



# **THE PERCEIVED QUALITY OF STRATEGIC DECISION-MAKING IN A FACILITIES MANAGEMENT ORGANISATION**

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by

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## DECLARATION

I, Krizanne Elizabeth Cloete, student number 50406396, state that this research report 'The Perceived Quality of Strategic Decision-Making in a Facilities Management Organisation', is my original effort and that all sources have been referenced by the researcher following UNISA's requirements. This research has not been submitted for publication or any other degree purposes at any other university.



Signature

21 December 2022

Date

## **ACKNOWLEDGEMENTS**

No one achieving success does so without the help of others. I could not have taken on this voyage without the love, help, and support of those in my corner, and words cannot express my gratitude. Thank you for the late nights with whiskey, long days with coffee, tough times with tears, and moments of clarity and focus on the end goal – I needed it all to get to this point. Oh, and thank you for music which got me through many a moment.

“Do not go gentle into that good night...” (Dylan Thomas, 1951).

## **ABSTRACT**

This research was focused on an Integrated Facilities Management (IFM) Organisation and aimed to determine how its management can improve its strategic decision-making by investigating the differences between the perceived levels of and the relationship between quality strategic management (QSM), the value of strategic management tools (SMT) in supporting strategic management, strategic decision-making (SDM), and organisational performance (OP). It also attempted to determine which strategic management tools were used compared to those perceived as valuable to improve strategic decision-making. This research used quantitative research methods with descriptive analysis. The data collection technique was a survey method with a questionnaire as the main tool, with a realised sample of 45. Data analysis was done through exploratory factor analysis and unweighted least squares to determine internal consistency reliability. Support for one factor was determined through factor extraction and scale reliability through Cronbach's alpha coefficients.

Results suggested that there were significant differences in the perceived levels between QSM, SMT, SDM, and OP in the sample of the population. It also indicated which tools were used and perceived as more valuable than others in the organisation, while strong and positive correlations (relationships) were perceived between QSM, SDM, OP, and many of the SMT. The results informed management through recommendations of how they could improve strategic decision-making. Through investigation of the perceptions of employees on QSM, SMT, and SDM there are ways management can improve strategic decision-making.

**Keywords:** Strategic Management, Strategic Management Tools, Strategic Decision-Making, Organisational Performance, Relationships

## TABLE OF CONTENTS

DECLARATION .....	ii
ACKNOWLEDGEMENTS .....	iii
ABSTRACT .....	iv
TABLE OF CONTENTS.....	v
LIST OF FIGURES .....	ix
LIST OF TABLES.....	x
CHAPTER ONE – INTRODUCTION .....	1
1.1 Background.....	1
1.2 Problem statement.....	3
1.3 Research question.....	4
1.4 Research objectives .....	5
1.5 Theoretical foundation .....	6
1.6 Method overview.....	8
1.7 Chapter overview.....	8
CHAPTER TWO – LITERATURE REVIEW .....	9
2.1 Introduction .....	9
2.2 Theoretical framework.....	10
2.2.1 <i>Decision theory</i> .....	10
2.3 Empirical framework.....	12
2.3.1 <i>Strategic management</i> .....	12
2.3.2 <i>Strategic management tools</i> .....	13
2.3.3 <i>Strategic decision-making</i> .....	14
2.3.4 <i>Decision-making process</i> .....	15
2.3.5 <i>Quality of decisions</i> .....	17

<b>2.3.6 Information</b> .....	<b>17</b>
<b>2.3.7 Value/Quality of information</b> .....	<b>19</b>
<b>2.3.8 Organisational performance</b> .....	<b>21</b>
<b>2.4 Literature review findings and identified gaps</b> .....	<b>21</b>
<b>2.5 Conclusion</b> .....	<b>24</b>
<b>CHAPTER THREE – RESEARCH METHODOLOGY</b> .....	<b>25</b>
<b>3.1 Introduction</b> .....	<b>25</b>
<b>3.2 Overview of the research problem, question, and objectives</b> .....	<b>25</b>
<b>3.3 Research methodology</b> .....	<b>25</b>
<b>3.4 Research approach and design</b> .....	<b>26</b>
<b>3.5 Research methods</b> .....	<b>27</b>
<b>3.5.1 Design</b> .....	<b>28</b>
<b>3.5.2 Strengths</b> .....	<b>29</b>
<b>3.5.3 Limitations</b> .....	<b>30</b>
<b>3.5.4 Time dimension</b> .....	<b>31</b>
<b>3.5.5 Purpose</b> .....	<b>31</b>
<b>3.5.6 Degree</b> .....	<b>32</b>
<b>3.5.7 Setting</b> .....	<b>32</b>
<b>3.5.8 Power of research influence</b> .....	<b>32</b>
<b>3.6 Sampling</b> .....	<b>33</b>
<b>3.6.1 Target population</b> .....	<b>33</b>
<b>3.6.2 Sample</b> .....	<b>34</b>
<b>3.7 Data collection</b> .....	<b>34</b>
<b>3.7.1 Data collection instrument</b> .....	<b>34</b>
<b>3.7.2 Method of data collection</b> .....	<b>37</b>
<b>3.7.3 Analysis of data</b> .....	<b>37</b>

<b>3.8 Validity and Reliability</b> .....	<b>37</b>
<b>3.8.1 Internal Validity</b> .....	<b>38</b>
<b>3.8.2 External Validity</b> .....	<b>38</b>
<b>3.8.3 Reliability</b> .....	<b>39</b>
<b>3.9 Pretesting the questionnaire</b> .....	<b>39</b>
<b>3.10 Ethical consideration</b> .....	<b>39</b>
<b>3.10.1 Ethical principles</b> .....	<b>40</b>
<b>3.11 Conclusion</b> .....	<b>41</b>
<b>CHAPTER FOUR – DATA ANALYSIS AND FINDINGS</b> .....	<b>42</b>
<b>4.1 Introduction</b> .....	<b>42</b>
<b>4.2 Sample characteristics</b> .....	<b>42</b>
<b>4.2.1 General characteristics</b> .....	<b>43</b>
<b>4.2.2 Position of the respondent within the organisation</b> .....	<b>43</b>
<b>4.2.3 Functional area</b> .....	<b>44</b>
<b>4.2.4 Gender</b> .....	<b>44</b>
<b>4.2.5 Highest qualification</b> .....	<b>45</b>
<b>4.2.6 Ethnic group</b> .....	<b>45</b>
<b>4.2.7 Age</b> .....	<b>46</b>
<b>4.3 Assessing the measurement model and internal consistency reliability</b> .....	<b>46</b>
<b>4.3.1 Steps for conducting factor analysis</b> .....	<b>46</b>
<b>4.3.2 Scale reliability</b> .....	<b>52</b>
<b>4.4 Results of the research objectives</b> .....	<b>53</b>
<b>4.4.1 Perceived levels of the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic management decision-making and organisational performance</b> .....	<b>53</b>
<b>4.4.2 Main strategic management tools used to drive strategic management decision-making and perceived value</b> .....	<b>63</b>

<b>4.4.3 The relationship between the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making and organisational performance amongst a sample of members in the IFM industry.....</b>	<b>71</b>
<b>4.5 Summary and conclusion .....</b>	<b>73</b>
<b>CHAPTER FIVE – CONCLUSION.....</b>	<b>75</b>
<b>5.1 Introduction .....</b>	<b>75</b>
<b>5.2 Main findings according to objectives .....</b>	<b>75</b>
<i>5.2.1 Sub-objective one.....</i>	<i>76</i>
<i>5.2.2 Sub-objective two.....</i>	<i>76</i>
<i>5.2.3 Sub-objective three .....</i>	<i>77</i>
<i>5.2.4 Main objective.....</i>	<i>77</i>
<b>5.3 Key Insights.....</b>	<b>80</b>
<b>5.4 Recommendation based on answering the main research question and achieving the research objective.....</b>	<b>81</b>
<b>5.5 Limitations and future research .....</b>	<b>83</b>
<i>5.5.1 Limitations .....</i>	<i>83</i>
<i>5.5.2 Future research .....</i>	<i>84</i>
<b>5.6 Conclusion .....</b>	<b>85</b>
<b>REFERENCES .....</b>	<b>86</b>
<b>APPENDICES.....</b>	<b>94</b>
<i>7.1 Questionnaire .....</i>	<i>94</i>
<i>7.2 Turn-It In Similarity Index.....</i>	<i>100</i>
<i>7.3 Ethical Clearance Certificate .....</i>	<i>101</i>
<i>7.4 Letter of Consent signed by Supervisor.....</i>	<i>103</i>



## LIST OF FIGURES

<b>FIGURE 4.1 Eigenvalue Strategic Management .....</b>	<b>50</b>
<b>FIGURE 4.2 Eigenvalue Strategic Decision-Making.....</b>	<b>50</b>
<b>FIGURE 4.3 Quality Strategic Management Frequency .....</b>	<b>56</b>
<b>FIGURE 4.4 Strategic Decision-Making Frequency.....</b>	<b>61</b>
<b>FIGURE 4.5 Organisational Performance Frequency .....</b>	<b>63</b>
<b>FIGURE 4.6 Most used tools by percentage .....</b>	<b>65</b>
<b>FIGURE 4.7 Most valued tools by percentage.....</b>	<b>65</b>
<b>FIGURE 4.8 Comparison between used and valued .....</b>	<b>66</b>

## LIST OF TABLES

TABLE 4.1 Position of respondents .....	43
TABLE 4.2 Functional area in the organisation.....	44
TABLE 4.3 Gender .....	44
TABLE 4.4 Highest qualification.....	45
TABLE 4.5 Ethnic group.....	45
TABLE 4.6 Age .....	46
TABLE 4.7 Kaiser-Meyer-Olkin and Bartlett Strategic Management .....	48
TABLE 4.8 Kaiser-Meyer-Olkin and Bartlett Strategic Decision-Making.....	48
TABLE 4.9 Retain factor Strategic Management.....	51
TABLE 4.10 Retain factor Strategic Decision-making .....	51
TABLE 4.11 Cronbach's alpha for three scales.....	53
TABLE 4.12 Quality of Strategic Management – Descriptive statistics (n=45) ....	55
TABLE 4.13 Strategic Management Tools – Descriptive statistics (n=45).....	58
TABLE 4.14 Strategic Decision-Making – Descriptive statistics (n=45).....	60
TABLE 4.15 Operational Performance – Descriptive statistics (n=45).....	62
TABLE 4.16 Strategic Management Tools - Overview .....	66
TABLE 4.17 Strategic Management Tools – Correlation .....	69
TABLE 4.18 Variable Correlations .....	71

## **CHAPTER ONE – INTRODUCTION**

### **1.1 Background**

In 2011, Telkom lost R9.8 billion when its investment in the Nigerian Multi-Links failed. A Telkom analyst inferred that the investment decision was poor (Gedye, 2011). In August 2021, the well-known brand Woolworths made headlines when releasing its financial results showcased how it dealt with its debt. Woolworths bought the Australian organisation, David Jones, in 2014 but had to write off a lot of money – over half of the total deal value. The reason was terrible management decisions (Borchardt, 2021).

To paraphrase William Starbuck, in the seminal works of Buchanan and O'Connell (2006), a decision suggests the discussion has ended and signifies the beginning of the actions. Decision-making has been studied for a long time and is a palimpsest of disciplines such as mathematics, psychology, economics, and social sciences, to name a few. Good decision-making does not equal a good outcome, but such practicality has paid off (Buchanan & O'Connell, 2006).

Although many players at all levels within an organisation impact strategy, top management is still viewed as the 'primary shapers' of an organisation's strategic direction and outcome (Nutt, 1999; Nutt, 2008; Luoma & Martela, 2021; Liu, Jarrett & Maitlis, 2022). Managers are responsible for leading the organisation to achieve its objectives (Abubakar, Elrehail, Alatailat, & Elci, 2019). Therefore, strategic decision-making is just one of their most important activities. When making decisions, a manager chooses between types of information to use as the basis for decisions. Successful strategic decision-making allows an organisation to maintain a competitive advantage and achieve successful organisational performance while surviving challenges and threats (Alhawamdeh & Aslmairat, 2019; Petrou, Hadjijelias, Thanos & Dimitratos, 2020; Borchardt, 2021; Luoma & Martela, 2021).

Decision-making is not without risks. Risks cannot be avoided, especially on the corporate scale. When it comes to organisational decisions, the consequences of decisions can be immense. The organisation must calculate and manage the related risks to make good decisions (Buchanan & O'Connell, 2006). International competition is intense and increasing the availability of products or services to consumers around the globe. This fierce competition has compelled organisations to become more strategic in their plans while depending on accurate, relevant, valid, and reliable information (Summut-Bonnici, 2015; Rascao, 2021).

Few decision-makers overlook good information when they can get it, knowing it is essential to mapping an organisation's strategy. Using information reduces uncertainty, and in his research, Citroen (2011) confirms that the importance of information is central to decision-making and must be dispersed and focused on the problem to develop a strategy. Strategic management tools are ideal to use when creating a strategy, and tools include a strategic planning department, scenario planning, or a balanced scorecard (Aygün & Sezgin, 2021).

The organisation used for this research is ABL. ABL is a global, listed real estate organisation, and one of its key entities is Integrated Facilities Management (IFM). Integrated Facilities Management is the workplace activities that coordinate the physical space and the people within that space, integrating administration principles and workplace experience to achieve success. Facilities Managers work in a dynamic environment and must often make critical decisions with a large amount of information (Gheisari & Irizarry, 2011). Integrated Facilities Management tends to be outsourced, meaning the 'contracting-out' of services that have been in-house in earlier years, and tends to be called 'being on an account'. An organisation (the client) often chooses this method to increase its effectiveness, allowing it to focus on its core competencies (Ancarani & Capaldo, 2005). This kind of relationship is very fragile and is not a permanent agreement. The IFM Team needs to constantly prove their worth by, for

example, achieving Key Performance Indicators (KPIs) and, depending on the contract, going through a Request for Proposal (RFP) every five years to 'win' the contract again.

## **1.2 Problem statement**

In an ideal strategic decision-making situation, information should be gathered, analysed, and effectively used when making decisions to accomplish competitive advantage. Unfortunately, that does not always happen. The connection between information and decision-making is not always value-creating, and often decisions are made while lacking essential information (Lin, Cole & Dalkir, 2014). Having the ABL team on an account at multiple client sites in different countries in EMEA allows disconnection between the teams and the central ABL organisation. Day-to-day business is about keeping the client happy while maintaining the facilities and managing the people aspect: the so-called employee and workplace experience (Usman & Nisa, 2021). The work is very operational and reactive (although a lot of proactive work takes place) and is fast-paced. Decisions on the ground must be made quickly to solve issues, not always considering how this can affect the strategy in the long term and how it could affect the entire team's performance.

Therefore, with employees and decision-makers spread across EMEA, gathering information quickly and accurately is not easy. Information gets duplicated on various platforms, with some not having a purpose of supporting the strategy, with a feeling that some requests are there to showcase data collection but for no purpose. Strategic decision-making only happens at the top of the hierarchy and information from all other levels is not used appropriately in strategic decision-making. It is a significant gap, and the focus should not just be on how information gets obtained, analysed, and applied, but also on where it should emanate. The team must understand what information is required to make strategic decisions. Carefully evaluating the situation, alternatives, and consequences is a 'rational process' (Citroen, 2011; Alhawamdeh & Aslmairat, 2019;

Krasnostanova, Yatskevych, Maidaniuk, Palamarchuk, & Prvalova, 2021; Luoma & Martela, 2021), and ABL must consider this when making decisions.

For ABL, the problem statement is then:

In this fast-paced, fragile environment, how can ABL management make better strategic decisions to impact organisational performance positively, considering that bad decisions can affect the long-term strategy and put the organisation at risk?

### **1.3 Research question**

Information's role in various aspects of strategic decision-making by management is hardly ever mentioned in management research publications. Information received from internal and external environments is as crucial as determining what information is required and how to use that information during decision-making (Citroen, 2011; Rascao, 2021). Strategic management tools are widely discussed but not in the facilities industry (Qehaja, Kutllovci & Pula, 2017). Both play a crucial part in strategic decision-making, a central activity for management. It is an opportunity to align the organisation better if done correctly. Managers make a hundred decisions to ensure the organisation stays competitive, and with rapid connectivity and globalisation, making good decisions is necessary for survival (Alhawamdeh & Aslmairat, 2019).

For ABL IFM, winning and keeping business is a strategic decision, needing a lot of evaluation, planning, and implementation. This research will focus on one of ABL's IFM teams on a client's sites across EMEA. This client is progressive and a technology giant, always expecting top-class service, necessitating that ABL always be on top of its game. Competition is rife between the top three Integrated Facilities Management organisations in EMEA; therefore, having a competitive advantage is vital.

Due to the prominence of quality strategic decisions, and using information during strategic decision-making, this research aims to add to the current literature on strategic decision-making. It also attempts to determine whether good decision-making strongly relates to organisational performance, strategic management tools, and strategic management.

Thus, the questions driving this research to achieve its objectives and provide a better understanding to ABL management are:

Main research question:

How can ABL management improve its strategic decision-making?

Sub-research questions:

What are the perceived levels of the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population?

What are the main strategic management tools used to drive strategic decision-making?

What are the relationships between the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population?

#### **1.4 Research objectives**

This research's main objective is:

To assess how management can improve its strategic decision-making, specifically in an IFM industry.

Sub-objectives include:

To measure the perceived levels of the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population.

To determine the main strategic management tools used to drive strategic decision-making.

To determine the relationship between the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population.

## **1.5 Theoretical foundation**

Decision-making processes are action-taking steps to make decisions (Nutt, 1999; Nutt, 2008). Decision-making is crucial for an organisation's leaders as it will shape its profit margin, performance, and future sustainability (Borchardt, 2021). The most critical decision to make might not be by the team, but rather by which team management chooses! There is goodness in people combining their wisdom and making good and fair decisions for all (Buchanan & O'Connell, 2006). Decision-making is the path managers take to identify a problem correctly, compile all possible alternative resolutions, and then select the most appropriate solution for the issue at hand (Lin *et al.*, 2014; Alhawamdeh & Aslmairat, 2019).



Its strategic performance underlines the decisions of an organisation. As shown with Telkom and Woolworths, the cost of poor decision-making can lead to huge losses while it might cause corporate embarrassment and the possible demise of an organisation (Eweje, Turner & Muller, 2012; Alhawamdeh & Aslmairat, 2019). Strategic management's purpose is to plan for the long term while offering support in finding ways to improve an organisation's performance. The strategic decision-making process provides managers with ways of finding alternative answers to problems by using strategic management tools. Strategic decision-making has been an important topic of interest to scholars and management for many years (Alhawamdeh & Aslmairat, 2019).

The organisational structure connects to the information structure, and both are imperative to strategic decisions. Decision-making involves three phases. The first is finding an occasion for deciding, perhaps a trigger, an action, or an activity, which questions a process or procedure. The second focuses on finding all possible courses of action, with the third being where the action gets chosen for implementation. Phase one is where information gathering starts. Management must ensure they understand that strategic decisions are fundamental to organisational success and, at the same time, have a clear understanding of how their decisions impact the organisation as well as those lower down the hierarchy (Alhawamdeh & Aslmairat, 2019; Petrou *et al.*, 2020; Rascao, 2021).

Information is not the same as data or knowledge; yet often, data, information, and knowledge are used interchangeably. Data becomes information when meaning is added, and knowledge is the mix of information, experience, and understanding. Information feeds knowledge which means information assists those having to make decisions. When stimulated through application and sharing, knowledge could lead to outstanding performance (Abubakar *et al.*, 2017). Decision-makers understand that there will be times when they cannot get good, reliable, and valid information and will have to rely on their knowledge, instinct, and tools available to them, to make decisions (Buchanan & O'Connell, 2006; Rascao, 2021).

This research investigates a set of objectives around strategic decision-making and whether good decision-making has a relationship with organisational performance, strategic management tools, and strategic management. Attempting to meet these objectives aims to provide a deeper understanding of the subject and thus add to the literature on how the quality of strategic decision-making is perceived by a sample of the population of an organisation within the IFM industry. This research also enriches the literature on how management can improve its strategic decision-making, building on the perceptions of the sample.

## **1.6 Method overview**

The research design is what assists in finding answers to the research questions. It is also a formal study describing the current situation in ABL, where a research question follows. The data collection method will be through a self-administered instrument, a questionnaire. It will provide a cross-sectional snapshot of one point in time within field conditions, which means the research occurs under actual environmental conditions (Blumberg, Cooper & Schindler, 2014).

## **1.7 Chapter overview**

The chapter presented the research and provided a problem statement, research question, objectives, and a short theoretical foundation.

Chapter 2 will delve into the literature on strategic management, strategic decision-making, strategic management tools, and organisational performance. Chapter 3 provides the research methodology, while Chapter 4 consists of data analysis and findings. Chapter 5 concludes the research.

## CHAPTER TWO – LITERATURE REVIEW

### 2.1 Introduction

This chapter introduces a literature review with an emphasis on the theoretical and empirical framework of strategic management, strategic decision-making, strategic management tools, and organisational performance.

Strategic management directs the organisation and is noted to be a collection of theories and frameworks assisted by tools to help managers in making strategic decisions (Qehaja, Kutillovci & Pula, 2017; Aygun & Sezgin, 2021). The way management makes decisions directs the organisation and shapes its performance, and it is one of the essential activities of managers. How managers make decisions and what resources they use are as important as the decision itself. Information, one of the most critical resources, plays a crucial part in decision-making, although quantity and quality are essential. Information is valuable data used to enhance knowledge (Eweje *et al.*, 2012; Graf & Six, 2014; Abubakar *et al.*, 2017; Alhawamdeh & Alsmairat, 2019; Rascao, 2021; Luoma & Martela, 2021).

Quality information is said to satisfy the need of the information consumer (Alshikhi & Abdullah, 2018). Quality dimensions include accuracy, timeliness, completeness, reliability, integrity, consistency, accessibility, validity, and relevance. The quality is also improved when teams are involved, allowing the organisation to generate and evaluate various alternatives for solving a problem, thus focusing on essential information. Complete and real-time information is needed to aid an organisation's competitive advantage, with poor quality causing poor decisions (Azemi, Zaidi & Hussin, 2017; Alshikhi & Abdullah, 2018).

On the other hand, the more information and alternatives there are, the more it negatively influences the decision process (Graf & Six, 2014). Moy, Chan and Torgler

(2018:1) quoted Herbert A. Simon in their research, who said that information consumes the attention of its receiver. It goes on to say that too much information creates a lack of attention. Although gathering information is a critical activity in decision-making, overabundance means the person dealing with it cannot process everything and often must distinguish between relevant and unnecessary information. This phenomenon is known as information overload, where too much information becomes too much of something good (Moy *et al.*, 2018).

The literature review for this research revolves around strategic decision-making and how important this activity is. Its basis is decision theory: it then branches out to relevant literature related to - and impacting - decision-making, such as strategic management, strategic management tools, quality of strategic decision-making, information, and value, ending with literature on organisation performance.

## **2.2 Theoretical framework**

### **2.2.1 Decision theory**

Decision theory explores strategic management's complexity, uncertainty, and unpredictability (Thomas, 2019). Decision theory studies how to make decisions for the organisation when there is uncertainty. Uncertainty relates to facts and information not known by the decision-maker when they need to make decisions. Uncertainty suggests that a choice between the alternatives leads to uncertainty regarding the consequences or results. That said, most decisions made in a business environment involve a fair amount of risk. Therefore, as per decision theory, a good decision is based on logic, contemplates all information and alternatives, and uses methods and tools to make a decision (Eweje *et al.*, 2012; Taroni, Bozza, & Biedermann, 2020).

In the seminal work of Herbert Simon on decision theory in management (Alexander, Walker & Naim, 2014; Alexander, Kumar & Walker, 2017), he introduces the concept of

'bounded rationality'. This concept describes how managers in a business find that they are restricted in their capabilities when subjected to several biases when having to make decisions. Alexander *et al.* (2014), remarked in a study how political pressures can override a rational decision, while the disc-drive industry demonstrated how non-rational behavioural factors could cause the collapse of a whole company.

Making decisions under stress leads to decision-making capabilities becoming impaired, with a detailed account of the consequences of such an event - the 2008 financial crash - discussed by Alexander *et al.* (2014), The quality of decision-making, tools and resources used, is imperative although the responsibility for the decision still rests with the decision-maker (Alexander *et al.*, 2017; Erjavec, Popovic & Trkman, 2020).

Decision theory draws from mathematics, philosophy, statistics, and psychology in analysing how to make decisions. There are three main areas of decision theory (Ahmed & Omotunde, 2012; McFall, 2015; Gordon, 2022):

Prescriptive analysis – states how real people *should* and *can* make decisions.

Descriptive analysis – indicates how and why people *actually* make decisions.

Normative analysis – explains how ideal people *should* make decisions based on logic and reason.

The decision-making process is essential and well worth a manager's time when making decisions on behalf of the organisation to ensure success and competitive advantage.

## 2.3 Empirical framework

### 2.3.1 Strategic management

This business management theory appeared around a century ago and remained a continuously developing topic. Management comprises planning, organising, executing, and controlling activities related to management functions aiming to achieve organisational goals. Strategic management, alternatively, merges the concept of strategy and management. Aygun and Sezgin (2021) see a strategy as a set of decisions based on long-term goals. It is about making, executing, and assessing those decisions which will enable the organisation to fulfil its goals. Krasnostanova *et al.* (2021) and Aygun and Sezgin (2021) stated that a strategy is a roadmap for the future, while Hashem (2018) uses the definition of a strategy being a series of decisions signifying the actions and provides a guide for decision-makers to ensure both the consistency and the effectiveness of their decisions.

Fuertes, Alfaro, Vargas, Gutierrez, Ternero and Sabbatin (2020) mention that strategy has replaced prior management activities such as administration and planification. They say it involves long-term objectives, actions, and allocation of resources to achieve the organisation's objectives. The progress and stability of the organisation depend on the creation of strategies. Hashem (2018) also mentions that for it to be a strategy, it must have at least five attributes, including measurability, clarity in objectives, resource consumption, and assigning responsibility, and it must be checkable. Reitzig and Maciejovsky (Hashem, 2018) mentioned that creating a strategy is a management task and should involve all levels within the organisation.

Qehaja *et al.* (2017) defined strategic management as the direction of the organisation and stated that it included topics of interest to senior management or anyone else who seeks reasons for the success or failure of the organisation. Stonehouse and Pemberton (Qehaja *et al.*, 2017) conceptualised strategic management as a collection

of frameworks and theories backed by tools. Strategic management mixes economics, finance, and marketing elements to establish how to achieve and maintain a competitive advantage (Krasnostanova *et al.*, 2021). It is mentioned that an organisation without definite goals does not know where it is going, and that using strategic management tools can assist (Aygün & Sezgin, 2021).

### **2.3.2 Strategic management tools**

Strategic management and decision-making theory research have identified the criticality of strategic management tools. As the decision-making process includes information collection and analysis, the tools can support the decision-makers in getting the correct information and indicating how to use it. Hashem (2018) noted that strategic management tools contain a variety of tools, methods, and methodologies that can assist the decision-making process. Qehaja *et al.* (2017) mentioned that strategic tools are a common name for techniques, tools, methods, frameworks, or approaches used to enable strategic works. These tools can bring many benefits to organisations so long as managers know how to use the tools and know what tools to implement. It is worth stating that the tools don't replace the strategy, nor do they make them; it is still the responsibility of the managers. The role of the tools should be a guide for management to help them think and create a starting point for strategic management activities (Afonina & Chalupsky, 2012).

Although there is no definitive list of tools (Afonina & Chalupsky, 2012; Qehaja *et al.*, 2017; Hashem, 2018; Fuertes *et al.*, 2020; Aygün & Sezgin, 2021), there are common ones often used and discussed in the literature. These include SWOT analysis, risk analysis, Balanced Scorecard, Scenario development, supply chain management, and critical success factor analysis. Using the tools encourages decision-makers to collect, analyse, and display information in a certain way, which could increase rationality in decision-making (Hashem, 2018). As managers simultaneously deal with multiple

issues from different directions, these tools can help them deal with uncertainties and complexities (Qehaja *et al.*, 2017).

### **2.3.3 Strategic decision-making**

Decision-making is not done by a business but by various people using their knowledge and time. People do it every day, yet bad decisions are still quite common. Often comments are made such as, “How could they make that decision?”, “What were they thinking while making that decision?”, or “How can an organisation that big/international make such a wrong decision?” The reality is that people make bad decisions. Decision-making is identifying all alternative options and then choosing the best one for the situation. It is a process that reduces uncertainty (Ahmed & Omotunde, 2012; Alhawamdeh & Alsmairat, 2019; Erjavec *et al.*, 2020).

Eweje *et al.* (2012) define decisions as an opinion attained after deliberation and as the deliberate allocation of resources to achieve a chosen goal. Alhawamdeh and Alsmairat (2019) defined decision-making as the process where managers recognise organisational challenges and attempt to solve them. They add that an effort to plan for the organisation's long-term future increases its odds of being more successful and improves organisational performance. Luoma and Martela (2021) indicate that there are many ways to decide, and a manager chooses between resolutions to get there.

Hashem (2018) notes in prior research that definitions vary according to the researcher's perspective, but that strategic decision-making is activities that identify a strategic problem and attempt to solve it. He also adds that this process takes time, has many factors that affect it, and involves many conflicting interests. Manolopoulos, Salavou, Papadopoulos and Xenakis (2022) commented that strategic decision-making is an order of actions between present and future state of the organisation and occurs continuously. They explain that decision-makers need to manage uncertainty and tricky



situations by perceiving the environment, reconfiguring resources, and attempting to complement the organisation to maintain or achieve a competitive advantage.

In uncertainty, decision-makers are facing numerous alternatives with different outcomes. The aim is to minimise surprises from mismatches between expectations and results. Mismatches can occur due to wrong information, improper implementation, or change in context after making the decision, or the decision can be deeply flawed (Eweje *et al.*, 2012). Different studies have proven that the underlying cause of failure is human error or misjudgment, and poor judgment is related to tactics used and decisions made (Nutt, 1999).

Therefore, strategic decision-making plays a role in the adequate performance of an organisation and remains one of the most critical activities of a manager. Effective strategic decision-making permits an organisation to retain a competitive advantage, align internal operations, and survive external threats. Strategic decision-making is a plan for the business's long-term future, increasing the odds of success. Yet, a wrong decision can destroy the organisation (Alhawamdeh & Alsmairat, 2019).

Strategic decisions are an opportunity to align the organisation, ensuring it has 'protection' against external factors and maintains a competitive advantage (Alhawamdeh & Alsmairat, 2019). Managers must follow this process for decisions to have a higher success rate.

#### **2.3.4 Decision-making process**

Decision-making is not a one-time act. As per the seminal works of Nutt (1999), the process starts when an indicator catches someone's attention. This could be inside the organisation, such as poor operations, or outside it; like competitor innovation. Managers make decisions all the time, having different decision styles and processes

where they must deal with a vast amount of information, numerous alternatives, and plenty of uncertainty (Erjavec *et al.*, 2020; Manolopoulos *et al.*, 2022). However, managers can make the right strategic decision using a decision-making process. Both Eweje *et al.* (2012) and Alhawamdeh and Alsmairat (2019) noted the strategic decision-making process deals with seeking information, applying decision criteria to make a strategic decision, implementing it, and the factors affecting the process. Another way of defining it is that it is a process used by managers to make crucial decisions that consist of the usage of resources (Petrou *et al.*, 2020). This process allows a decision-maker to determine alternatives, evaluate them, and select the best solution for the problem at hand.

Nevertheless, it is essential to note that the process is dynamic and changeable and that quality decisions are necessary. Strategic decision-making processes determine the degree of information processing and, thus, the speed of making a decision (Erjavec *et al.*, 2020; Petrou *et al.*, 2020). An effective process is critical for achieving effectiveness and organisational efficiency (Hashem, 2018).

According to Litherland, in his research done in 2013 (Alhawamdeh & Alsmairat, 2019), this process consists of 7 steps. It starts with defining the problem (1) and identifying and limiting the factors (2). Once complete, the development (3) and analysis (4) of prospective solutions take place where the best-suited solution is selected (5). Once chosen, the solution is implemented (6) and evaluated (7). According to Barnard in his 1938 research (Alhawamdeh & Alsmairat, 2019), there are logical and non-logical processes for decision-making. Mintzberg *et al.* identified three phases in 1976: identification, development, and selection (Alhawamdeh & Alsmairat, 2019). Although various steps and phases can be identified as the process, Hashem (2018) discusses four dimensions of the process that could assist in the organisation's effectiveness. First is procedural rationality, where relevant information is collected and analysed. The second is the exhaustivity of the information, where more detail and accuracy equates to a higher quality of decisions. The third is effort, meaning the more effort invested

leads to higher quality decisions. Fourth is openness and the proposal that decision-makers should be more open-minded to new ideas. Making quality strategic decisions has been a central theme of strategic research over the last few decades and it indicates its value and criticality in an organisation.

### **2.3.5 Quality of decisions**

When making decisions, the activity often equates to choosing between alternatives. Previous research (Szutowski, 2020) has shown that making routine decisions frequently provides historical information that can guide the process. This comment leads to the basis for analysing decision-making quality. Decision quality is complicated and composed of two dimensions – efficiency and effectiveness.

Negulescu and Doval (2014) highlight that a decision in general takes longer to make than it should; it is made by the wrong people, in the wrong department, or with incorrect information. They determine that involving more people in decision-making improves the quality of those decisions. They also commented that the quality and speed of decision-making is critical to success or failure. Goal identification, alternative solutions, and balancing values and interests are deemed essential for the quality of decision-making; the primary source of organisational effectiveness, as Negulescu and Doval (2014) mentioned. They continue by indicating that quality decisions are affected by the quantity of information available. George and Desmidt (2018) mention that decision-makers promote strategic decision quality by trading information during decision-making.

### **2.3.6 Information**

In this era where everything is on a global scale, information links people. Information in the strategic management environment requires permanent attention. Information is an

asset in the so-called knowledge-based economy and takes on an increasing share of business costs (Rascao, 2021). Research on 'information as a resource' in decision-making has a long history (although not recent), with its theoretical foundation coming from Herbert Simon's bounded rationality theory (Lin *et al.*, 2014).

Following the process of finding the problem, compiling all the solutions, and deciding on the best solution, managers must make decisions in uncertain environments where information is absent. As proven by Thomas *et al.* 1993 and Mackie *et al.* 2007 (Eweje *et al.*, 2012), there is a positive correlation between an organisation's performance and its decision-making practice. Information is an intrinsic component of almost everything an organisation does.

Scholars have been interested in business managers' information sources for a long time, with Lin *et al.* (2014) and Rascao (2021) indicating there are usually two dimensions – internal vs external and personal vs impersonal. From their research, Lin *et al.* (2014) also found that the most used information sources were internal, while the least used were external. Scholars mention that more data and information processing tools ought to support managers in making decisions, while others favour the opposite. They highlight that excess information tends to engulf decision-makers and cause them to rely on their intuition instead (Nauhaus, Luger & Raisch, 2021).

Ample research concerns the problem of inadequate information, with many focusing on the decision makers' difficulty in finding the most suitable option in the case of inadequate information (Graf & Six, 2014). Using adequate information in decision-making is imperative, aiding in improving the quality and accuracy of decision-making for expected successful consequences (Borovyk, Novikova, Kozyrieva, Krasnonosova & Volkova, 2021). Not only are quality and accuracy important, but coherence and reduced ambiguity are essential too. According to Erjavec *et al.* (2020), this issue is vital in low-quality information overflow and high-quality information scarcity. Szutowski (2020) solidified this comment when he stated that the complexity of decision-making is

a task of information availability. He also noted that if there is more high-quality information, it will be more fitting to the decisions. High uncertainty obstructs the decision-making process. That leads to the conclusion that quality information provision is essential for decision-making.

In their simulation-based study, Graf and Six (2014) measured the causes of continuous increases in information to assess the impact of said extra information on the quality of decisions. When combining the quantity and quality of information, they found that the cost of collecting more information increases with the amount of information. Also, they indicate that additional alternatives impact the decision process negatively. They examined the impact of additional information on the quality of decisions. They proved that the quality of decisions improves if the information becomes more precise. Eweje *et al.* (2012) confirmed that information is vital in the decision-making process, allowing managers to formulate future expectations and use more information to deal with uncertainty. Information is essential, and McGee and Prusak claimed in 1994 (Rascao, 2021) that competition between organisations has been based on their capabilities to acquire, interpret, and use information wisely. Nothing is further from the truth in this fast-moving global economy.

Negulescu and Dova's 2014 research determined that 85% of managers made decisions based on the information they have at the moment of making the decision, even if it is incomplete. A curious result, as in the same research it was mentioned that managers were making decisions to improve organisational effectiveness; yet they made decisions while lacking information.

### **2.3.7 Value/Quality of information**

Information in strategic decision-making has been studied by scholars for a long time. The correlation between decision-making and the quality of information has been labelled complex and has been considered the main factor determining the quality of an

organisation's decisions (Alskhikhi & Adbullah, 2018). Scholars also debated that the capability to process the necessary information is reduced by the problem's controllability and limits. Nauhaus *et al.* (2021) indicated that they found contrasting research. Some research focuses on how increased information availability is favourable during decision-making while contradictory research suggests that more information might lead to bias and unsatisfactory decisions. The diverse levels of information availability, therefore, can impact decision-makers.

Slamecka argued in 1970 that the development of information used must be placed as one of the most critical tasks of information science in the future (Lin *et al.*, 2014). The information must be helpful. In 1986, Taylor emphasised that information value must be user- and context-based, meaning it should be for someone about something (Lin *et al.*, 2014).

Choo in 1993 and 2001, and other recent studies such as Citroen, 2011, Eweje *et al.*, 2012, Graf and Six, 2014, Lin *et al.*, 2014, and Rascao, 2021, characterise valuable information sources as those that demonstrate accessibility and quality, based on relevance, reliability, usefulness, understandability, novelty, and scope. The acknowledged position of information science literature is that the user's perspective on the value of information and thus, the source of that information is built on their personal experience and character, rejecting the role of context and emphasising experience and relationships (Lin *et al.*, 2014).

To be a knowledge source, information must be converted into a usable form – knowledge. When information converts into knowledge, value is added, making it more expensive. Using and working with information can contribute to developing innovation, which can help sustain a competitive advantage (Abubakar *et al.*, 2017; Rascao, 2021).

### **2.3.8 Organisational performance**

Organisational performance, simply, is the realisation of organisational objectives (Abubakar *et al.*, 2017). Alosani, Yusoff and Al-Dhaafri (2019) defines it as successes achieved after executing a series of practices. Measuring performance is the activity of checking progress toward achieving set objectives. An organisation can evaluate and improve where needed to achieve the set objectives through this measurement. Profitability, financial benefits, and organisational learning are some ways to measure and determine organisational performance. The onus of achieving performance sits with management and they are responsible for implementing strategies and decisions that will lead to achieving the objectives and goals of the organisation (Abubakar *et al.*, 2017; Alosani *et al.*, 2019).

### **2.4 Literature review findings and identified gaps**

From the literature reviewed, it was clear that strategic management, strategic decision-making, and tools used are essential and influence organisational performance and, thus, competitive advantage. All literature studied agreed with the belief that managers or decision-makers need to understand how to make decisions, what tools to use to allow for successful results, and that decisions have consequences. Vital to all studies was the importance of managers' or decision-makers' knowledge and input. It was also clear that most decision-making is under uncertainty, with either too much or too little information.

Decision theory has been researched for a long time; however, the gap in the research that focuses on its impact on strategic decision-making is noteworthy throughout the research on the topic, with the researcher having found no recent research connecting the two topics. It only skirts around strategic decision-making, focusing more on general decision-making and other topics. These topics include performance measurement and management (Alexander *et al.*, 2017), statistics (Taroni *et al.*, 2020), supply chain

management (Alexander *et al.*, 2014), human decision-making (Koechlin, 2020), analysis, comprehensiveness, leadership, and personality (Nutt, 2008), or instead on the tools and frameworks such as Cynefin (Alexander *et al.*, 2017). This is a future research gap that needs filling.

Strategic decision-making research is plentiful; however, the focused industries are widespread. Some industries include mega-projects (Eweje *et al.*, 2012), SMEs (Petrou *et al.*, 2020; Rascao, 2021), the pharmaceutical industry (Nauhaus *et al.*, 2021), public organisations (George & Desmidt, 2016), and supply chain (Erjavec *et al.*, 2019). Although it is a good thing that research is plentiful, there is not much focused research in any industry, and there are few focused on the facilities management industry, a gap that future researchers can quickly investigate. The long-term research idea is to determine how strategic decisions are made, which tools are used, how information is used, and how this impacts organisational performance. Research on strategic management tools and techniques can be accessed easily, but none specific to what an organisation uses, especially in the IFM industry (Qehaja *et al.*, 2017).

In the results of Szutowski's research (2020), they found that to maintain a high quality of decision-making, managers should support informal ways of solving problems while ensuring open communication channels and free information flow between employees. The quality of decision-making is rarely a study by itself and is often mentioned as part of strategic decision-making research. As per George and Desmidt (2018), a small number of studies focus on strategic decision quality as a measure of effectiveness in strategic decision-making, allowing for an opportunity to deep dive into what it is, by itself – and its importance.

In the results of Negulescu and Doval (2014), it was determined that managers take note of the organisation's strategic objectives when making decisions and that the quantity of information available to them influences the quality of decisions. How managers use internal and external information that they find most valuable is a gap in



research, as most focus on one of the other, or mention it as a factor (Alhawamdeh & Aslmairat, 2019).

Very little research has happened in the South African context on strategic decision-making. This, itself, leaves a wide gap in the literature that needs filling. All the above indicates the importance of managers and their strategic decisions, signifying the need for more research to address certain aspects and industries.

Decision-makers follow a process of steps; through these steps, they determine what to do, why, and how to do it. They collect information about the situation, establish desired results, find options, and implement these to achieve the most beneficial result. How a decision-maker decides to act appears to influence the choices made and their outcome (Nutt, 1999; Nutt, 2008).

Although a lot of research speaks to different decision-making processes (what action-taking steps are used) and the relationships between all these steps, information that is collected for research is done on select factors and limited cases. Outcomes recorded with effectiveness indicate cost favoured over the process measured. There is missing research on *how* the decision was made, which could indicate which tools were used, with the majority centering on a factor of a process, or its motivation (Nutt, 2008).

The perception of the quality of strategic decision-making is the gap between the how and the process used. Before one can understand how decisions are made and the processes used, the perception of the quality of strategic decision-making must be determined. That could allow for identifying gaps in the processes and tools used, which could assist the organisation in changing or improving how they make decisions.

The above indicates that this research attempts to determine the perception of the quality of strategic decision-making among a sample of the population of an

organisation in the IFM industry. With this information, the main gap this research will contribute to, is how management can improve its strategic decision-making. This is specifically in the IFM industry, which could be generalised across similar organisations or industries but will provide future researchers with a starting point.

## **2.5 Conclusion**

This section identified and examined the literature on strategic management, strategic decision-making, strategic management tools, and organisational performance. Decision-making and managers go hand in hand as per all research reviewed, and the processes and tools used to impact the success of those decisions. Although many views on information's usage in strategic decision-making are offered, it was clear that it is a valuable and impactful resource. The same is clear for tools used and how all these variables work together to achieve successful organisational performance.

## **CHAPTER THREE – RESEARCH METHODOLOGY**

### **3.1 Introduction**

This section is intended to provide details of the research methodology and design used in this research. It will speak of the research problem, question, objectives, and hypotheses, while further outlining research methods, sampling, data collection, and the validity and reliability of the instrument used.

### **3.2 Overview of the research problem, question, and objectives**

As discussed in Chapter 1, the main problem statement is that in the fast-paced, fragile environment, how can ABL management make better strategic decisions to impact organisational performance positively; considering that bad decisions can affect the long-term strategy and put the organisation at risk?

The main research question is how ABL management can improve its strategic decision-making.

Therefore, this research's main objective is to assess how management can improve its strategic decision-making, specifically in an IFM industry.

### **3.3 Research methodology**

The methodology is the organised, theoretical analysis of methods used in an area of study. It tends to define concepts such as the theoretical model, the phases, and quantitative or qualitative techniques. Methodology's purpose is to offer an understanding of which methods or best practices can be applied to a specific scenario

to determine a specific result. Research, therefore, is an amalgamation of both experience and reasoning and arguably the most suitable way of discovering the truth. It indicates the map of how the researcher got to their conclusion (Igwenagu, 2016; Hofstee, 2018).

Therefore, research methodology indicates a collection of techniques used in research, a guide to the research, and how it is performed.

### **3.4 Research approach and design**

Research design is a framework used by researchers to design a plan for collecting, analysing, and completing their research. The role of research design is to ensure that the evidence gathered from the research allows the researcher to answer the research questions credibly. It also focuses on a variety of issues such as data collection, time dimension, sampling issues, time and cost limitations, and the degree to which the research questions were crystallised. Research design can be divided into two approaches, observation, and communication (Blumberg, Cooper & Schindler, 2014; Elbanna, 2019).

This research paradigm is positivistic in nature with a deductive approach. The principle of positivism is centered on the notion that science is the way to learn about the truth. The researcher is limited to data collection and interpretation objectively; meaning the researcher separates themselves from personal values during the research. Deductive research methods concentrate on confirming observations and are linked to quantitative research (Dudovskiy, 2012; Park, Konge & Artino, 2020).

This research relies on empirical evidence and will use a research question to be investigated through a scientific method. Participants can be studied, and patterns

observed and analysed. This data could lead to a theory being formed and further verified through more research (Nickerson, 2022). This research followed a quantitative approach, focusing on collecting data through a survey method of an online structured questionnaire. The objective of the research was to empirically evaluate the perceived quality of strategic decision-making in the organisation and how management can improve its strategic decision-making. Although the main method is a survey, this research can also be seen as a small case study even if it is quantitative, as the entire population is situated in one organisation. Case studies aim to analyse specific issues in a specific environment or organisation, as is the case for this research. It is an explanatory case study answering how or why questions, where the researcher has little control over the situation and process (Dudovskiy, 2012) which fits well with the questionnaire process. The data collected will be used to answer research questions about the sample population. This research worked with existing knowledge and although it will contribute to the literature, it is attempting to verify current literature.

### **3.5 Research methods**

In any research study, the task of selecting the ideal design is always a necessary step (Blumberg *et al.*, 2014). These methods should be selected based on their power to deliver the research purpose and to help test the hypothesis, or answer the research question (Leavy, 2017). The main quantitative designs are experimental and survey research. A survey is used to obtain data about a situation or practice, at one point in time, through a questionnaire or interview (Igwenagu, 2016). A case study is similar, collecting data about a specific issue pertaining to a specific environment, group, or organisation (Dudovskiy, 2012) however, the focus will be on the survey method.

### 3.5.1 Design

Survey research is the most used quantitative design and was selected for this research. Creswell and Creswell (2018) mentions that a survey design provides a quantitative description of attitudes, opinions, or trends of a population, by researching a sample of that population. This form of research allows a researcher to accumulate a scope of data from bigger samples and generalise it to the larger population, from which the sample was drawn. However, bigger samples are not always achieved (Cleave, 2021).

The survey used in this research had the purpose of gathering data on employee perceptions in their natural environment (the workplace) on strategic management, strategic decision-making, strategic management tools, and general organisational performance. The data collected is known as subjective data. Objective data, on the other hand, include demographic information and this was included in this questionnaire in order to provide background data for the sample (Leavy, 2017). A questionnaire was selected as it was the easiest method to gather data from identified participants scattered across continents in a short period. The internet has allowed research to be much faster and simpler than in previous years. It also allowed for data to be collected on a variety of topics at once (Cleave, 2021).

Questionnaires are the main data collection tools in survey research, also known as survey instruments. The survey items - the questions - are meant to assist in testing the hypothesis or answering the research question. These questions should be constructed in a clear and understandable way, ensuring your respondents 'get' what you are asking. The nature of the questions is determined, in part, by whether one is creating open-ended or forced-choice/closed-ended questions. Close-ended questions are when respondents are given questions with a range of options to select from. This allows the researcher to gather data to be quantified and generalised. These forced- or fixed-

choice questions include multiple choice, checklists, and scales like the Likert scale (Leavy, 2017).

The Likert scale was developed to measure 'attitude' in a scientifically accepted and validated manner, providing participants with a collection of statements for a real or hypothetical situation and asking about their level of agreement (Joshi, Kale, Chandel & Pal, 2015). The Likert scale was used for this research. Being closed-ended questions, it provided numerical data to be statistically analysed. It was also used, as it gave the same statements to all respondents, where they indicate a level of agreement or non-agreement. This allowed for data per question to be analysed across a larger sample and provide a bigger picture. Generally, it offers four to five choices but sometimes up to seven, ranging from neutral to either fully agreeing or disagreeing with a statement, with an equal number of positive or negative choices (Joshi *et al.*, 2015; Leavy, 2017). This questionnaire used mainly 5-point questions, with one 3-point. The important part was to add clear questions, which would allow respondents to answer with the most accurate choice.

The questionnaire was created to be simple and clear so that every respondent could understand the questions; and for the researcher to later process the collected data (Leavy, 2017). Delivery of this questionnaire was done electronically, thus self-administered, which allowed geographically dispersed respondents to be reached for participation.

### **3.5.2 Strengths**

Surveys are a cost-effective method of collecting research data (Hashem, 2018). Creating it takes minimum cost, if any. It lets researchers collect larger quantities of data in a fairly short time, meaning it reaches participants quickly and has a quick turnaround too. The large datasets that are generated also allow additional possibilities for

analysing and comparing some sub-groups, characterized by age or gender. No matter if statistical means of analysis were used, it is always likely that findings will be analysed and presented concisely, through the use of figures and percentages. Questionnaires are also valuable when research aims to capture a surface impression of how groups agree or disagree on issues, which is the purpose of this research. Other strengths include the ethical consideration that questionnaires are confidential and anonymous, that they are flexible for respondents to action wherever and whenever, and that data is much more accurate compared to interviews (Lambert, 2019; Cleave, 2021).

### **3.5.3 Limitations**

These tend to be the reverse side of the strengths. As questionnaires are appropriate to collect greater amounts of data, it is frequently intended only at a descriptive, surface level. Even if more open questions are included, they are not always an effective method of collecting in-depth responses. This could limit the usefulness of the data. There is always the risk of not having a large enough sample: as it is online, all the researchers can do is offer reminders - but not force participation. This could lead to having a sample smaller than 50 which could affect the research as well as the generalisability of the data.

Questionnaires can be easy to distribute. However, as it is a written form of instrument, literacy always plays an important role. How respondents understand and interpret the questions is vital and a possible limitation. This could lead to subjective and distorted results. Even if there are high return rates, the possibility is that there are low completion rates.

Questionnaire 'fatigue' also plays a part, as a lot of the population get plenty of requests to participate in research projects this could result in potential respondents losing interest (opting out) or ignoring the questionnaire request.



Other limitations include the questionnaire design and question phrasing that will ensure that most of the target population understands the questions the same way. It is also hoped that the study, and therefore the questionnaire, pique their interest to lead to them participating (Lambert, 2019; Cleave, 2021).

#### **3.5.4 Time dimension**

There are two main methodological designs in survey research: cross-sectional and longitudinal. This research showed a snapshot in time, which is a cross-sectional design. It is defined as seeking information from a sample at one point in time (Leavy, 2017). For this research, the time dimension was a short period where data was collected (between 4 and 6 weeks) indicating a small snapshot from the participating population.

#### **3.5.5 Purpose**

The aim of this research is a descriptive one. The concept behind descriptive research is to improve the definition of an attitude, behaviour, or opinion of a group. Descriptive research increases awareness of a research problem by explaining it according to its characteristics and population. It focuses on 'how' and 'what', not 'why'. As the questionnaire has predefined categories that respondents must select from, it is regarded as descriptive research - the questions will not give a rare insight into the issues but by classifying the responses into predetermined choices, it will provide statistically inferable data. This method allows for the measurement of the significance of the results on the overall population being studied (DiscoverPhDs, 2021).

### **3.5.6 Degree**

Research can be seen as formal or informal. This research is formal. A formal study is done using scientific methods to reproduce measurable results. The goal of a formal study is to offer a valid representation of the current condition and test the hypotheses or answer the research question (Blumberg *et al.*, 2014). As discussed, this research attempts to answer a research question in a snapshot of time, thus in a current situation. The goal of this research is to offer a valid representation while adding data to the existing knowledge base of strategic decision-making.

### **3.5.7 Setting**

Designs differ depending on the environment's conditions. This research was done under field conditions, meaning participants were questioned within their usual environment, the workplace. This implies the environment could not and was not manipulated or staged by the researcher. The researcher had little interaction or impact with participants during the process (Blumberg *et al.*, 2014; Bordens & Abbott, 2018).

### **3.5.8 Power of research influence**

The researcher had no opportunity to manipulate or control the variables in any way during this research. This kind of study is an *ex-post facto* study, where a researcher has no control over the variables to manipulate them. The researcher could only report on what happened using data gathered and then analysed, to determine the findings (Blumberg *et al.*, 2014).

### **3.6 Sampling**

The selection of a sample is fundamental to the study design and represents the whole population. Sampling is selecting a sample from the population that will be studied and conclusions drawn for the whole population based on the sample studied (Agarwal, 2022). Respondents should be found and enrolled in agreement with the research purpose and hypothesis, or research question (Leavy, 2007; Elbanna, 2019). The method used was non-probability purposive sampling. Non-probability sampling is a non-random selection such as availability or geographic proximity.

The target population does not have an equal chance of participation, and a sample can be formed through conveniences such as targeting an organisation in which the research would work, or other characteristics such as an industry (Nikolopoulou, 2022). Purposive sampling is where the researcher purposefully picks individuals based on certain qualities, to enable the research question to be answered. This method does not present the same bias-removal benefits as probability sampling, but occasionally these types of sampling are selected for expediency or simplicity (McCombes, 2022) as in the case of this research. To ensure bias was limited, the population and sample were clearly defined, the survey was short and easily accessible, follow-ups were done, and each respondent had an equal chance to participate or to not participate, and it was anonymous.

#### **3.6.1 Target population**

The population is defined as the complete set of objects that are being studied (Agarwal, 2022). For this research, the target population was all the employees working in this organisation's IFM department, on this specific client account. As the research question is directly based on the management of this team, the population was convenient as a target. The population of 180 employees across EMEA was not only convenient, but the entire population worked in the industry of focus and possessed

similar knowledge and skills. Although every employee does not make strategic decisions for the future of the organisation, each employee and team impact decisions through their performance levels and the information they share, making the sample representative of the population (Leavy, 2017).

### **3.6.2 Sample**

Once the population has been defined, the sample should be determined. The sample size suggests the number of participants included in the sample, which is represented by  $n$  (McCombes, 2022). The target sample size was 50 participants, allowing for the possibility of generalisation and accuracy. The sample was a realised sample and anyone in the population had a choice to partake in the questionnaire (Creswell & Creswell, 2018). There was only one sample criterion (exclusion and inclusion) and that was to be working on the account. The reason for no other exclusion or inclusion criteria is that the research question of how management can improve strategic decision-making can only be determined by using the identified population (same industry and similar skills and knowledge): thus, the sample is representative of the population.

## **3.7 Data collection**

### **3.7.1 Data collection instrument**

The perceptions that are being investigated could not be done through observation, therefore this research focused on the communication approach through a questionnaire as the instrument, collecting data on an impersonal level at all levels of the organisation. It was a self-administered questionnaire sent electronically to potential participants (Blumberg *et al.*, 2014; Elbanna, 2019). This questionnaire was a pre-tested questionnaire created by the developer.

The questionnaire consisted of 6 sections (appendix 7.1). Sections 1 and 6 collected data on the organisation and personal particulars to provide a background to the research (objective data). Section 1's purpose was to create a background of the sample and create characteristics of the sample that would benefit future research by providing this kind of data. The questions included the type of organisation, number of full-time employees, the core purpose of the business, country of head office, respondent's position in the organisation, and function. Section 6 asked for personal particulars including age, gender, qualification, and ethnic group. Collecting this data provides characteristics of the sample to determine if it represents the population, if the sample is large enough to represent the population, if it provides actual information for the research, and if it provides an acceptable basis for the measurement of its reliability (Theintactone, 2020).

Section 2 focused on the quality of strategic management with 28 5-point Likert-scale questions. All 28 questions provided data on how the quality of strategic management was perceived. The questions which were asked had different topics such as long-term objectives, vision, performance indicators, strategy implementation, culture, strategic implementation, long-term strategy, risk-taking, risk management, changes to the environment, sustainability, and strengths and weaknesses. Data on these questions about the perceived quality of strategic management within the organisation could provide beneficial insight. If employees believe the quality is bad, or there isn't a vision or strategic plan, management can immediately identify areas of improvement.

Section 3 focused on the tools of strategic management with 12 5-point Likert-scale questions. These questions had a multi-answer request, the first being a yes or no, and the second indicating value through a 5-point Likert-scale question. Having insight into what tools are thought to be used and how valuable some tools are perceived to be and comparing it to what is currently used, could indicate gaps. With this, the organisation can start thinking about why, or why not some tools are used, and investigate using different or more tools to the benefit of the strategic plan.

Section 4 focused on strategic decision-making, with 10 5-point Likert-type questions. At the heart of this research, these questions provide an overview of how employees perceive strategic decision-making within an organisation. As the literature indicated, good strategic decision-making is important for competitive advantage and a profitable organisation. If management can find ways to improve this, it could lead to more successful decisions and organisational performance.

Questions were focused on information available to key decision-makers both internally and externally. It also asked how long it takes to make decisions, whether the teams are diverse, and whether managers understand the business. Other questions were about information sharing, discussing decisions, and seeking advice before making decisions. Employee perceptions provide a valuable picture to the management of where they can improve.

Section 5 had 4 3-point Likert-scale questions focusing on organisational performance and whether it is below, average, or better than the industry average. This was to understand how employees perceive the success of the organisation by its performance, focusing on financial performance, growth in revenue, customer perception of the brand, and introducing innovation. If data leans a certain way only, it could give management food for thought. If it is spread, then, potentially information is not reaching all employees.

The data from the entire questionnaire will attempt to answer the main research question and the objectives.

In total, the questionnaire, without the introduction, consisted of six (6) pages. It is a short questionnaire with specific questions relating to specific topics, which could give

management a great overview of where they are, where they need to improve, or what they can focus on.

### **3.7.2 Method of data collection**

The questionnaire was sent electronically to the population, through online survey software. Each participant had the option to participate in this research without force, thus allowing the researcher to gather data from an anonymous group of participants. Data was gathered over a period of 4-6 weeks by the research supervisor, who received the data anonymously and shared it with the researcher at the end of the period to start analysing the data.

### **3.7.3 Analysis of data**

Quantitative data analysis is all about analysing numbers. Statistical analysis methods are the engine that powers quantitative analysis. Once data is collected, it must be turned into evidence: into usable information. To turn it into information it must be analysed. Descriptive statistics center on explaining the sample and are purely interested in the details of the sample. Descriptive statistics provide useful insight into the data set using surveys or questionnaires. Quantitative data answers questions like “How many?”, “How often?”, “How much?”. This data can be verified and evaluated using mathematical techniques (Jansen & Warren, 2020).

### **3.8 Validity and Reliability**

The validity and reliability of the research done are important to facilitate the generation of valuable results. To achieve these results, the tools used to measure the survey must have certain qualities, which are the validity and reliability of the scale. Validity

determines whether an instrument used can measure the behaviour or quality that is intended. Reliability is the gauge of the stability of the measured values achieved in repeated measurements under the same conditions using the same instrument. Although closely related, each displays different properties of the instrument used. It is said that an instrument can be reliable without being valid, but if valid it is also likely to be reliable. Reliability alone is not enough to ensure validity (Surucu & Maslakci, 2020).

### **3.8.1 Internal Validity**

This research aims to meet the objectives. The ability of the research design to adequately do this is internal validity. Internal validity is threatened when extraneous variables can provide alternative explanations for the findings of the research (Bordens & Abbott, 2018). The researcher did not create a new scale and used one that has been created and tested for validity. Internal validity was thus achieved by pilot-testing the questionnaire, achieving similar hypotheses, and answering similar research questions. This means that meaningful results could be drawn from the instrument (Cresswell & Cresswell, 2018; Surucu & Maslakci, 2020).

### **3.8.2 External Validity**

Research has external validity when the results can be generalised beyond the research settings and sample in which it was gathered (Bordens & Abbott, 2018). Although the aim is to accomplish a high degree of both internal and external validity in research, it is found in practice that aims to increase one type and decrease the other. Which one is more important depends on the reasons for doing the research (Bordens & Abbott, 2018). As the instrument used was a pre-existing questionnaire, it adds to the validity of the instrument.



### **3.8.3 Reliability**

This implies the consistency or the repeatability of an instrument. Instruments can give related results when used at different times. There are different methods to determine reliability with one of the most frequent ways being internal consistency (alpha coefficient) (Surucu & Maslakci, 2020).

#### **3.8.3.1 Alpha Coefficient**

Determining the alpha coefficient is one of the most popular methods used in research to test consistency. Different calculations have been determined in literature; however, Cronbach's alpha coefficient is generally accepted. As per this coefficient, the value is between 0 and 1, and as it approaches +1, it is stated to have internal consistency. This said, anything above 0.7 is accepted as being consistent or reliable (Surucu & Maslakci, 2020).

### **3.9 Pretesting the questionnaire**

The questionnaire was pretested by the developer.

### **3.10 Ethical consideration**

The responsibilities of ethical behaviour (acts that are personal, professional, and during research activity) has expanded and widened in reaction to society's expectations of superior accountability. At most, the collection of data from human participants by educational institutions for research purposes, with no ethical approval, would put the researcher on the wrong side of the institution's code of conduct (Fleming & Zegwaard, 2018).

### **3.10.1 Ethical principles**

There are several ethical considerations that a researcher must address when using a questionnaire. Amongst others, these include confidentiality, risk of harm, anonymity, informed consent, and voluntary participation (with no consequence if not participating). It is important to word the questions in such a way that they will not cause offence, embarrassment, or a perception of an invasion of privacy (Lambert, 2019).

#### **3.10.1.1 Informed Consent, Risk of harm, Anonymity, Confidentiality, and Voluntary Participation**

The basis of ethical research is informed consent. The phrase has two vital components. The first one is informed – participants must be advised of what is expected of them, how the data will be used, and if there are any consequences to participation. The second one is consent – participants must give clear, active, signed consent to participate in the research, while understanding that they are entitled to access any of the information provided during their participation in the questionnaire. Often in mailed or online surveys, consent is passive in the sense that participants consent by completing the survey (Hammer, 2017; Nayak & Narayan, 2019). Participants should also know that they can withdraw at any time (Fleming & Zegwaard, 2018).

Keeping participants' identities confidential and anonymous is an important step in protecting participants from potential harm. This means that a participant's identity is not known to the researcher, and the data was de-identified when shared with the researcher by the supervisor, for analysis. The research design must also determine the potential harm to the researcher and the wider community, as well as the institution (Fleming & Zegwaard, 2018; Nayak & Narayan, 2019).

On the introduction page of the questionnaire, participants are provided with clear information to offer them confidence in their participation. This includes the purpose of the study, data confidentiality, anonymity of participants, the option of non-participation, and the option to withdraw at any time, without any consequences. The result of the research is indicated as well, and the contact information of the study leader is provided for any questions, comments, or concerns. The participant is also made aware that when they click the submit button, they are consenting to participate of free will (voluntarily) in this research (Fleming & Zegwaard, 2018).

The organisation in this research provided signed permission to conduct the research and this was obtained before the data collection started. Most importantly, a certificate of ethical clearance was received from the SBL Research Ethics Review Committee.

Furthermore, the results of the data analysed will only be released to the organisation concerned, and the rest of the information will be kept confidential.

### **3.11 Conclusion**

This section reviewed the research methodology, design, and method. It touched on the sample of the research, and how data was collected. Ethical considerations were discussed and indicated how it was implemented within the research instrument, a questionnaire.

## **CHAPTER FOUR – DATA ANALYSIS AND FINDINGS**

### **4.1 Introduction**

The most important objective of this research is to assess how management can improve its strategic decision-making, specifically in an Integrated Facilities Management (IFM) industry. To determine how strategic decision-making can be improved, several sub-objectives were stated. Two sub-objectives focused on measuring the levels and statistical relationship between the perceived quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance. A third sub-objective focused on the strategic management tools used to drive decision-making.

This section reports the findings from the statistical analysis of the responses obtained from the survey. The first section of this chapter describes the main sample characteristics. Section 4.3 reports on the assessment of various construct scales. Section 4.4 presents and discusses the statistical results pertaining specifically to the research objectives, with section 4.5 offering a summary and conclusion.

### **4.2 Sample characteristics**

In total 46 questionnaires were completed and returned during the survey. However, one questionnaire did not respond to all the survey questions, making that result unusable. This questionnaire was excluded from further analysis. Thus, the final sample was n=45 used for the analysis. In the Tables below, information is provided on the sample characteristics based on Sections 1 and 6 of the questionnaire.

#### 4.2.1 General characteristics

As indicated in Chapter 1, ABL is a global, listed, real estate organisation. ABL has just under 100 000 full-time employees with just over 180 on this research site (client account).

#### 4.2.2 Position of the respondent within the organisation

The target population was all the employees who work on the client account. Table 4.1 provides a breakdown of the response frequency per organisational level. The variety of levels allowed for a broader view of the perceived quality of strategic decision-making within the business. The intention was not to focus on high-level management but to determine the perceptions of all within the account. As indicated in the Table, middle manager (28.9%), entry-level manager (20.0%), and permanent employee (24.4%) were the three highest groups. Contingent means contractor, so, not a permanent employee. This sample is representative of the population.

**TABLE 4.1 Position of respondents**

	n	%
Director	2	4.4%
Senior manager or executive	5	11.1%
Middle manager	13	28.9%
Entry level manager (e.g., supervisor)	9	20.0%
Professional specialist	2	4.4%
Permanent employee	11	24.4%
Facilities operations	1	2.2%
Contingent	1	2.2%
Technician	1	2.2%
Total	45	100.0%

### 4.2.3 Functional area

Table 4.2 indicates the functional areas in which the respondents work. The variety is, again, intended to give a broader perception of those working on the account. Most respondents (68.9%) work in the operations, engineering, or technical area, making up most of the work done on the account. The sample is representative of the population.

**TABLE 4.2 Functional area in the organisation**

	n	%
Finance and accounting	2	4.4%
Operations, engineering or technical	31	68.9%
General management	4	8.9%
Other support services	8	17.8%
Total	45	100.0%

### 4.2.4 Gender

Out of the 45 respondents, 28 were male (62.2%) and 17 were female (37.8%). These variables can help determine if the sample is a good representation of the population. In this research, it is, as it is generally a male-dominated industry with female participation only recently booming into the industry. The population has more males than females.

**TABLE 4.3 Gender**

	n	%
Male	28	62.2%
Female	17	37.8%
Total	45	100.0%

#### 4.2.5 Highest qualification

Out of the 45 respondents, 11.1% (n=5) completed high school, 57.8% (n=26) had a post-matric degree or diploma, and 31.1% (n=14) had a post-graduate qualification. This gives a great overview of the education levels of employees on the account and could identify potential skill gaps for the business to focus on. Although this has no purpose for the current research objectives, it could give a quick overview of education from the sample – perhaps management would like to support or sponsor more employees for further education.

**TABLE 4.4 Highest qualification**

	n	%
Completed high school (matric)	5	11.1%
Post-matric degree or diploma	26	57.8%
Post-graduate qualification	14	31.1%
Total	45	100.0%

#### 4.2.6 Ethnic group

In terms of the of respondents, only 2.2% (n=1) are Asian/Indian, with 8.9% (n=4) Black, 13.3% (n=6) Coloured, and 75.6% (n=34) White. ABL champions diversity and inclusion, which is shown in Table 4.5, and this sample is representative of the population.

**TABLE 4.5 Ethnic group**

	n	%
Asian/Indian	1	2.2%
Black	4	8.9%
Coloured	6	13.3%
White	34	75.6%
Total	45	100.0%

#### 4.2.7 Age

The age of the population is within reason from the responses, as expected. ABL is an inclusive organisation and those with experience will be hired if they fit both the organisation and the client's values. The results were expected and accepted. It offers a good representation of the population.

**TABLE 4.6 Age**

	n = 45
Mean	37.09
Median	37.00
Std. Deviation	7.461
Minimum	26
Maximum	61

#### 4.3 Assessing the measurement model and internal consistency reliability

As part of the measurement, three scales were included to measure the constructs of Quality Strategic Management, Strategic Decision-Making, and Operational Performance as they relate to the objectives of the study. The first step in the analysis was to explore if there are any emerging underlying hypothetical sub-constructs for two of the scales, namely Quality Strategic Management and Strategic Decision-Making. For this exploratory factor analysis (EFA) was employed.

##### 4.3.1 Steps for conducting factor analysis

Factor analysis (FA) is a data reduction technique that uses a large set of variables and looks for ways the data might be reduced, using a smaller set of factors. Another way this can be explained is that FA's goal is to lessen the dimensionality of the data with minimum loss of information by identifying and using the structure in the correlation matrix of the variables (Nijs, 2019). There are two methods of factor analysis:



exploratory and confirmatory, with exploratory used for this research (De Winter, Dodou & Wieringa, 2009; Pallant, 2016).

There are typically three main steps for conducting this process (Pallant, 2016).

#### 4.3.1.1 Step 1: Assessment of the suitability of the data for factor analysis

During this step, there were two concerns to work through to determine if a data set is suitable for factor analysis and if it has the required characteristics. These were sample size (n), and the power of the relationship amongst the variables. Sample size has been agreed among many researchers to be as large as possible but 50 as a minimum, however, it is dependent on the research itself (Faber & Fonseca, 2014; Pallant, 2016; Taherdoost, 2017; Andranda, 2020). It is said that in small samples the data is less generalisable than in larger samples and if applying EFA to a small sample, it should be done with caution.

However, in De Winter *et al.* (2009), they presented an overview of the conditions where EFA can generate satisfactory results for n less than 50. They used a minimum sample size and varying factor loadings, number of factors, and number of variables. In their results, they indicate that factor recovery can be reliable if sample sizes are below 50 if the data are well conditioned, such as factors being well defined or limited to only a few. While the sample size in this research was less than 50 (n=45), EFA was still considered an acceptable exploratory method, as the data were well structured across limited items and a target population working for the same organisation, within the same team. Everyone is exposed to the same communication and activities.

The second assessment was the strength of the statistical relationships between variables. Two measures can help calculate the factorability of the data – Bartlett's test of sphericity, and the Kaiser-Meyer-Olkin (KMO) test. Both these tests evaluate available data together. Bartlett's test indicates that it should be significant ( $p < 0.05$ ),

meaning this test provides a probability that there is a significant correlation between at least some of the variables – a prerequisite for factory analysis to work. KMO index ranges should be from 0 to 1, with 0.6 as the minimum value for good factor analysis (Pallant, 2016). For each scale, the KMO and Bartlett’s Test results are shared below.

Strategic management’s KMO is between 0 and 1 but above 0.6 with a score of 0.855 and Bartlett’s test significance is smaller than 0.05 with  $p < 0.001$ . This variable can be factor analysed as both tests passed.

**TABLE 4.7 Kaiser-Meyer-Olkin and Bartlett Strategic Management**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.855
Bartlett’s Test of Sphericity	Approx. Chi-Square	1316.565
	df	378
	Sig	<0.001

Strategic decision-making’s KMO is between 0 and 1 but above 0.6 with a score of 0.795 and Bartlett’s test significance is smaller than 0.05 with a score of  $p < 0.001$ . This variable can also be factor analysed as both tests passed as per the requirements of each test.

**TABLE 4.8 Kaiser-Meyer-Olkin and Bartlett Strategic Decision-Making**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.795
Bartlett’s Test of Sphericity	Approx. Chi-Square	261.339
	df	45
	Sig	<0.001

Both scales fall into acceptable ranges for using exploratory factor analysis and indicate that there are substantial correlations in the data (Nijs, 2019).

#### 4.3.1.2 Step 2: Factor extraction

This step determines the smallest number of factors that can be used to show the relationships between the set of variables. Commonly available extraction techniques include principal components, unweighted least squares, and generalized least squares. For this research, which works well with small samples, unweighted least squares (USL) were used (Pallant, 2016). This technique minimises the sum of squared differences between the observed and estimated correlation matrices (Lani, 2021).

One can use three techniques to assist: Kaiser's criterion, scree test, and parallel analysis help determine the number of factors to keep (Pallant, 2016).

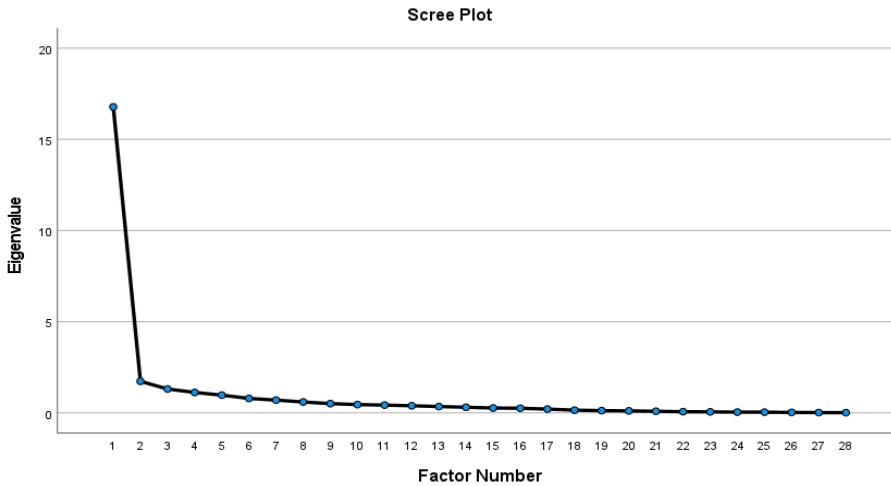
*Kaiser's criterion* uses the eigenvalue rule, stating that only factors with an eigenvalue of 1.0 or more should be used for the data analysis, but one uses the total variance too.

The results for both scales were:

- Strategic management – the first four factors reported eigenvalues above 1.0. The first factor has an eigenvalue of 16.782 with a 58.9% variance, suggesting some support for a single-factor model. The other three have low contributions of 5.2%, 3.6%, and 3.0% respectively. Therefore, while Kaiser's criterion supports a four-factor model, one factor dominates.
- Strategic decision-making – the first three factors reported eigenvalues above 1.0, but factor one has an eigenvalue of 5.204 with a 49.1% variance. The other two have 9.0% and 7.8% respectively. Therefore, according to Kaiser's criterion, there are three factors with a single factor dominating.

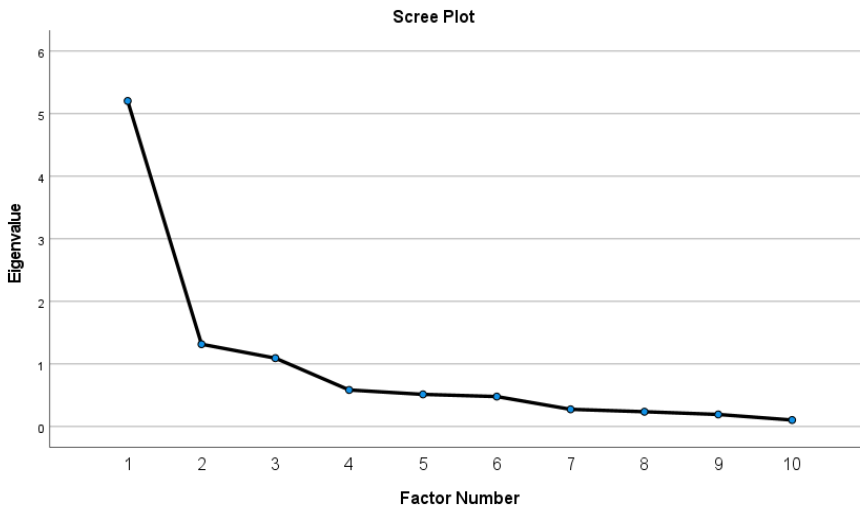
The *scree test* plots the eigenvalues of the factors and attempts to find the place where the shape of the curve creates an elbow. At this elbow, all the factors above are kept for analysis.

Strategic management – as seen in the scree plot (Figure 4.1), the change in the curve takes place at factor two, this means that it indicates support for one factor for this scale.



**FIGURE 4.1 Eigenvalue Strategic Management**

Strategic decision-making – as seen in the scree plot (Figure 4.2), the change in the curve takes place at factor two, this means that it supports a single-factor model for this scale.



**FIGURE 4.2 Eigenvalue Strategic Decision-Making**

*Parallel analysis* compares the size of the eigenvalues and those taken from data randomly generated of the same size. The eigenvalues that exceed the parallel values are kept.

Strategic management – as determined, according to Kaiser’s criterion, there are four factors. If this is compared to the parallel values in Table 4.9, the first’s factor eigenvalue is larger than the first random value:  $16.785 > 2.7521$ . Factor two’s eigenvalue is smaller than the second random value:  $1.736 < 2.4248$ . At this point, it means there is only one factor that should be retained based on the parallel analysis.

**TABLE 4.9 Retain factor Strategic Management**

Factor	Initial Eigenvalue	Eigenvalues from parallel analysis	Retain factor?
1	16.782	2.752	Yes
2	1.736	2.425	No
3	1.314	2.206	No
4	1.125	2.031	No

Strategic decision-making – according to Kaiser’s criterion there are three factors. If these are compared to the parallel values in Table 4.10, the first’s factor eigenvalue is larger than the first random value:  $5.204 > 1.7530$ . Factor two’s eigenvalue is smaller than the second random value:  $1.3.16 < 1.5092$ . At this point, it means there is only one factor when comparing the values.

**TABLE 4.10 Retain factor Strategic Decision-making**

Factor	Initial Eigenvalue	Eigenvalues from parallel analysis	Retain factor?
1	5.2004	1.7530	Yes
2	1.316	1.5092	No
3	1.093	1.3218	No

The above techniques concluded that there is only one factor that can be used to show the relationships between the set of variables, or that one factor appears to explain most of the variability of the data.

#### 4.3.1.3 Step 3: Factor rotation

After the number of factors has been identified, the next step is to interpret it where the factors are 'rotated'. However, given the outcomes of the Kaiser criterion, scree plot and parallel analysis single factor models for the two scales are supported. Factor rotation was therefore not considered in the context of this study.

#### **4.3.2 Scale reliability**

After having determined single-factor models for the two scales, the next step was to assess overall internal consistency reliability. Internal consistency indicates the degree items that make up the scale, are all measuring the same underlying constructs (Pallant, 2016). To determine this Cronbach's alpha coefficients were calculated. To have internal consistency using Cronbach's alpha coefficient for a scale means the coefficient should be between 0 and 1, with a value above 0.7 seen as internal consistency; however, above 0.8 is seen as a preferable value (Pallant, 2016).

As seen in Table 4.11, three scales had a Cronbach value over 0.7 with scale one and two's values over 0.8. For scale three, EFA was not done as it only had four items. This indicates acceptable internal consistency for all scales as they were all above the required 0.7 Cronbach alpha coefficient for internal consistency.

**TABLE 4.11 Cronbach's alpha for three scales**

<b>Scale</b>	<b>Items</b>	<b>Cronbach alpha</b>
Strategic Management	28	0.975
Strategic Decision-Making	10	0.886
Organisational Performance	4	0.719

#### **4.4 Results of the research objectives**

This section reports on the results related to the research objectives, following the assessment of the construct measures.

##### **4.4.1 Perceived levels of the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic management decision-making and organisational performance**

###### **4.4.1.1 Quality of strategic management (QSM)**

The QSM construct was measured in the questionnaire through 28 items, where the respondents had an option of five choices ranging from 1 – strongly disagree to 5 – strongly agree, 3 was neither agree nor disagree. In Table 4.12 the mean rating, standard deviation (SD), skewness, and kurtosis are reported per item as well as the overall construct data provided, indicated an overall mean of 3.78 (SD=0.750) for QSM. This result indicates that on average, the sample reported a mean rating barely above the mid-point of 3, leaning towards agreement rather than neither agree nor disagree. This shows that the sample perceived QSM as barely above average but not by much and that there are possible improvements that can be identified if more in-depth analysis is done.

The standard deviation measures the average distance between each quantity and the mean (Narkhede, 2018). Table 4.12 indicates a standard deviation of 0.750 for QSM which confirms that the data are dispersed. This is a low standard deviation as it is less than 1, meaning data points are likely clustered close to the mean, as can be seen in Figure 4.3. This points to the sample having a similar perception as shown in the mean, that most of the sample perceived QSM as barely above average.

Skewness measures the distortion of symmetrical distribution, representing the degree the distribution varies from normal distribution. Distribution can be right (positive) or left (negative). Table 4.12 indicates a skewness of -0.401, which indicates a negative skewness. It means that the left tail of smaller values is much longer than the right tail with larger values pointing to the fact that fewer respondents didn't agree, and more respondents agreed, which supports the mean that indicates the average of the sample agreed just more than they neither agreed nor disagreed (Chen, 2022).

This can be seen in Figure 4.3 which shows the clustering of data points to the right of the bell curve. Both the mean, standard deviation, and skewness, to this point, indicate that the sample has a very average perception of the quality of strategic management of the organisation and that at this stage, it is not perceived as overly successful. Throughout the perceptions, it is important to remember that the results are based on a sample of a population and no generalisability has been confirmed.

Kurtosis and skewness work together to provide a picture of the data for a better understanding of the variation. Kurtosis is used to describe the shape of a probability distribution, identifying which data values cluster in the tails or the peak of a distribution, and identifying the outliers. Table 4.12 indicates a kurtosis of -0.700, which is a negative kurtosis also known as platykurtic. This is indicative of lighter tails and the outliers of the distribution are less extreme than that of a normal distribution (Westfall, 2018) which can be seen in Figure 4.3. It shows the clustering of data slightly to the right of the



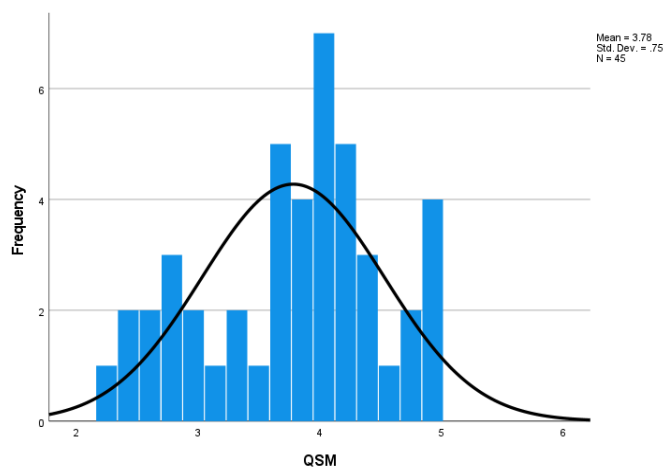
curve which supports the mean (that most of the sample perceived QSM as barely above average) and a small clustering at the end of the left tail.

The data indicates that the sample agrees that strategic management is taking place within the organisation and that it is not necessarily exceptional, but rather just that it is taking place. 'Agree' as a sample perception does leave room for improvement for the management of ABL.

**TABLE 4.12 Quality of Strategic Management – Descriptive statistics (n=45)**

Item	Mean	SD	Skewness	Kurtosis
Our organisation has clear long-term (3 years +) objectives.	4.18	0.936	-1.415	2.320
Our organisation has a clear vision for the future.	4.18	0.806	-0.886	0.637
Our strategic decisions are always in line with our vision for the future.	3.91	0.949	-0.651	-0.334
Our strategic decisions create value for the owners/ shareholders of the organisation.	4.00	0.853	-0.920	1.906
We almost always achieve our long-term objectives.	3.82	0.912	-0.384	-0.565
Our organisation is focused on a few key performance indicators to track our progress with implementation.	4.09	0.900	-0.768	-0.093
The leadership of our organisation is visibly committed to successfully implementing our strategy.	3.91	0.949	-0.984	1.069
The culture in our organisation strongly supports our strategic direction.	3.82	0.936	-0.498	-0.490
Our internal organisation structure supports our strategic direction.	3.80	0.815	-0.929	0.748
Our internal operating environment (processes and policies) support strategy implementation.	3.60	0.915	-0.776	0.493
We have the right technology in place to successfully implement our strategy.	3.67	0.929	-0.336	-0.631
We have the right competencies in place to successfully implement our strategy,	3.76	0.933	-0.710	0.612
Strategy implementation is regarded as an important function in our organisation.	3.89	0.859	-0.681	0.163
We have a clear long-term strategy.	3.93	0.986	-0.606	-0.591
Our organisation's strategy is clearly understood by most people in the organisation.	3.31	1.104	-0.237	-0.778

We are constantly measuring our progress with strategy implementation.	3.60	1.074	-0.732	-0.030
Our strategies are acceptable to all key internal stakeholders.	3.71	0.944	-0.393	-0.630
Our strategies are aligned well with our external environment.	3.76	0.957	-0.455	-0.610
Our strategies make maximum use of what we do well as an organisation.	3.80	0.894	-0.582	-0.185
We are not afraid of taking appropriate risks to grow our organisation.	3.76	0.883	-0.524	-0.230
In our organisation, we manage risks well.	3.89	1.049	-1.128	1.105
We are quick to respond to important changes in our environment.	4.00	1.044	-1.378	1.775
Our strategic decisions ensure our organisation's sustainability for the future.	3.84	1.043	-1.308	1.862
The strategic decisions that we make are realistic and implementable.	3.73	0.939	-0.635	0.457
We have a good understanding of our key strengths and weaknesses.	3.60	1.095	-0.647	-0.196
Several departments get together regularly to plan responses to changes taking place in our business environment.	3.51	1.254	-0.641	-0.627
The activities of different divisions in this organisation are well coordinated.	3.36	1.069	-0.188	-0.449
We are proactive in addressing anticipated changes in our business environment.	3.51	1.100	-0.726	0.014
<b>Quality of Strategic Management (QSM)</b>	<b>3.78</b>	<b>0.750</b>	<b>-0.401</b>	<b>-0.700</b>



**FIGURE 4.3 Quality Strategic Management Frequency**

#### 4.4.1.2 Value of strategic management tools in supporting strategic management (SMT)

SMT was measured in the questionnaire through 12 items, where the respondents had an option of first having two choices about using or not using the tool, 1 – Use and 2 – Do not use, with the second choice having five options determining the value, ranging from 1 – no value whatsoever, to 5 – can't live without. In Table 4.13 the data provided indicates a mean of 3.64 for decision-making tools. This shows that the average perception of the sample leans towards using strategic management tools as expected, but that it is clear not all are valued the same way. Why value is seen as different cannot be determined in this research as the perception of value was determined, not the reasons behind that. The sample organisational levels (Table 4.1) differ, and each level would use and value different tools, which is clear in the data received.

Table 4.13 also indicates each tool's standard deviation. SMT is not a single construct but rather multiple items that form SMT. Each tool's standard deviation shows different levels of value to its mean (reliability), showcasing how respondents from the sample responded to each. The highest standard deviation is 1.252 for 'a formal process for strategy implementation' (indicating less reliability). This indicates that this tool is perceived as the least valued of all tools and that the data points were spread from the mean and are not clustered, meaning choices were mixed selection among the sample. The lowest standard deviation is 0.968 for 'an organisation-wide performance management system'. This tool was seen as the most valuable as the data points are clustered around the mean of 3.867, indicating more value than the rest. This is the only tool with a standard deviation < 1, with all the other tools > 1, indicating that more of the sample felt that there is an organisation-wide performance management system within the organisation.

The data are all dispersed from the mean which indicates that from the sample (n=45), the levels of value per tool differed.

The data indicates that as expected, the tools are perceived as used within the organisation and that each has a different value to each participant in the sample. As the data is based on perceptions and not in-depth knowledge, it did not determine why some are valued more than others or why some are perceived as using more.

**TABLE 4.13 Strategic Management Tools – Descriptive statistics (n=45)**

Item	Mean	SD	Skewness	Kurtosis
A strategic planning department	3.689	1.041	-0.975	1.104
A formal strategic planning process	3.467	1.140	-0.636	-0.008
A formal strategic plan (in report or presentation form)	3.578	1.196	-0.692	-0.138
Scenario planning	3.400	1.176	-0.496	-0.397
A formal process for strategy implementation	3.578	1.252	-0.730	-0.205
Balanced Scorecard	3.689	1.041	-0.721	0.369
A formal “implementation plan”	3.600	1.074	-0.502	-0.124
Executive Information Systems` (EIS - e.g., performance dashboards for key performance metrics)	3.822	1.072	-0.903	0.512
Regular reviews of progress with implementation	3.733	1.009	-0.817	0.779
An organisation-wide performance management system	3.867	0.968	-0.667	0.350
Implementation incentives or rewards	3.511	1.236	-0.404	-0.805
Stakeholder engagement during the strategic planning and implementation	3.689	1.184	-0.905	0.278
<b>Strategic Management Tools</b>	<b>3.635</b>			

#### 4.4.1.3 Strategic decision-making (SDM)

SDM was measured in the questionnaire through 10 items, where the respondents had an option of five choices ranging from 1 – strongly disagree to 5 – strongly agree, 3 neither agreed nor disagreed. In Table 4.14 the data provided indicates a mean of 3.53

(SD=0.722) for DM. This indicates that the average perception of the sample was that SDM is just above average, with the sample leaning towards agree rather than disagree, and this indicates a variation in the data. Having this just above average could imply that there might be a gap for the organisation to identify and improve on, but this needs further analysis.

Table 4.14 indicates a standard deviation of 0.722 which confirms that the data is dispersed. This is a low standard deviation as it is  $<1$ , meaning data points are likely closer to the mean, as can be seen in Figure 4.4. This confirms the mean of the perception being just above average.

Table 4.14 indicates a skewness of -0.200, which indicates a negative skewness but just, as this is very close to zero which will indicate a normal distribution. In this case, it means the left tail of smaller values is much longer than the right tail with larger values, which indicates fewer respondents didn't agree and more agreed, which supports the mean that indicates the average of the sample agreed more than disagreed and perceive it as just above average (Chen, 2022). This can be seen in Figure 4.4 which shows the clustering of data points to the middle and right of the bell curve, which can also be described as the frequent scores clustered at the higher end of the bell curve and are more positive scores (Field, 2018).

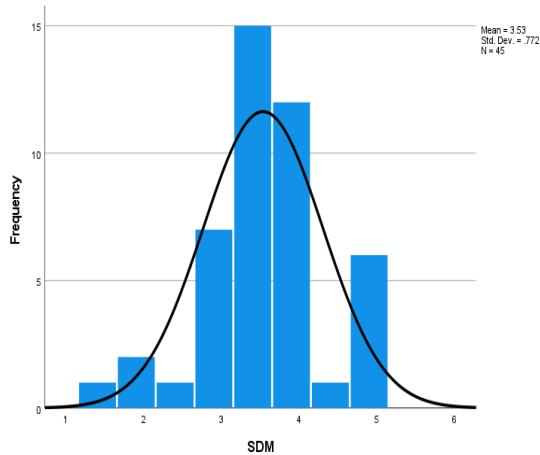
Table 4.14 indicates a positive kurtosis (leptokurtic) of 0.807. This is indicative of heavier tails with a sharper peak, and the outliers of the distribution are more extreme than that of a normal distribution falling in the tails and not close to the mean (Field, 2018) which can be seen in Figure 4.4. It shows the clustering of data at the ends of the tails which supports the mean that barely the average is above 3 and that the data is dispersed between agree and not agree. The perception is that strategic decision-making is just above average.

Taking all this into consideration, even if individual dimensions have been perceived with small variances, it does come across that most of them are perceived as 'agreed' which indicates that the general perception is then that these dimensions are taking place within the organisation.

**TABLE 4.14 Strategic Decision-Making – Descriptive statistics (n=45)**

Item	Mean	SD	Skewness	Kurtosis
Key strategic decision-makers in our organisation have access to real-time information on the organisation's business operations.	3.822	1.007	-0.746	0.204
Key strategic decision-makers in our organisation has access to real-time information on the competitive environment.	3.800	0.968	-0.523	0.144
In our organisation, we take a long time to make important decisions.	3.689	1.125	-0.647	-0.234
Our key strategic decision-making team is diverse in terms of age, ethnicity and gender.	3.667	1.206	-0.940	0.100
In our organisation, all key managers have a common understanding of our business and its environment.	3.578	1.097	-0.369	-0.767
There is a lot of healthy debate among the management team about key decisions.	3.489	1.141	-0.404	-0.313
Organisational politics dominate strategic decision-making in our organisation.	3.511	1.014	0.037	-1.055
Strategic decision-makers consult widely with key internal stakeholders (e.g., employees, unions) before making important decisions.	3.178	1.173	-0.362	-0.633
Strategic decision-makers consult widely with key external stakeholders (e.g., customers) before making important decisions	3.422	1.076	-0.362	-0.440
Strategic decision-makers seek the advice of experienced employees before making important	3.178	1.154	-0.271	-0.375

decisions.				
<b>Strategic Decision-Making</b>	<b>3.53</b>	<b>0.772</b>	<b>-0.200</b>	<b>0.807</b>



**FIGURE 4.4 Strategic Decision-Making Frequency**

#### 4.4.1.4 Organisational performance (OP)

OP was measured in the questionnaire through 4 items, where the respondents had an option of 3 choices: 1 – below the industry average, 2 – about average, and 3 – better than the industry average. In Table 4.10 the data provided indicates a mean of 2.43 (SD=0.469) for OP. This indicates that the average perception of the sample was that the OP of the organisation was about average rather than better than the industry average, and this indicates a variation in the data.

Table 4.15 indicates a standard deviation of 0.469 which confirms that the data is dispersed. This is a low standard deviation as it is <1, meaning data points are likely closer to the mean, as can be seen in Figure 4.5. This supports the mean that the perception is about average.

Table 4.15 indicates a skewness of -1.196, This means the left tail of smaller values is much longer than the right tail with larger values that indicates fewer respondents selected below the industry average and more selected about average or better than

average, which supports the mean that indicates the average of the sample leaned towards about average (Chen, 2022). This can be seen in Figure 4.5 showing the clustering of data points to the right of the bell curve, which can also be described as the frequent scores clustered at the higher end of the bell curve and are more positive scores (Field, 2018).

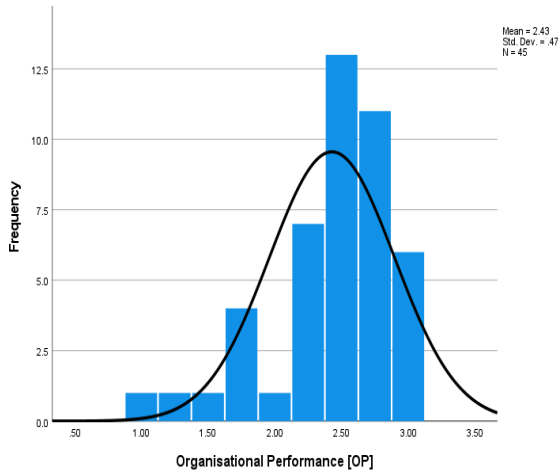
Table 4.15 indicates a positive kurtosis (leptokurtic) of 1.32. This is indicative of heavier tails with a sharper peak, and the outlier of the distribution is more extreme than that of a normal distribution falling in the tails and not close to the mean (Field, 2018) which can be seen in Figure 4.5. It shows the clustering of data at the ends of the tails which supports the mean indicating the sample’s perception of organisational performance is about average.

**TABLE 4.15 Operational Performance – Descriptive statistics (n=45)**

<b>Item</b>	<b>Mean</b>	<b>SD</b>	<b>Skewness</b>	<b>Kurtosis</b>
Overall financial performance.	2.60	-0.539	-0.873	-0.340
Introducing new innovations.	2.29	-0.626	-0.294	-0.578
Growth in revenue.	2.47	-0.661	-0.863	-0.303
Customer perceptions of our brand.	2.36	-0.712	-0.647	-0.751
<b>Organisational performance</b>	<b>2.43</b>	<b>0.469</b>	<b>-1.196</b>	<b>1.32</b>

This all indicates that there are statistically significant differences between levels of QSM, the value of SMT in supporting strategic management, SDM, and OP sample of members in the IFM industry.





**FIGURE 4.5 Organisational Performance Frequency**

#### **4.4.2 Main strategic management tools used to drive strategic management decision-making and perceived value**

##### **4.4.2.1 Used (n=45)**

Table 4.11 indicates the SMT used within the organization as indicated by respondents. The value the sample put on each tool will also be discussed.

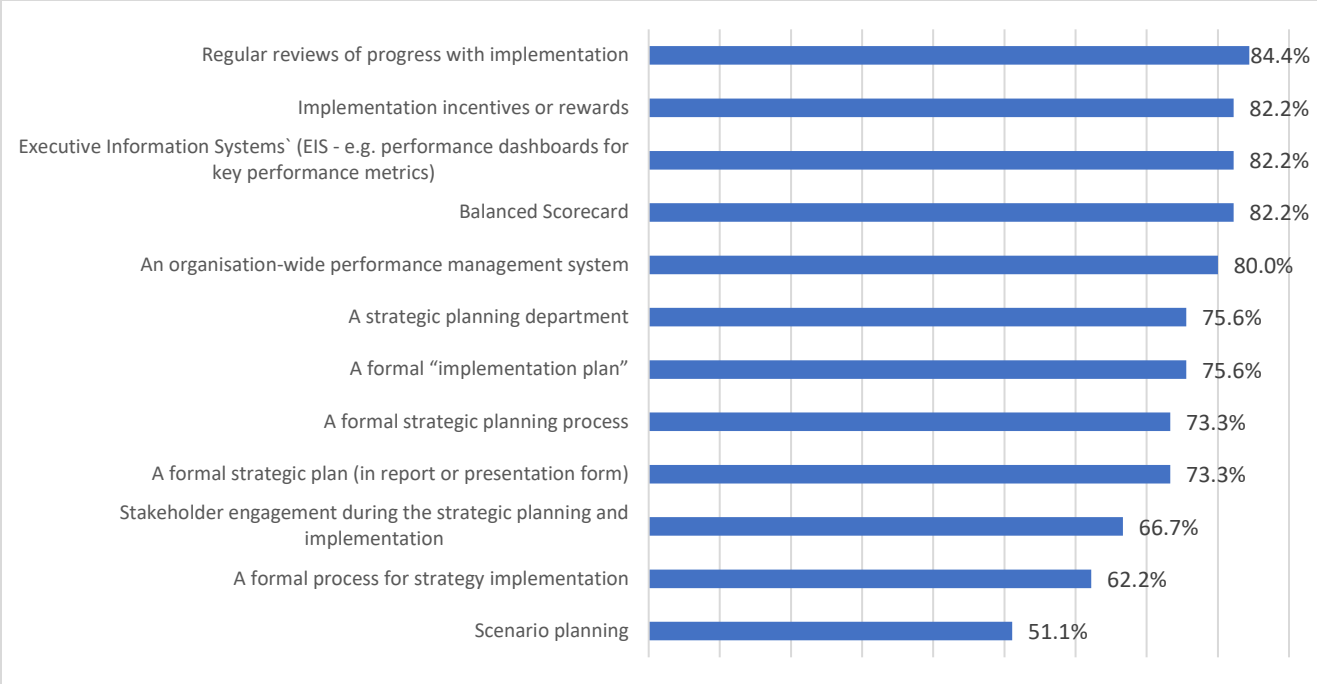
According to Figure 4.6, most respondents deemed all the SMT as used (indicating 'yes'). As per literature and management studies (Afonina & Chalupsky, 2012; Qehaja *et al.*, 2017; Hashem, 2018; Fuertes *et al.*, 2020; Aygun & Sezgin, 2021), the use of tools is common however, which tools are not the same for all industries or organisations. For this organisation, the perception of SMT used is that regular reviews of progress with implementation are most used. The top five are regular reviews of progress with implementation plan, implementation incentives or rewards, executive Information System, Balanced Scorecards, and an organisation-wide performance management. The lesser perceived used tools within the organisation are stakeholder engagement during the strategic planning and implementation, a formal process for strategy implementation, and scenario planning.

No unknown or unused research tools were put into the questionnaire. The SMT has been researched as tools used in management and business activities, therefore the results substantiate the literature on SMT being used in an organisation. Thus, it can therefore be said that the selection of all SMT by the respondents was not unexpected, however, the specifics are related to the industry which is facilities management.

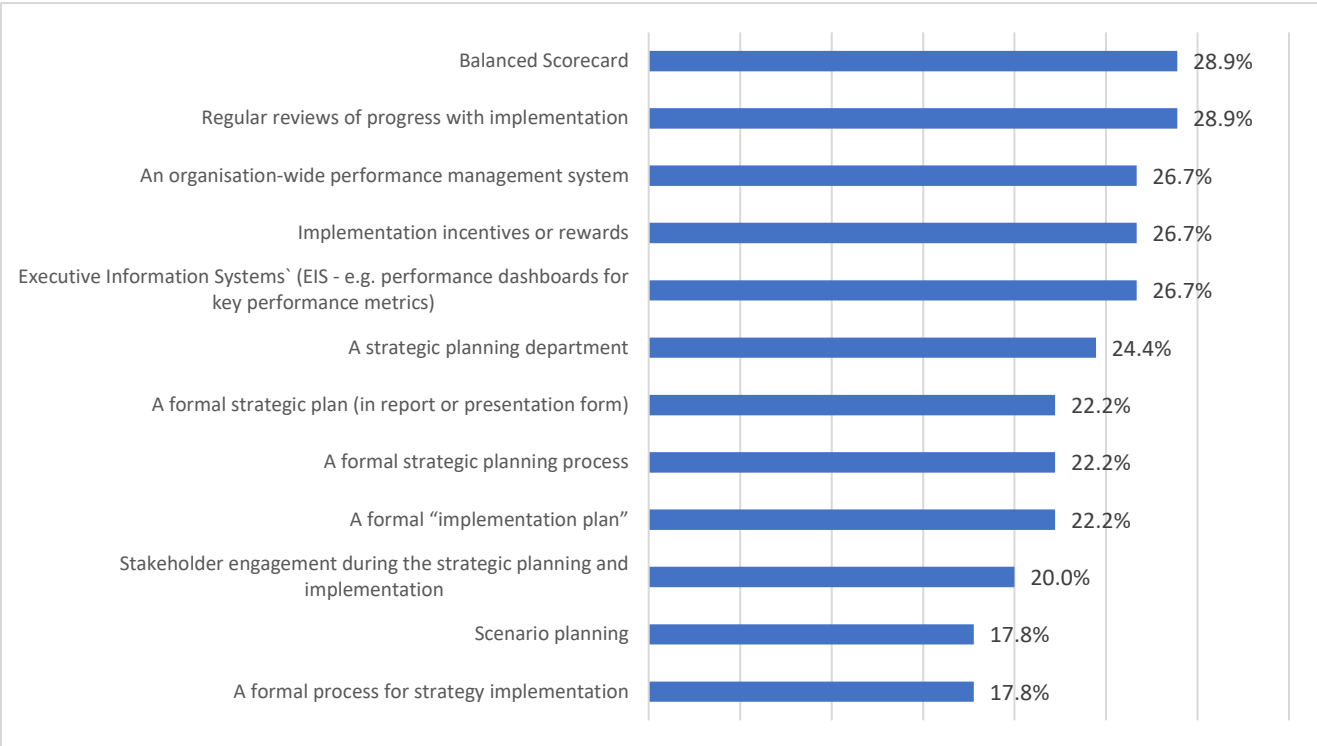
#### 4.4.2.2 Value of strategic management tools in supporting strategic management

Table 4.16 indicates how respondents perceive the value of the SMT, having had to select between five options with 1 – no value whatsoever and 5 – can't live without it. Figure 4.6 indicates five SMT that stand out as 'can't live without it'. Although the top five have the highest percentages, all SMT are perceived as valuable as the percentages are quite close to each other, as expected.

Looking at Figure 4.8, a comparison was done between 'yes' and 'can't live without' to determine if the organisation is using those SMT that are perceived as most valuable. What stands out from this is that are possible gaps between SMT that are not used or used enough but are seen as valuable, such as a strategic planning department, a formal strategic planning process, and a formal 'implementation plan'. These three are in the middle section of tools used but in the lower section of value. Stakeholder engagement during strategic planning and implementation is another tool with possibility. Scenario planning is at the bottom of the tools used but is still seen as carrying some value. It is worthwhile to investigate this further to determine if there really is a gap or if the sample's perceptions are skewed, which is then something for the organisation to work on.



**FIGURE 4.6 Most used tools by percentage**



**FIGURE 4.7 Most valued tools by percentage**

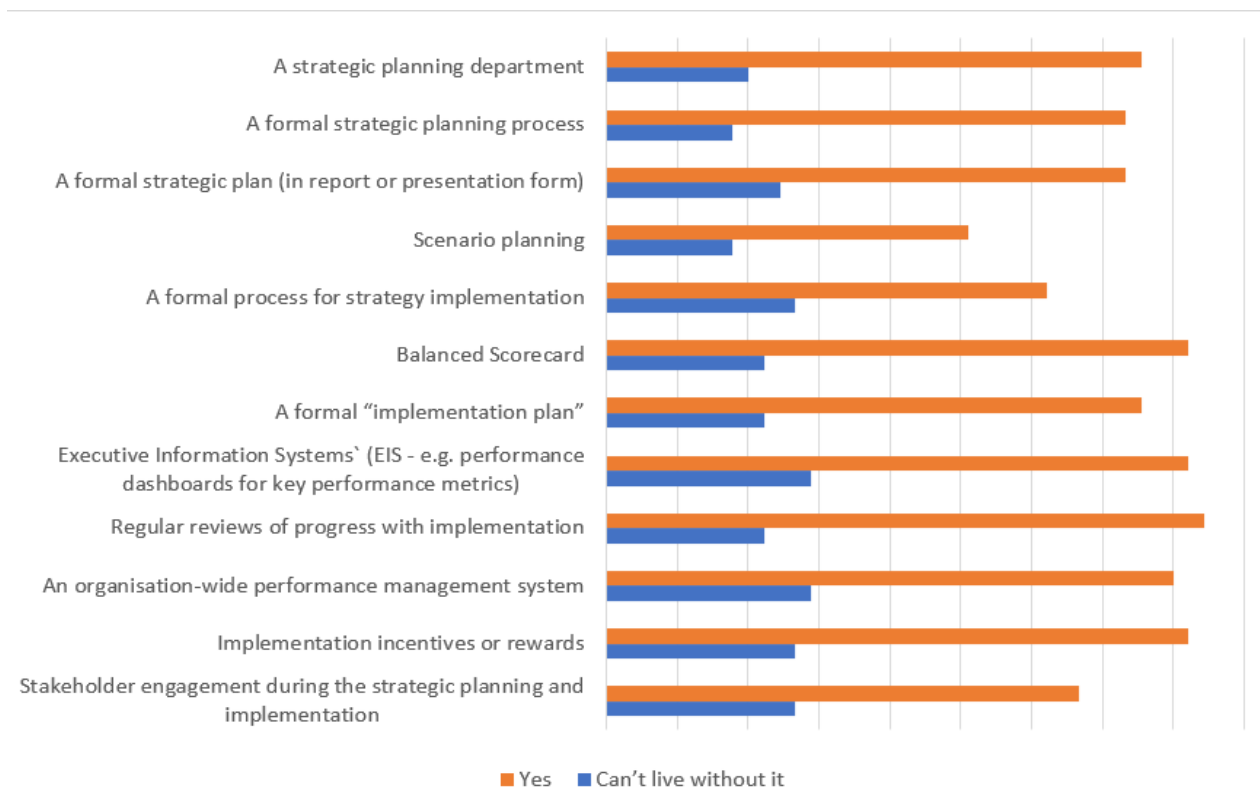


FIGURE 4.8 Comparison between used and valued

TABLE 4.16 Strategic Management Tools - Overview

	Mean	SD	No value whatsoever					Top-box	
				2	3	4	Can't live without it	No value whatsoever	Total Value
A strategic planning department	3.69	1.04	6.7%	2.2%	26.7%	44.4%	20.0%	6.7%	93.3%
A formal strategic planning process	3.47	1.14	8.9%	6.7%	31.1%	35.6%	17.8%	8.9%	91.1%
A formal strategic plan (in report or presentation form)	3.58	1.2	8.9%	6.7%	26.7%	33.3%	24.4%	8.9%	91.1%
Scenario planning	3.40	1.18	8.9%	11.1%	28.9%	33.3%	17.8%	8.9%	91.1%
A formal process for strategy	3.58	1.25	11.1%	4.4%	26.7%	31.1%	26.7%	11.1%	88.9%

implementation											
Balanced Scorecard	3.69	1.04		4.4%	6.7%	26.7%	40.0%	22.2%		4.4%	95.6%
A formal "implementation plan"	3.60	1.07		4.4%	8.9%	31.1%	33.3%	22.2%		4.4%	95.6%
Executive Information Systems` (EIS - e.g., performance dashboards for key performance metrics)	3.82	1.07		4.4%	6.7%	20.0%	40.0%	28.9%		4.4%	95.6%
Regular reviews of progress with implementation	3.73	1.01		4.4%	4.4%	26.7%	42.2%	22.2%		4.4%	95.6%
An organisation-wide performance management system	3.87	0.97		2.2%	4.4%	26.7%	37.8%	28.9%		2.2%	97.8%
Implementation incentives or rewards	3.51	1.24		6.7%	15.6%	24.4%	26.7%	26.7%		6.7%	93.3%
Stakeholder engagement during the strategic planning and implementation	3.69	1.18		8.9%	4.4%	22.2%	37.8%	26.7%		8.9%	91.1%

A Pearson Correlation was used to examine the statistical linear relationship between QSM, SMT, SDM, and OP. Pearson correlation coefficients ( $r$ ) can only assume values from -1 to +1. The sign in the front indicates if there is a positive correlation (as one variable increases, the other one does too), or a negative correlation (as one variable increases, the other one decreases). Ignoring the sign, the absolute value indicates the strength of the relationship. To interpret the value between 0 and 1, it is suggested in Pallant (2016) that  $r=.10$  to  $.29$  is a small (weaker) correlation,  $r=.30$  to  $.49$  is a medium

(moderate) correlation, and  $r=.5$  to  $1.0$  is a large (strong) correlation (Pallant, 2016). The correlation between SMT will now be discussed.

This relationship is a statistical measure that explains how variables are connected and suggests that as shifts in value, the other tends to shift too. Thus, the statistical linear relationship between two variables (Pallant, 2016; Jaadi, 2019). In Table 4.17 no negative correlations between any of the items were reported, with  $r$ -values being above  $.5$  indicating a correlation between the items. There are five very strong (above  $.8$ ) correlations that are close to  $1$ , they will be discussed.

A strategic planning department (1) had a positive, strong relationship with a formal implementation plan (7) and was statistically significant with  $r(43) = .80, p < 0.001$ . Here the value of a planning department and an implementation plan has a relationship of value, as the sample perceived that having this department will help with creating or managing a formal implementation plan.

A formal strategic planning process (2) had a positive, strong relationship with a formal strategic plan (in report form or presentation form) (3) and was statistically significant with  $r(43) = .80, p < 0.001$ . This indicates that if the perception of value increases in the planning process, the perception of value will increase for a formal strategic plan; and that planning and having a plan is of value. If there is no process, then the plan might not succeed.

A formal strategic planning process (2) had a positive, strong relationship with a formal process for strategy implementation (5) and was statistically significant with  $r(43) = .82, p < 0.001$ . This shows the connection between having a planning process and a process for strategy implementation, noting that processes are important for the sample. If there is no process for either, then either activity could fail.

A formal strategic plan (in report form or presentation form) (3) had a positive, strong relationship with a formal process for strategy implementation (5) and was statistically significant with  $r(43) = .80, p < 0.001$ . This indicates that having a formal plan and having a formal process of implementation is important for the sample and that if there is no plan then the implementation could fail.

A formal implementation plan (7) had a positive, strong relationship with regular reviews of progress with implementation (9) and was statistically significant with  $r(43) = .86, p < 0.001$ . This shows that having an implementation plan and reviewing the progress of the implementation could lead to success, but if there is no plan or there is no review of the progress, then somewhere the process will fail.

**TABLE 4.17 Strategic Management Tools – Correlation**

	1	2	3	4	5	6	7	8	9	10	11	12
1) A strategic planning department	--											
2) A formal strategic planning process	.757**	--										
3) A formal strategic plan (in report or presentation form)	.622**	.848**	--									
4) Scenario planning	.680**	.655**	.640**	--								
5) A formal process for strategy implementation	.682**	.826**	.804**	.735**	--							

6) Balanced Scorecard	.643**	.547**	.495**	.550**	.542**	--						
7) A formal "implementation plan"	.801**	.694**	.750**	.687**	.666**	.618**	--					
8) Executive Information Systems` (EIS – e.g., performance dashboards for key performance metrics)	.520**	.478**	.472**	.472**	.366*	.601**	.627**	--				
9) Regular reviews of progress with implementation	.742**	.703**	.733**	.724**	.736**	.633**	.864**	.753**	--			
10) An organisation-wide performance management system	.590**	.490**	.559**	.547**	.421**	.635**	.625**	.743**	.708**	--		
11) Implementation incentives or rewards	.656**	.585**	.579**	.638**	.627**	.674**	.722**	.516**	.786**	.628**	--	
12) Stakeholder engagement during the strategic planning and implementation	.584**	.514**	.499**	.598**	.584**	.418**	.650**	.475**	.614**	.538**	.593**	--



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

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

c. Listwise n=45

#### 4.4.3 The relationship between the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making and organisational performance amongst a sample of members in the IFM industry

As indicated, the relationship is a statistical measure that explains how two variables are related and measure the statistical linear relationship between two variables (Pallant, 2016; Jaadi, 2019).

Using the significance level ( $p$ ) does not indicate the strength of the variables, which is done by  $r$ , it indicates how much confidence to have in the results (Pallant, 2016). Another way to explain this is whether what we observe in the sample is expected to be true in the population (Jaadi, 2019). A  $p$ -value of 0.05 means there is only a 5% chance that the results occurred due to chance. A  $p$ -value of 0.01 means there is only a 1% change. The threshold of what to consider statistically significant is a  $p$ -value of 0.05 or below (Jaadi, 2019). Table 4.18 indicates the correlation between the four variables.

**TABLE 4.18 Variable Correlations**

	1	2	3	4	5	6	7	8	9	10	11	12	QSM	SDM	OP
	--														
	.757**	--													
	.622**	.848**	--												
	.680**	.655**	.640**	--											
	.682**	.826**	.804**	.735**	--										
	.643**	.547**	.495**	.550**	.542**	--									

	.801**	.694**	.750**	.687**	.666**	.618**	--								
	.520**	.478**	.472**	.472**	.366*	.601**	.627**	--							
	.742**	.703**	.733**	.724**	.736**	.633**	.864**	.753**	--						
	.590**	.490**	.559**	.547**	.421**	.635**	.625**	.743**	.708**	--					
	.656**	.585**	.579**	.638**	.627**	.674**	.722**	.516**	.786**	.628**	--				
	.584**	.514**	.499**	.598**	.584**	.418**	.650**	.475**	.614**	.538**	.593**	--			
Q S M	.528**	.396**	.335*	.362*	.391**	.442**	.524**	.478**	.513**	.482**	.377*	.469**	--		
S D M	.616**	.400**	.326*	.371*	.316*	.426**	.600**	.439**	.505**	.484**	.389**	.539**	.845**	--	
O P	.430**	.383**	.410**	.321*	.295*	.430**	.448**	.516**	.522**	.691**	.408**	.429**	.546**	.557**	--

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

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

c. Listwise N=45

QSM had a positive, strong relationship with SDM and was statistically significant with  $r(43) = .84, p < 0.001$ . This indicates that higher levels of QSM are linearly correlated (strongly) with higher levels of SDM.

QSM had a positive, strong relationship with OP and was statistically significant with  $r(43) = .54, p < 0.001$ . This says that having higher levels of QSM can strongly be correlated with OP.

SDM had a positive, strong relationship with OP and was statistically significant with  $r(43) = .55, p < 0.001$ . This shows that high levels of STD are correlated with high levels OP.

All SMT had positive relationships with the QSM, SDM, and OP, and all were statistically significant. The relationships vary from weak to moderate, with only three being strong.

A strategic planning department had a positive, strong relationship with Strategic Decision-making and was statistically significant with  $r(43) = .61, p < 0.001$ . This indicates the importance of the department in helping make decisions and having no department could affect decision-making negatively.

A formal implementation plan had a positive, strong relationship with Strategic Decision-making and was statistically significant with  $r(43) = .60, p < 0.001$ . This indicates the importance of an implementation plan in helping make decisions and having no formal implementation plan could affect decision-making negatively.

Regular reviews of progress with implementation had a positive, strong relationship with Organisational Performance and were statistically significant with  $r(43) = .69, p < 0.001$ . This points to the fact that if regular reviews are done and changes are implemented, organisational performance will be good.

The above indicates that there are relationships between the variables and that they are all strong, affecting each other and indicating that they work together, not separately, to achieve goals.

#### **4.5 Summary and conclusion**

The intent of this chapter was to report the results following the evaluation of the construct measures.

The main research question of how ABL management can improve its strategic decision-making was answered and it will be discussed in Chapter 5. The sub-research questions were also answered by determining the levels and relationships between the variables, while determining what the main strategic management tools used were.

The research objectives were met as well, with the main objective being to assess how management can improve its strategic decision-making, which took place in this chapter with further findings and recommendations in Chapter 5. The sub-objectives were met as levels and relationships were determined between the variables, and which tools were used to drive strategic decision-making.

## **CHAPTER FIVE – CONCLUSION**

### **5.1 Introduction**

The intention of this section is to draw meaningful findings from the results obtained and provide recommendations for the organisation and future research.

Throughout this research, the links between all the variables have been discussed as well as how each one impacts organisational performance. The problem statement for this research was to determine how, in this fast-paced, fragile environment, ABL management can make better strategic decisions to impact organisational performance positively; taking into consideration that bad decisions could affect the long-term strategy and put the organisation at risk.

The main research question was to find out how ABL management can improve its strategic decision-making. The main objective was to assess how management can improve its strategic decision-making.

The findings will be discussed first, followed by recommendations, limitations, future research, and a conclusion.

### **5.2 Main findings according to objectives**

To achieve the main research objective, the sub-objectives will be discussed first.

### **5.2.1 Sub-objective one**

Sub-objective one: To measure the perceived levels of the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population.

From the data that was received and processed, objective one was achieved indicating that there are in fact, significant differences between the levels of the variables. Each variable is seen as happening within the organisation but perceived differently (see Chapter 4.4). The results, therefore, supports literature that states that all these dimensions occur within an organisation and that they are important, but that they occur at different levels.

### **5.2.2 Sub-objective two**

Sub-Objective two: To determine the main strategic management tools used to drive strategic decision-making.

The main strategic management tools perceived by the sample as used, were determined from the results (see Chapter 4.4.2.).

What stands out from the results are possible gaps between SMT that are not used, or not used enough, but are seen as valuable, such as a strategic planning department, a formal strategic planning process, and a formal 'implementation plan'. These three are in the middle section of tools used but in the lower section of value. Stakeholder engagement during strategic planning and implementation is another tool with possibility. Scenario planning is at the bottom of the tools used but is still seen as carrying some value. It is worthwhile investigating this further to determine if there really

is a gap or if the sample's perceptions are skewed, which is then something for the organisation to work on. This objective was achieved.

### **5.2.3 Sub-objective three**

Sub-Objective three: To determine the relationship between the quality of strategic management, the value of strategic management tools in supporting strategic management, strategic decision-making, and organisational performance amongst a sample of members in the population.

The relationships were determined in Chapter 4.4.3 and Table 4.13, where it indicated strong correlations between the variables. This substantiates the literature that none of the variables can succeed by itself and that all work together to achieve organisational performance. Each one impacts the other in some way and that if not done simultaneously could lead to poor strategic management, poor strategic decision-making, and ultimately poor organisational performance. All strategic management tools have relationships with the other variables as suggested in the literature as well, indicating that different tools support at different stages to attempt in positively impacting the processes. This objective was achieved.

### **5.2.4 Main objective**

Main objective: To assess how management can improve its strategic decision-making.

This objective was achieved through the results from the sub-objectives that provided information to analyse which determined the recommendations for management.

#### 5.2.4.1 Quality of Strategic Management (QSM)

As seen in Table 4.12, five dimensions stood out as agree to strongly agree and these seem to be working for the management team and it is suggested these dimensions should continue being used.

- Our organisation has clear long-term (3 years +) objectives.
- Our organisation has a clear vision for the future.
- Our organisation is focused on a few key performance indicators to track our progress with implementation.
- Our strategic decisions create value for the realistic and implementable.
- We are quick to respond to important changes in our environment.

On the other hand, the dimensions that stood out close to neither agree nor disagree (averaging three) could help improve QSM if perceived that they are rated higher. This in turn could help improve SDM. These are:

- Our organisation's strategy is clearly understood by most people in the organisation.
- The activities of different divisions in this organisation are well coordinated.
- Several departments get together regularly to plan responses to changes taking place in our business environment.
- We are proactive in addressing anticipated changes in our business environment.

From this data, it can be concluded that the sample perceived that there is a lack of understanding, amongst the population, of the strategy of the population. It also indicated the perception of lack of communication, participation, and teamwork between departments. If management can work on this and improve the perception of these activities, it could lead to better strategic decision-making. The value of understating



strategy, coordination between teams, and addressing changes are all important and plays an integral part in the quality of strategic management. This substantiates the literature that managers should support open communication channels and free information flow between employees and teams.

#### 5.2.4.2 Strategic Decision-Making (SDM)

In terms of strategic decision-making, two dimensions stood out as closer to 'agree'; the rest were tending more towards 'neither agree nor disagree':

- Key strategic decision-makers in our organisation have access to real-time information on the organisation's business operations.
- Key strategic decision-makers in our organisation has access to real-time information on the competitive environment.

The ones perceived lower were:

- Strategic decision-makers consult widely with key internal stakeholders (e.g., employees, unions) before making important decisions.
- Strategic decision-makers seek the advice of experienced employees before making important decisions.

The first two dimensions substantiate literature that states that information is important in decision-making and valued by decision-makers. In general, the perception was that strategic decision-making is taking place and is perceived as an important activity.

Comparing the lowest perceived dimension of both QSM and SMD, there is a similarity in the perceptions that divisions and departments are not meeting often enough, nor sharing information. Better involvement, communication, and sharing should take place. It comes across that sample feels unvalued and not involved enough as the activity of

seeking advice from experienced employees had the lowest mean of 3.178 (meaning most of the sample chose neither agree nor disagree). Involvement, communication, and team meetings are all important and should be a focus for management actions.

### **5.3 Key Insights**

Based on the findings, the key insights are:

The general perception of the sample regarding the Quality of Strategic Management and Strategic Decision-Making is average and there seems to room for improvement from management to better action these activities and make them known to the population. The results indicate that the sample is aware of activities, but not to what extent some are executed.

The Quality of Strategic Management, Strategic Management Tools, and Strategic Decision-Making work together and cannot be used in isolation. Strategic management and decision-making work together to achieve good operational performance.

Team communication, inclusion and consulting, and teamwork have a thread in both the quality of strategic management and strategic decision-making, showcasing their importance for any organisation.

Tools are useful and valued differently, however, being educated on the tools will be beneficial to ensure that the best ones for the industry and type of organisation are used, not because it is easy or perceived as good by the general public, but because it gives the results or activities required by the organisation.

Operational performance is affected by the quality of strategic management, strategic management tools, and strategic decision-making. They all work together to achieve success, and although they each have their individual purpose, they cannot achieve success without each other.

All the findings substantiate the literature pertaining to strategic management, strategic management tools, strategic decision-making, and organisational performance.

#### **5.4 Recommendation based on answering the main research question and achieving the research objective**

There is no easy solution to improving strategic decision-making and no overnight miracles. It will take time to plan, implement, and test whether it in fact improved. The research explored strategic management and all the topics that work with that to achieve organisational performance. Based on the results, the perceived quality of strategic decision-making in ABL is that it is just above average according to the sample, and that management has an opportunity to improve.

If management could investigate, plan, and implement the recommendations below, it could lead to better strategic decision-making which could impact organisational performance positively.

Based on the results received and through analysing the data, there are a few opportunities for improvement:

- Team communication, participation in wider organisational activities, and teamwork in a workplace are imperative, and management will have to investigate this further to determine where the lack of on these three issues stems from. These issues were rated low in both QSM and SDM. Cascading

information from the top to all teams and employees, through internal tools or platforms regularly could be the start of this activity. Using employees for knowledge and consulting them on decisions or ideas (where applicable) helps so much with buy-in and teamwork.

- Ensuring teamwork is part of the culture and management style. Ensuring that managers go for training on the importance of teamwork and adding certain activities as key performance indicators could be the starting point of finding the why, and determining the how, in creating better teamwork and connections. Feeling valued and inclusive has a major positive impact on an organisation.
- The strategy of the organisation is important, but it needs to be important for everyone in the organisation. Although not everyone makes decisions or creates organisational plans for success, every employee needs to be part of the 'what' and 'why'. Knowing where the organisation wants to go and why makes them allies and champions for the same future, and with everyone aligned, everyone will work towards a common goal. As part of management communication, the strategy should be included in this, and training should be given annually with voluntary check-ins for those who need a refresher. Transparency and willingness to bring everyone into the 'exco boardroom' will empower employees.
- Using the results from this research, management should deep dive into all activities that measured three and under (neither agree nor disagree) to determine if what the sample perceives is in fact true and for those activities that are, create action plans to improve them. An example for QSM is 'the activities of different divisions in this organisation are well coordinated' being low in agreement. Is this true for the entire population? A poll can be created on an internal platform to ask the entire population this question to compare it to the sample's perception. Once they have the results, they can decide to create an action plan to improve or to ignore the sample's perception as the population feels different (more agree).
- Considering the previous recommendation, SMT should be analysed as well. Management knows what tools are used and why, but the question now is why the others are used less. Another consideration is to compare the value to the

used tools. There are a few tools perceived valuable but not perceived as used, which could provide new ways for management to help them in their strategic decision-making (see 5.2.2).

- Educating the employees on what tools are used, and why, while sharing the results and actions from these tools could also assist in communicating the strategy of the organisation. Sharing knowledge and educating all employees will empower them to participate, share information and ideas, and work towards the same common goals of the organisation.
- There are strong correlations between QSM, SDM, and OP. Management should relook at the strategy and how decisions have been made up to now. What decisions that seem to have made positive impacts on OP should be noted to repeat, and those that had a negative impact should be investigated to ascertain the reasons why, so that they are not repeated.

## **5.5 Limitations and future research**

### **5.5.1 Limitations**

As with any research, there are limitations that exist. The limitations for this research were:

Insufficient sample size: The realised sample size was 45 due to time constraints. These results are therefore not conclusive as they cannot be generalised for the entire population in this research, and definitely not for the Integrated Facilities Management industry.

Limited time: Due to having a deadline for receiving data to analyse, impacted the sample size. If there had been more time to gather data, the sample size could have been larger and might have impacted the research differently.

Language barrier: As the targeted population were in various countries it couldn't be assumed that all speak or read English and would therefore be able to participate. The language barrier played a possible role in the realised sample size.

Research paradigm: The positivist research paradigm fails to discover deeper underlying meanings and how people interpret their actions. This means that the findings are about perceptions and not facts.

Time dimension: As this research collected data once only, it is a snapshot of the phenomenon; it measured variables only at a specific moment in time, overlooking perceptions prior to, or after, the research was completed.

External validity: Although this has perhaps not been met due to the results not being able to be generalised to the industry or other IFM organisations, the sample was a representation of the population and could possibly be generalised to the population.

### **5.5.2 Future research**

More extensive research with a larger sample will have to be done to determine generalisability potential within the organisation or industry. The aim should be over 50 but ideally, a realised sample of 100 or more will provide a better understanding of the perceptions of the population.

The research should have ample time to gather sufficient data to assist with the sample size, while if the population is multilingual, it should have the questionnaires in diverse, appropriate languages.

Further research should also focus on specific activities mentioned in the questionnaire, where the sample had low agreement, to determine if it really is a problem in general for organisations, or specific to this organisation.

This research focused on one specific industry, and this could be extended to other industries, to compare how industries differ in terms of their strategic management, strategic management tools, and strategic decision-making.

This research also was descriptive in nature and used a survey method. Other methods could be used to gather and analyse results and findings such as focus groups and in-depth interviews.

Doing longitudinal research with the same population could assist in getting a better view of the perceptions and if anything was implemented, whether it would change the perceptions.

## **5.6 Conclusion**

This research, through data analysis, resolved the problem statement by meeting all objectives and answering the research questions. Findings and recommendations, with limitations and future research concluded this research.

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## APPENDICES

### 7.1 Questionnaire

#### THE PERCEIVED QUALITY OF STRATEGIC MANAGEMENT 2021

*Dear Respondent*

*You are herewith invited to participate in an academic research study conducted by Unisa's Graduate School of Business Leadership (SBL).*

*The purpose of the study is to investigate the perceived quality of strategic management in organisations, and the purpose of the research is to help us better understand how to improve the practise of strategic management.*

*All your answers will be treated as confidential, and you or your organisation will not be identified in any of the research reports or publications emanating from this research.*

*Your participation in this study is very important to us. You may however choose not to participate, and you may also withdraw from the study at any time without any negative consequences.*

*Please answer the questions in the attached questionnaire as completely and honestly as possible. Completing the questionnaire should not take more than 20-25 minutes of your time.*

*The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of the findings on request.*

*Please contact the study leader, Prof Peet Venter ([ventep@unisa.ac.za](mailto:ventep@unisa.ac.za)) if you have any questions or comments regarding the study.*

*By clicking on the "submit" button below, you are consenting to participate in the study.*

**Identifier:** Please enter the code provided by the person that invited you to participate in the research. This code will only be used to ensure that team researchers get the correct data to work with.

Insert number



## Section 1: Organisation and respondent particulars

1.1 Which of the following best describes the type of organisation that you work for?

A privately-owned enterprise	A public (listed) company	A state-owned enterprise (e.g., Telkom, SAA)	Public Entity
A national or provincial government organization	A local government	A not-for-profit organization	Government Business Enterprise (e.g., CSIR, Mintek)

1.2 How many full-time employees (approximately) work in your organisation?

Insert number
---------------

1.3 What is the core business of your establishment?

Agriculture, fishing, forestry	Mining & quarrying	Manufacturing	Electricity, gas, and water supply	Construction
Wholesale and retail trade, restaurants, hotels	Transport, storage, and communication (includes telecommunication)	Finance, insurance, real estate and business services	Community, personal and social services (includes general government services)	Other ( <i>please specify</i> ): .....

1.4 In which country/ region is your organisation's head office located?

Select from drop-down list
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1.5 What best describes your position within your company?

Director	Senior manager or executive	Middle manager	Entry level manager (e.g., supervisor)	Professional specialist	Permanent employee	Other ( <i>please specify</i> ): .....
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1.6 Which of the following best describes the functional area that you work in?

Sales	Finance and accounting	Operations, engineering or technical	Marketing	ICT	General management	Other support services
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## Section 2: Quality of strategic management

**IMPORTANT: Strategic management involves the activities associated with developing and implementing long-term plans.**

Consider each of the following statements on **strategic management in your organisation** and indicate your agreement with each statement. Remember that this is about your own perceptions – there are no wrong answers.

	Strongly disagree 1	Disagree 2	Neither agree nor disagree 3	Agree 4	Strongly agree 5
2.1 Our organisation has clear long-term (3 years +) objectives.					
2.2 Our organisation has a clear vision for the future.					
2.3 Our strategic decisions are always in line with our vision for the future.					
2.4 Our strategic decisions create value for the owners/ shareholders of the organisation.					
2.5 We almost always achieve our long-term objectives.					
2.6 Our organisation is focused on a few key performance indicators to track our progress with implementation.					
2.7 The leadership of our organisation is visibly committed to successfully implementing our strategy.					
2.8 The culture in our organisation strongly supports our strategic direction.					
2.9 Our internal organisation structure supports our strategic direction.					
2.10 Our internal operating environment (processes and policies) support strategy implementation.					
2.11 We have the right technology in place to successfully implement our strategy.					
2.12 We have the right competencies in place to successfully implement our strategy.					
2.13 Strategy implementation is regarded as a very important function in our organisation.					
2.14 We have a clear long-term strategy.					
2.15 Our organisation's strategy is clearly understood by most people in the organisation.					
2.16 We are constantly measuring our progress with strategy implementation.					
2.17 Our strategies are acceptable to all key internal stakeholders.					
2.18 Our strategies are aligned well with our external environment.					
2.19 Our strategies make maximum use of what we do well as an organisation.					

2.20 We are not afraid of taking appropriate risks to grow our organisation.					
2.21 In our organisation, we manage risks well.					
2.22 We are quick to respond to important changes in our environment.					
2.23 Our strategic decisions ensure our organisation's sustainability for the future.					
2.24 The strategic decisions that we make are realistic and implementable.					
2.25 We have a good understanding of our key strengths and weaknesses.					
2.26 Several departments get together regularly to plan responses to changes taking place in our business environment.					
2.27 The activities of different divisions in this organisation are well coordinated.					
2.28 We are proactive in addressing anticipated changes in our business environment.					

**Section 3: The tools of strategic management**

Consider each of the following strategic management tools and indicate:

1. Whether your organisation make use of it (yes or no).
2. What value (in your view) it adds to your strategic management efforts (on a scale of 1 to 5, where 1 is "no value whatsoever" and 5 is "can't live without it")

<b>STRATEGIC MANAGEMENT TOOLS</b>	<b>Does your organisation use this tool? (Yes/no)</b>	<b>How valuable is it in supporting strategic management? (scale= 1 to 5)</b>
3.1 A strategic planning department		
3.2 A formal strategic planning process		
3.3 A formal strategic plan (in report or presentation form)		
3.4 Scenario planning		
3.5 A formal process for strategy implementation		
3.6 Balanced Scorecard		
3.7 A formal "implementation plan"		
3.8 Executive Information Systems` (EIS - e.g., performance dashboards for key performance metrics)		
3.9 Regular reviews of progress with implementation		
3.10 An organisation-wide performance management system		
3.11 Implementation incentives or rewards		
3.12 Stakeholder engagement during the strategic planning and implementation		

## Section 4: Strategic decision-making

**IMPORTANT: Strategic decision-making refers to the high-level decisions that affect the whole organisation and require significant financial and other resource commitments.**

Consider each of the following statements on the **strategic decision-making process in your organisation** and indicate your agreement with each statement. Remember that this is about your own perceptions – there are no wrong answers.

	Strongly disagree 1	Disagree 2	Neither agree nor disagree 3	Agree 4	Strongly agree 5
4.1 Key strategic decision-makers in our organisation have access to real-time information on the <b>organisation's business operations</b> .					
4.2 Key strategic decision-makers in our organisation has access to real-time information on the <b>competitive environment</b> .					
4.3 In our organisation, we take a long time to make important decisions.					
4.4 Our key strategic decision-making team is diverse in terms of age, ethnicity, and gender.					
4.5 In our organisation, all key managers have a common understanding of our business and its environment.					
4.6 There is a lot of healthy debate among the management team about key decisions.					
4.7 Organisational politics dominate strategic decision-making in our organisation.					
4.8 Strategic decision-makers consult widely with key <b>internal</b> stakeholders (e.g., employees, unions) before making important decisions.					
4.9 Strategic decision-makers consult widely with key <b>external</b> stakeholders (e.g., customers) before making important decisions					
4.10 Strategic decision-makers seek the advice of experienced employees before making important decisions.					

## Section 5: Organisational performance

In this question, we measure your perceptions of your organisation's performance on four key measures. Please use the following scale:

	Private sector organisations	Not-for-profit organisations
1	Below industry average	Declining over time
2	On par with the industry (about average)	Stable (stayed about the same)
3	Better than the industry	Improving overtime

5.1 When considering your organisation's overall performance over the last three years, how would you rate it on each of the metrics below?

	Below industry average/Declining over time 1	About average/Stable (stayed about the same) 2	Better than industry average /Improving over time 3
1. Overall financial performance			
2. Introducing new innovations			
3. Growth in revenue			
4. Customer perceptions of our brand			

## Section 6: Personal particulars

6.1 How old will you be on your next birthday?

Insert number

6.2 What is your gender?

Female

Male

6.3 What is your highest formal qualification?

Did not complete high school

Completed high school (matric)

Post-matric degree or diploma

Post-graduate qualification

6.4 Which ethnic group do you belong to?

**(this response will be used purely to determine the representativeness of the sample)**

Asian/ Indian

Black

Coloured /Mixed Race

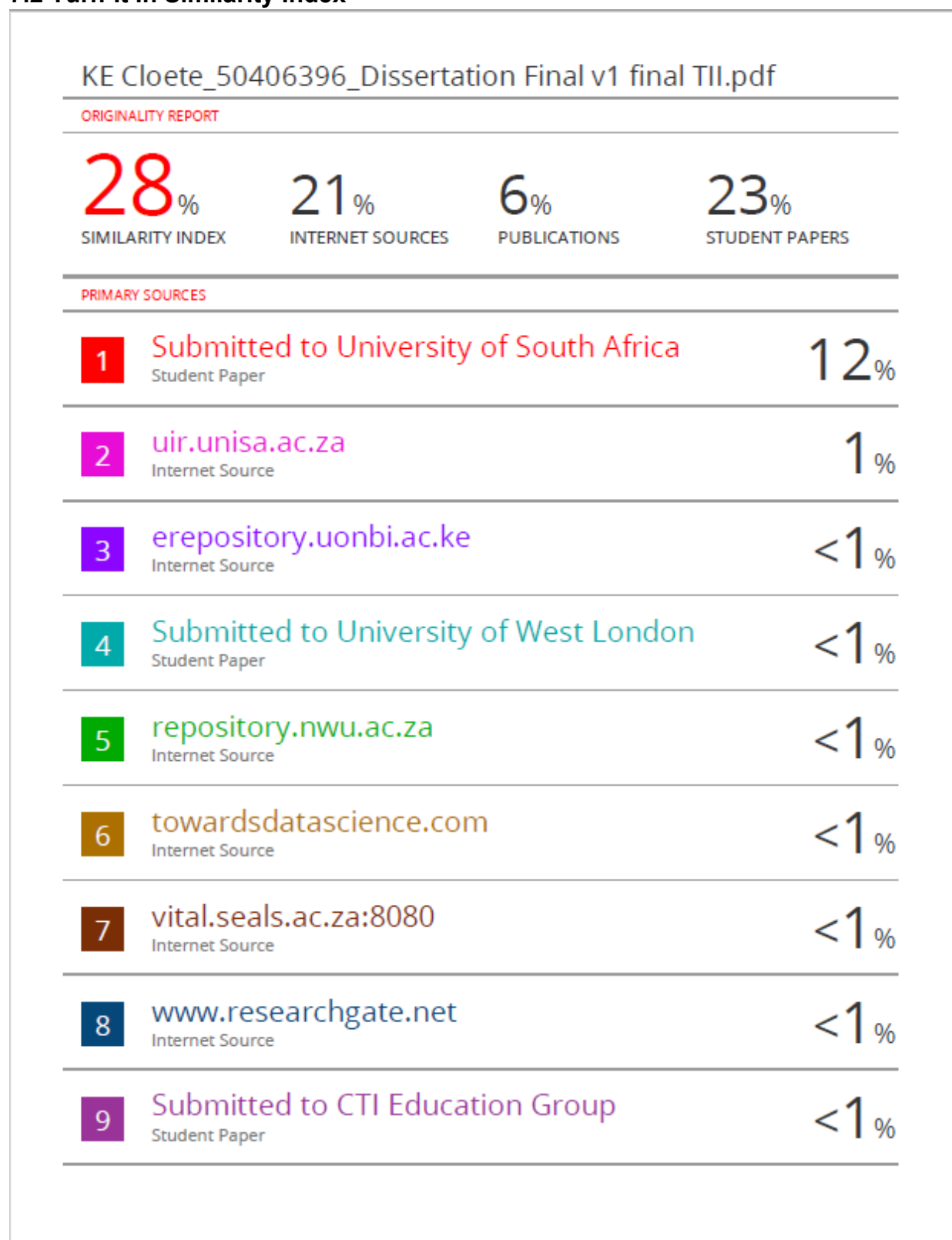
White

***Thank you very much for your time. Should you wish to receive feedback on the results, please enter your e-mail address below.***

***Enter e-mail address***

T

## 7.2 Turn-It In Similarity Index



## 7.3 Ethical Clearance Certificate

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

17 August 2022

Ref #: 2022\_SBL\_MBA\_016\_FA

Name of applicant: Ms KE Cloete

Student #: 50406396

Dear Ms Cloete

**Decision: Ethics Approval**

**Student:** Ms KE Cloete ([50406396@mylife.unisa.ac.za](mailto:50406396@mylife.unisa.ac.za) , 081 704 5788)

**Supervisor:** Prof P Venter, ([ventep@unisa.ac.za](mailto:ventep@unisa.ac.za) , 011 652 0346)

**Project Title:** The Perceived Quality of Strategic Decision-Making in a Facilities Management Company

**Qualification:** Master in Business Administration (MBA)

**Expiry Date:** December 2023

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 until December 2023

The application was reviewed in compliance with the Unisa Policy on Research Ethics by the SBL Research Ethics Review Committee on the 17/08/2022.

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 Mlitwa*

Prof N Mlitwa

Chairperson: SBL Research Ethics Committee

011 - 652 0381/ [wiltonb@unisa.ac.za](mailto:wiltonb@unisa.ac.za)

*P. Msweli*

Prof P Msweli

Executive Dean: Graduate School of Business Leadership

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years

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BUSINESS LEADERSHIP  
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## 7.4 Letter of Consent signed by Supervisor


**MBLREP / MBL5913 / MBA5929**

**CONSENT TO SUBMIT RESEARCH REPORT FOR EXAMINATION 2022**

Consent is hereby given to:


Student name: Krizanne Elizabeth Cloete

Student number: 50406396 to submit her research report in its final form.

Supervisor Signature:  ..... Date: 8 December 2022.....

Supervisor Name: PROF PEET VENTER

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: 21 December 2022