has been argued that no business is too small to have a solid strategy (Sandberg, Robinson, & Pearce, 2001). The question of whether or not to use sophisticated strategic management instruments again depends on the entrepreneur's previous experience (Berry, 1998). The market entry of an emerging firm is of major importance because it determines the strategic basis from which the enterprise tries to achieve competitive advantages in the market place (Gruber, 2004). The enterprise's relative position within the market strongly influences its performance. Within the spectrum of the *generic strategies* by Porter (1985), there are (at least) three options:

1. Cost leadership
2. Differentiation
3. Focus on a market niche.

Whether there is a cost advantage or a differentiation potential for the enterprise is the result of the enterprise's ability to cope with the give competitive forces (industry competitors, potential entrants, buyers, substitutes, and suppliers) better than its competitors. Young SMEs can seldom develop cost advantages, as these are often based on economics of scale. For these enterprises, most researchers recommend the *niche strategy*.

Besides, young SMEs can hardly target a market as a whole, but more likely have to target certain narrow market segments which larger competitors ignore (Lee, Lim, Tan, & Wee, 2001). A niche strategy allows an enterprise to target customer needs by focusing the enterprise's limited resources on a narrow segment of the market. This gives time for establishing a market position and developing both the necessary resources to survive (Bamford, Dean, & McDougall, 1997). Numerous empirical studies confirm that the niche strategy is often the most successful initial entry strategy. Ibrahim (1993) made this observation with small enterprises and Bantel (1996) with 166 small technology-based enterprises. Still, the niche strategy leaves several risks for SMEs, since larger enterprises can easily launch an attack on the market niche simply by making the choice to do so.

The *differentiation strategy* is also possible for SMEs. The core of this strategy is to offer the customer a special advantage along dimensions that are highly valued by the customers (Poter, 1985).

For achieving the highest performance, each strategy option needs to be linked with appropriate resources (Borch, Huse, &Senneseth, 1999).
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Who Should be Involved in Strategic Planning?

Strategic planning should be conducted by a planning team who among others should note and comply with the following success imperatives:
1. The chief executive and board should be included in the planning group, and should drive development and implementation of the plan.
2. Establish clear guidelines for membership, for example, those directly involved in planning, those who will provide key information to the process, those who will review the plan document, those who will authorize the document, etc.
3. A primary responsibility of a business owner or board of directors is strategic planning to effectively lead the organization. Therefore, insist that the board be strongly involved in planning, often including assigning a planning committee (often, the same as the executive committee).
4. Ask if the board membership is representative of the organization's clientele and community, and if they are not, the organization may want to involve more representation in planning. If the board chair or chief executive balks at including more of the board members in planning, then the chief executive and/or board chair needs to seriously consider how serious the organization is about strategic planning!
5. Always include in the group, at least one person who ultimately has authority to make strategic decisions, for example, to select which goals will be achieved and how.
6. Ensure that as many stakeholders as possible are involved in the planning process.
7. Involve at least those who are responsible for composing and implementing the plan.
8. Involve someone to administrate the process, including arranging meetings, helping to record key information, helping with flipcharts, monitoring status etc.
9. Consider having the above administrator record the major steps in the planning process to help the organization conduct its own planning when the plan is next updated.
10.An organization may be better off to involve board and staff planners as much as possible in all phases of planning. Mixing the board and staff during planning helps board members understand the day-to-day issues of the organization, and helps the staff to understand the top-level issues of the organisation
Strategic Planning Process

With regard to the strategy process, several different *strategic management instruments* can be applied in emerging firms, depending on the respective situation the enterprises are in. for instance any enterprise needs to assess its position within its environment and within the market. (Zahra & Dess, 2001). A common instruments for this is the *SWOT* analysis, which aims at studying internal strengths and weaknesses and matching them with the enterprise's external opportunities and threats (Andrews, 1987).

A SWOT analysis can be used as a basis for developing future strategies as well as for developing the business plan. Another part of the environmental analysis is the *PEST* analysis, which tries to identify political and legal (P), economical (E), socio-cultural (S), and technological (T) factors influencing the enterprise. Finally, the *industry analysis* tries to assess the attractiveness of a specific industry for the enterprise (Analoui & Karami, 2003). The industry analysis again can use sub-instruments, such as market analyses (e.g Wickham, 2001) and Porter's (1985) five forces analysis.
The *product life-cycle (*PLC) concept can be utilized in enhancing the effectiveness of operative instruments and in changing the strategies, especially in emerging firms. The basic idea of the PLC concept corresponds to the law of birth and death of all biological existence. This idea can be transferred to man-made systems, such as products or markets. Even if the forecasting ability of the PLC concept has been deemed rather limited (Levitt, 1965; Cox, 1967), it provides a good overview of marketing decision options, especially in the implementation phase and growth phase of an enterprise (Kraus et al,. 2007).

In tandem with the above the following anaysis should be done to engender smooth strategic focus:

a) Swot Analysis

Among the most useful tools for strategic planning is SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). The main objective of this tool is to analyze internal strategic factors, strengths and weaknesses attributed to the organization, and external factors beyond control of the organization such as opportunities and threats.

b) Situational Analysis

When developing strategies, analysis of the organization and its environment as it is at the moment and how it may develop in the future, is important. The analysis has to be executed at an internal level as well as an external level to identify all opportunities and threats of the external environment as well as the strengths and weaknesses of the organizations.

There are several factors to assess in the external situation analysis:

1. Markets (customers)
2. Competition
3. Technology
4. Supplier markets
5. Labor markets
6. The economy
7. The regulatory environment

It is rare to find all seven of these factors having critical importance. It is also uncommon to find that the first two - markets and competition - are not of critical importance.

Strategy Formulation

According to Wheelen and Hunger (2004), Strategy formulation is the development of long-range plans for the effective management environment opportunities and threats, in light of corporate strengths and weaknesses. The critical success factors required to adequately implement strategic planning are mission and vision, goals, objectives, programs, budgets, policies and the drivers of these key success factors of strategic planning in an emerging firm, that is, the business owner or management, stakeholders and the employees.

The key components of 'strategic planning' include an understanding of the firm's vision, mission, values and strategies and other success imperatives.

The key components are:

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

For example, a charity working with the poor might have a vision statement which reads "A World without Poverty." In the words of Baker“Vision without action is merely a dream Action without vision just passes the time,Vision with action can change the world

b) Mission: Defines the fundamental purpose of an organization or an enterprise, succinctly describing why it exists and what it does to achieve its vision. For example, the charity above might have a mission statement as "providing jobs for the homeless and unemployed"

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

c) Values: Beliefs that are shared among the stakeholders of an organization. Values drive an organization's culture and priorities and provide a framework in which decisions are made. For example, "Knowledge and skills are the keys to success" or "give a man bread and feed him for a day, but teach him to farm and feed him for life". These example values may set the priorities of self-sufficiency over shelter.

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

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

f) Goals: Formulating long term goals consistent with the mission statement and the available The term "goal" is often used interchangeably with the term "objective

In contrast to an objective, we consider a goal as an open-ended statement of what one wants to accomplish with no quantification of what is to be achieved and no time criteria for completion. For example, a simple statement of "increased profitability" is thus a goal, not an objective because it does not state how much profit the firm wants to make the next year.

An objective would say something liike, "increase profits 10% over last year."

The goal of strategic planning mechanisms like formal planning is to increase specificity in business operation, especially when long-term and high-stake activities are involved. In an organisational setting, the organization may co-ordinate goals so that they do not conflict with each other. The goals of one part of the organization should mesh compatibly with those of other parts of the organization. Most importantly the goals must be SMART (specific, measurable, related or realistic, time bound).

g) Strategies: Strategy, narrowly defined, means "the art of the general." A combination of the ends (goals) for which the firm is striving and the means (policies) by which it is seeking to get there.

A strategy is sometimes called a roadmap which is the path chosen to plow towards the end vision. The most important part of implementing the strategy is ensuring the company is going in the right direction which is towards the end vision. A strategy of a corporation forms a comprehensive master plan stating how the corporation will achieve its mission and objectives Wheelen and Hunger (2004). It maximizes competitive advantage and minimizes competitive disadvantage. According to Wheelen and Hunger (2004) the typical business firm usually considers three types of strategy: corporate, business, and functional.

1. Corporate strategy describes a company's overall direction in terms of its general attitude toward growth and the management of its various businesses and product lines.

Corporate strategies typically fit within the three main categories of stability, growth, and retrenchment.

2. Business strategy usually occurs at the business unit or product level, and it emphasizes improvement of the competitive position of a corporation's products or services in the specific industry or market segment served by that business unit. Business strategies may fit within the two overall categories of competitive or cooperative strategies.

3. Functional strategy is the approach taken by a functional area to achieve corporate and business unit objectives and strategies by maximizing resource productivity. It is concerned with developing and nurturing a distinctive competence to provide a company or business unit with a competitive advantage. Business firms use all three of strategy simultaneously.

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

- Macdonald's: Macdonald's will not approve any cost reduction proposal if it reduces product quality in any way. This policy supports Macdonald's strategy for Macdonald's brands to compete on quality rather than on price.
- 3M: researchers should spend 15% of their time working on something other than their primary project. (This supports 3M's strong product development strategy.)
- Intel: cannibalize your product line (undercut the sales of your current products) with better products before a competitor does it to you. (This supports Intel's objective of market leadership).
- General Electric: GE must be number one or two wherever it competes. (This supports GE's objective to be number one in market capitalization).
- Microsoft: A "no questions asked" merchandise return policy, because the customer is always right. (This supports Microsoft competitive strategy of differentiation through excellent service

Pre-Implementation Strategic Planning Review

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

The questions posed by the review group will obviously depend on the particular strategy under consideration; however, questions that probably should be asked in almost every instance include the following:

- Is the strategy realistic and is it likely to produce long-term success for the business unit and/or the firm as a whole?
- Is the strategy constructed in a way that it will withstand public scrutiny and reasonably anticipated turbulence in the relevant business environment?
- Have the developers of the strategy taken past experiences and failures into account in assessing the likelihood of future success for the strategy?
- Does it appear that the members of management hierarchy involved with creating and executing the strategy have had access to all relevant information, including dissenting views?
- Has consideration been given to the impact that the strategy will have on existing businesses?
- Have the strategy developers considered all reasonable options before settling on the specific strategy under consideration?
- Do the advocates of the strategy demonstrate sufficient confidence in its likelihood of success and would they be willing to risk their personal resources on the ultimate outcome of the strategy?

The work of the review group should be respected and the managers associated with the development and execution of the particular strategy should be required to prepare some sort of formal response to the review even if it is ultimately decided to move forward with the strategy in essentially the form it was originally presented for review without significant modification to take into account the findings of the review group

Strategic Planning Implementation

Strategy implementation is the process by which strategies and policies are put into action through the development of programs, budgets, and procedures Wheelen and Hunger (2004). This process might involve changes within the overall culture, structure, and or management system of the entire organization. Sometimes referred to as operational planning, strategy implementation often involves day-to-day decisions in resource allocation except when such drastic corporate-wide changes are needed, however, the review by top management.

Programs

A program is a statement of the activities or steps needed to accomplish a single-use plan. It makes the strategy action oriented. It may involve restructuring the corporation, changing the company's internal culture, or beginning a new research effort Wheelen and Hunger (2004).

Budgets

A budget is a statement of a corporation's programs in terms of dollars. Used in planning and control, a budget lists the detailed cost of each program. Many corporations demand a certain percentage return on investment, often called a "hurdle rate," before management will approve a new program Wheelen and Hunger (2004). This ensures that the new program will significantly add to the corporation's profit performance and thus build shareholder value. The budget thus not only serves as a detailed plan of the new strategy in action, but also specifies through pro-forma financial statements the expected impact on the firm's financial future.

Procedures

Procedures, sometimes termed standard operating procedures (SOP), are a system of sequential steps or techniques that describe in detail how a particular task or job is to be done Wheelen and Hunger (2004). They typically detail the various activities that must be carried out in order to complete the corporation's programs

Evaluation and Control

Evaluation and control information consists of performance data and activity reports. If undesired performance results because the strategic planning processes were inappropriately used, operational managers must know about it so that they can correct the employee activity. Top management need not be involved. If, however, undesired performance results from the processes themselves, top managers, as well as operational managers, must know about it so that they can develop new implementation programes or procedures. Evaluation and control information must be relevant to what is being monitored. One of the obstacles to effective control is the difficulty in developing appropriate measures of important activities and outputs. An application of the control process to strategic planning is depicted. It provides strategic planners with a series of questions to use in evaluating an implemented strategy. Such a strategy review is usually initiated when a gap appears between a company's financial objectives and the expected results of current activities. After answering the proposed set of questions, a strategicplanner should have a good idea of where the problem originated and what must be done to correct the situation.

Measuring Performance

Performance is the end result of an activity. The measures to select to assess performance depends on the organisational unit to be appraised and the objectives to be achieved. The objectives that were established earlier in the strategy formulation is an integral part of the strategic planning process and should be used to measure corporate performance once the strategies have been implemented.

Limitations or Vitiating Elements of Strategic Planning

Any plan is by its nature static---fixed in time. Circumstances may alter the day after the plan is formulated. Adherence to a plan finalized yesterday, may in fact assure failure tomorrow by virtue of the inflexibility of the approach. Planning, to be effective, must be dynamic. The implementers of a plan must have the authority to alter it as circumstances dictate. Long term goals should remain relatively constant, but strategies and action plans must be fluid.

The best strategy, poorly implemented, is of little value and a flawed strategy executed well will fail. A strategy needs not be brilliant, as long as it is sound, is well conceived, and avoids the obvious errors. The key is not to make the really dumb mistakes. Below is a list of seven common traps in strategic planning to be used as a reality checklist as you contemplate your plan (4) :

1. Failing to recognize and understand events and changing conditions in the competitive environment.
2. Basing strategies on a flawed set of assumptions.
3. Pursuing a one-dimensional strategy that fails to create or sustain a long-term competitive advantage.
4. Diversifying for all the wrong reasons. Ill-considered diversification strategies based on growth for its own sake or portfolio-management strategies often create negative synergy and a loss of shareholder value.
5. Failing to structure and implement mechanisms to ensure the coordination and integration of core processes and key functions across organizational boundaries.
6. Setting arbitrary and inflexible goals and implementing a system of controls that fail to achieve a balance among culture, rewards, and boundaries.
7. Failing to provide the leadership essential to the successful implementation to strategic change.

A primary issue that surfaces in failed strategy and planning is the lack of fact based decisions with validated assumptions. Many growth company CEO's have grandplans but fail to put the resources and human capital in place to execute and implement.

IV. CONCLUSIVE REMARKS AND RECOMENDATIONS

The objective of this paper was to create a better understanding of the intersection of the academic fields of entrepreneurship and strategic planning and management. The paper was based on an aggregation of the extant literature in these two fields. It has been shown that there are intersections between both of these fields of studies, and this is pointed out by Mintzberg's *school of strategy.* Obvious intersections are strategy content and processes within emerging firms in the development of strategic management instruments. The niche strategy has been shown to be a most successful market entry strategy for emerging firms, whereas the differentiation strategy can also gain important once the enterprise grows. Success for any enterprise-regardless of its size or age- is highly dependend upon its ability to find a valuable strategic position (Thompson, 1999). Nonetheless, some authors have questioned the overall value of strategic management in emerging firms (Bhide, 1994), and argued that it does not work in a dynamic environment where flexibility and responsiveness are key conditions for survical (Mintzberg, Quinn, & Ghoshal, 1995). This paper has a different opinion about this becase of the fact that most strategic planning and management instruments which have originally been developed for large enterprises, such as the SWOT analysis, can be important for emerging firms as well, but need to be adapted according to their peculiarities and pertinence. Since emerging firms considerably differ from large enterprises in their amount of resources, it is doubtful that 'standard' strategic planning instruments work in the same manner in emerging firms as in large enterprises. The instruments therefore need to be aligned with the personnel as well as the cultural, organizational, and financial conditions of the specific enterprise in order to be successful. Since many strategic instruments are simply not known or applied in emerging firms, a consciousness regardling the virtue of the use of proper strategic instruments needs to be raised. This is where politics and education have to take over. They both need to use their respective channels for generating a greater strategic awareness, starting with emerging firms, especially the young ones.

Most importantly, the integration of entrepreneurial (opportunity-seeking) and strategic (advantage-seeking) perspectives seems to be a promising approach for contemporary management, and is probably even a necessary approach for coping with the effects of the new competitive landscape. Both perspectives can be

regarded as essential for value creation, although neither is sufficient on its own (McGrath & MacMillian, 2000; Ireland et al, 2001). Strategic planning therefore without any doubt become more entrepreneurial, and shift from the traditional administrative approach to a *strategic entrepreneurship* approach. This would characterize a new management philosophy that promotes strategic agility, flexibility, creativity, and continuous innovation. It can also be used in transforming administrative-oriented employees into intrpreneurs.
From the foregoing, this paper can rightly assert that strategic planning is a panacea to the profitability and sustenance of emerging firms, the researcher can say that strategic planning has been the success factor and antidote used by emerging firms to engender competitive edge and enhanced bottomline.

Recomendations
The planning process occurs repeatedly on the continuum of progress in a
company's growth. Below are some recomended activities for successful implementation and execution of strategic planning by emerging firms:
• Build an organization capable and willing of carrying out the strategy and plan.
• Develop budgets that steer resources into those internal activities critical to strategic success.
• Establish strategy-supportive policies.
• Motivate people in ways that induce them to pursue the target objectives energetically and, if need be, modify their duties and job behavior to better fit the requirements of successful strategy execution.
• Monitor progress daily.
• Tie the reward structure to the achievement of targeted results.
• Create a company culture and work climate conducive to successful strategy implementation.
• Install internal support systems that enable company personnel to carry out their strategic roles effectively day to day.
• Institute best practices and programs for continuous improvement.
• Exert the internal leadership needed to drive implementation forward and to keep improving on how the strategy is being executed.
• Repeatedly use the planning pyramid as the basis for future decision.
• Walk the talk with your stakeholders.

In order to solve the problem concerning strategic planning in an emerging firm formulation and implementation matters, the following recommendations are suggested for consideration:

1. The board of directors should approve the funds for the implementation of formulated strategy if such funds are within the capacity of the company.
2. Workers who have spent a considerable number of years within the organization should be involved in strategic policy formulation and implementation. This development would benefit the company in terms of ideas generation and as motivating factors to the works.
3. Companies, he especially case study, should find the means of surviving the present economic hardship, which can hinder the time of implementation of the formulated strategies.
4. Over emphasis in operating decision should be reduced by the management.
5. The welfare of those who are to implement
6. Strategy planning is important and as such all factors that would motivate workers should be considered and put in place.

Strategic planning is therefore recommended to emerging firms in view of the fact that Strategic planning has been successfully used by emerging and existing firms for future survival, growth and increased productivity and efficiency country-wide and organisation-wide.

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