

## Diagnosis of Perception Strategic Planning to Ensure Strategic Supremacy

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**Abstract:** The study aimed to investigate the effect of perception strategic planning in strategic supremacy at information technology companies in Jordan. The study population consisted of all workers in the information technology companies of (116) company. The sample was to determine, depending on the standard number of employees in each company. The researcher developed a questionnaire as a main tool to collect the study data. The researcher distributed (320) questionnaire on the study, sample and preview a total of (241, 23) had been eliminated that were not valid for the analysis of the failure to complete all of the information contained within, thus bringing the number of valid process analysis questionnaires (218) by (90.4 %). A number of results were the study, we conclude that mission did not have a positive effect on the sphere of influence and competitive compression while he was a positive effect on the competitive configuration. The strategies were the only dimension that has a positive effect on all dimensions of the strategic supremacy. The study recommended that the need for the province of the Jordanian information technology companies study the continuity of community interest in the characteristics of strategic planning and the use of all the ways and means and tools to ensure that this increased attention and do not let down or the low level it has reached these companies.

**Key words:** Strategic planning, strategic supremacy, strategic, Jordan, competitive compression, information technology

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### INTRODUCTION

Live business organizations in an environment of uncertainty are difficult to predict and the fast changes variables most often attributed to rapid technological changes and the system of globalization and the liberalization of world trade. One of these organizations are the Jordanian telecom companies that face challenges and threats of high competitiveness which plays an important role as it is known in the world economy and this affects the growth and sustainable of development Hence the many questions related to the challenges facing the industry and how to identify these challenges and face them which requires a volume of information relatively large and accurate decision-maker out to meet these challenges and bring about change and development to stay in the sector.

The success of organizations requires research to stay in the business world and this cannot be achieved without the presence of managers at senior and middle management level are aware of the dimensions of strategic planning for the development of plans and the formulation of strategies in the long term. And also the success of the business organizations and progress achieved through its

ability to survive and adapt to the speed of response to changes in the environment for rapid action and achieve sustainable advantage that believes its superiority over its competitors by providing customer preferences and needs, forcing business organizations to look for strategies and philosophies administrative nontraditional to meet new challenges the rapid developments, among them was the strategic Supremacy which in turn contribute to improving the organization's ability to survive and grow (Oyedijo, 2012).

Increased interest organizations the concept of strategic supremacy in recent years, especially as they are looking at how to achieve the strategic supremacy in the markets, especially if those organizations are always trying to reduce the competitive pressure in order to reach a state of (stability) balance.

### Theoretical background

**Strategic planning:** Planning is an effort organized to make critical decisions for the organization which represents the identity and is planning a set of principles and steps and tools designed to help senior management and planners to think and act strategically; this nature help to make a good and effective decisions lead to the

achievement of the organization's mission and satisfy the community beneficiary in the light of what it takes organization of the threats of the external environment and the strengths and weaknesses in the internal environment.

Strategic planning refers to the basic role of strategic management in the organization because it is interested in examining and analyzing the internal and external environment and then formulate the strategy to the organization can achieve its mission, goals and objectives (Wheelen and Hunger, 2002). But David he knew that strategic planning is a complex process focused on the future is unclear term to lead the organization to find solutions to the questions raised regarding the issues that are an impediment to success.

Strategic planning is the process of systematically to determine how to move the foundation of the current situation to the desired future as well as a process to make decisions based primarily on a set of questions following (Tayel, 2015):

- Where are we now?
- Where do we want to be?
- How do we get there?
- How do we measure our progress?

Strategic planning can determine the strategies and ambitious long-term which allow organizations to work in the light of the objectives clear future. It also helps managers to develop strategic issues which contribute to the achievement of a strategic view of the comprehensiveness of organization (Arther and Strickland, 1999).

The views of researcher's variation on strategic planning components may be due to differences in their focus on certain aspects without the other. Select Mosley *et al.* (1996) strategic planning elements (mission, objectives and strategies). While adding a Robson (1997) (policy and implementation) while the said William *et al.* (1997), James (1997), Peter and Donnelly (1998) (mission, analysis, goals and strategies) while Kotler (1997) he (implementation and control) and agreed on the (mission, analysis and strategies) and stated (Charles and Jones, 2001) (mission, analysis, strategies and implementation) and see (Dave, 2000) that (mission, analysis, goals and implementation) is essential to the process of strategic planning elements and it is clear that the elements that has received the agreement of most of the researchers are (mission, analysis, goals and strategies) which is to be adopted in this study.

**Strategic supremacy:** The concept of strategic supremacy provides a unified strategy for the strategic overview as well as the ability to establish rules of the game at any given point of time and the emergence of control is part of the strategic supremacy, the company strategic supremacy sets out the rules by using different models of gaps (D'Aveni, 1999, 2001, 2004). The basis of strategic supremacy may possibly be in the core capability, excellence and operational value for the basis for the success and sustainability of a strategy but this is not enough in relation to the company in order to be successful and effective in the long term, it would require such the forces of strategy as the balance of power is a thing only one who will come continuity innovation and efficiency at the company level and at the sector level and the industry and then to the community (Strikwerda, 2002).

Defines of strategic supremacy they are the structures of the process of drawing the scope of influence of the organization decides to improve its strength relative in addition to the establishment of the strategic intent of the organization of each part in the band (Strikwerda, 2002). The growing interest in the concept of strategic supremacy by companies in the private recent years and it is looking at how to become of strategic supremacy in the markets, especially since companies always try to reduce the competitive pressure in order to reach a state of stability, availability of innovation that is most needed in the field of strategic management and access to time longer enough concept to develop strategies in mature markets (Han and Strikwerda, 2003).

**The dimensions of strategic supremacy:** It will be the adoption of 3 dimensions for strategic supremacy in this study of the dimensions that interested by Han and Strikwerda (2003), Strikwerda (2002) and D'Aveni (2004).

**The sphere of influence:** Sphere of influence is the pseudonym of the concept of geopolitics is the subject of the search began recently in the management literature which provides a work context to examine the strategic objective of the company's portfolio and its implications for strategic supremacy (D'Aveni, 2004). And it serves as the heart of the strategic supremacy; know the sphere of influence as a portfolio of products and services company (Strikwerda, 2002).

**Competitive compression:** Some may understand that the competition among the companies through the effort in

areas that are tested in the joint sphere of influence between them while the competition and face-to-face is usually a waste and a waste of resources and often lose the competitors and thus it is not effective. Availability of sovereignty strategic instruments for measuring pressure competitive model in the industry and planning as well as an explanation of the meaning overtones and strategic implications of these models to pressure for the company within the pyramid of power (Strikwerda, 2002).

**Competitive configurations:** The planning of competitive pressure between the 2 companies is planning competitive pressure among all the major players in the industry to find out who the players who occupy more powerful positions and calculates the pressure brought by one of the players the rest of the players can do the diagnosis of the most powerful players in the industry (Han and Strikwerda, 2003). Competitive configurations for company is through the analysis of competitors as the competition environment is the last part of the external environment that requires research and highlight, focuses on the analysis of competitors each organization competing with other organization directly (Hussein *et al.*, 2012).

**Significance of the study:** This study represent an initial attempt to empirically investigate toward how strategic planning correlate with strategic supremacy. The study draws attention to vital strategic and managerial variables and attempts to narrow the gap in the literature by empirically addressing an important administrative issue which overlooked in most strategic studies carried out in Arab countries.

**The objective of the study:** The main objectives of the present study are to:

- Diagnosis of perception strategic planning (mission, analysis, goals and strategies) in Jordanian telecommunication companies
- Investigate how strategic planning correlate with strategic supremacy
- Explore the impact levels of strategic planning on strategic supremacy

**The proposed model:** Our study model is shown in Fig. 1. In this study, construct the model based on 2 areas: strategic planning, based on Kofi and Isaiiah (2008) and Oboreh and Umukoro (2011) and strategic supremacy based on Strikwerda (2002) and D’Aveni (2001). Also for

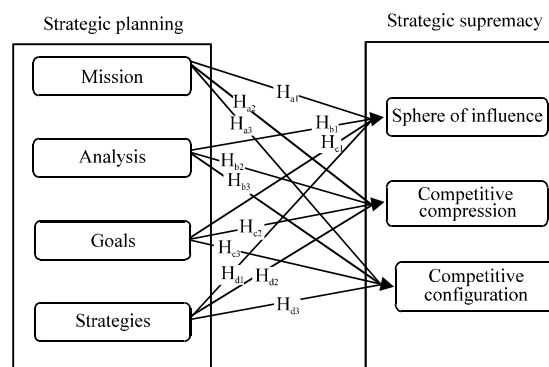


Fig. 1: The proposed conceptual model and research hypotheses

strategic planning we integrate them into 4 dimensions based on the above-mentioned literature. The study model includes 4 dimensions for strategic planning, namely: mission, analysis, goals and strategies and three dimensions for strategic supremacy, namely: the sphere of influence, competitive compression and competitive configurations.

**Study hypotheses:** According to the study variables and model will be tested the following hypotheses:

- H<sub>0a1</sub>: the mission dimension of strategic planning positively effect in the sphere of influence
- H<sub>0a2</sub>: the mission dimension of strategic planning positively effect in competitive compression
- H<sub>0a3</sub>: the mission dimension of strategic planning positively effect in competitive configurations
- H<sub>0b1</sub>: the analysis dimension of strategic planning positively effect in the sphere of influence
- H<sub>0b2</sub>: the analysis dimension of strategic planning positively effect in competitive compression
- H<sub>0b3</sub>: the analysis dimension of strategic planning positively effect in competitive configurations
- H<sub>0c1</sub>: the goals dimension of strategic planning positively effect in the sphere of influence
- H<sub>0c2</sub>: the goals dimension of strategic planning positively effect in competitive compression
- H<sub>0c3</sub>: the goals dimension of strategic planning positively effect in competitive configurations
- H<sub>0d1</sub>: the strategies dimension of strategic planning positively effect in the sphere of influence
- H<sub>0d2</sub>: the strategies dimension of strategic planning positively effect in competitive compression
- H<sub>0d3</sub>: the strategies dimension of strategic planning positively effect in competitive configurations

**MATERIALS AND METHODS**

**Population and sample:** The study population consists of all workers in the information technology companies of (116) company. The sample was to determine, depending on the standard number of employees in each company. The stratified random sample withdrawn of the study population to gather preliminary data were distributed (320) to identify the workers in the companies depending on the method of determining the size of the sample contained in retrieved them (241) questionnaire a rate (75%) of the questionnaires were distributed were excluded (23) to identify where the lack of data is completed and thus the number of valid questionnaires for analysis (218) questionnaire by (90.4%).

**Unit of analysis:** Represented the unit of analysis in the incumbents in the three administrative levels (senior management and the middle and lower) in the surveyed companies as the unit of analysis of the preliminary data collected in this study.

**Measures:** Strategic planning variables which include is shown in Table 1. Strategic supremacy variables which include is shown Table 2.

**Instrument validity and reliability**

**Instrument validity:** The content validity of the questionnaire was determined by a panel of experts in the fields of strategic planning and strategic management.

**Instrument reliability:** Were confirmed reliability of study tool used to measure variables by calculating Cronbach's coefficient alpha for internal consistency (internal consistency) was the result of cronbach's alpha variables (independent and dependent) ranged between (0.78-0.92) and final sample of (0.94) and all values higher than acceptable (70%).

Table 1: Strategic planning

Variables	Sources
Mission	Freed, 2001; Charles and Jones, 2001
Analysis	Freed, 2001; Charles and Jones, 2001
Goals	Dove, 2000; Peter and Donnelly, 1998
Strategies	Freed, 2001; Charles and Jones, 2001

Table 2: Strategic supremacy

Variables	Sources
Sphere of influence	Strikwerdi, 2002; D'Aveni, 2001
Competitive compression	Strikwerdi, 2002; D'Aveni, 2001
Competitive configurations	Strikwerdi, 2002; D'Aveni, 2001

**RESULTS AND DISCUSSION**

After running the analysis, the RMSEA value was 0.000 which indicated rich fit. Also, CMIN/DF indicated a rich fit model with a value of (0.975). In contrast, GFI values were 0.988, respectively, GFI values were within acceptable limits. In addition, NFI and CFI values were 0.992 and 0.993. Both values were within the acceptable limits. The fit indices of structural model as shown in Table 3.

From Fig. 2 and Table 4, it shows that the hypotheses test, in determining the significance of each path coefficient, estimate of regression weight, standard error of regression weight and critical ratio for regression weight (CR = dividing the regression weight estimate by the estimate of its standard error gives) were used.

Table 2 presents each parameter's CR, estimate and SE. Hence, mission has no a significant positive and direct impact on sphere of influence and competitive compression ( $\beta = 0.041$  and  $0.029$ , CR =  $0.762$  and  $0.511$ , p-value =  $0.446$  and  $0.610$ ) or  $H_{a1-2}$  is not supported. In the same context, mission has a significant positive and direct impact on competitive configuration ( $\beta = 0.217$ , CR =  $4.636$ , p-value = **\*\*\***) or  $H_{a3}$  is supported.

Analysis has a significant positive and direct impact on competitive compression and competitive configuration ( $\beta = 0.464$  and  $0.427$ , CR =  $5.152$  and  $4.790$ , p-value = **\*\*\*** and **\*\*\***) or  $H_{b2 \text{ and } 3}$  is supported. However, analysis has no a significant positive and direct impact on sphere of influence ( $\beta = 0.126$ , CR =  $1.480$ , p-value =  $0.139$ ) or  $H_{b1}$  is not supported.

Goals has no a significant positive and direct impact on competitive compression and competitive configuration ( $\beta = 0.092$  and  $0.049$ , CR =  $1.258$  and  $0.636$ , p-value =  $0.199$  and  $0.525$ ) or  $H_{c2 \text{ and } 3}$  is not supported. However, goals has a significant positive and direct impact on sphere of influence ( $\beta = 0.286$ , C.R =  $3.309$ , p-value = **\*\*\***) or  $H_{c1}$  is supported.

Finally, strategies has a significant positive and direct impact on sphere of influence, competitive compression and competitive configuration ( $\beta = 0.303$ ,  $0.358$  and  $0.332$ , CR =  $3.427$ ,  $4.176$  and  $4.255$ , p-value = **\*\*\***, **\*\*\*** and **\*\*\***) or  $H_{d1-3}$  is supported.

Table 3: Fit indices of structural model

Variables	Values
$\chi^2$	1.950
$\chi^2/df$	0.975
Normed Fit Index (NFI)	0.992
Comparative Fit Index (CFI)	0.993
Goodness of Fit Index (GFI)	0.988
Root Mean Square Error of Approximation (RMSEA)	0.000

Table 4: Testing result

Hypothesis	Regression weights		Estimate	SE	CR	p-value	Results
	From	To					
H <sub>a1</sub>	Mission	Sphere of influence	0.0410	0.0540	0.7620	0.4460	Not accepted
H <sub>a2</sub>	Mission	Competitive compression	0.0290	0.0580	0.5110	0.6100	Not accepted
H <sub>a3</sub>	Mission	Competitive configuration	0.2170	0.0470	4.6360	***	Accepted
H <sub>b1</sub>	Analysis	Sphere of influence	0.1260	0.0850	1.4800	0.1390	Not accepted
H <sub>b2</sub>	Analysis	Competitive compression	0.4640	0.0900	5.1520	***	Accepted
H <sub>b3</sub>	Analysis	Competitive configuration	0.4270	0.0890	4.7900	***	Accepted
H <sub>c1</sub>	Goals	Sphere of influence	0.2860	0.0860	3.3090	***	Accepted
H <sub>c2</sub>	Goals	Competitive compression	0.0920	0.0720	1.2850	0.1990	Not accepted
H <sub>c3</sub>	Goals	Competitive configuration	0.0490	0.0780	0.6360	0.5250	Not accepted
H <sub>d1</sub>	Strategies	Sphere of influence	0.3030	0.0890	3.4270	***	Accepted
H <sub>d2</sub>	Strategies	Competitive compression	0.3580	0.0860	4.1760	***	Accepted
H <sub>d3</sub>	Strategies	Competitive configuration	0.3320	0.0780	4.2550	***	Accepted

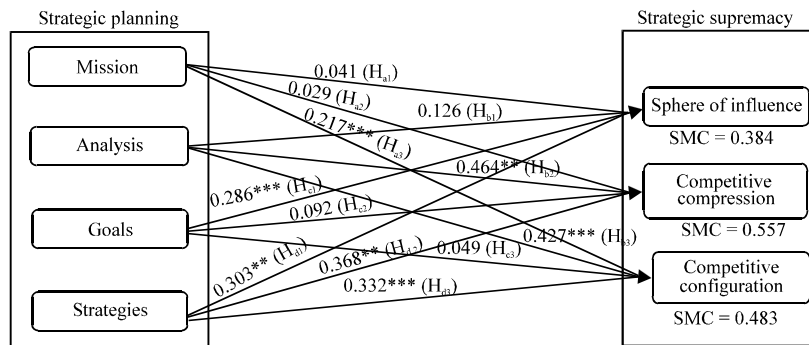


Fig. 2: Structural model results

**CONCLUSION**

Based on the results of testing hypotheses of the study, we conclude that mission did not have a positive effect on the sphere of influence and competitive compression while he was a positive effect on the competitive configuration. We note that the analysis did not have a positive effect on the sphere of influence while its effect on the competitive compression and the competitive configuration has been positive. About the goals were to reverse analysis their effect was positive only on sphere of influence but for the competitive compression and the competitive configuration did not have any positive effect. The strategies were the only dimension that has a positive effect on all dimensions of the strategic supremacy. As we conclude that the effect on the strategic supremacy over all dimensions of strategic planning.

**RECOMMENDATIONS**

The study recommended that the need for the province of the Jordanian information technology companies study the continuity of community interest in

the characteristics of strategic planning and the use of all the ways and means and tools to ensure that this increased attention and do not let down technology companies to participate specialized training courses or workshops or brainstorming to enrich their skills and knowledge and abilities in the subject of strategic planning.

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