

Determinants of the Impact of Strategic Managers Skills on Large Scale Business's Performance: A Study of Best Aluminum Manufacturing Company Ltd Onitsha, Anambra state

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Abstract

This paper determined the impact of strategic managers skills on organizational performance: A study of Best Aluminum Manufacturing Company Ltd Onitsha, Anambra state. Strategic managers are managers that occupy the apex leadership positions of both medium and large-scale businesses in the world of business. They are the policy making bodies of corporate organizations. They manage complexities in a business; ensure fund acquisition, allocation and investment decision. In large scale businesses, they determine dividends that should be paid to shareholders. One research question and one hypothesis guided this study. Descriptive research survey design was employed in this study. Instrument for data collection was a researcher developed instrument titled "Determinants of the impact of strategic managers skills on organizational performance: A study of Best Aluminum Manufacturing Company Ltd Onitsha, Anambra state" with four rating scales of strongly agree, agree and strongly disagree. The process for validation of the instrument was carried out by two specialists in the department of Business Education and Business Administration departments of Madonna University, Okija Campus, Anambra state. Conbach alpha statistics was used to determine the reliability coefficient of the instrument at 0.78 and 0.80, which showed that the instrument was reliable to be used in this study. A total of 106 questionnaires were administered to respondents, and a total of 106 questionnaires were returned and used in the analysis of the study. Mean and standard deviation were used to analyze the data collected; Pearson Product Moment Correlation Coefficient was used to test the hypothesis. The findings from the study revealed that strategic managers are outstandingly waging wars against failures of most corporate businesses in competitive business environments. It was recommended in this study that business organizations should employ the services of strategic managers in their businesses. This would prevent their businesses from crunching into sudden failures due to non-existing standard services of strategic managers in their businesses.

Keywords: History of Business, Manors and Stewards in ancient Businesses, Modern Businesses in the World, Strategic Managers.

Introduction

Biblical accounts revealed that business has a long-standing history. Business is the act of buying and selling and consummating exchange of goods with monetary transactions. It is made up of activities whereby human needs are displayed or decentralized according to human wants, needs or desires with a given prize level, at a particular place and time.

History of Business

Before the eve of Christianity in the world, came into existence, Egyptian Merchants who carried out businesses that helped them to enroute to Africa and Asian

countries of the world. Egyptians are into buying and selling businesses, though, their businesses were carried out with very crude means then via travelling on waters and on long distant roads majorly on foots to get to some communities and countries, mainly in Africa. However, the new dimension of business today is taking the lead.

Manors and Stewards in Ancient Businesses

A shift from the medieval ages, to few centuries ago, manors who were known as itinerant business men, were not steady at home, some of their long stay from their long travels have occurred to them challenges of

wasted resources or proceeds which supposed to be realized from their farms and estate businesses. Hence, leadership responsibilities in the farm and estates of Manors were held in trust in the hands of stewards who ruined their businesses.

Stewards were in- charge of hiring labourers and taking full care of the Manors businesses and as well, provide sound and accurate reports of the proceeds realized from managing the Manors businesses. Evidence abound that expectations of Manors were not in accordance to the way Manors felt. Stewards whose responsibilities of managing the Manors farms derailed from keeping to the demands of Manors. The proceeds from the Manors farms and estates were not objectively reported to Manors by their stewards.

Modern Businesses in the world

The Inability of the early businessmen to keep proper accounts of their business and manage their businesses to expected standards have given rise to modern business management and administration since 17th centuries ago. In this new business world, the onus of managing businesses has been in the hands of managers especially, managers with erudite scholarship in business management.

Strategic Managers

Strategic managers are the apex leaders, administrative personnel and managers of corporate businesses, especially, large scale businesses. Strategic managers are policy makers in most private and public businesses (Barrozo, 2020). Some businesses especially large-scale businesses have

stumbled and failed due to some managers that are poor in knowledge and business management skills. In real business practices, responsibility for fund acquisition, allocation, and investment decision are bestowed in the hands of strategic managers (Agwu, 2018). When there are tax frauds and unfavourable business climates, strategic unravels the situation and bring solution to problems of their business. Strategic manager's visits tax agents to provide manageable tax to their businesses (Kruger, 2020). Strategic managers synergize with business regulatory agencies responsible for conduct of businesses in a state or country to settle problems beclouding the conduct of their businesses in that state or country.

In this competitive new business world, strategic managers strive for expansion and thus, open new business opportunities as means of expanding their already existing businesses (Madlin, 2016). In cases of inadequate staff, strategic managers recruit, train, and employ best qualified staff in their businesses (sone etal, 2005). They create synergy with their host communities through provision of legacy projects to their communities, such as, good road networks, community hospitals, rural water projects, gifts to indigent persons in communities where their businesses are established and as well as provide rural electrifications to communities. They have the keys to unlock the gate of any crumbling businesses (Shina, 2020).

Adequate provision of needed logistics to business as well as provision of underground environmental scanning to know the population density, customers likes and

dislikes, manageable costs of labourers, security situations, and levels of tax charges in business is the sole responsibilities of strategic managers (Olabanji, 2019). Strategic managers establish their businesses in developed towns, communities and villages where there are steady electricity, good road networks, raw materials accessibility and adequate security that pave way for the distribution of their products to retailers and whole sellers (Wolf & Floyd 2017).

Strategic managers do not keep silent in carrying out market survey about the feeling of customers on their products. They do not relent from carrying out surveys or market research about the products of companies in the same line of business with them (Abodunde, 2020). Strategic managers understudy some practices and innovations some businesses competing with them as competitive strategic advantage over them. Despite the competitive advantages other businesses may have over them, they develop curiosity, doggedness to acquire the best tactics, ideas and methods to overcome and manage their businesses. In terms of diversification into new businesses, strategic managers engage into deep thinking to evaluate the efficacy of the new business in relation to the anticipated profits and complexities inherent in that new business they wanted to undertake (Rajinova & lorincova, 2015).

On the other hand, conflict is inevitable in a business and constitutes stress to staff or employees in a business environment. Strategic managers establish departments and units to manage conflicts that may appear

nuisance to their business. Standards for employees welfare administration, effective team building among employees are ensured by strategic managers. They provide adequate employees work life balances that are driven with staff development, career advancement and morale. Strategic managers map out their business objectives in simple and complex forms and make choices from the mapped-out objectives that ore of minimal costs to actualize and maximize economic rate of return when they carry out the business. In this world of business competition, strategic managers manage failures and prevent future business failure in their business. New and old staff orientation and re-orientation are carried out by strategic managers in large scale business organizations. Strategic managers unreservedly organize picnics for education of consumers about their products.

Best Aluminum Manufacturing Company Ltd, Onitsha, Anambra state is a company responsible for production of alumuninium roofing sheets and cooking wears. The company is one of the companies that have been achieving unprecedented rate of economic returns in Anambra state economy. The company has branches in Awada, Awo Idemili and other parts of Anambra state. It has 106 employees and has continued to maintain linkages with foreign companies abroad. It has also served as training ground for students and future managers. It has also served as a resource for distribution of aluminum cooking wears to wholesalers and retailers in the whole parts of Anambra state and Nigeria in general.

Statement of the Problem

In this staggering business world, some business organizations have survived and excelled because of the doggedness of strategic managers. Some business organizations have divested into businesses of their choices and failed woefully because they did not conduct serial environmental scanning about their business such as; government tax legislations, population density of the area, insecurity situations and customer likes and dislikes in their new business environment. Some businesses have also failed to carry out customer cash and credit facilities to their customers, and consumer education. Some businesses have level of innovated topple some businesses due to the level of sophisticated technologies they have procured to their business. Some organizations do not have mechanisms to handle employee's conflicts and the bargaining power that could enable government to reduce some taxes imposed in their business. These have caused eventual folding of some mega businesses in some countries where they are established. These inadequacies have posed threats and weakness that retard operation of some businesses in some developed and developing countries in the world.

Concept of Organizational Performance

Organizational performance is the act of providing needed resources, rules and regulations, new business ideas and general management skills to business, that enable businesses to thrive even in the unforeseen future. Both small- and large-scale organizations expect that their staff or employees should rise to the challenges

envisaged in their organization to achieve success. Organizational performance revolves on availability or adequacy of facilities and equipment provided to ease effective workflow in organizations (Oralee, 2018). It is majorly the means of restoring peace, developing craves for employer verses employees' relations, payment of salaries as at when due, personal recognition of employees or staff for job well done (Spacey, 2018). It depicts regular promotion of employees, provision of bonuses, incentives to employees, provision and assurance of more flexible working hours to employees (Okolocha 2021). In organizations where there are high job performance employees are highly motivated. Supervision in that organization is very tact and rewarding. Employees are paid as at when due and rejoice when their organization is on the high pogrom of success. Employees exhibit actions that enable their organizations to perpetuate in the unforeseen future and draw lasting goodwill to their organization.

Theoretical Review

McClelland theory was glued to this study. McClelland theory of Human needs was propounded in the Year 1961 by David McClelland. This theory is also called the theory of human motivation. According to McClelland, human beings are positive thinkers. They strive to achieve successes in their endeavour. They are not afraid of being cautioned on what they did not do well. Despite the cautions, they strive to achieve success from what they are cautioned for. When their pursuits are uneasy to achieve, they take calculated risks. They rejoice when their

plans are achieved. When they are praised, they are happy and regain energy to continue their future endeavours. They always like to recount their sufferings from the beginning to the end.

Relationships of this theory to this present study are: Strategic managers take calculated risks during pursuits of their goals. They rejoice when the goals they have pursued are achieved. This theory suggested that responsibilities of managers are inevitable in organizations. They provide unity of purpose, directions and togetherness of all employees in the goals they have mapped out to achieve and ensure that the goals are achieved.

Methods

This paper determined the impact of strategic manager's skills on organizational performance: A study of Best Aluminum Manufacturing Company Onitsha, Anambra state. Instrument for data collection was a researcher developed instrument titled "Determinants of strategic managers skills on organization performance: A study of Best Aluminum Manufacturing company Ltd, Ontcha Anambra state" with four rating scales of strongly agree, agree and strongly disagree. The process for validation of the instrument was carried out by two specialists in the department of Business Education and Business Administration departments of Madonna University, Okija campus, Anambra state. Conbach alpha statistics was used to determine the reliability coefficient of the instrument at 0.78 and 0.80, which showed that the instrument was reliable to be used in this study. A total of 200 questionnaires were

administered to respondents and a total of 200 questionnaires were returned and used in the analysis of the study, non-got missed. Mean and standard deviation were used to analyze the data collected, while Pearson Product Moment Correlation Coefficient was used to test the hypothesis.

Results

What the relationship between strategic managers skills and organizational performance?

Table 1: Shows the the relationship between strategic managers skills and organizational performance.

Variable	N	Pears on r	P- value	Interpretati on
<i>Training and Performance</i>	106	0.62**	<.001	Strong Positive
<i>Communication and Performance</i>	106	0.45**	<.001	Moderate positive
<i>Salary and Performance</i>	106	-0.32**	<.01	Moderate Negative

Interpretation of the analysis in Table 1:

Training and job Performance $r = 0.62$. This showed a strong positive linear relationship. As strategic managers en engage in employees to derive satisfaction training increases, employees performance in their organization increases significantly.

Communication and Performance

Communication and performance has $r = 0.45$. this shows a moderate positive relationship, indicating that managers

improved communication to employees correlate with employees higher performance.

Salary and Turnover Intent

Salary and Turnover intent has $r = 0.32$. This showed a moderate negative relationship, indicating that managers encourage employees to derive increased satisfaction from their salaries, intention to leave the company decreases.

Test of Hypothesis

Null Hypothesis (H₀).

There is no significant relation between managers skills and organizational performance.

From the analysis, Sample size $N = 106$, Degree of freedom, $df = N - 2 = 104$, Alpha level = 0.05 (Two tailed). $df = 104$, the critical value for significance is approx. 195. Coefficient of correlation $r = [r] > 0.195$, this revealed significant. Therefore, the alternative hypothesis was accepted. This implies that there a significant relationship between managers skills and organizational performance.

Discussion of Findings

From the analysis strategy managers are strong pillars that elevate some businesses to greater heights. (Agwu 2018) highlighted that responsibility for fund acquisition, allocation, and investment decision are bestowed in the hands of strategic managers. (Kruger, 2020) identified that when there are tax frauds and unfavourable business climates between owners of businesses and government of a state or country, strategic managers visit

tax agents to provide manageable taxes to their businesses. (Mediln, 2016) adduced that in this competitive new business world, strategic managers open new business opportunities to increase rate of returns in their businesses. In cases of inadequate staff, strategic managers recruit, train, and employ best qualified staff in their businesses (Tapinose et al, 2005). (Phina 2020) averred that strategic managers are keys that unlock the gate of any crumbling businesses. They make adequate provision of needed logistics to their business as well as providing underground environmental scanning to know the population density, customers likes and dislikes, manageable costs of labourers, menial tax charges to their business (Olabanji, 2019). Strategic managers open their business offices in communities and localities where there is steady electricity, good road networks, raw materials accessibility and ensure distribution of their products to retailers and whole sellers (Wolf & Floyd 2017). Little wonder (Rajinova & lorincova, 2015), contributed that in terms of diversification into new businesses, strategic managers engage into deep thinking to evaluate the efficacy of the new business in relation to the anticipated profits and complexities inherent in that business.

Recommendations

The following recommendations glued to this study:

1. Government should provide loans to businesses in Anambra state. This would encourage both medium and large-scale business to establish businesses in Anambra state.

2. Anambra state government should reduce tax charges levied on both large and small scale businesses in Anambra state. This would encourage new companies to establish their businesses in Anambra state.

Conclusion

Responsibilities of strategic managers are very pivotal in medium and large-scale business organizations. Some business organizations have failed due to their inability to recruit competent business managers that could control their businesses. The jobs of strategic managers are multifaceted. Organizations leverage on strategic managers skills to gain high economic rate of return in their businesses. Both government and private owners of many businesses employ strategic managers to determine dividends to shareholders and plough back profits to their business. Strategic managers open new market opportunities to their business. They determine better cash and credit discount facilities to customers. Strategic managers manage internal conflicts and ensure division of work. They provide clear interpretation of business objectives and consolidate the efforts of employees with good pay, incentives, bonuses and fringe benefits. Strategic managers determine how financial institutions will come to the aid of their business with manageable interest on funds they have borrowed. They ensure fund distribution to different departments. As well as ensure fund investment decisions and tax management in their business.

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