



**THE USE AND PERCEIVED VALUE OF STRATEGIC  
MANAGEMENT TOOLS IN THE DEVELOPMENT BANK OF  
NAMIBIA (DBN)**

Research report presented to the

**Graduate School of Business Leadership  
University of South Africa**

by

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Submitted in partial fulfilment of the requirements for the degree

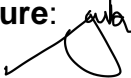
**MASTER'S DEGREE IN BUSINESS ADMINISTRATION**

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**15 December 2021**

## DECLARATION OF OWN WORK

I, **Simon Shaningwa** hereby declare that the work contained in the thesis entitled ***the use and perceived value of strategic management tools in the Development Bank of Namibia (DBN)*** is my own original work and that I have not previously in its entirety or in part submitted it at any University or other higher educational institution for the award of a degree.

Signature: 

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## **DEDICATION**

I would like to dedicate this work to my heavenly Father, for the strength, and wisdom. I would also like to dedicate this thesis to my lovely mother for being my pillar of strength throughout my project. For her understanding, unceasing support, patience, sacrifice, prayers, and encouragement which gave me the ability to successfully complete my course.

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## **ABSTRACT**

This study analysed the use and perceived value of strategic management tools in the Development Bank of Namibia (DBN). For the past decades, managers have tried to improve the operational effectiveness of their organizations by utilizing strategic management tools in decision-making. Therefore, the utilization of the strategic tools assists the managers in improving various organizational outcomes such as market share, and revenue. The study was conducted at the Development Bank of Namibia in Windhoek. The target population was the departmental managers and executives from the Development Bank of Namibia, and 10 participants were used in this study. The study used a qualitative research methodology, and telephonic in-depth interviews was used as a method of collecting data. This study persuaded the main objective of determining the use and perceived value of strategic management tools in the Development Bank of Namibia, and the study found out that the strategic tools are very important, useful and they are effective in carrying out what they are intended to. Therefore, the strategic management tools positively affect the performance of DBN. For that reason, the strategic management tools were found to be vital in achieving the Bank's desired goals and objectives.

In addition, the strategic management tools are useful in helping, and supporting managers make better decisions and achieve the desired goals. Strategic tools play a significant role in the development of organizational relationships and networks. The study also found that SWOT analysis, Balanced Score Card, annual strategic sessions, and strategic analysis are the strategic planning tools that are used in DBN, and the managers and executives are satisfied with the strategic planning process, and the process is effective, inclusive, and transparent. Therefore, all the employees are involved in the planning process. In addition, the employees are kept up-to-date with the strategies that are being implemented through their Head of Department, and this allows the employees to be sensitized to the strategies that are being implemented. The study recommends that future studies be conducted on a

different sector such as the information technology sector as this can provide insight on the implementation of reliable techniques for control and risks that can help financial institutions to reach geographically distant and diversified markets, and similar studies should be carried out on the rest of the employees in order to gain insight on the use and perceived value of strategic management tools from all individuals' perspectives.

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## **LIST OF ACRONYMS**

**AFDB** - African Development Bank

**BGG matrix**- Boston Consulting Group

**DBN**- Development Bank of Namibia

**HOD**- Head of Department

**SBL** - School of Business Leadership

**SFAS** - Strategic Factor Analysis Summary

**SM** - Strategic Management

**SMTTs** - Strategic Management Tools and Techniques

**SWOT** analysis - Strength, Weakness, Opportunities, and Threats

**UNISA** - University of South Africa

**US** - United States

## **CHAPTER 1: INTRODUCTION**

### **1.1 Introduction**

Strategic management tools, in conjunction with organizational structure, contribute to an organization's success. Strategic management is a phenomenon that has existed and been used by organizations for many years, and it is based on the development of new ways of thinking that are required by the issues that many organizations face today. Strategic management is the most important and central process for organizations to achieve their desired outcomes. It all comes down to organizational direction. It includes issues that are of primary concern to management. Strategic management is thus defined as a set of theories and frameworks that are supported by tools and techniques and are intended to help organizational managers think, plan, and act strategically (Elshamly, 2013; Quedraogo, 2007). To aid decision-making in strategic management, a variety of tools and techniques have been developed.

Strategic tools are essential in assisting an organization to align strategic thinking; hence they are used in the identification of an organization's goals. To use strategic tools, such as the BCG matrix and the five forces of Porter, one must first acquire the necessary competencies. Furthermore, the use of these tools is linked to organizational components like SWOT analysis, balanced scorecard, and core competence. Strategy tool is a broad term that refers to any method, model, technique, tool, technology, framework, methodology, or approach that is used to enable strategy work (Pere, 2017). Many scholars have revealed that there are a variety of practices, tools and methods, models, frameworks, approaches, and methodologies available to help with strategic management decision making (Bonekeh, 2015; Quedraogo, 2007; Nouri & Soltani, 2017). Therefore, strategy tools are concepts that help strategic managers make decisions.

Qehaja, Kutilovci, and Pula (2017) discovered that strategic management tools are important in organizational management and can be used at all stages of the strategic management process, including situation assessment, strategic analysis of options, and strategic implementation. According to the literature, the most strategic tools used in strategic management are Porter's Five Forces Model, Generic Strategies, SWOT analysis, Resource Based View of the firm, Value Chain, Boston Consulting Group (BCG) Matrix, McKinsey 7S Framework, Balanced Scorecard, Bowman's Strategy Clock, Strategic Group Maps, Strategic Factor Analysis Summary (SFAS), and Blue Ocean Four Action Framework (Abushabab, 2016).

### **1.1.1 Strategic management practices**

Strategic management practices entail an organization identifying the best way of managing its capabilities and resources to carry out its mandate. Strategic management practices refer to the ongoing process that helps evaluate and control the business, set goals and strategies, assess competitors, and reassess the strategies regularly to establish business sustainability (Kamau, 2017). Strategic management practices, therefore, consist of strategic planning, strategy implementation, and strategy evaluation, and control, which is revealed in past studies to have impacted the competitive positioning of organizations in the financial sector (Adeleye, 2014; Mulei, 2016; Kryvych & Goncharenko, 2020). Similarly, Kamau (2017) established that strategic management practices entail formulation and implementation of strategies that will help in positioning the organization, and its environment to achieve organizational objectives. Thus, strategic management gives complete direction to the organization. It is noted that organizations that participate in continuous strategic management practices adopt the evaluation, formulation, and implementation of their strategies on analysis of environmental issues they encounter, and the kind of values they carry which ensure continuity as well as the environmental interests of their stakeholders (Suwadi, 2018).



Mulei (2016) stressed that strategic management has been theorized in the McKinsey 7s framework which is acknowledged to provide managers with a clear outline to focus on six modules to ensure effective formulation, execution, and implementation of the strategy. Suwadi (2018) has identified the five duties in the strategic management process, which are evolving a strategic vision and mission, stating objectives, strategy formulation, strategy execution, and analysing the status of its performance to prevent any problem or issues. On the other hand, a study by Kryvych and Goncharenko (2020) established the best strategic management practices that organizations can utilize, which are the discovery of new markets, development of new operating technologies, products, and services innovations, product quality, advertising, and customer service. Also, Adeleye (2020) identified various strategic management that is dominant among organizations, which include incentive plans, training programs, career management practices, hiring practices, and job descriptions. Efficient and effective technology management practices are also significant in every stage of an organization, and this attributes a vital role that technology play in the operational activities of organizations. Strategic management is therefore essential in building competitive advantage for organizations.

### **1.1.2 Financial sector: from a local and global context**

The financial sector is involved in the most volatile and uncertain business world. Muddassar (2012) stressed that the financial sector has suffered enormous losses due to a lack of proper strategic management. On the other hand, Roman (2018) observed poor and flexible management as well as low-risk appetite, which caused financial issues within the sector. Thus, the financial sector needs to have proper strategic management tools and techniques to avoid any possible negative financial consequences. In the financial sector, proper strategic management and its application and implementation are of importance and integral. In developed countries, specifically in the United States, financial institutions are under strict regulations where they are required to have special strategic management and

organizational structure (Roman, 2018). The US regulatory authorities learned through the financial crisis of 2007 and diagnosed the issues in the financial sector and new regulations have been developed soon after the crisis such as Volker's rule, implementation of risk, and strategic management committees (Muddassar, 2012). It was predicted that after the application of required regulations, financial institutions will not only gain more value, but they would be able to influence positively the development of the financial sector.

Most of the financial institutions, whether in Namibia, Africa or Europe are operating in an environment with a dynamic development in the financial systems and financial markets which is forcing them to conduct their businesses differently to escape risks. With increasing competition in the financial industry, various financial institutions are forced to adopt new strategies to survive. Their performance, therefore, depends on certain strategies that the management has executed to run their organizations (Mulei, 2016). Thus, for financial institutions to remain competitive and minimize the financial risks, they need to adopt management policies that enable them to be at the forefront and compete effectively with others in a global market.

### **1.1.3 The Development Bank of Namibia (DBN)**

Namibia has one of Africa's most advanced financial systems. When financial services are widely and efficiently available, they accelerate economic growth, improve resource allocation efficiency, and improve wealth distribution (AFDB Portal, 2015). A review of Namibia's financial system reveals that, while the system is sound and well-functioning, there are structural flaws that must be addressed in order for the financial sector to contribute meaningfully to the country's overall performance (AFDB, 2015). The key weaknesses identified include a lack of competition, a lack of financial safety nets, an underdeveloped capital market, insufficient and ineffective regulation, limited access to financial services, a lack of financial literacy, and a lack of skills.

The Development Bank of Namibia (DBN) is a national institution that promotes and finances development in economic sectors that support the country's development and citizens' well-being. The bank is wholly owned by the Namibian government and assists its target beneficiaries with loans, equity partnerships, financial advisory services, management services, and import and export finance. The Development Bank of Namibia (DBN) was established in 2004 by an act of Parliament (the DBN Act, Act No. 8 of 2002) to contribute to national economic development by financing a variety of economic enterprises, projects, and activities (Haiyambo, 2016).

According to the mandate expressed in Section 5(1) of the DBN Act of 2002, the government expects that carrying out the mandate will increase economic activity in the country, resulting in improved social welfare and quality of life for citizens. DBN finances start-ups and expansions, equity deals, bridging finance, enterprise development finance, trade finance, SME finance, public-private partnerships, public sector infrastructure, local governments, and bulk finance to microfinance providers in both the public and private sectors (Haiyambo, 2016).

## **1.2 Problem statement.**

This study explored the use and perceived value of strategic management tools. For the past decades, managers have tried to improve the operational effectiveness of their organizations by utilizing strategic management tools in decision-making. Strategic management entails choosing the best location to define a distinct position, making clear trade-offs, and achieving a better fit (Kolodiy, 2013). It also includes a comprehensive approach to managing all critical aspects of the internal environment of the organization, which distinguishes it from other management techniques. Strategic management tools and techniques, in general, are extremely valuable and beneficial to organizations because they provide managers with a clear perception and understanding of existing tools and techniques. Strategic management tools are also beneficial to the organization because they raise awareness about the business

environment, strategic issues, opportunities, and threats, lowering the risk involved in making certain decisions, establishing priorities in large, complex organizations, and providing a framework for evaluating the relative importance of different business portfolios, as well as supporting the presentation of complex issues (Berisha, Kutllovci & Shiroka, 2017).

Strategic tools, on the other hand, are used to examine an organization and its surroundings. It is also a tool for improving communication, control, and coordination. The use of strategic tools assists managers in improving a variety of organizational outcomes such as market share and revenue (Mendes, 2017). Strategic management tools, according to Afonina and Chalupsky (2015), improve an organization's understanding of internal and external factors, key areas of business concern, and the implementation of proper direction and scope to achieve its objectives. They also help with task separation, planning, and coordinating activities across departments.

A study conducted by Opere (2017) has shown that strategic tools play an important role in identifying new opportunities, monitoring, and controlling these opportunities to ensure long-term attainment of strategic goals. Furthermore, a study by Kumar (2017) based on a group of 25 tools concluded that the adoption of management tools has an impact on organizational performance. The study's findings indicate a significant positive relationship between competitive positioning, system integrity, customer equity, performance capabilities, financial results, and the use of strategic management tools (Bonekeh, 2015). The table below, therefore, reveals some of the problems that are experienced by organizations because of poor strategic management, which this study aims to find answers for:

*Table 1 Issues within the organization*

<b>Issues within the organizations</b>	<b>Organization's solution that can be derived from the study</b>
90% of organizations fail to implement strategies successfully (Raman, 2018).	Organizations need to successfully implement their strategies to achieve the desired outcomes.
95% of employees are not able to distinguish the chosen strategy (Gweh, 2018).	Managers, therefore, need a logical model to guide execution decisions and actions to communicate the organizational objectives.
75% of managers lack consensus regarding the issue of how strategy shall be formulated and mediated (Abdul & Rahman, 2019).	If managers were better at communicating strategies, chances are that the implementation process would result in a high success rate.

A study by Afonina (2015) has revealed that strategic management techniques such as activity-based costing, value chain analysis, benchmarking, balanced scorecard, etc. reduce costs, improve product quality and performance evaluation. Based on the above and analysed studies, a clear gap is defined where none of the studies addressed the use of strategic management tools in financial institutions. Also, the information regarding this problem is not available, because it has not yet been researched before and that this study will provide recommendations to solve the problem. The purpose of this study is, therefore, to explore the use and perceived value of strategic management tools in the Development Bank of Namibia. This study is of significance as it can help the managers at DBN in applying the right tools on scarce resources to achieve better results. With the current shift in competitive strategies to customers, DBN would be able to identify suitable tools and techniques that are needed to surpass customer expectations and enhance customer retention. Moreover, the findings, conclusion, and recommendations of this study would be

beneficial to the financial development sector in better understanding the appropriate tools and techniques that are required in handling different business situations.

### **1.3 Research Questions**

The study sought to answer the following questions:

- How can the strategic management tools of the Development Bank of Namibia be best described as perceived by management and executive employees?
- How useful are the strategic management tools in assisting managers to make better decisions and achieve desired goals?

### **1.4 Research Objectives**

The study sought to address the following objectives:

- To explore managerial perceptions of strategy tools as facilitators of the development of business relationships and networks
- To identify attitudes of management and executives towards the strategic planning process and investigate the strategic planning tools used by the Development Bank of Namibia.
- To determine whether the strategic planning tools used by the Development Bank of Namibia are effective in achieving the desired goals.

### **1.5 Abbreviated Literature Review**

This study drew on the diverse approaches to a study of the use and perceived value of strategic management tools in organizations.

### **1.5.1 Definition of Strategic Management**

Strategic management, according to Bonekeh (2015), is primarily concerned with the actions that organizations take to gain a competitive advantage and create value. Strategic management is an ongoing process that involves the identification of an organization's strategic goals, vision, mission, and objectives, as well as an analysis of its current situation, in order to develop appropriate strategies, put these strategies into action, and evaluate, modify, or change these strategies as needed (Al Hijji, 2014). Strategic management is also a process in which managers and executives develop and implement a strategy to align their organization's competencies, opportunities, and constraints in the environment (Bagire, 2011).

Furthermore, Nouri and Soltani (2017) defined strategic management as a systematic process that identifies an organization's internal and external factors in order to define better objectives, formulate, evaluate, and implement strategies to achieve the objective. Strategic management evolved from strategic planning, which is a technique for managing all crucial aspects of an organization's environment; thus, it differs from other management techniques that only seek to improve an organization's operational effectiveness. Strategic management is regarded as an earlier stage in determining an organization's mission and goals in relation to its external and internal context (Kerlinova & Tomaskova, 2014). The primary goal of strategic management is to advance an organization's goals through three phases: strategy formulation, strategy implementation, and strategy evaluation (Agwu & Awele, 2015, Abosede et al., 2016). To respond to environmental challenges and improve business outcomes, management employs conscious, controlled, formal processes in the form provided by various methods such as management techniques.

### **1.5.2 Key characteristics of strategic management**

Strategic management is defined as the planning of activities that are necessary for the overall coordination and operation of the organization (Nakayama, 2018). Management is the most important aspect of the organization, and it is critical in analysing and visualizing events in the external environment, as well as adjusting the organization to external influences (Shvetsova & Dobrynina, 2016). Each external influence necessitates a distinct strategic response. As a result, the most successful organizations are those with management that can devise strategies to prepare the structure, processes, systems, and culture for the anticipated changes in the environment (Opere, 2017; Haiyambo, 2016).

### **1.5.3 The use of strategic management tools in organizations**

Strategic management tools include the entire set of concepts, ideas, techniques, and approaches that structure or influence strategic thinking, strategic decision-making, and strategy implementation in an organization (Rahman, 2019). These tools describe methods for simplifying and representing a complex situation. Strategic tools are also defined as a diverse set of products designed to assist organizations in dealing with the complex demands of competitive markets with the objective of generating and sustaining strategic advantage (Rahman, 2019).

Strategic management tools and techniques (SMTT) are a variety of tools that assist managers at all stages of strategic management, from strategic analysis to strategic choice and implementation. They are also known as "strategic planning tools or techniques." These tools and techniques have been used since the 1990s. According to Qehaja et al (2017), Prescott and Grant (1988) were the very people first to utilize the strategic management tools. They assessed 21 available tools and techniques, including political and country risk analysis, BCG industry matrix, critical success factors, value-chain analysis, and managers use when



formulating management strategy and revealing the results, using 11 dimensions, which included time, costs, managerial skills, advantages, limitations, and so on.

The goals of the tools are not the same. For example, some tools and techniques assist managers in viewing the company's business portfolios, while others analyse the market situation and forecast the company's future development (Ibrahim & Alagidede, 2018). Several authors have emphasized the significance of strategic management tools and techniques. Roman (2018) emphasized that tools and techniques assist managers in raising awareness, lowering the risk associated with planning, and providing a framework for evaluating the relative importance of various business portfolios. Suwaidi (2018) also believes that strategic management tools and techniques serve as a guide for thinking as well as a starting point for structuring strategic management activity. Mulei (2016), on the other hand, stated that the function of strategy tools is to support knowledge creation by increasing efficiency and creativity, as well as to support interaction between individuals and groups. Tools and techniques are useful in presenting information in a variety of ways.

It has become clear that SMTTs are an inevitable part of the company because they provide numerous benefits, including improving decision-making efficiency and assisting managers with strategic management operations within the organization. According to Saleh (2020), strategic management can be viewed as a set of theories and frameworks supported by tools and techniques designed to assist organizational managers in strategic thinking, planning, and behaviour. Saleh (2020) also proposed that SMTTs systems are not limited to a single type or method, but rather multiply over time with the common goal of improving business and reaching its objectives. As per the findings of the author's research, SMTTs are considered the cornerstone of construction companies, and the company should make the best use of this component to improve its performance, efficiency, and decision-making quality (Saleh 2020). Another study by Avonina and Chalowski confirmed that SMTTs have many extra benefits that would give the organization a better position.

#### **1.5.4 Benefits and contribution of strategic tools**

Several studies have highlighted the importance of strategic management. According to Abushabab (2016), strategic planning has shown to be beneficial in 89 percent of the studied companies. As a result, companies that use strategic planning are more successful, whereas companies that do not use strategic management have little chance of survival (Kamau, 2017). Many scholars have indicated that strategic planning assists managers in taking a long-term view, diverts management from day-to-day operational problems, improves decision-making, and this has impacted the financial performance of organizations positively.

Strategic management, on the other hand, is essential in an organization because it can refocus effort and set of directions, distinguish the company from its environment, provide consistency in the decision-making process, magnify the focus on the external environment, strengthen instruments for guiding and leading employees, make communication and mutual understanding easier, and establish a system for logical and systematic problem-solving (Quedraogo, 2007; Bonekeh, 2018; Nouri & Soltani, 2017). Organizations use strategic management to master the complexity of the business environment, which is difficult to achieve unless it is managed in a consistent and systematic manner.

#### **1.5.5 Strategic management and organization performance**

The central issue in strategic management is the organization's performance, which is defined as the ability of the organization to produce acceptable outcomes and actions. Since management plays a critical role in determining an organization's strategy, effective management is regarded as a critical factor for an organization's performance. In many studies, effective management has been linked to organizational success, whereas poor management has been linked to organizational failure (Hareebin, Aujirapongpan & Siengthai, 2018). As a result,

strategic management tools and techniques play an important role in facilitating strategy work.

There are numerous strategic management tools and techniques in the market, including benchmarking, SWOT analysis, and the Balanced Scorecard, all of which are designed to promote the success of the organization. They enable organizational managers and executives to put theories into practice. They are frequently used as conceptual methods to facilitate strategy work, and they serve as a guide to thinking and a starting point for structuring strategic activity (Hareebin, Aujirapongpan & Siengthai, 2018). The goal of strategic management tools and techniques is to provide significant gains and benefits to organizations that use them. Many studies have demonstrated the effectiveness of strategic management tools and techniques (Nouri & Soltani, 2017; Rigby, 2015; Afonina, 2015), Kalkan & Bozkurt, 2013; Afonina & Chalupsky, 2012). For example, a study by Pasanen (2011) found that successful companies were more satisfied with management tools than unsuccessful ones. Despite the fact that Pasanen (2011) discovered that financially successful companies are happier with the tools they use, it is not possible to conclude that tools are a driving factor in a successful company's financial performance.

Strategic management tools are used to translate 'best practices' or theoretical know-how into steps that are integral to the tools, and using the tools then releases knowledge in a practical and contextual form that supports more effective strategies and facilitates strategizing (Nouri & Soltani, 2017). There are various reasons why organizations use strategic management tools, and efficiency is the most key advantage of using such tools. Strategic management tools, on the other hand, can function as non-human actors actively involved in the creation of the organizational realities in which they are used.

## **1.6 Research Methodology**

The methodology addressed the research approach, population and sampling, data collection methods and procedures, data analysis, validity, and the reliability of the instruments as well as the ethical concerns that were put into practice and consideration during the research study.

### **1.6.1 Research Approach**

For this research, a qualitative research approach was adopted since it is highly exhaustive because it allowed deep exploration to obtain purposively comprehensive information. In addition, this methodology was preferred because its data collection allowed more than one technique which enabled the researcher to check and strengthen data reliability. The study also made use of a descriptive research design. This research design was a logical choice since the research objectives sought to explore a deeper understanding of the views and opinions of participants on the use and perceived value of strategic management tools. The approach was also used to obtain information concerning the status of the phenomena to describe what exists concerning variables or conditions in a situation.

### **1.6.2 Population and Sample Framework**

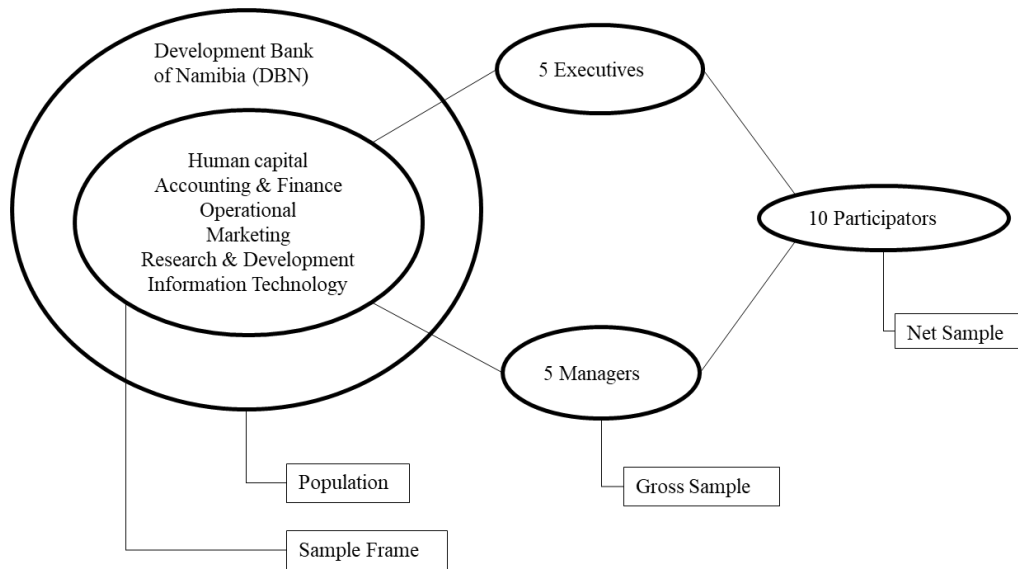
A population is described as the totality of all elements that conform to a set of specifications, comprising the entire group of people that is of interest to the researcher and to whom the research results are generalized (Hungler, 2014). The population of a study is the whole set of units for which the data are to be used to make interpretations. Thus, the population defines those units for which the outcomes of the study are meant to be generalized. The population of the study comprised managers and executives because they had the eligibility criteria that helped the researcher get enriched data and understand the use and perceived value of strategic management tools from individuals' perspectives.

A sampling includes a procedure of choosing a subset of a population that signifies the entire population to acquire information regarding a phenomenon of interest and it is selected to participate in a study (Thorne, 2012). A sample is a group of people, objects, or items that are taken from a larger population for measurement. The sampling method that was used in this study was purposive sampling which is a non-probability sampling method, which means that the researcher consciously chose participants based on their ability to provide the needed information, therefore departmental managers and executives were selected because they dealt with financial matters of the organization and can provide the necessary information on the use and perceived value of strategic management tools to address the research objectives comprehensively with substantiated evidence.

*Table 2 Sample size*

<b>Departments</b>	<b>Targeted participants</b>	<b>Occupation</b>	<b>Involvement in the strategic process</b>
Human Capital	2	1. Human resources manager 2. Executive assistant	Strategy implementation
Finance Department	3	1. Financial manager 2. Management Accountant 3. Chief financial officer	Strategy formulation

Operational	3	1. Chief operational Officer 2. Operational manager 3. Executive assistant	Strategy monitoring
Marketing	2	1. Marketing manager 2. Chief marketing officer	Strategy execution
<b>Total Sample</b>	<b>10</b>		



*Figure 1 Sample framework*

*Source: Author's work*

### 1.6.3 Data Collection Method

Telephonic and semi-structured interviews were conducted to enable the researcher to probe for in-depth understanding and make provisions for changes in the context.

The researcher adopted this method as it allowed the interviewer to explain difficult questions or misunderstandings as well as allow participants to request further clarity. The researcher designed an unstructured interview guide which was used to ensure that study objectives are addressed. A mobile phone recorder was used as an instrument to collect data from the selected sample. The study was based on both primary and secondary data where the primary data was the ten (10) interviews mentioned earlier while the secondary data was collected from books, published articles, industry journals, and online sources that formed part of the literature review.

#### **1.6.4 Data Analysis**

Data analysis is the procedure of making sense of the research participant's views and opinions on the situations, corresponding patterns, themes, categories, and regular similarities (Cohen, Manion & Morrison, 2012). The data were analysed using a qualitative approach which involved identification, coding, and categorizing of primary patterns emerging from the feedback. This was used through the process of thematic content analysis, which is a procedure for the categorization of verbal or behavioural data for classification, summarization, and tabulation (Cohen, Manion & Morrison, 2012). Responses from interviews were entered into a computer and counted, coded, and analysed. The main aim for this was to make sense of the data collected and to highlight the important features or findings. All written notes and recorded data were organized, and raw data were placed into logical meaningful categories, to help the researcher triangulate findings and thus determine the credibility and trustworthiness of data. Data analysis included reading and checking for common ideas that form the themes that are in line with the objectives of the study.

### **1.6.5 Validity and Reliability**

Reliability describes the consistency of the measurement or the degree to which an instrument measures the same way each time it is used under the same condition with the same subjects (Maxwell, 2012). In short, it is the repeatability of the measurement. The study was reliable as it focused on the sample as directed, and when tested in other places, there was a possibility of proving the same result. The researcher ensured the research results were valid and reliable by employing consistent measurement procedures for interpretation and evaluating the evidence that is related to the results made. To achieve this, a pilot study was conducted to ensure that questions were clear and free from ambiguity, bias, and misunderstanding between the participants and the researcher.

Validity is defined as the ability of a scale to measure what it is intended to measure (Saunders, Lewis & Thornhill, 2012). Therefore, validity is concerned with just how accurately the observable measures represent the concept in question. To ensure validity, simple and clear questions were used in the interview. Also, the pilot study test for internal validity by ensuring the understanding of the participants was the same as the intended meaning of the question. Thus, the research instrument that was used in the collection of data was constructed in such a way that it collected valid data required to answer the research questions as closely as possible.

### **1.7 Ethical Considerations**

Before the commencing of data collection, the researcher explained the nature of the study to all participants and obtained signed consent from the participants.



### **1.7.1 Consent from SBL**

The researcher sought approval and permission from the Development Bank of Namibia (DBN) and individuals and obtained an ethical clearance certificate from the University of South Africa (UNISA) SBL Ethics committee before data collection.

### **1.7.2 Informed Consent**

Participants were informed about the purpose and objectives of the study. They were also enlightened about procedures to be followed, risks such as psychological risks (anxiety and mental stress) as well as financial loss (such as damage to a participant's employability because of participating in the study, and benefits). Once they have a full understanding of the study, participants were informed about their freedom to respond and/or opt out anytime they felt uncomfortable. Their identities were also protected, and their feedback was anonymized. Discussions only commenced after the consent letter has been signed to confirm voluntary participation.

### **1.7.3 Protection from harm**

All data were securely stored on a password-locked computer until the examination and publication process were completed, after which it will be permanently deleted after five (5) years.

### **1.7.4 Right to Privacy**

As already mentioned above, participants were reminded that they have the right to pull out of the study when they felt uncomfortable with the line of questioning. The participants were also made aware that the answers and information that was

gathered from them will always be confidential and private, and no third party was to know their identity.

## **1.8 Conclusion**

Strategic management is considered the most critical and fundamental process by which organizations can achieve their desired goals. For the past decades, managers have tried to improve the operational effectiveness of their organizations by utilizing strategic management tools. Strategic management tools are essential in organizations. It is clear from the strategic management literature that no research was conducted locally, thus, the study aimed to explore the use and perceived value of strategic management tools in the Development Bank of Namibia. More specifically, this study explored elements that are related to successful strategic management approaches in organizations.

This chapter introduced the strategic management practices and tools that are used by organizations globally. The relevant literature was discussed, and the methodology to be used in the study was highlighted. The study made use of the qualitative research approach to obtain purposively comprehensive information, and the data was collected through interviews and analysed using the thematic content analysis method. The next chapter focused on the theoretical perspectives and the concepts around the use and perceived value of strategic management tools.

## **CHAPTER 2: LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

### **2.1 Introduction**

According to De Vos, Strydom, Fouche, and Delport (2011) literature review is the assessment of existing scholarship or available body of knowledge, that helps the researcher see how related research problems have been investigated in the past. The purpose of a literature review is to learn from other scholars, how they have theorized and conceptualized issues, what they discovered empirically, using which instruments, and to what effect. In other words, researchers conduct a literature review to familiarize themselves with the current state of knowledge regarding the research problem and to learn how others have delineated similar problems (De Vos, Strydom, Fouche & Delport, 2011).

This study drew on diverse approaches around the literature on the use and perceived value of strategic management tools. This was done to connect readers with previous studies around strategic management. The literature reviewed in this chapter was organized according to the following subheadings drawn from research objectives:

- Perceptions of strategy tools as facilitators of the development of business relationships and networks
- Attitudes of management and executives towards the strategic planning process
- The strategic planning tools used in organizations
- The effectiveness of strategic planning tools in achieving the desired goals

## **2.2 Perceptions of strategy tools as facilitators of the development of business relationships and networks**

Research on managerial perceptions on strategy tools is lacking, and more particularly, about how different combinations of tools are perceived as facilitators of the development of different kinds of business relationships. Based on various literature, strategic management tools are presenting opportunities for companies to succeed and create a competitive advantage. This implies that strategic tools are based on the perspective of one single company within a certain context of other players such as customers, suppliers, and competitors (Abushabab, 2016). The tools can be linked to many functions of the company, and at the same time, they can be related to analysing, planning, and implementing. In most cases these tools are used on a managerial level, leaving less attention to everyday strategy tools used by individuals in the company.

According to Berisha, Kutllovci, and Shiroka (2017) knowledge-based global competition has created a need for purposeful strategy work and effective decision-making processes. Companies thrive on growth and competitive advantage, and they are always looking for better ways to work with and manage knowledge (Raman, 2018). Wright, Paroutis, and Blettner (2013) point out that under increasingly complex and uncertain environments, managers are expected to recognize and embrace a more complicated understanding of emerging worlds, and as such, they need tools and techniques for better decision making at their disposal. In these circumstances, companies can benefit more than ever from strategic management, its tools, and techniques, as their proper application improves organizational performance and efficiency.

Afonina and Chalupsk (2013) emphasized that strategic management tools and techniques can provide significant benefits to organizations if managers have a clear perception and understanding of existing tools and techniques. On the other hand, they classified SMTTs as various tools that assist managers in all stages of strategic management, from strategic analysis to strategic selection and implementation, in

order to improve deficiencies in the organization and achieve better performance (Afonina & Chalupsky, 2013). SMTTs are important to organizations because they provide the following benefits: raising awareness about the business environment, strategic issues, opportunities, and threats, which helps reduce the risk involved in making certain decisions; establishing priorities in large, complex organizations, and providing a framework for evaluating the relative importance of different business portfolios (Abushabab, 2016).

Strategic tools can be used to analyse an organization and its surroundings, as well as to improve communication, control, and coordination. According to Shvetsova and Dobrynina (2016), the use of SMTTs can improve managers' analytical and diagnostic skills, whereas Pasanen (2011) emphasizes that the most important benefit of using SMTTs is efficiency. Berisha, Kutlovci, and Shiroka (2017), on the other hand, emphasized that strategic management techniques can also aid in the presentation of complex issues and serve as valuable communication tools.

Based on the perspectives and opinions of various scholars, one can see the importance of strategic management tools and how they are used in organizations. Thus, this study leans toward the notion that strategic management tools and techniques provide numerous benefits to organizations, as the various strategic management tools can assist managers at all stages of strategic management, from strategic analysis to strategic selection and implementation, in order to improve deficiencies in the organization and achieve better performance.

### **2.3 Attitudes of management and executives towards the strategic planning process**

Strategic planning is a complex and ongoing organizational change process. There are multiple definitions of strategic planning, and various methods and tools can be used to accomplish strategic planning. Rahman (2019) defined strategic planning as the process of establishing an organization's goals and deciding on comprehensive

operational and administrative plans to achieve those goals. Similarly, Abushabab (2016) defined strategic planning as a roadmap that guides an organization from where it is now to where it wants to be. Strategic planning is seen as a written document that includes a timeframe, mission statement, environmental assessment, goals and objectives, action plans, financial plan, a planning horizon of more than one year, and timing that will adequately cover the strategic plan (Abushabab, 2016).

Most definitions of strategic planning centre on aligning the organization's goals with the anticipated future environment. Strategic planning, according to Rajasekar and Al Raei (2014), is a disciplined effort to make critical decisions and actions that shape and guide what an organization is, what it does, and why it acts the way it does. It is critical to understand that global competition, the spread of technology, business diversification, and a greater emphasis on the environment and human resources are the primary drivers of strategic planning's emergence (Rahman, 2019). Planning, as the first step in the management process, is an important factor in an organization's survival and growth in a competitive business environment that is constantly changing. As a result, strategic planning is an analytical process that includes strategy analysis, formulation, implementation, and evaluation (Al Raei, 2014). According to Rahman (2019), traditional top-down strategic planning consists of three steps: analysis, formulation, and implementation.

Strategic planning is viewed as an ongoing assessment of the current strategy developed by managers to analyse the internal and external environments over the long term in order to identify internal strengths and weaknesses, as well as external opportunities and threats. Thus, strategic planning helps organizations think carefully and systematically about achieving their goals, developing effective strategies, making sound decisions, and anticipating future problems and opportunities. Furthermore, strategic planning assists organizations in remaining competitive while aligning their resources in the most efficient manner (Abushabab, 2016).

## **2.4 The strategic planning tools used in organizations**

Afonina (2015) investigated the use of strategic management tools and techniques and determined the impact these tools have on organizational performance. According to the study, various tools such as the balanced scorecard, life cycle analysis, value chain analysis, activity-based costing, and key success factors have been used less in organizations. In contrast, tools such as SWOT analysis, customer satisfaction analysis, market segmentation, customer complaints analysis, Porter model, PEST analysis, customer profitability analysis, benchmarking, and portfolio analysis methods have been used more.

Pasanen (2011), on the other hand, investigated the use of strategic management tools and techniques in organizations. The study's findings revealed that business strategies, mission, and vision statements are the most used strategic management tools. More than 75% of the organizations that participated in the study used these tools. Similarly, Kalkan and Bozkurt (2013) conducted a study to identify executives' attitudes toward the selection and use of strategic management tools and techniques in small and medium-sized businesses. Based on the findings of the study, the most widely used strategic management tools of the companies during the period of five years are strategic planning, human resources analysis, total quality management, customer relationship management, outsourcing, financial analysis in the firm owners, mission statement, PEST analysis, financial analysis of competitors, benchmarking, portfolio analysis, critical success factors, stakeholder analysis, value chain analysis, organization's cultural analysis, SWOT analysis, scenario analysis, and conditional analysis (Kalkan & Bozkurt, 2013).

Additionally, Afonina and Chalupsky (2012) examined the essence of strategic management tools and techniques and found out that 19 strategic management tools and techniques have been used in 50% of the situations by the managers of organizations. These tools were SWOT analysis, customer satisfaction analysis, price analysis, analysis of the views and attitudes of employees, cost-benefit analysis, analysis of customer problems, analysis of the views and attitudes of

customers, Porter's five forces, PEST analysis, service level analysis, market share analysis, and customer profitability analysis (Afonina & Chalupsky, 2012). However, the lowest rate of use has been related to the following tools: relative profitability analysis, portfolio analysis, winning or losing analysis, customer value analysis, advertising effectiveness analysis, product life-cycle analysis, analysis of new product adoption, strategic gap analysis, and balanced scorecard.

## **2.5 The effectiveness of strategic planning tools in achieving the desired goals**

In today's fast-changing economic situation, companies are assessing their performance regularly. To remain competitive, companies are taking steps to expand by accessing new markets, making products and prices more attractive, satisfying customers, and developing new strategies. Therefore, managers and executives make use of suitable tools and techniques to investigate the internal and external cost of products and services, get market information, product costs, analyse customers' needs, predict, and assess organizational performance as well as ensure competitive advantage (Afonina, 2015). Organizational performance is a central issue in strategic management.

Several authors examined organizational performance in terms of strategy, and their findings centred on the relationship between strategic planning and performance (Opere, 2017; Abushabab, 2016; Shvetsova & Dobrynina, 2016). Despite many studies on strategic planning tools and techniques, there is little empirical evidence to support this relationship. As a result, studies that investigate the relationship between strategic planning tools and techniques and performance are inconclusive. Some studies, however, contend that the use of management tools and techniques influences organizational performance, resulting in organizations achieving their desired goals (Afonina, 2015; Berisha & Kutllovci, 2020). Other studies, on the other hand, concluded that there is no clear relationship between strategic planning tools



and techniques and organizational performance (Nedelko, Potocan & Dabic, 2015; Tassabehji & Isherwood, 2014).

Saleh (2020) conducted a study on how management tool adoption affects organizational performance, and the findings show a significant positive relationship between competitive positioning, organizational integrity, performance capabilities, customer equity, financial results, and management tool and technique adoption. In addition, Rajasekar and Al Raee (2014) examined how the application of Porter's five forces influences organizational performance in the Kenyan banking industry and discovered a strong positive relationship.

It is therefore critical to note that the use of various strategic tools and techniques assists managers in improving various outcomes such as market share, revenue growth, and overall revenues (Afonina, 2015). Similarly, Abdulhussein and Hamza (2012) emphasized that strategic management accounting techniques like activity-based costing, value chain analysis, benchmarking, balanced scorecard, etc. reduce costs while improving product quality and performance evaluation. (Afonina, 2015) also stated that high-performing companies that focus on customer-focused strategy tend to benefit greatly from various management tools and techniques.

## **2.6 The strategic management processes**

There are three stages to the strategic management process: strategy formulation, strategy implementation, and strategy evaluation. Developing a vision and mission, identifying an organization's external opportunities and threats, determining internal strengths and weaknesses, establishing long-term objectives, generating alternative strategies, and selecting strategies to pursue are all part of strategy formulation (Berisha & Kutllovci, 2020). While strategy implementation which is known as the action stage of strategic management requires a company to establish annual objectives, devise policies, motivate employees, and allocate resources so that formulated strategies can be executed (Berisha & Kutllovci, 2020).

Strategy implementation consists of the development of a strategy, which entails supportive culture, creating an executive organizational structure, redirecting marketing efforts, preparing budgets, developing, and utilizing information systems, and linking employee compensation to organizational performance (Opere, 2017). Performing these functions is difficult because the implementation process is frequently poorly defined, resulting in ambiguity and making it difficult, if not impossible, to successfully implement the strategy; thus, this stage is frequently reflected by organizational leadership as the most difficult stage in strategic management. As a result, it necessitates personal discipline, commitment, and sacrifice, as well as interpersonal skills. Successful strategy implementation is dependent on managers' ability to motivate employees, and strategies that are developed but not implemented serve no purpose.

Strategy evaluation is the final stage in strategic management. Managers urgently need to know when certain strategies are not working well, therefore strategy evaluation is the principal means for obtaining this information. All strategies are subject to future adjustment since the external and internal factors are constantly changing. The three-fundamental strategy-evaluation activities are (1) reviewing external and internal factors that are the ads for current strategies, (2) measuring performance, and (3) taking corrective actions.

The framework illustrated in Figure 2 below is a widely accepted, comprehensive model of the strategic management process:



*Figure 2 Strategic management process*

*Source: Retrieved from <https://bbamantra.com/strategic-management-process>*

The model demonstrates the importance of identifying an organization's existing vision, mission, objectives, and strategies as a logical starting point for strategic management. The model also demonstrates that strategic management is a dynamic and continuous process. A change in any of the model's major components may require a change in any or all the other components. For example, a shift in the economy may represent a significant opportunity and necessitate a change in long-term objectives and strategies; failure to meet annual objectives may necessitate a policy change; or a major competitor's change in strategy may necessitate a change in the firm's mission.

Therefore, strategy formulation, implementation, and evaluation activities should be carried out on a continuous basis, rather than just at the end of the year or semi-annually. Because the strategic management process never truly ends, good communication and feedback are required at all stages of the strategic-management process (Nedelko, Potocan & Dabic, 2015). It is critical to note here that the strategic-management process is not as neatly divided and executed in practice as the strategic-management model suggests. Some of the steps listed overlap and can be completed at the same time. Furthermore, strategists employ both formal and informal approaches (the process is typically more formal in larger and well-established organizations, whereas smaller businesses tend to be less formal).

## **2.7 Theoretical framework**

This section discussed the theoretical approach, focusing on strategic tools and structure as the basis of creating value and achieving high performance in organizations. The study adopted the following theories as discussed below:

### **2.7.1 Institutional theory**

A structural redesign is required to ensure that organizational activities are coordinated, and that performance is improved. This theory develops key tools, techniques, and frameworks that organizations require for efficient operation (Opere, 2017). Hence, Tassabehji and Isherwood (2014) emphasized the importance of having accountable decision-makers who understand the organization's goals and can take justifiable actions in a variety of situations. According to Saleh (2020), the problems that affect organizations necessitate a combination of carefully selected tools and techniques that link available opportunities and threats in order to ensure organizational sustainability.

### **2.7.2 Resource-based view theory**

This theory expands on the strategic management decision-making process. According to Afonina (2015), organizations should use strategic resources to create new resources in order to gain a competitive advantage. This theory holds that a skilled individual leads to improved organizational performance. As a result, organizations should invest strategically in the development of superior goods and services that can outperform the competition (Afonina, 2015).

The resource-based perspective emphasizes structure adaptation and the application of an organization's capabilities in a competitive and ever-changing market environment (Berisha & Kutllovci, 2020). These resources include tangible items such as a company's property, plant, equipment, and cash, as well as

intangibles such as employee expertise, a company's reputation, and culture (Berisha & Kutllovci, 2020). To achieve a competitive advantage, such as cost leadership and product differentiation, an organization must ensure proper utilization of strategic resources, strategic tools, and techniques to analyse its environment (Afonina, 2015). This theory holds that all organizations have valuable, rare, one-of-a-kind, and similar resources that can influence the organization's direction and scope.

In addition, this theory suggests that a single similar strategy cannot be applied across multiple organizations. Aldehayyat, Al Khattab, and Anchor (2011) posit those managers and executives are believed to have the necessary know-how for coordinating their tasks in order to achieve business success. Saleh (2020), on the other hand, believes that successful implementation of SMTTs will necessitate a review of the organization's strategic resources and capabilities.

Strategic planning as a tool for the organization's development is dependent on the organization's ability to integrate its resources in addressing constant challenges and threats from the business environment. Organizations must therefore develop competencies that are superior to those of competitors in order to achieve higher performance and stability. Furthermore, the theoretical framework is important in this study because it is used to help design research questions, guide the selection of relevant data, interpret the data, and propose explanations for causes or influences in the analysis of research findings.

## **2.8 Chapter summary**

Strategic management is considered the most critical and essential process by which organizations can achieve their desired goals. However, few organizations have developed a fully comprehensive strategic management process that integrates all the management processes and the tools and techniques that are needed by organizations to facilitate the achievement of the desired goals. It is clear from the strategic planning and management literature that previous research focused mostly

on the strategic tools and techniques, and no research has focused on the attitudes of management and executives towards the strategic planning process. This knowledge gap, therefore, justifies the present research. In addition, strategy evolves with market and industry conditions, hence the study is limited to dated literature. The next chapter dealt with the methodology that the study employed.

## **CHAPTER 3: RESEARCH METHODOLOGY**

### **3.1 Introduction**

Research methodology defines the techniques or specific approach used to pinpoint, determine, process, and analyse materials or information about a study. This chapter, therefore, allowed the reader to critically assess its validity and reliability. Mathews and Ross (2010) stressed that research methodology describes in detail the logic that is behind the methods used in the perspective of the research and it explains why researchers are using specific methods or techniques to ensure findings can be evaluated by the researcher or any other person. The chapter discussed various sections of the methodology adopted in this study to achieve the set objectives for the effective interpretation of research findings. This chapter, therefore, addressed the research approach, population and sample framework, data collection methods, and data analysis.

This study looked at how strategic management tools are used and how they are perceived to be valuable. Managers have been attempting to improve their organizations' operational effectiveness for decades by incorporating strategic management tools into decision-making. Managers analyse their organizations and their environments using strategic tools. Strategic tools are also employed to enhance communication, control, and coordination. As a result, managers can improve various organizational outcomes such as market share and revenue by utilizing strategic tools. The study aimed at addressing the following objectives:

- To explore managerial perceptions of strategy tools as facilitators of the development of business relationships and networks.
- To identify attitudes of management and executives towards the strategic planning process and investigate the strategic planning tools used by the Development Bank of Namibia.
- To determine whether the strategic planning tools used by the Development Bank of Namibia are effective in achieving the desired goals.

### **3.2 Research approach**

A research approach, according to Leedy and Ormrod (2014), is a plan of how the research will be carried out. Similarly, Bless, Higson-Smith, and Sithole (2013) assert that the research approach is a strategy that involves the intersection of philosophical worldviews, methods of inquiry, and specific methods to be used to guide the research under investigation. Given the nature of this study, a qualitative research approach within the interpretive paradigm was used. The researcher sought to gain a better understanding of the participants' experiences with strategic management tools, as well as their perceived value. Qualitative research aims to explain and comprehend social phenomena in their context (Silverman, 2013).

In this study, the researcher created empirical evidence to gain a better understanding of the relationship between the use and perceived value of strategic management tools and organizational performance. Qualitative research has been defined as a method of exploring and comprehending the meaning of individuals or groups of people assigned to a social or human problem. As a result, it necessitates data collection in the context of the participants, data analysis that progresses from specifics to broad themes, and data interpretation by the researcher (Kumar, 2011).

Furthermore, qualitative study seeks to gain a comprehensive understanding of individual experiences. It gave a thorough understanding of the issues at hand. Participants in a qualitative study are encouraged to express their views and opinions on a specific topic related to the research question during interviews (Saunders & Thornhill, 2012). Therefore, the primary goal of qualitative research is to gain a better understanding of a specific phenomenon in its context. The qualitative research method was used in this study to gain an understanding of how strategic management tools contribute to organizational performance, and it is best suited to answer the study objectives.

According to Newby (2010), qualitative research employs a method that allows for a diverse range of viewpoints. Participants in this study were given the opportunity to



express themselves freely. Hungler (2014) alluded that qualitative study acknowledges that participants know themselves best and can describe, interpret, and discuss their own experiences and environment from their own point of view. Furthermore, Brayman (2012) emphasized that in qualitative research, the researcher constructs a complex, holistic picture, analyses words, reports the detailed perspectives of the participants, and conducts the study in a natural setting.

### **3.3 Population**

A population is defined as the totality of all elements that meet a set of criteria, which includes the entire group of people who are of interest to the researcher and to whom the research findings are generalized (Hungler, 2014). The population of a study is the entire set of units for which the data will be interpreted. Thus, the population describes the units for which the study's findings are intended to be generalizable. The study's population consisted of managers and executives from the Development Bank of Namibia (DBN) because they met the eligibility criteria that allowed the researcher to collect enriched data and understand the use and perceived value of strategic management tools from the perspectives of individuals.

### **3.4 Sampling and sample size**

Sampling is a practical method of collecting data when the population is infinite or extremely large, making a study of all its elements impossible (Mathews & Ross, 2010). A sampling procedure includes selecting a subset of a population that represents the entire population in order to obtain information about a phenomenon of interest and it is selected to participate in a study (Thorne, 2012). A sample is a group of people, objects, or items drawn from a larger population for measurement.

The sampling method that was used in this study was purposive sampling which is a non-probability sampling method, which means that the researcher consciously chose participants based on their ability to provide the needed information, therefore

departmental managers and executives were selected because they dealt with financial matters of the organization and can provide the necessary information on the use and perceived value of strategic management tools to address the research objectives comprehensively with substantiated evidence. Purposive sampling has a specific purpose aligned to the objectives of the investigation. The benefit of using purposeful sampling is that it is less costly and assures receipt of needed information. The overview, as well as the involvement in the strategic process of the selected interviewees, were as illustrated in Table 3 below:

*Table 3 Descriptions of the interviewees*

<b>Interviewee</b>	<b>Positions</b>	<b>Involvement in the strategic process</b>	<b>Duration</b>
01	HR manager	Strategy implementation	10 years
02	HR executive assistant	Strategy implementation	5 years
03	Financial manager	Strategy formulation	15 years
04	Management accountant	Strategy formulation	10 years
05	Chief financial officer	Strategy formulation	10 years
06	Chief operational officer	Strategy monitoring	20 years
07	Operational manager	Strategy monitoring	15 years
08	Operational executive assistant	Strategy monitoring	6 years
09	Marketing manager	Strategy execution	8 years
10	Chief marketing officer	Strategy execution	11 years

### **3.5 Data collection**

The method used to collect empirical research data is referred to as data collection. Data collection entails using measuring instruments on a sample of cases chosen for investigation (Thorne, 2012). When researchers collect data for a specific study, the data is referred to as primary data. According to Bless, Higson-Smith, and Sithole (2013), primary data is best suited to the research objectives because data collection is focused on answering the researcher's specific questions. This study relied on primary data. The researcher gathered first-hand data by designing an interview guideline for the participants.

The following procedures were followed to gather information from the participants. The researcher obtained an Ethical clearance certificate to undertake the study from the University of South Africa. The researcher further wrote a permission letter to the participating institution which besought for permission for the researcher to carry out the study. The researcher further drafted up a consent form that was sent electronically to the participants to sign before the commencing of the interviews to ensure their anonymity and confidentiality in the study. Thereafter the researcher set up appointments with the participants. The researcher conducted telephone interviews with the 5 managers and 5 executives from the Development Bank of Namibia (DBN), and each participant was allocated a time frame of 30 minutes with the researcher. The researcher took notes in the reflective diary while conducting the interviews. The interviews started at 09h00 in the morning till 12h30 in the afternoon, and the interviewer conducted 5 interviews per day.

### **3.6 Research instrument**

For the researcher to be able to conduct the research, appropriate instruments must be used to achieve the intended objectives. Leedy and Ormond (2014) referred to these instruments as tools and highlight also that a research tool is a specific

mechanism or strategy the researcher uses to collect, manipulate, or interpret data. In this study, interviews were used to collect data.

An interview is a type of data collection method in which an interviewer asks an interviewee question. Semi-structured interviews were conducted with the managers and executives from the Development Bank of Namibia (DBN). Semi-structured interviews, according to Babbie (2020), entail asking a series of structured questions and then probing more deeply, using open-ended questions to elicit additional information. Silverman (2013) went on to say that this interview method has the advantage of providing reasonably consistent data across participants while also providing more depth than a structured interview. Furthermore, semi-structured interviews are defined as those that are organized around specific areas of interest while still allowing for significant scope and depth flexibility (Silverman, 2013). Interviews are significant because they can provide information that cannot be either obtained through observations or a questionnaire. The interviews also enable comprehensive understanding. The researcher adopted this method as it allowed the interviewer to explain difficult questions or misunderstandings as well as allowed the participants to request further clarity.

The researcher designed an interview guide which was used as an instrument in the study. The questions in the interview guide were structured according to the following themes: background information of the participants, the perception of strategic tools, attitudes towards the strategic planning process, and the effectiveness of strategic tools. The interviews were conducted in English and a mobile phone recorder was used as an instrument to collect data. A mobile phone recorder as an instrument in this study was of significance because it recorded rich and informative information that was used in this study.

### **3.6.1 In-depth semi-structured interviews**

According to Mathews and Ross (2010), in semi-structured interviews, the researcher tends to have a list of themes and questions to be covered. Instead of an interview schedule, an interview guide was used in a semi-structured interview. In Kumar's (2011) views in-depth interviews are used to explore a general area of interest in-depth. The reason for using the in-depth semi-structured interview guide was to help the researcher elicit the knowledge and perceptions of the participants on the issues of interest and the opportunity to probe further in an open-ended manner. The in-depth semi-structured interview guide was used, and the researcher conducted the interviews with all ten (10) participants telephonically. The in-depth semi-structured interview guide consisted of a combination of “yes” and “no” questions and open-ended questions. Therefore, the in-depth semi-structured interview guides consisted of two sections. The first section collected the biographical data and the second section consisted of open-ended questions.

### **3.6.2 Pilot study**

The in-depth semi-structured interview guides were developed and piloted before the full study was carried out to enable the researcher to amend the questions in the light of the responses received and if necessary, improvement was done as is deemed fit. A pilot study was therefore conducted to ensure that questions were clear and free from ambiguity, bias, and misunderstanding between the participants and the researcher. In conducting the pilot study, the researcher sought to establish whether the participants understand the questions and thus offer the information required. For that reason, conducting a pilot study was crucial before the main study as it assisted the researcher in checking the suitability and the clarity of questions on the instruments designed, the relevance of the information being sought, the language used, and the content validity of the research instrument.

The in-depth semi-structured interview guide was piloted on one manager and executive from the Development Bank of Namibia, and they were chosen based on their availability. Piloting is endorsed for feasibility, convenience, and cost-effectiveness (Bless, Higson-Smith & Sithole, 2013). The people who participated in the pilot study were made up of the people from whom the main study intended to collect data. After the participants finished completing the pretesting in-depth semi-structured interview guides, they were asked to provide their comments or constructive criticism on wording and sequence, missing and confusing questions, redundancy, or irrelevant items. Thereafter, the in-depth semi-structured interview guide was administered to the full main study sample as developed by the researcher.

### **3.6.3 Data analysis**

Data analysis, according to Brayman (2012), is the process of inspecting, cleansing, transforming, and modelling data in order to highlight useful information, suggest conclusions, and support decision making. Similarly, Leedy and Ormrod (2014) stated that the value of all scientific findings is heavily dependent on how data is collected and analysed. To analyse data in a research study, key characteristics during data analysis in interpretative research are the generation of high-quality, meaningful, and relevant data, which allows valuable insights to merge within a social context (Brayman, 2012).

In this study, content analysis, a technique used to analyse transcribed textual data in order to comprehend the meaning of the text, action, or narrative through the process of interpreting themes, was used. Content analysis is a method of categorizing verbal or behavioral data for classification, summarization, and tabulation (Newby, 2010). Data from semi-structured interviews were analysed by grouping common items that emerged from participants' descriptions of their experiences. Individual transcriptions from the research instrument were analysed

individually, and categories were created to allow the researcher to identify similarities, differences, and relationships within information from the research instrument. The developed categories from the research instrument were then grouped into themes.

### **3.7 Conclusion**

This chapter described the methodology and procedures that were used to collect the data from the respondents. The qualitative research design was used to allow the researcher to interpret the findings in a variety of ways. This chapter also discussed the population, sample and sampling procedures, research instruments (interviews and in-depth semi-structured interview guides), data collection procedures, and data analysis procedures. The ethics considered in ensuring the humane treatment of research participants were also discussed in the chapter. The research findings of the study were presented and discussed in the following chapter.

## **CHAPTER 4: RESEARCH RESULTS**

### **4.1 Introduction**

This chapter provided the research findings of the study. The data was gathered using interviews as the research data collection instruments, which were designed in line with the objectives of the study. The main aim of the study was to investigate the use and perceived value of strategic management tools in the Development Bank of Namibia (DBN). The study sought to address the following objectives: (1) explore the managerial perceptions of strategy tools as facilitators of the development of business relationships, and networks, (2) identify attitudes of management and executives towards the strategic planning process and investigate the strategic planning tools used by the Development Bank of Namibia, and (3) determine whether the strategic planning tools used by the Development Bank of Namibia are effective in achieving the desired goals. The results were discussed according to the research objectives and the data from the interview were transcribed and analysed according to the themes that emerged from the study:

Theme 1: The managerial perceptions of strategy tools as facilitators of the development of business relationships and networks.

Theme 2: The attitudes of management and executives towards the strategic planning process, and the strategic planning tools used by DBN.

Theme 3: The effectiveness of the strategic planning tools in achieving the desired goals.

### **4.2 Participants' details**

In this study, demographical data were obtained from multiple sources, and entail information on the participants' background and personal information such as their



gender, position, and the number of years they have worked for DBN, as well as their highest qualification.

*Table 4 Management' demographical data*

<b>Name of Participant</b>	<b>Gender</b>	<b>Position</b>	<b>Number of years worked</b>	<b>Highest Qualification</b>
Manager A	Male	Manager: Operations Support	8 years	Bachelor Degree
Manager B	Male	Manager: Mentoring and Coaching	10 years	Honours Degree
Manager C	Female	Credit Manager	15 years	Master Degree
Manager D	Female	Marketing Manager	9 years	Master Degree
Manager E	Female	Manager: Risk and Compliance	13 years	PhD

The table above represented the demographic information of the managers who took part in the study. It represented their gender, position, the number of years they have worked, and their qualifications.

*Table 5 Executives' demographical data*

<b>Name of Participant</b>	<b>Gender</b>	<b>Position</b>	<b>Number of years worked</b>	<b>Highest Qualification</b>
Executive A	Female	Operational Executive Assistant	8 years	Master Degree
Executive B	Female	Chief Marketing Officer	6 years	Master Degree

Executive C	Female	HR Executive Officer	7 years	Honours Degree
Executive D	Male	Executive Accountant	8 years	Bachelor Degree
Executive E	Female	Chief Financial Officer	10 years	Master Degree

The table above represented the demographic information of the executives who took part in the study. It represented their gender, position, the number of years they have worked, and their qualifications.

### **4.3 Presentation of results on Management**

#### **4.3.1 Theme one: The managerial perceptions of strategy tools as facilitators of the development of business relationships and networks**

The participants were asked to mention the strategic tools that are used by DBN, and how are they used. According to Manager A, DBN uses Annual Strategic Sessions, and they are used annually to strategically plan for the future, solve problems, spark ideas, and innovate that can lead to the Bank's success. Similarly, Manager B mentioned that DBN uses strategic meetings/sessions as well as strategic plans. He added that *“The organization also has a strategy department that is responsible for the strategic intent”*. Moreover, Manager C stated that *“Overall we use the Balanced Score Card as well as SWOT Analysis, Strategic Analysis, Impact Matrix, and also Strategic Planning and Mapping”*.

In addition, Manager D mentioned that DBN uses SWOT Analysis, and it is used to brainstorm and develop strategic planning by assessing the Bank's internal and external factors as well as current and future potential. Furthermore, Manager E stressed that DBN uses SWOT Analysis, strategic evaluation, discussions, and brainstorming sessions, as well as formulation, and implementation of strategies and plans. Manager E further added that *“We look at the strengths of what we have*

*accumulated, compared to those of our competitors, and make decisions thereafter*". She added that the SWOT analysis is also used to assess the weaknesses and decisions based on how the organization can improve its services.

The participants were also asked to give their opinions on how important the use of strategic tools is and why. According to Manager A, the use of strategic tools is very important, and this is because they can be used to effectively monitor the organization's performance. On the other hand, Manager B stated that "*The strategic tools are very important as they usually take stock of where the organization is, identify the SWOT standings, and then plan on moving forward*". Moreover, Manager C alluded that the use of strategic tools is very important because it encompasses all aspects of the business cycle and processes. She added that "*The strategic tools assist the Bank in ensuring that we remain sustainable while making the desired development impact*". In addition, Manager D stated that "*It is very important to use strategic tools because it enables you to see the objectives identified in different categories and whether there was any improvement*".

Manager D further elaborated that if there were weaknesses and threats identified, then strategic tools can be used to change the status quo. Manager D continued to mention that having strategic tools enables an organization to know exactly which strategic plans for the previous period did not work. Also, it enables organizations to identify why it did not work and provides an opportunity to do better. Manager E on the other hand mentioned that the use of strategic tools is quite important because these tools assist in prioritizing strategic objectives, focusing on challenges and opportunities as well as assessing risks and prospects. According to Manager E, these are imperative in the strategic guidance and planning for a certain period.

Furthermore, the participants were asked about the strategic management practices that DBN has adopted. According to Manager A, DBN has adopted implementation plans that derive from the strategic planning sessions. Manager B on the other hand stated that DBN has adopted a middle management forum that allows the middle managers to consider and adopt various strategies and cascade it down to the

operational level. Moreover, Manager C stated that DBN adopted strategic planning. Manager C continued to mention that "*Once strategic planning is done and strategy is formulated, on-going implementation is carried out*". The strategy is then evaluated and monitored against targeted outcomes regularly. Manager C further mentioned that "*Thereafter, a dedicated team, which is supported by the entire business is responsible for evaluating the strategy against the desired outcomes*". Moreover, according to Manager D, DBN has adopted Communication and inclusivity practices. In addition, Manager E stressed that "*The overarching DBN Business Strategy Plan filters down to all aspects of the Bank's business, and includes financial planning strategies, operational strategies, marketing, and communications strategies, human resources strategies, etc.*"

#### **4.3.2 Theme two: The attitudes of management towards the strategic planning process, and the strategic planning tools used by DBN**

The participants were asked to give their take on the strategic planning process at DBN. According to Manager one, the strategic planning process is effective, however, it needs to be improved. Manager B on the other hand alluded that "*I like the strategic planning process as it gives me a platform to hear about the whole organization and enables me to air my views and seek clarity if need be*". Manager B continued to mention that it is also an important tool as it gives a strategy for the organization to follow. Moreover, Manager C stated that "*I feel the process is very inclusive and transparent*". She further stated that the fact that strategy is also informed by the day-to-day challenges faced by employees across the Bank, is aimed at crafting solutions while the Bank remains sustainable and creates a lasting development impact. In addition, Manager D mentioned that the strategic planning process is open and each one's input is appreciated and taken into considerations. According to Manager E, the Business Strategy Unit is the 'custodian' of the Bank's strategic plans and updates all department heads and management of any outstanding or pending issues. Manager E further clarified that the plan is well

formulated and filters down all departments and units and from there to all employees through their KPIs.

The participants were also asked how they use strategic tools in planning and decision-making. Manager A stated that *“We use the strategic tools by focusing on implementing the plans and deciding on which plan is to be implemented first and who will be involved in the process of implementation”*. According to Manager B, strategic sessions are held to review and reflect on the organization’s position, and then discuss and come up with rolling business plans that are structured to help move the business forward and to achieve its objectives. In addition, Manager C mentioned that *“Strategic tools are used in all our strategy sessions and discussions, and it allows us to apply critical thinking analysis when planning our strategy”*.

Furthermore, Manager D stated that the strategic tools are used to see what worked the previous year, so the Bank can continue and show what is not working and what one needs to improve in. Therefore, this makes planning and decision-making easier. Manager E on the other hand mentioned that she uses strategic tools in marketing and communications regularly by conducting surveys and the strategic objectives are incorporated in all employees' Key Performance Indicators (KPIs). She further added that *“The department has monthly meetings during which the objectives are discussed as well as the plans for the department’s support in reaching the overall Bank’s objectives”*.

Three out of five participants (Managers A, B, and C) indicated that the employees are involved in the planning process. Manager E mentioned that only the management and executive team are involved in the strategic planning of the Bank's overall objectives, however, the employees are informed through their respective heads and objectives incorporated in their KPIs. For the participant who indicated that the employees are not involved, he clarified that they are briefed and taken through the strategic management plan before the implementation process. According to Manager C, departmental strategy sessions are held where all employees are involved. She added that such strategies are then cascaded upwards

by the Head of Department (HOD) on the Middle Management and Executive Strategy Sessions. Thereafter, a Board Strategy Session is held to discuss and formulate the final strategy of the Bank.

In addition, the participants were asked to describe the procedures that are followed in sensitizing the employees on the strategies being implemented. According to Manager A, employees are kept up-to-date with the strategies that are being implemented through their HOD. Manager A elaborated that HOD communicates to the employees about the strategies that are being implemented through departmental meetings that are carried out at least once a month. Manager B stated that *“Employees are involved in the process of strategic planning, sometimes directly (sitting in some session with HODs to discuss departmental objectives) or indirectly by receiving feedback and aligning their KPAs with the strategic intent that is set”*. He added that all strategies implemented are thoroughly briefed and explained to all staff members through monthly meetings where the staff members are given the platform to share their views on the strategy and provide ways in which these strategies would work more effectively.

On the other hand, Manager C mentioned that once the strategy is finalized that is shared with all the HOD, the departmental meetings are then held to sensitize everyone on the strategy of the Bank. The Bank’s strategy is also communicated at the Middle Management Forums. Manager D further added that strategic break-away sessions are planned by various departments, not necessarily out of office but break-away in terms of focusing on that only. Manager D continued to mention that the HOD then communicated this to Exco, and then a strategic meeting involving Exco, and Middle Management is arranged to discuss how to sensitize the employees on the strategies that are being implemented. Furthermore, Manager E stated that *“Employees are informed about the Bank’s performance in terms of strategies and objectives quarterly at overall Bank feedback sessions, however not all HOD discuss the strategy and their teams’ progress in terms of the strategic objectives”*.

### **4.3.3 Theme three: The effectiveness of the strategic planning tools in achieving the desired goals**

The participants gave their take on the overall influence of strategic management tools on organizational performance. According to Manager A, the strategic management tools positively affect the performance of the Bank. Manager B mentioned that *“Without the strategic sessions and plans, the organization would not have a clear path or plan of operation, therefore the strategic planning tools play a critical role and set the KPAs for the organization to achieve its objectives”*. On the other hand, Manager C mentioned that the strategic management tools positively impact the Bank’s performance. Manager C further added that *“Once the strategy is formulated, it is then implemented and cascaded downwards within the Bank”*. Manager C continued to mention that the individual KPIs of all the employees within the Bank have an element on the Bank's strategy attached to it, thus, once the KPIs are met or not met it impacts the Bank's performance. Moreover, Manager D stated that the strategic management tools have a great impact on the organization's performance. According to Manager D, if an organization does not have tools, then it can have strategies that are pulled out of nowhere, and consequently, it can harm the organization's performance. Also, strategies with unachievable objectives which are not thought through can negatively affect the Bank's performance. Moreover, Manager E stated that *“In my view, strategic management tools are vital for achieving the Bank’s objectives and reaching its goals”*. Manger E added that in order to keep employees motivated and productivity high, all employees should be on board in terms of the strategies and way forward. Therefore, the employees’ buy-in ensures a positive and efficient team.

The participants were asked if DBN reviews its strategic tools to ensure their effectiveness, and how often does DBN reviews its strategic tools. All the Managers (A, B, C, D, and E) indicated that DBN reviews its strategic tools, and they are reviewed annually. On the other hand, the participants were also asked how strategic tools support managers during the analysis and implementation of strategies.

According to Manager A, the strategic tools help the managers to make better and informed decisions when analysing and implementing strategies. In addition, Manager B indicated that the strategic tools help the managers analyse the organization, and the surroundings before implementing the strategies. Moreover, Manager C stated that the strategic tools help with planning for the departmental targets to support the Bank's wide strategy and help the managers to see and determine which things need to be prioritized before the implementation process. Furthermore, Manager D stated that strategic tools help create clear objectives which enable analysis and implementation of strategies. Manager E on the other hand, added that "*The strategic tools support managers in implementing the plans and decisions as well as executing processes efficiently, effectively and consistently*".

Lastly, the participants were asked if DBN set well-defined and measurable performance targets for every strategic management, and if so, where the performance targets were achieved. All the Managers (A, B, C, D, and E) indicated that DBN set well-defined and measurable performance targets for every strategic management, and in most cases, the targets were achieved. According to Manager B, targets are generally met, and if not, there are usually explanations on why they were not achieved, which are linked to the internal and external factors of the organization. Manager B further elaborated that when the targets are not reached, the managers review them to see what may have caused them not to be reached, and the management then goes back to the drawing board to see what can be done to ensure that the targets are met. Manager C added that "*Well-defined and planned measurable performance targets are set for every strategic management plan, therefore some targets are achieved and some still require improvement*". He further added that the targets that are not met such as financial targets are due to various factors such as the Covid-19 pandemic. In addition, Manager D stated that DBN sets reasonable performance targets based on the research done, and this makes it easier and more likely that the organization will reach its targets.



## **4.4 Presentation of results on Executives**

### **4.4.1 Theme one: The managerial perceptions of strategy tools as facilitators of the development of business relationships and networks**

The participants were asked if DBN periodically gathers and analyses data on the market as well as the internal and external factors that may affect its operation, and how often DBN gathers does and analyse this data. All the Executives (A, B, C, D, and E) revealed that DBN does periodically gather and analyse data on market as well as the internal and external factors. Executive A, B, and E mentioned that the data is gathered and analysed monthly, whereas Executive C and D mentioned that the data is gathered and analysed quarterly. The participants were also asked if the internal and external market analysis identify key strengths, weaknesses, opportunities, and threats to the organization. All the Executives (A, B, C, D, and E) indicated that the internal and external market analysis does identify the organization's key strengths, weaknesses as well as opportunities, and threats.

The participants were asked to mention how the strategic tools assist DBN in the development of business relationships and networks in a competitive market. Executive A stated that “*The different strategic tools comprise of different types of research to ensure that we are working according to rules and regulations set for the industry which creates a more positive attitude in the way we conduct ourselves as an organization, and as a result, it leads to the development of stable business relationships*”. Executive B mentioned that the strategic tools help the management team get information on what the clients want or are not happy with, and thus facilitate the development of business relationships and networks, as the Bank can provide the services that the clients are looking for and satisfy their needs. Executive C on the other hand mentioned that the strategic tools assisted the Bank in winning back some of the old clients by offering them more opportunities and benefits. Moreover, Executive D and E stated that through the use of strategic tools, DBN was able to build and develop long-lasting relationships with its clients, which resulted in the Bank gaining a larger number of loyal clients.

#### **4.4.2 Theme two: The attitudes of executives towards the strategic planning process, and the strategic planning tools used by DBN**

The participants were asked if DBN has introduced new strategies in the last five years and if they consider these strategies effective in carrying out what they are intended to. All the Executives (A, B, C, D, and E) indicated that DBN has introduced new strategies in the last five years, and they considered these strategies to be effective in carrying out what they are intended to. In addition, the participants revealed that these strategies have brought a lot of benefits to DBN and contributed significantly to organizational performance. According to Executive A, the new strategies have helped DBN to improve its services and provide more efficient services, which optimize the organization's performance. Executive D added that "*Due to the new strategies that were introduced, the Bank was able to mitigate some of the challenges it experienced for a long period, which positively influence the performance of the Bank*".

Moreover, all the executives (A, B, C, D, and E) indicated that they are very satisfied with the strategic planning in DBN. Executive A mentioned that strategic planning engages all the employees within the organization, and everyone has a say in the planning process. Executive B on the other hand stated that "*The strategic planning gives the management an idea on what or where they need to focus to improve our services and the overall operation of the Bank*". Similarly, Executive C mentioned that strategic planning helps the management to define the direction in which the Bank must travel, and aids in establishing realistic objectives and goals that are in line with the vision and mission of the Bank. In addition, Executive D stated that the strategic planning provides the management team with the roadmap to align the Bank's functional activities to achieve the set goals. Furthermore, Executive E added that "*The strategic planning guides' management discussions and decision making in determining resources, and requirements to achieve the set objectives, thus increase the Bank's efficiency*".

#### **4.4.3 Theme three: The effectiveness of the strategic planning tools in achieving the desired goals**

According to all the Executives (A, B, C, D, and E), the strategic tools that are used by DBN are effective in carrying out what they are intended to. The executives mentioned that strategic tools play a significant role in the development of organizational relationships and networks. The participants revealed that the strategic tools bring various benefits to DBN. According to Executive A, the strategic tools aid the management in creating an environment and systems that benefit the clients and create a safer and more comfortable environment for the clients. Executive B added that the strategic tools help the organization increase the market share, maintain sales, and optimize profits.

Moreover, Executive C mentioned that the strategic tools enable DBN to prioritize, allocate resources, and align every task and activity with its mission, and vision, as a result, it provides clarity and direction for the organization. Furthermore, Executive D stated that strategic tools help define the direction in which the organization ought to go, and aid in establishing realistic objectives, and goals. Executive E on the other hand, mentioned that the strategic tools help the managers to make better and well-informed decisions for the benefit of the whole organization.

All the executives (A, B, C, D, and E) agreed that DBN does conduct perception surveys to gauge staff and customer satisfaction. According to Executive A, C, and E, the perception surveys are conducted weekly, while Executive B, and D mentioned that the perception surveys are conducted monthly. Executive C further mentioned that the perception surveys are conducted via email platforms, where clients give their reviews on their impressions, and the quality of the service they have received. In addition, all the executives (A, B, C, D, and E) stated that the information that is gathered from the surveys is useful in the strategic planning process. Executive A mentioned that "*Through these surveys, we get to understand how clients perceive our company and how to improve the quality of our services*".

On the other hand, Executive D mentioned that the perception surveys help the organization gain knowledge of where it needs to improve to satisfy its clients' needs.

## **4.5 Discussion of results**

### **4.5.1 The managerial perceptions of strategy tools as facilitators of the development of business relationships and networks**

According to the findings of the study, DBN uses SWOT analysis to brainstorm and develop strategic planning by assessing the Bank's internal and external factors as well as the current and future potentials. SWOT analysis is used also to assess the weaknesses and decisions based on how the organization can improve its services. This finding is therefore in line with Abushabab (2016) who stressed that SWOT analysis is one of the most strategic tools that is used in strategic management, and it is developed to support managers in strategic decision making. In addition, DBN also uses Balanced Score Card, Impact Matrix, Strategic planning, and analysis as well as Annual Strategic Sessions to strategically plan for the future, solve problems, spark ideas, and innovation that can lead to the Bank's success. This finding is in agreement with Hareebin, Aujirapongpan, and Siengthai (2018) who mentioned that there are various strategic management tools and techniques in the market and these tools and techniques include among others SWOT Analysis, and the Balanced Scorecard, which are developed to promote the organization's success and make it possible for managers and executives of organizations to implement theories in practice. In many instances, they are used as conceptual methods to facilitate strategy work, and they function as a guide to thinking and a starting point for structuring the strategic activity (Hareebin, Aujirapongpan & Siengthai, 2018).

The study established that the strategic tools are very important, and this is because they are used to effectively monitor the organization's performance, assist DBN in ensuring that it remains sustainable while making the desired development impact. This is consistent with Ibrahim and Alagidede (2018) who established that strategic

tools help managers to view the business portfolios of the company, analyse the market situation, and predict the future development of the company. In addition, strategic tools are important because they take stock of where the organization is, identify the SWOT standings, and then plan on moving forward. The study further established that the strategic tools help the management to see the objectives identified in different categories, and whether there was any improvement or not, and if there were weaknesses and threats identified, then strategic tools are used to change the status quo. This finding is in agreement with Suwaidi (2018) who believed that strategic management tools and techniques act as a guide to thinking and as a starting point for structuring strategic management activity.

Strategic tools were also found to enable DBN to know exactly which strategic plans from the previous period did not work and enable the organization to identify why they did not work and provide an opportunity for the organization to do better. In addition, strategic tools assist in prioritizing strategic objectives, focusing on challenges, and opportunities as well as assessing risks and prospects. This is therefore in agreement with Abushabab (2016) who stated that strategic tools increase awareness about the business environment, strategic issues, opportunities, and threats which help reduce the risk involved in making certain decisions, establishing priorities in large, complex companies, and providing a framework for evaluating the relative importance of different business portfolios.

The findings of the study revealed DBN has adopted various strategic management practices. According to the findings of the study, DBN has adopted implementation plans that derive from the strategic planning sessions. DBN has adopted a middle management forum that allows the middle managers to consider and adopt various strategies and cascade them down to the operational level. In addition, DBN has adopted strategic planning, and once strategic planning is done, and the strategy is formulated, ongoing implementation is carried out and the strategy is evaluated and monitored against the targeted outcomes regularly. Thereafter, a dedicated team that is supported by the entire organization is responsible for evaluating the strategy

against the desired outcomes. These findings are consistent with various authors who established that strategic management practices consist of strategic planning, strategy implementation, and strategy evaluation, and control, which is revealed in past studies to have impacted the competitive positioning of organizations in the financial sector (Adeleye, 2014; Mulei, 2016; Kryvych & Goncharenko, 2020). Similarly, Kamau (2017) established that strategic management practices entail formulation and implementation of strategies that will help in positioning the organization, and its environment to achieve organizational objectives. Thus, strategic management practices are considered to give complete direction to the organization.

Furthermore, the findings of the study revealed that DBN periodically gathers and analyses data on market as well as the internal and external factors monthly. Therefore, the internal and external market analysis identifies DBN's key strengths, weaknesses, as well as opportunities, and threats. This finding implies that the strategic planning is carried out as Abushabab (2016) described strategic planning as a continuous assessment of the current strategy developed by managers to analyse over the long term, the internal and external environment to identify the internal strengths and weaknesses, as well as the external opportunities and threats.

Moreover, the study revealed that the strategic tools assist DBN in the development of business relationships and networks in a competitive market. Therefore, the strategic tools ensure that DBN is functioning according to the rules and regulations set for the industry which creates a more positive attitude in the way that the employees conduct themselves, which leads to the development of stable business relationships. This is in agreement with Mulei (2016) who stressed that for financial institutions to remain competitive and minimize the financial risks, they need to adopt management policies that enable them to be at the forefront and compete effectively with others in a global market. In addition, the strategic tools help the management team get information on what the clients want or are not happy with, and thus facilitate the development of business relationships, and networks. Strategic tools

also assisted DBN to win back some of the old clients by offering them more opportunities, and benefits. Moreover, through the use of strategic tools, DBN was able to build and develop long-lasting relationships with its clients, which resulted in DBN gaining a larger number of loyal clients.

#### **4.5.2 The attitudes of managers, and executives towards the strategic planning process, and the strategic planning tools used by DBN.**

The findings of the study revealed that most of the managers are satisfied with the strategic planning process at DBN and considered the process to be effective, inclusive, and transparent as it gives the management and the employees the platform to air their views and seek clarification if needed. However, the process needs to be improved. In addition, the study established that the managers use strategic tools in implementing the plans by deciding on which plan needs to be implemented first, and who will be involved in the process of implementation. Moreover, it was found that managers use strategic sessions to review and reflect on the organization's position and then discuss and come up with rolling business plans that are structured to help move the business forward and to achieve its objectives. Therefore, strategic tools are used in strategic sessions and discussions, as a result, they allow the managers to apply critical thinking analysis when planning strategy. This finding is in agreement with Suwaidi (2018) who believed that strategic management tools and techniques act as a guide to thinking and as a starting point for structuring strategic management activity.

In addition, strategic tools are used to see what worked the previous year, so that DBN can continue, and also to show what is not working, and what one needs to improve in. Therefore, it makes planning and decision-making easier. Also, strategic tools are used in marketing and communications regularly by conducting surveys and the strategic objectives are incorporated in all employees' Key Performance Indicators (KPIs). The study established that the employees are involved in the

planning process. Therefore, departmental strategy sessions are held, whereby all employees are involved, and strategies cascade to the Head of Department (HOD), and thereafter, a board strategy session is held to discuss and formulate the final strategy of the Bank. This finding justifies the importance of planning as the first step of the management process that is needed for the survival and growth of an organization in the competitive business environment that is constantly changing. Therefore, strategic planning is an analytical process involving analysis, formulation, implementation, and evaluation of strategies (Al Raee, 2014). According to the findings of the study, employees at DNB are kept up-to-date with the strategies that are being implemented through their Head of Department (HOD). The Head of Department communicates to the employees about the strategies that are being implemented through departmental meetings that are carried at least once a month, where the employees are given the platform to share their views on the strategy and provide ways in which these strategies would work more effectively.

According to the findings of the study, DNB has introduced new strategies in the last five years and these strategies are considered to be effective in carrying out what they are intended to. These strategies have brought a lot of benefits to DNB and contributed significantly to organizational performance. The study revealed that the new strategies have helped DNB improve its services, and provide more efficient services, which optimize the organization's performance. Also, the new strategies have helped DNB to mitigate some of the challenges it experienced for a long period, which positively influence the performance of DNB. The findings of the study have shown that all the participants are satisfied with the strategic planning at DNB as the strategic planning engages all the employees within the organization, and everyone has a say in the planning process.

Strategic planning also gives the management an idea on what or where they need to focus to improve the Bank's services, as well as the overall performance of the institution. In addition, strategic planning helps the management to define the direction in which DNB must travel and aids in establishing realistic objectives and



goals that are in line with the vision, and mission of the organization. The study established that strategic planning guides management discussions, and decision-making in determining resources and requirements to achieve the set objectives, and thus increase DBN's efficiency. Therefore, these findings are in line with Abushabab (2016) who stated that strategic planning assists organizations to think carefully and systematically in achieving their objectives, in developing effective strategies, in proper decision-making processes, and to effectively anticipate future problems and opportunities. Also, strategic planning helps organizations to stay competitive, whilst aligning their resources in the most efficient manner (Abushabab, 2016).

#### **4.5.3 The effectiveness of the strategic planning tools in achieving the desired goals**

The study found that strategic management tools positively affect the performance of DBN. Therefore, strategic management tools are vital for achieving the Bank's objectives and goals. The study revealed that DBN reviews its strategic tools annually to ensure their effectiveness. In addition, the findings of the study also revealed that strategic tools help managers make better and informed decisions when analysing and implementing strategies. Strategic tools also help the managers analyse the organization and its surroundings before the implementation of strategies. Moreover, strategic tools help with the planning for the departmental targets to support DBN's wide strategy and help the managers to see and determine which things need to be prioritized before the implementation process. This implies that strategic tools act as a guide to thinking and as a starting point for structuring strategic management activity (Suwaidi, 2018).

The findings of the study have shown that the strategic tools that are used by DBN are effective in carrying out what they intended to. Therefore, strategic tools play a significant role in the development of organizational relationships and networks. The

findings have shown also that strategic tools bring various benefits to DBN. The following are some of the benefits that strategic tools have brought to DBN: (1) strategic tools aid the management in creating an environment and systems that benefit the clients and create a safer and more comfortable environment for the clients, (2) strategic tools help DBN to increase the market share, maintain sales and optimize profits, (3) strategic tools enable DBN to prioritize, allocate resources, and align every task and activity with its mission and vision, and as a result, it provides clarity and direction for the organization, (4) strategic tools help define the direction in which the organization ought to travel and aid in establishing realistic objectives, and goals, and (5) strategic tools help the managers make better and well-informed decisions for the benefit of the whole organization. According to these findings, one can therefore conclude that strategic tools are effective in achieving the organization's desired goals.

The study further revealed that the strategic tools help create clear objectives which enable analysis and implementation of strategies. Strategic tools also support managers in implementing the plans and decisions as well as executing processes efficiently, effectively, and consistently. This is therefore in agreement with Rahman (2019) who stated that strategic tools support managers in all stages of strategic management from the strategic analysis stage, through the strategic choice to implementation. Furthermore, the findings of the study have shown that DBN set well-defined and measurable performance targets for every strategic management, and it is revealed that in most cases, the targets were achieved. However, when the targets are not met, there are usually explanations on why the targets were not achieved, which are linked to the internal and external factors of the organization. Therefore, when the targets are not met, the managers review them to see what may have caused them not to be reached, and the management team then goes back to the drawing board to see what can be done to ensure that the targets are met.

In addition, the study revealed that DBN conducts perception surveys weekly to gauge staff and customer satisfaction. The perception surveys are conducted via

email platform, where client give their impressions and the quality of service they have received. The study established that all the information that is gathered from the surveys is useful in the strategic planning process. Therefore, through the perception surveys, DBN can understand how the clients perceive the organization, and how the organization can improve its services. Also, the perception surveys help DBN gain knowledge of where to improve to satisfy its clients' needs.

## **CHAPTER 5: CONCLUSION, RECOMMENDATIONS, AND LIMITATIONS**

### **5.1 Introduction**

This chapter aimed at concluding the study and the recommendations that need to be addressed to find solutions to the problem. Conclusions were drawn from the findings of the study that are based on the objectives of the study.

### **5.2 Conclusion**

The study focused on the use and perceived value of strategic management tools in the Development Bank of Namibia (DBN). This study achieved its aim of analysing the use and perceived value of strategic tools, and addressed the following research objectives: (1) to explore managerial perceptions of strategy tools as facilitators of the development of business relationships and networks, (2) to identify attitudes of management and executives towards the strategic planning process and investigate strategic tools used by the Development Bank of Namibia, and (3) to determine whether strategic planning tools used by the Development Bank of Namibia are effective in achieving the desired goals. This study has the potential to benefit financial institutions as may be able to identify suitable tools, and techniques that are needed to surpass customers' expectations, and enhance customer retention. This study has also the potential to benefit managers as well as executives in that they may gain different perspectives in applying the right tools on scarce resources to achieve better results.

Based on the findings of this study, it is concluded that the strategic tools are perceived as important, useful and they are effective in carrying out what they are intended to as well as the facilitators of the development of business relationships and networks. Therefore, the strategic management tools positively affect the performance of DBN. For that reason, it can be concluded that the strategic

management tools are vital for achieving the Bank's desired goals and objectives. In addition, the strategic management tools are useful in helping, and supporting managers make better decisions and achieve the desired goals. Strategic tools play a significant role in the development of organizational relationships and networks. It was found that DBN has adopted implementation plans, middle management forums, and strategic planning as strategic management practices. These practices helped the managers create clear objectives which enable the analysis, and implementation of strategies.

It was also found that SWOT analysis, Balanced Score Card, annual strategic sessions, and strategic analysis are the strategic planning tools that are used in DBN, and the managers and executives are satisfied with the strategic planning process, and the process is effective, inclusive, and transparent. Therefore, all the employees are involved in the planning process. In addition, the employees are kept up-to-date with the strategies that are being implemented through their Head of Department, and this allows the employees to be sensitized to the strategies that are being implemented. Therefore, the study has achieved its main objective of analysing the use and perceived value of strategic management tools in the Development Bank of Namibia.

### **5.3 Recommendations**

The following recommendations were given following what the study has found, and such recommendations are the proposed suggestions of what needs to be done:

- The findings of the study revealed that strategic management tools positively affect the performance of the Bank, therefore this study recommends that the management should ensure that every employee has adequate knowledge on the importance, and usage of the strategic management tools to ensure that they are being well utilized and yield the expected results.

- The study revealed that DBN annually reviews its strategic tools to ensure their effectiveness. Hence, this study recommends that the strategic tools should be reviewed quarterly for the management to get insight on the strength of the organization's current competitive position, and the strength of a position that DBN may look to move into during that financial period to ensure that the organization achieves its desired goals before the end of the financial year.
- The findings revealed that even though the participants are satisfied with the strategic planning and considered it to be effective, they stressed that it needs to be improved. Thus, this study recommends that DBN invest its resources in enhancing strategic planning by implementing the right methods, and techniques that will ensure the effectiveness, and efficiency of the strategic planning process.
- The study further recommends that to ensure that all the targets are set are achieved, DBN can implement and use benchmarking as a strategic planning tool. This tool will help DBN in getting an independent perspective on how well the organization performs compared to the competitors in the same industry. As a result, it will motivate the employees to set performance expectations, and ensure their achievements.
- The study revealed that the strategic planning tools used by the Development Bank of Namibia are effective in achieving the desired goals, thus this study recommends that the Development Bank of Namibia continue maintaining its strategic planning tools and ensure that they are continuously delivering what they are intend to.

#### **5.4 Limitations of the study**

The study is limited to theoretical foundations or bases. This means that no extensive research has been conducted on the use and perceived value of strategic management tools. Therefore, this research could not fully establish the use and perceived value of the strategic tools. Another limitation is related to the lack of knowledge of some of the managers, and the executives at the Development Bank

of Namibia (DBN) on the use of strategic tools as well as the strategic planning process. As a result, the researcher could not get extensive insight on the managerial perceived value of the strategic tools as facilitators of the development of business relationships, and networks. In addition, one of the limitations is the fact that the study only observed the Development Bank of Namibia. Another limitation is that study did not examine moderating effects that may influence the use of strategic management tools such as company size, environmental turbulence, etc. Hence, the scope of future research can be extended by examining other different strategic management tools and techniques and organizational performance outcomes, which may reflect the overall use and perceived value of strategic management tools.

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## **APPENDIX A: INTERVIEW GUIDE FOR MANAGEMENT**

My name is Simon Shaningwa, a student at the University of South Africa undertaking a degree in Master of Business Administration (MBA). I am carrying out a research study on the use and perceived value of strategic management tools at the Development Bank of Namibia (DBN). I hereby humbly request your participation in the study by offering the required information as per the interview guide. This information is being sought solely for academic purposes and it will be treated with complete confidentiality.

**NB: All questions in BOLD are probing questions**

### **SECTION 1: Background information**

1. What is your job title?
2. What is your gender?
3. How long have you worked for the institution?
4. What is your highest qualification?

### **SECTION B: The perceptions of strategic tools**

4. Which strategic tools are used in your organization?

**How are the strategic tools used in your organization?**

**In your own opinion, how important is the use of strategic tools and why?**

**What other strategic management practices would you say DBN has adopted?**

**SECTION C: Attitudes towards the strategic planning process**

5. What is your take on the strategic planning process at your organization?

**How do you use strategic tools in planning and decision-making?**

**Are the employees involved in the planning process at your organization? If not, are the employees briefed and taken through the strategic management plan before implementation?**

**Would you describe the procedures followed in sensitizing the employees on the strategies being implemented?**

**SECTION C: Effectiveness of strategic tools**

6. What is your take on the overall influence of strategic management tools on organizational performance?

**Does the organization review its strategic tools to ensure their effectiveness? If yes, how often does the organization review its strategic tools?**

**How do strategic tools support managers during the analysis and implementation of strategies?**

**Does the organization set well-defined and measurable performance targets for every strategic management plan? Were the performance targets achieved? If not, why?**

**THANK YOU FOR TAKING PART IN THIS STUDY**

## **APPENDIX B: INTERVIEW GUIDE FOR EXECUTIVES**

My name is Simon Shaningwa, a student at the University of South Africa undertaking a degree in Master of Business Administration (MBA). I am carrying out a research study on the use and perceived value of strategic management tools at the Development Bank of Namibia (DBN). I hereby humbly request your participation in the study by offering the required information as per the interview guide. This information is being sought solely for academic purposes and it will be treated with complete confidentiality.

**NB: All questions in BOLD are probing questions**

### **SECTION 1: Background information**

1. What is your job title?
2. What is your gender?
3. How long have you worked for the institution?
4. What is your highest qualification?

### **SECTION B: The perceptions of strategic tools**

5. Does DBN periodically gather and analyse data on market as well as the internal and external factors that may affect its operations?

**How often does DBN gather and analyse this data?**

**Does the external or internal market analysis identify key strengths, weaknesses, opportunities, and threats to the organization?**

**How do the strategic tools assist the organization in the development of business relationships and networks in a competitive market?**

**SECTION C: Attitudes towards the strategic planning process**

6. Are there any new strategies that the organization has introduced in the last five years?

**If yes, do you consider these strategies effective in carrying out what they are intended to?**

**What is the contribution of each of the strategies towards organizational performance?**

**How satisfied are you with the strategic planning in your organization?**

**SECTION C: Effectiveness of strategic tools**

6. Are the strategic tools used by the organization effective in carrying out what they are intended to?

**What role do the strategic tools play in the development of organizational relationships and networks?**

**What benefits do these tools bring to the organization?**

**Does the organization conduct perception surveys gauge staff and customer satisfaction? If yes, how often are the surveys conducted?**

**Do you consider the information gathered from the surveys useful in the strategic planning process? If yes, how so?**

**THANK YOU FOR TAKING PART IN THE STUDY**



**ANNEXURE A – CONSENT TO SUBMIT RESEARCH REPORT FOR EXAMINATION 2021**


**MBLREP / MBL5913 / MBA5929**

**CONSENT TO SUBMIT RESEARCH REPORT FOR EXAMINATION 2021**

Consent is hereby given to:

Student name: **Simon Festus Shaningwa**

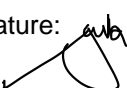
Student number: **61954357** to submit his research report in its final form.

Supervisor Signature: 

Date: **15 December 2021**

Supervisor Name: **Nolvuko Mathibe**

The student acknowledges that sufficient feedback was provided by the supervisor and that s/he took the responsibility to attend to the feedback in a way that satisfies the requirements for a research dissertation on the MBA and MBL level.

Student signature: 

Date: **15 December 2021**

## ANNEXURE B – ETHICAL CLEARANCE CERTIFICATE

Graduate School of Business Leadership, University of South Africa, PO Box 392, Unisa, 0003, South Africa  
Cnr Janzief and Alexandra Avenues, Midrand, 1685. Tel: +27 11 652 0000, Fax: +27 11 652 0299  
E-mail: sbl@unisa.ac.za Website: www.unisa.ac.za/sbl

### SCHOOL OF BUSINESS LEADERSHIP RESEARCH ETHICS REVIEW COMMITTEE (GSBL CRERC)

14 October 2021

Ref #: 2021\_SBL\_MBA\_024\_FA  
Name of applicant: Mr SF Shaningwa  
Student #: 61954357

Dear Mr Shaningwa

Decision: Ethics Approval

Student: Mr SF Shaningwa, ([felzsimao@gmail.com](mailto:felzsimao@gmail.com)), +264 812344848)

Supervisor: Ms N Mathibe, ([Nolunuko.mathibe@africanresponse.co.za](mailto:Nolunuko.mathibe@africanresponse.co.za)), 082 900 3663

Project Title: The use and perceived value of strategic management tools in the Development Bank of Namibia.

Qualification: Master in Business Administration (MBA)

Expiry Date: December 2022

Thank you for applying for research ethics clearance, SBL Research Ethics Review Committee reviewed your application in compliance with the Unisa Policy on Research Ethics.

#### Outcome of the SBL Research Committee: Approval is granted for the duration of the Project

The application was reviewed in compliance with the Unisa Policy on Research Ethics by the SBL Research Ethics Review Committee on the 12/10/2021.

The proposed research may now commence with the proviso that:

- 1) The researcher will ensure that the research project adheres to the relevant guidelines set out in the Unisa Covid-19 position statement on research ethics attached
- 2) The researcher/s will ensure that the research project adheres to the values and principles expressed in the UNISA Policy on Research Ethics.
- 3) Any adverse circumstance arising in the undertaking of the research project that is relevant to the ethicality of the study, as well as changes in the methodology, should be communicated in writing to the SBL Research Ethics Review Committee.
- 4) An amended application could be requested if there are substantial changes from the existing proposal, especially if those changes affect any of the study-related risks for the research participants.
- 5) The researcher will ensure that the research project adheres to any applicable national legislation, professional codes of conduct, institutional guidelines and scientific standards relevant to the specific field of study.

Graduate School of Business Leadership, University of South Africa, PO Box 392, Unisa, 0003, South Africa  
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Kind regards,

*NBW/Mitwa*

Prof N Mitwa

Chairperson: SBL Research Ethics Committee

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