STRATEGIC THINKING AND STRATEGIC MANAGEMENT PRACTICES BY BOOGAART BETONPOMPEN BV IN HOLLAND

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NOVEMBER, 2016
DECLARATION

I declare that this is my original work and has not been submitted for a degree in any other university.

Sign: …………………….. Date: …………………………

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This management research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

This research project has been dedicated to my loving spouse and all my family members for their prayers, support and encouragement throughout the duration of my study.
# TABLE OF CONTENTS

DECLARATION........................................................................................................II

ACKNOWLEDGEMENTS.......................................................................................... III

DEDICATION........................................................................................................... IV

ABBREVIATIONS AND ACRONYMS...................................................................... VII

ABSTRACT............................................................................................................. VIII

CHAPTER ONE ....................................................................................................... 1

INTRODUCTION..................................................................................................... 1

1.1 Background of the Study....................................................................................... 1

   1.1.1 Strategic Thinking......................................................................................... 2

   1.1.2 Strategic Management Practices................................................................. 3

   1.1.3 Strategic Thinking and Strategic Management Practices......................... 5

   1.1.4 Global Service Industry.............................................................................. 6

   1.1.5 Service Industry in Holland....................................................................... 7

   1.1.6 Boogaart Betonpompen BV...................................................................... 7

1.2 Research Problem............................................................................................... 8

1.3 Research Objective............................................................................................. 10

1.4 Value of the Study.............................................................................................. 11

CHAPTER TWO ....................................................................................................... 13

LITERATURE REVIEW............................................................................................ 13

2.1 Introduction........................................................................................................ 13

2.2 Theoretical Foundation..................................................................................... 13

2.3 Strategic Management Practices...................................................................... 15

2.4 Empirical Studies and Knowledge Gaps......................................................... 22

CHAPTER THREE .................................................................................................. 24

RESEARCH METHODOLOGY.................................................................................. 24

3.1 Introduction........................................................................................................ 24

3.2 Research Design............................................................................................... 24

3.3 Data Collection.................................................................................................. 25

3.4 Data Analysis..................................................................................................... 25
CHAPTER FOUR ........................................................................................................... 27

DATA ANALYSIS, RESULTS AND DISCUSSION ................................................. 27

4.1 Introduction ........................................................................................................... 27
4.2 Findings ............................................................................................................... 27
4.3 Discussion ............................................................................................................ 34
4.4 Chapter Summary ............................................................................................... 36

CHAPTER FIVE .......................................................................................................... 37

SUMMARY, CONCLUSION AND RECOMMENDATIONS ............................... 37

5.1 Introduction ........................................................................................................... 37
5.2 Summary .............................................................................................................. 37
5.3 Conclusion ............................................................................................................ 39
5.4 Recommendations and Implications ................................................................. 40
5.5 Limitations of the study .................................................................................... 42
5.6 Suggestions for Further Research ..................................................................... 42

REFERENCES ........................................................................................................ 44

APPENDIX: Interview Guide ..................................................................................... 50
ABBREVIATIONS AND ACRONYMS

CEO  Chief Executive Officer

R&D  Research and Development
ABSTRACT

The background of the study was based on strategic thinking, strategic management practices, the global service industry with a special attention to the service industry in The Netherlands, and the company under study. The research problem and the objective of this research was to establish strategic thinking and strategic management practices at Boogaart Betonpompen. The literature review focused on the theoretical base of the study which involved two theories, the goal setting theory and the self-efficacy theory. These two theories complement each other in that when a manager sets higher goals for the employees it leads to higher efficacy and higher efficacy will make employees set higher goals for themselves. The literature reviewed also highlighted the conceptualization of strategic thinking and strategic management practices. The empirical studies which lead to the research gap were also reviewed with the literature. A case study research was used due to the fact that it allows for a detailed and in-depth study of the company. The data collection was done by use of an interview guide and the sample for the data collection involved only one interviewee who happened to be the CEO of the company. The study included a discussion of the findings in an attempt to answer the research question. The study established that indeed strategic thinking influence strategic management practices at the company and that the employees are very important in the strategy process. The importance of flexibility in adopting to new developments in the environment was seen in the results. Importance of emergent strategies in effective decision making was also seen. The findings established the importance of scanning the environment keenly and continuously and using real time information in decision making. A discussion of the findings of the study revealed a link between strategic thinking and strategic management practices. The discussion revealed the ambiguity that comes with organizing along core competence lines. A comparison with theory was done which showed that the two theories were in sync with the study and that they formed the relevant theoretical foundation to base the study on. It was confirmed that a manager will be guided by self-set goal and also that self-efficacy would give the manager the confidence to do more. The study revealed that employee participation in goal setting lead to high goal achievement and that seeing other similar people succeed by sustained effort raises observers belief that they too can possess capabilities to master comparable activities to succeed. The study agreed on the importance of feedback both to individuals and to the company in terms of performance. A summary of the findings of the study was highlighted leading to the conclusions and recommendations. The conclusions highlighted the many importance of strategic thinking in the success of any company. The recommendations revealed a need to pay more attention to the concept of strategic thinking and to acknowledge its importance in the success of the company. The limitations of the study involved the fact that the study was a case study done on a single manager in a single company hence the results could not be used generally or in different contexts. Another limitation was in terms of the lack of time from the CEO who was often held up in other issues. Suggestions for further research included the suggestion of a similar research done as a cross sectional survey to lead to more general results. The study also suggested on the need for further research to be done on the concept of strategic thinking. There was a suggestion of a research to challenge the importance of strategic management as a field of study and research.
1.1 Background of the Study

Strategic management is management’s way of anticipating new developments in the environment and aligning the firm to this developments in a way that guarantees its success (Ansoff & McDonnell, 1990). In an attempt to identify a company’s strategy, one has to gather information on the actions and reactions of the company to its environment. This information could be gathered through interviews with the management, a study of the future plans and performance of the company, and how the company gains a competitive edge in the market (Newman, Logan, & Hegarty, 1989).

Goal setting theory stresses the importance of feedback on performance to the better attainment of goals, the theory stresses importance of goals as a chief motivator for people (Cole, 1995). Social cognitive theory argues that people are fully involved in personal development and that people are the main determinants of the results of their actions. It stresses that people have unique abilities that make them human. Among this abilities are, self-control, imagination of different scenarios, and learning from past outcomes among others (Wentzel & Wigfield, 2009).

An organization’s chief executive officer is the most visible and most important strategy manager. The CEO spearheads the implementation of the strategy for the entire company as he plays the biggest role in strategy formulation and the CEO knows the direction and goals of the company quite clearly (Thompson & Strickland, 1989). The Boogaart Betonpompen BV CEO is managing from an employee point as he is allocated duties like any other employee and he is always uncovering new ideas from fast hand work experiences and other relevant information which makes him very well informed.
This involvement in the daily details of the enterprise is what gives the CEO strategies for the enterprise. He employs both emergent and deliberate strategies since he applies both flexibility and some degree of some rigid control (Mintzberg, 1994). It is interesting that he does all this without any knowledge of strategic management. Managing involves the creation of a favorable environment to nurture the development of strategies. It involves among others monitoring of patterns, strategic choices, and choice of the people (Mintzberg, 1987).

To increase the performance of an organization’s operations and administration, strategic management needs to be employed. Majority of service providers used to concentrate on cost reduction. In the recent times, cost reduction is no longer a way to guarantee success hence it is important to go a step further and focus on value creation and other capabilities (Lewin & Lin, 2010). To gain a competitive edge in Holland’s service industry, it is crucial that those in the service industry not limit themselves to “third party service delivery” but figure out how to create more value. This would involve embracing the idea of strategic thinking.

### 1.1.1 Strategic Thinking

Strategic thinking involve great innovation and planning in the identification of strategies that have better chances for creation of a competitive advantage. Strategic thinking enables a company know exactly what it is it should be doing and how to do it. Strategic thinking is crucial in the definition of the company’s strategy as it is straightforward, mindful and “proactive”. Strategic thinking involves a blend of outlook and understanding and the utilization of both internal and external data. Many companies have struggled or completely failed to succeed and this could be directly linked to a lack of a focus on strategic thinking.
Strategic thinking leads to a wholesome view of the company as it employs a blend of instinct and imagination. Hence the result of strategic thinking is an unsegregated view of the company. Strategies could arise unintentionally or even by mistake as the managers are not aware of the strategy. There has been a misconception by many philosophers and professionals that strategy formulation, strategic planning and strategic thinking are all one and the same thing which is not the usual case (Mintzberg, 1994).

Strategic thinking concept involves the following components, hypothesis driven, timely thinking, insightful opportunities, objective focused, and systems perspective (Liedtka, 1998). Among the benefits of strategic thinking and strategic management are, providing better counsel to the company at large, improved watchfulness and recognition to developments in the environment, timely recognition of opportunities and threats, committing resources in terms of strategy supportiveness, result-focused sectors, merging the different strategy based judgements and creating a more proactive management standpoint (Thompson & Strickland, 1989).

1.1.2 Strategic Management Practices

Strategy and strategic management have many definitions. According to Mintzberg there are five varieties in regards to strategy. Strategy as an objective; a route, a blueprint, a calculated movement into the future, a way to get from one point to the other. Strategy as a design; that is repetition of occurrences over time which is seen from past occurrences thus, budding strategies are not out rightly bad and intentional strategies superior. To improve the chances of success, more competent strategists merge all this to give a wholesome view of the current situation, it is worth to note that the capability to forecast effectively is a result of strategic management.
Strategy as a position, which involves the positioning of products in a market and this position in the long run will affect the perception of the customers. A good example of the positioning is how it is possible to have a business viewed as an exclusive business. This is due to how the business has been positioned. Strategy as a view-point, involving a company’s way of operation which is focused on how things are done, conflicting strategy as a position by focusing inside the company as opposed to outside the company. Strategy as a scheme, is an action with an intent to turn a situation to an advantageous opportunity (Mintzberg, Ahlstrand, & Lampel, 1998).

In strive to grow or maintain the market share, competition is not only from the other parties in the market but rather competition in an industry is established on the hidden economics. There is a misconception that competitive forces are limited to the widely known opponents in an industry which include, “customers”, “suppliers”, “potential entrants, and “substitute products”. Indeed they are all competitors but each of the competitors may mean more or less competition or relatively insignificant competition based on the “industry dynamics” (Porter, 1979).

Some firms follow an entrepreneurial mode of evaluating strategic success in such firms, “strategic evaluation is informal intuitive and limited”. For firms employing an adaptive mode, “the identification and evaluation of alternative strategies are closely related to the existing strategy” (Pearce & Robinson, 1997). Decision making in strategic management is carried out at the “corporate”, “business”, and “functional” levels of the company. Corporate strategic tasks have three crucial dimensions, “leadership”, “economic” and “managerial” (Hax & Majluf, 1996). The overall strategy of the entire company is usually developed at the corporate level of the company.
Among the key roles of strategy is to survive in the highly turbulent environment characterized by unpredictability, to discover the goals and the way this goals will be implemented to guarantee a favorable positioning of the company in its environment, and unveil the company's mission which will be the overall guide for all the activities of the company (Newman, Logan, & Hegarty, 1989). Strategic management is widely depicted to be based on the stages of “formulation”, “implementation” and “control” and this stages are followed in the same sequence. In actual practice this has been seen to not necessarily be the case (Mintzberg, Ahlstrand, & Lampel, 1998).

1.1.3 Strategic Thinking and Strategic Management Practices

It is important to focus on the idea of thinking and managing strategically as opposed to engaging in strategic planning for the sake of having a formally written plan. It is very important to incorporate strategic thinking in the process of drafting a strategic plan, and eventually incorporate strategic management in the process of implementing the strategic plan. Although strategy is seen to have many forms, the importance of strategy comes out clearly in all the forms (Nickols, 2016).

For instance, strategic planning is very important for any organization but this is subject to the implementation of the plan in the entire company. One of the important qualities that those in senior management should strive to possess is the ability to think and manage from a strategic point of view as they are the ones directing the company. Strategic management unveils the strive to achieve the benefits realized from strategic thinking as seen through putting into action “strategy formulation”, “strategy planning”, and “strategy deployment” (Nickols, 2016).
Strategic thinking as well as strategic planning run concurrently throughout, especially in circumstances where there is an ongoing yearning for innovative and novel strategies which are unveiled from deep within the organization. Strategic thinking also includes the involvement of diagnostic procedure to uncover such issues as the “feasibility” and the “desirability” of the strategic plan to be implemented effectively. This is not a guideline of how strategic thinking should be done or carried out but a recommendation of an effective way to incorporate strategic thinking (Heracleous, 1998).

1.1.4 Global Service Industry

Currently in terms of “employment income’, “international trade”, and “production costs” service provision has been among the key contributors making the provision of services an important contributor to the global economy. (Lewis, Siemen, & Sakate, 1992). In manufacturing companies across the globe service revenues represent “more than 25%” of the total business, as for Rolls-Royce plc, services contributes 50% or more of total revenues (Deloitte, 2006). In Asia, activity in China’s service industry ticked up from a 2-1/2 year low in January, confirming separate data showing pick up in services even as manufacturing activity slows (Vlastelica, 2014).

It is estimated that the service sector represents about 23% of the value of sales of the industrial sector of the American economy, as a result, a productivity disadvantage of, say, 20% in services would mean a disadvantage of say 4.6% of sales cost- a gap which would lower or eradicate the profits realized by some manufacturing companies from international trade. Advancements in “service productivity” have an immediately effect on the “international competitiveness” of manufacturing companies based on the fact that this kind of firms are the biggest consumers of services and are highly focused on value in terms of pricing and quality (Lewis, Siemen, & Sakate, 1992).
1.1.5 Service Industry in Holland

The word industry is used to refer to the overall external situation context or business environment a firm expects to operate within (Mockler, 1993). The service industry in Holland has aided the creation of a lucrative business environment by offering superior services to the entire industrial production process. In terms of value addition to exports, the financial services contribute almost 6%. The Dutch financial sector is in a position to supply “non-financial corporations” with adequate financial services (DeNederlandscheBank, 2014).

Customers look at value quite differently in the service industry, for instance it could be in the terms of, customer service, the people giving the service, efficiency of the service, and much more (Johnson & Scholes, 2002). In the Holland economy, the service sector is a key player contributing as much as 73.7% to the GDP (2009 figures) and has created employment to as much as 80% of the total job market. During the recession, services and tourism experienced a big drop and this led to the rate of unemployment going up from 4% to 5% in 2009 (Economy Watch, 2010).

1.1.6 Boogaart Betonpompen BV

Boogaart Betonpompen BV is considered to be one of the leading and fastest growing concrete pouring firms in Holland. The company has been growing at a rate of 60% annually for the past few years despite the recession. It is playing a major role in the industry by pouring concrete with great innovation giving it a competitive edge over other firms in the industry. Pouring concrete is a way to place and level the concrete where it needs to go. Concrete pumping involves using a machine to transfer liquid concrete.
Boom pumps accurately pump at high volumes while line pumps are used for smaller jobs. Currently concrete pumping is the fastest way to place concrete as compared to other methods and it has the highest accuracy leading to greater customer satisfaction. Creativity and innovation is a big source of competitive advantage for Boogaart Betonpompen BV. The Company started in the Southern part of Holland and there has since been expansions to 5 new locations, and the head office has recently been moved to the central point of Holland.

The company does not have a formal strategic management practice and the management just gives instructions and leadership to direct the employees towards some carefully thought of goals. In most scenarios the management gives an indication of an expected end result and leaves the employees to decide on how to achieve this end results. This encourages the employees to be innovative and creative leading to a situation where there is a flow of new ideas. The performance and the growth of the company revealed by the consistent growth both in terms of profit and performance, clearly show that the company is quite successful and one of the dominant players in Holland’s concrete pouring industry.

1.2 Research Problem

Strategic thinking is very important in that it enables managers, as well as operating personnel, to make decisions and manage operations in a manner that merges long—term strategic viewpoints with day-to-day operating perspectives. In this way they are better prepared to respond to increasingly turbulent market environments in ways which will help realize top management’s strategic vision for the company (Ansoff & McDonnell, 1990).
Strategic management is a significant instrument to effectively run a company, it is essential in guaranteeing profitability and growth of a company. The management strive to adopt systems and processes that will ensure success in the very competitive environment and also clearly forecast developments in both the internal and external environment (Pearce & Robinson, 1997). Strategic management guides the organization in the development of superior “competitive advantage” which in turn will make the company achieve a very high performance, and this empowers the organization to make its “economic rent” (Clegg, Carter, Kornberger, & Schweitzer, 2011).

It is important to note that on average the profitability of companies in the service industry is higher than 75% making it even higher than the overall “business unit” profitability which is 46% of the total profits realized. Hence, most companies around the world strive to ensure service quality and service excellence even though only a few have the knowledge of the opportunities and threats of being involved in the service industry (Deloitte, 2006). Since the mid-1990s services have continued to claim almost two-thirds of the world GDP up from about half in the 1980s (Worldbank, 1995).

In Holland, a lucrative business environment would mean enough resources, and effective and quality services which make a direct impact on industrial production process as the services are the main suppliers in Hollands manufacturing industry (DeNederlandscheBank, 2014). With the growth in service industry comes great opportunities, opportunities which lead to competition. The dominant players in the service industry both in the world and in the Netherlands are dominant because of a strategy. This strategy can be in the form of strategic management practices or strategic thinking.
Various studies had been done in the area of strategic management practices; Kraus, Sebastian & Reschke (2007) did a research on implications of strategic planning in small medium enterprises in Austria, Spain and Germany. Abu, Muhammad, Mohamad & Wiwied (2011) did a similar research in Malaysia. Muhammad (2010) did a similar research in Indonesian enterprises. Devi & Binod (2008) did a research of strategic management in Nepal. Kirui (2014), Karingithi (2012), Mbwaya (2012), Ndirangu (2013) Ndungu (2014) focused on strategic management practices by service providers in Kenya. None of the past researches highlighted had carried out a study to cover strategic thinking and strategic management practices as known hence leading to the research gap.

Strategic management is very important as it is a tool used to achieve growth and profits in a company. Strategic thinking is very important in that it enables managers, as well as operating personnel, to make decisions and manage operations in a manner that merges long—term strategic viewpoints with day-to-day operating perspectives.

Services represent a significant input to both the Holland’s and global economy. International and local similar studies had been highlighted but none to my knowledge had carried out a research on “strategic thinking and strategic management practices” hence the realization of the research gap. This research sort to answer the question. How does strategic thinking influence strategic management practices?

1.3 Research Objective

The objective of the study was to determine how strategic thinking influences strategic management practices at Boogaart Betonpompen BV in Holland.
1.4 Value of the Study

The research was going to be one of the sources of information and knowledge on which policy makers would draw the information to aid them in their decision making process. The research would provide the policy makers with a detailed model and a broader prospect together with the relevant data which would enable them formulate better policies. The study would also add value to managerial policy makers by guiding them towards placing greater emphasis on strategic thinking as a useful tool in management practice.

The research would add value to theory by adding more contribution to the existing theory and hence contribute to shaping knowledge. The data from the research would build up the theory of how the society works in this present days, and such theory would be used as the blueprint to unveil the situation at hand. The research would be helpful in providing a way to forecast various research objectives based on the observations hence allowing trends to be predicted with higher accuracy.

The study would be of value to the strategic management practice as it would prompt new organizational structures in the form of creation of a unit within the company consisting of a taskforce charged with the mandate of “thinking strategically” and using this thought to influence the company. This group would be of great importance to the whole process of “strategy formulation, “strategy implementation” and “strategy evaluation and control”. This would lead to a situation where the strategy of the company leads to success as most of the strategies fail at the implantation and evaluation stages.
This chapter covered strategic thinking and strategic management practices. It also highlighted the global service industry and Holland’s service industry. Both international and local similar studies were highlighted leading to the research gap and the statement of the research objective. The value of the study was covered in relation to policy, theory and practice. The next chapter covered an in-depth literature review.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter will lay focus on review of theoretical, conceptual and empirical literature along the study’s conceptualization. First, the chapter will present literature on theoretical underpinnings of the study anchored mainly through the Goal setting theory and the Self-efficacy theory. This will be followed by a conceptualization of strategic thinking, strategic management practices and informal strategic management practices.

2.2 Theoretical Foundation

The study was anchored on Goal-setting theory and Self-efficacy theory. The two theories make a companion for each other. For instance, if someone sets a personal goal much higher, the person will in turn develop a higher self-efficacy which leads to setting the performance goals higher too and hence achievement of the goal (Robbins & Judge, 2007).

Goal setting theory centers its attention on how the management can guarantee that the employees direct their personal contribution to the goals and objectives of the company. This theory focuses on how well managers can ensure that organizational members focus their inputs in the direction of high performance and the achievement of organizational goals. The theory advocates for goals that are relatively hard to attain but quite specific as this kind of goals will stimulate much higher performance from the employees in an attempt to achieve them (Jones & George, 2011).
The goal setting theory makes an assumption that an individual is fully dedicated to the
goal and that the individual will in no way be content with not achieving the goal. To
increase the chances of achieving the said goals it is important to share the goals with
others. The theory assumes that when people have the freedom to set personal goals
they will perform better as compared to when they have goals set for themselves.
Though there is no conclusive evidence to show “superiority of participative over
assigned goals”, in cases where people have the opportunity to participate in the setting
of personal goals, people have tried harder to achieve the goals as they readily accept
goals they set by themselves (Robbins, Judge, & Campbell, 2010).

Self-efficacy theory also known as social learning theory suggest that motivation comes
from knowledge of possible gains and losses and the individuals “beliefs” and
“thoughts”. The social learning theory expands “operant conditioning’s” donation of
how a manger perceives motivation. It does this by describing how people are
motivated from seeing how other people perform well and hence try to do the same,
how people are in a position to influence their behavior and how their self-belief
influence their motivation and performance (Jones & George, 2011).

According to Bandura, the most important source of increasing self-efficacy is
increased drive from seeing another person do something, persuasion by someone that
an individual has the necessary skills and ability for a good performance, and arousal
which is an “energized state” that will lead to a task completion. Absence of arousal
could lead to the outcome being impacted negatively. A lot of research have proved
that character and intellect “especially consciousness and emotional stability” can
increase self-efficacy.” (Robbins, Judge, & Campbell, 2010).
2.3 Strategic Management Practices

Strategic management is a “tool for introducing concepts and approaches”, but, the concept of “strategic thinking” by its definition is difficult because of “the conceptual complexity in this approach”. The numerous definitions which are presented for strategic thinking have paid attention to every aspect of this approach. Although, no one of them is quite multi-dimensional. Conditions like this, make it necessary to confront the “nature and characteristics” of strategic thinking in explaining it as opposed to the use of the definitions (Emran & Emamgholizadeh, 2015).

The concept of strategic thinking is a key tool in strategy development. Strategic thinking involves an identification and an imagination of the “possible and plausible” options for the future scenarios of a company. The knowledge gained is what is used to interpret and forecast the possible futures of the company effectively which guarantee a competitive edge in the environment through being in a position to take “well informed and robust” decisions today to impact on tomorrow. (Conway, 2014).

In study after study, it has been found out that strategic thinkers are greatly successful leaders due to thinking and acting strategically. The fact that strategic thinking is more of a “mind-set” as opposed to being a set of tools and skills makes the concept of strategic thinking a tough one to figure out or learn. Moreover, in the real life company situations the current demands often get relatively much more attention as compared to long-term vision and planning (Kabacoff, 2014). Among companies employing strategic management it still remain to be seen that some companies manage to perform relatively better than the others and this could be due to thinking strategically.
Strategic thinking is seen as the key tool for strategy formulation, which directly impact on the competition by giving a different and detailed vision from a present situation. Strategic thinking is considered more a way of looking at a current situation conclusively and developing the possible futures both to a company and other stakeholders. Another advantage of strategic thinking is that it make it possible to depict or predict a future situation and having a “pragmatic “action for the challenges and all other issues. Strategic thinking may be seen at two different levels: individual level and organizational level. Organizational level provides a field, in which the individual strategic thinking can be possessed .Organizations need processes that create continuous strategic dialogue among the senior team and exploit the advantage of the ingenuity and creativity of all employees (Emran & Emamgholizadeh, 2015).

There are five commandments of strategic thinking. First, purpose to learn a lot from the environment as opposed to purely focusing on collection of information, purpose to unveil the unmet potential customer needs as opposed to focusing on already met needs, purpose to identify the “ultimate goal” as opposed to the current goals, purpose to avail the ability and capability of competition as opposed to creation of probability for production and finally, investing on thoughts about how to move towards the goal as opposed to the fastest way to achieve the goal. (Emran & Emamgholizadeh, 2015).

The value of strategic thinking are: Being on top of change hence grabbing the opportunity of “shaping and leveraging change “to the good of the company, getting rid of contentment, unifying the company, “proactive as opposed to reactive leadership, a “systematic” way of thinking, promotion of continual learning and improvement in the company, availability of a competent way of handling issues, and a better and much effective way of interpreting the business environment  (Wheelen & Hunger, 2008).
While the benefits of strategic thinking are: effective direction to the company, timely “detection” of any changes and developments, development of a “proactive leadership culture”, proper recognition of business rivals and business partners, sustain the survival of the business in the long term, do away with the “reactive” way of decision making, creation of a competitive edge and anticipation of changes and the capability to handle any eventuality (Ebersole, 2016).

The stages in strategic management involve, a financial plan, forecasting, “externally oriented” plans, which is the strategic planning and all this lead to strategic management. Hence, strategic management is a form of deciding on action and reactions that guarantee the effectiveness of the organization. It entails a proper “environmental scan” which would result to a well-informed understanding of the state of the company in terms of its environment. This is very a very essential part in strategy formulation (Wheelen & Hunger, 2008).

First-rate strategic thinking will result in: a better dedication to the entire strategic management process, provision of a sense of clear direction to the senior management, a better perception of what the company is trying to do and how this should be done, creates a basis for management to choose among investment choices, the main coordinator of all the strategy related activities in the entire organization and a clear anticipation of changes and market developments. Successful companies employ the use of knowledge, experience and expertise to purposely try to influence the market with a “powerful strategy”. This is done by an attempt to “lead and defend” their market share. In this circumstances strategy is perceived as an “action plan” to win customers, gain a competitive edge, grow the market share, greatly constraint the rivals and have an exemplary performance (Nedelea & Paun, 2009).
The phases of strategic management are: basic financial planning, forecast based planning, externally oriented planning otherwise known as strategic planning, and finally strategic management. Environmental scanning is the “monitoring”, “evaluating”, and “disseminating of information” from the external and internal environments in strive to point out which actors could influence the future direction of the company (Wheelen & Hunger, 2008). The simplest way to conduct an environmental analysis is through a SWOT analysis an acronym used to describe strengths, weaknesses, opportunities, and threats. Strategic analysis is all about having a clear realization of the “strategic position” of a company in the external environment set up, “resources and competences”, and the “expectations and influence” of all the relevant stakeholders (Johnson & Scholes, 2002).

Internal analysis instead focuses on the current abilities of a company inorder to forecast future possibilities as opposed to focusing on past experiences and patterns during decision making (Pearce, Robinson, & Mital, 2008). Strategy formulation is the drafting of long-term plans to take advantage of the environments opportunities and deal with the threats with the full knowledge of the strengths and weakness of a company (Wheelen & Hunger, 2008). Strategic choice is concerned with the realization of the bases under which future strategies are based on, identification of option which are evaluated to guarantee successful strategies (Johnson & Scholes, 2002).

Strategy formulation is concerned with identification of what business a company is in, what it wants to achieve, and how it plans to achieve this (Pearce, Robinson, & Mital, 2008). Strategy implementation is a process through which budgets, programs and procedures are used to implement strategies and procedures in a company. It basically involves all the operational activities of the company (Wheelen & Hunger, 2008).
Strategy implementation is focused on the realization of the strategy by the company and this is seen through the company’s “structure and design”, resources scheduling, and “strategic change management” (Johnson & Scholes, 2002). Putting the strategic plan into action will demonstrate a manager’s ability to manage change in the company, motivate the employees, build core competencies for the company, demonstrate competitive prowess, build a strong environment that the strategy can excel in, and meet or even exceed the performance targets (Thompson, Strickland, & Gamble, 2008).

Evaluation and control merges the monitoring of performance with the activities done in order give an interpretation of the performance based on the the desired results (Wheelen & Hunger, 2008). Major changes in the company’s internal and external environment leads to a situation where an existing strategy needs to be rethought. Based on this, strategists “systematically review, evaluate, and control” the strategy implementation process. Excessive focus on the strategy evaluation process at times has proved to be a costly and a “counterproductive” process (David, 1997).

Evaluation of strategies is carried out continuously as opposed to periodically to allow for a timely valuation of progress and hence very thorough monitoring the strategy. (David, 1997). There are four types of strategic controls; “Premise Control” which is designed to check systematically and continuously whether the premises on which strategy is based are still valid, “Implementation Control” which must be exercised as the events unfold, “Strategic Surveillance” which is meant to monitor the happenings within the environment of the company that could have an impact on strategy, and “Special Alert Control” which is a quick but carefully thought out revaluation of the company strategy caused by events that happen all over sudden (Pearce & Robinson, 1997).
In cases where the different strategies of a company have to be brought together, strategy formulation would be carried out in different levels but each of this levels would play a part in the company’s overall strategy and this are: “corporate strategy”, “business strategy”, “functional area strategies”, and “operating strategies”. The senior management would usually have the key role in the development of a corporate strategy and to make a selection among the suggestions from the other departments (Thompson, Strickland, & Gamble, 2008).

Corporate-level managers identify the goals and come up with strategies that could guide the activities and “functional areas” of the company. Decisions at this corporate level are influenced by “greater risk, cost and profit potential”, “a greater need for flexibility”, and “a longer time horizon”. The influencers of the formulation of business level strategy is usually left to the one in charge of the business and the managers based on the interpretation of the “statement of direction and intent” generated at the top most level (Pearce & Robinson, 1997).

Operational level strategies deal with “relatively narrow” ways to run the operational departments with strategic implications. Frontline managers are in charge of operational line strategy development which have to be endorsed with their senior managers. This kind of strategies are influenced by some specific strategic goals and ways of running the key operational departments (Thompson, Strickland, & Gamble, 2008). The level of formality applies to the level to which “participation”, responsibilities”, “authority and decision making” are formalized (Pearce & Robinson, 2011).
The formal strategic planning process supports the strategic management process, and it varies in operation according to specific situations. It may be highly formalized and include many organizational members, or it may be a far less formal approach limited to a few. (McCarthy, Minichiello, & Curran, 1996). Among the influencers of the formality of strategic management are; the style of management, “the production processes”, the size of the company, turbulence in the environment and “the problems and purpose of its planning system. Some firm’s especially smaller ones follow an entrepreneurial mode, in this kind of companies, strategic evaluation is “informal, intuitive and limited” (Pearce & Robinson, 2011).

The entrepreneur’s vision is created out of the tension between what is and what might be achieved. For the vision to be powerful the difference between what is and what might be achieved must be great. The entrepreneur’s gain authority from the positions they occupy, their management of resource and systems, and the leadership they give to the organization, as they not only have the authority to run the business but the right to run it (Wickham, 2006).

In informal strategic management it is rarely seen that the departments carry out intensive market research and analysis as it is usually the CEO or the senior management who are more exposed to the actual market place and have all the knowledge and expertise to carry out this sensitive duty. Selection among competing strategies is highly depended on the knowledge from leading and directing the company and the selected strategies in mostly cases are usually relevant (Johnson & Scholes, 2002).
Small firms practicing informal strategic management are at times seeking growth and raising of finance for development. A strategic relationship with funding bodies becomes a strategic issue. Informal strategic management seeks to turn down options which will not yield relatively much success and this needs critical “judgement and reflection” as opposed to current information. Long-term success depends on a competitive edge which is realized as a result of possessing an exemplary idea with a great execution plan (Bhide, 2003).

2.4 Empirical Studies and Knowledge Gaps

Various studies had been done in the area of strategic management practices by diverse types of scholars, businesses and organizations. To my knowledge researches closest to the topic of the study were, Devi & Binod (2008) did research on the strategic management practices in Nepal and the studies suggested that while senior managers in many organizations have started to think and act strategically, they differ from the western model of strategic management. Much remains to be done in order for them to thoroughly understand and adopt the strategic management perspective so that they create advantages and outperform competitors in the global market.

Abu, Muhammad, Mohamad & Wiwied (2011) did a research on implementation of strategic management practices in the Malaysian construction industry. The study found that most large construction companies in Malaysia claim to have some sort of a written planning system formulated by the managing director without input from the other employees and the study also found that large construction companies that implemented written planning systems gained higher performance. Which further consolidate the fact that strategic management is crucial in order to succeed.
To my knowledge, there was a lack of enough research to establish what influence strategic thinking had on strategic management practices. The research sort to bridge the knowledge gap and establish what relationship existed between strategic thinking and strategic management strategic management practices.

This chapter covered a detailed review of the existing literature. It highlighted the theoretical background of the study which is based on the Goal Setting and Self Efficacy theories. Focus was placed on strategic thinking, strategic management practices and informal management practices. The empirical studies which led to the research gap were highlighted in this chapter. The next chapter covered the research methodology.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights the research design and methodology. It covers the data collection method which involves an intensive interrogation of the CEO, and it concludes with a data analysis method to be used which is content analysis.

3.2 Research Design

The research was carried out through a descriptive case study. The research design was preferred over other research designs since it helped to specify the boundaries of the case, and it contributed significantly to the rigor of the finished case study. A case study is a suitable design for achieving the research objectives as it was particularly useful for studying the informal management practices, evaluating strategies, and forming conclusions.

The case study would enable the research to maintain its entirely relevant capturing of the authentic occurrences (Mugenda & Mugenda, 2003). He also noted that a case study encompasses an all-inclusive surveillance of situations. The case study aimed at getting detailed information regarding strategic management practices. The method studied thoroughly as opposed to a certain extent and placed much focus on the entire examination of the management practices of the Boogaart Betonpompen BV.
3.3 Data Collection

The researcher collected both primary and secondary data. The primary data was gathered by the use of personal interview with the aid of an interview guide and a thorough observation. The interview guide had a list of questions that allowed for further probing in order to gain a better and more insightful interpretation of the results of the study. The secondary data was collected through a study of Boogaart Betonpompen BV and its management practices.

Personal interview was conducted by the researcher during the data collection. Open end questions were used to gather more information and give liberty to the interviewee while answering the questions. The questions highlighted the informal management practices and strategic management practices as known. The interviewer took time to explain some of the contents in the questions to ascertain that the interviewee was well aware of the contents in the question as he was giving the answers. The respondent, the CEO of Boogaart Betonpompen BV did not have an exposure to formal strategic management but rather had been exposed in the cause of managing the company.

3.4 Data Analysis

The data was analyzed using content analysis, a way of making conclusions by systematically and fair-mindedly identifying particular attributes of information and using the same approach to align it to the trends. Content analysis is among the methods used to carry out qualitative research analysis. All approaches of content analysis illuminate an explanation from the content of the information and, hence, represent truthfully the “naturalistic paradigm” (Hsieh & Shannon, 2005).
Tallying and correlation of data followed by the exposition of the underpinning factors are the main events that a summation content analysis is focused on (Hsieh & Shannon, 2005). A summative content analysis of data allowed an in-depth study of the management practices within Boogaart Betonpompen BV and established how the practices conformed to management practices as known by comparing the data collected with the theory and secondary data referred to during the review of literature. In all cases evidence was treated fairly to produce analytical conclusion in answering the research question.

This chapter covered the research design and methodology. It highlighted a case study research design. It covered a data collection method which was an in-depth interview with the CEO. It concluded with a data analysis method to be used which was content analysis.
CHAPTER FOUR
DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter includes a discussion of findings with an aim to find an answer to the research question. The study was based on a case study research design which guaranteed a thorough and complete study and analysis of the objective. Personal interview was conducted on the CEO as he is the person in charge of both strategic and operational running of the firm. The interview was carried out by the direction of an interview guide and the responses received were documented to facilitate a thorough content analysis. Scrutiny was used to allow a collection of complete and accurate facts while carrying out the interview. Finding are narrated in paragraphs and sentences and the discussions done appropriately.

4.2 Findings

The researcher interviewed the general manager of Boogaart Betonpompen BV. From the findings the general manager has an educational and professional background in engineering and information technology. It was found that the CEO and all other employees do not have knowledge of the company mission and vision since the company does not have a strategic plan. According to the CEO, this is not considered necessary due to the fact that the company is small enough to be managed without some fixed plans. The CEO has the strategy in he’s mind and he sees it as some valuable information which is best disclosed to the employees in due time.
When asked about presence of a strategic plan. It was found out that the CEO loves the flexibility that comes with the absence of a formal plan as this makes it easier for him to change rapidly with the ever changing environment as he thrives on emergent strategies and the ability to be among the first to adopt to new situations. It was also found that a formal strategic plan gives pressure on the company to achieve some given results which leads to tension and frustration when the goals in the plan are not met without considering the fact that some issues could arise making it hard or impossible to meet such goals. According to the CEO the lack of a plan makes it fun as the challenges are anticipated and satisfaction come from conquering the challenges.

When asked about the company mission, it was found that the CEO has a mission which is to deliver the best quality of service with as much accuracy as possible to all the clients in the whole market. The objectives of the company is to focus on accuracy timeliness, reliability and availability of resources as much as possible. The strategy of the CEO involves a strategic choice of employees through a tough selection procedure.

A strategy of full automation of the company processes to improve efficiency through digital monitoring of all running pumps and vans as it is possible to know where a pump attendant is and the state of the pumping job. Strategic use of polls and reviews to hear the voice of the client’s in order to constantly satisfy or even exceed the need of the clients among other strategic choices. It was found that there are no stated policies in the company and that the mission, objectives, strategies, and policies are merely implied from performance and from the CEO’s statements during the interview.
When asked about the possible future of the company, it was found that doubling the growth rate was key. Currently the company is exporting services to other neighboring countries and growth is set to be done by an entrance to four new countries in Europe and plans are underway to enter the first country very soon. It was found that the market entrance strategy to be used will be to open a new company but to localize it as much as possible and use this first foreign market as a blueprint for the other new markets.

When asked about the value of strategic management and the impact it could have on a company, it was found that the value is realized more by people who have been exposed to it as it was seen that the CEO values how he runs the company but he does not entirely credit this to strategic management. As the research went on and the more the CEO linked the activities to strategic management then the value of strategic management to him became clearer.

When asked about expansion and market growth, it was found out that the expansion has been driven by a continued growth in the demand of the companies services. The market growth is also influenced by a strong presence in the market and this has been mostly achieved through the online platform. The company is active on the social media and well ranked in google searches and the company website offers enough information to the visitors on what exactly concrete pouring is and how it is done. Recommendations and word of mouth is also key and it’s the main reason why the company stresses quality of work and attention to detail.

When asked about competitive advantage and rules of competition, it was found out that the company gains an advantage over competitors by being fast to implement new ways of offering its services. Anticipation of change and embracing the change is also a way to gain advantage as the time it takes the company to realize a change or a
development in the environment and then interpret this change to come up with a way to use the new situation to the advantage of the company. The CEO is always hands on and very involved in the operational activities of the company. He operates a pump like any other operator and one of the main reasons that he does this is to be closer to the environment. According to the CEO it’s not possible to have enough information to make decisions from the employees’ point of view and so he does most of the information gathering by himself. He said that the rules of competition are more of cooperation among competitors as opposed to a cut throat competition. The CEO knows the competition and there exist some collaboration among the competitors with an aim to achieve shared goals.

When asked about alliance, mergers, and acquisition, it was found that the company has a strategic alliance with another company where incase of excess jobs by either firm the clients are served by the other firm (more details about this other firm were not revealed to the researcher). This arrangement sees to it that as few clients as possible are turned away hence reducing the chances of having to turn down prospective clients. The two companies in the alliance identify with their respective companies while performing the service and the most important thing in the alliance is to maintain the agreed guidelines in terms of quality and efficiency.

The company has been involved in an acquisition where it acquired 49% of another company. This acquisition was triggered by the CEO under study after realizing that the other company had the resources and just needed to work on some management issues. The acquisition was arrived at after having negotiations between the two companies and currently the acquired company is doing very well. It was found that there was no merger in or by the company.
When asked about the issue of core competencies, it was found out that the core competencies have not been clearly identified. Further probing revealed that the company is able to take on jobs that the competitors would turn down on grounds that it’s too risky or even impossible. According to the CEO to do this takes passion about concrete and great knowledge and expertise. This are some of the core characteristics that the CEO looks for when recruiting new staff. Another competence was found to be the level of top managerial involvement in the day to day activities of the company which gives him first-hand information hence reducing the time it takes to react to any situation.

When asked about the environmental forces affecting the industry and the company. It was found that the CEO always keeps a close eye on the environment. According to him there was a crisis in the construction industry over the last 8 years and despite the crisis the company was still able to achieve a sustained growth. The service offered by the company is very much influenced by the construction industry but not entirely and the overall environment according to the CEO has been quite stable and this is seen by the constant growth resulting from the use of more or less the same strategy.

When asked about the issue of the forces driving the industry and the trends. It was found that technological advancement has been key in driving the industry as well as quality of work. The trends have advanced from the use of arm pumps, then the use of cranes, then the use of barrels to currently the use of small horses used together with a concrete pump. The current way of pumping concrete make it possible for concrete to be pumped to tricky locations with a great amount of accuracy. Generally the major trends are always towards a more innovative way to pump concrete.
When asked about the hiring and motivation of human resources, the CEO answered that focus is put on thorough knowledge of concrete. This knowledge has to be seen in the fields of concrete processes, concrete levelling and an in-depth knowledge of the concrete pump. It was found out that the CEO is always very involved in the hiring of the new employees. After the selection the new employees are always coupled up with the other employees who will train them and also evaluate them in the process.

Motivation is encouraged from the interaction of the CEO with the employees. The employees are given a broad view of the final goal and left to find the best way to achieve the goals. The input of the employees on their work is so much and this makes them feel motivated to do their best as it shows them the value they add to the company. According to the CEO the employees should be given a chance to establish personal goals and come up with a way to meet the goals as long as the goals contribute to the overall success of the company at large.

When asked about the issue of what good leadership is about. According to the CEO good leadership is influencing people, it’s about learning the people your dealing with and making the most out of them as they are a crucial part of the system. Critical thinking is an important quality in coming up with effective solutions. Being flexible in the terms of thinking and decision making. Anticipation of change and when the change comes leading the people into the change. Leadership is being an example factor while still being part of the team. It is having a thorough knowledge of the company with a special attention on the operational activities in the company. Leadership is about self-drive, confidence and focus on the goals of the company. Leadership is about empowerment and development of people.
When asked about the issue of the influence of strategic thinking on management practices. According to the CEO strategic thinking enables a manager take the correct decision in the correct time. Strategic thinkers are able to get information from the environment, decode the information, and use it to make a decision which is in line with the environment and all this done as fast as possible. Strategic thinking enables a continued evaluation and improvement of the existing strategy.

Strategic thinking is what differentiates success between companies as strategic thinkers are able to look at other ideas that have been tried on other companies and failed and then better implement them. Strategic thinking is a loop that never ends it involves making timely adjustments to strategy hence guaranteeing success. According to the CEO, managers are in a position to influence the overall performance of a company and if they don’t then they are not managers and hence strategic thinking is a necessary tool for the management practice.

When asked about the influence of strategic management of performance, it was found out that through the research the CEO’s knowledge of strategic management has grown though he still claimed to have little knowledge to be in a position to value it. The CEO knows the value of strategic thinking and he recommended getting people who are strategic thinkers as opposed training people to be strategic thinkers as this is not easy if not impossible. He builds on logic and hence logic has to approve the strategy.
4.3 Discussion

The objective of this study is to establish strategic thinking and strategic management practices at Boogaart Betonpompen BV. The study agrees with a research carried out by (Shrestha & Gnyawali) 2008 which showed that some managing directors set targets and formulate strategies single handedly and the results were still very impressive. It agrees with the literatures that, it is difficult to generalize about which policies are major, even within a particular industry, because a number of extraordinarily successful companies appear to violate all the rules (Tilles, 1963). The study by (Shrestha & Gnyawali) 2008 also found out that strategies are formulated based on surveys, competitor analysis and past achievements. The study confirmed with literature by (Mintzberg, 1994) that “indeed a strategy can be emergent”.

On the issue of mission and objectives of the firm, the research agreed with (Dauda, Akingbade & Akinlabi) 2010 that to accomplish the mission and objectives in the light of growth and profitability, management need to have a positive rethink towards the use of strategic management. That the success of a business or strategy depends primarily on the value of judgement, energy and skill of its top managers and the strategic implementation within the context and parameter of the uncertainty and ambiguity of the environment subjected to volatility. Strategic training should be done to all employees.

On the issue of employee involvement in the strategic management process, leadership, and importance of environmental scanning. The study agreed with the literature that, it is critical to talk to “the rank and file” and listen carefully to what these employees are saying. Wisdom does not always flow from top down, and so listening for weak signals from within the organization is important too.
Effective leaders have wide internal as well as external networks. The purpose of profiling is to see how well the company has responded to external changes in terms of being behind, abreast of, or ahead of competition and to identify persistent blind spots in certain areas. In assessing the current environment the emphasis should be on developments that are outside the organization’s main area of focus but potentially threatening to the core (Day & Schoemaker, 2005).

On the issue of strategic thinking, the study agreed with Devi & Binod (2008) research which suggested that while senior managers in many organizations have started to think and act strategically, they differ from the western model of strategic management. Much remains to be done in order for them to thoroughly understand and adopt the strategic management perspective. This study agreed with the literature that a great deal of strategic thinking must go into developing a strategic plan and, once developed, a great deal of strategic management is required to bring its aims to fruition (Nickols, 2016).

The study agrees with Amatibh and Sahay that strategic thinking complements strategic planning and strategic management, but allows for rapid and creative responses to change because strategic planning is based on rational and linear thinking used to facilitate progress only within an accepted strategic position. While strategic thinking focus to generalize vision of the future, the strategic plan sees a future that is predictable and measurable in prescribed detail (Haycock, Cheadle, & Bluestone, 2012).
The study also concurred with (Bandura, 1977) that, seeing people similar to oneself succeed by sustained effort raises observer’s beliefs that they too can possess capabilities to master comparable activities to succeed. The study concurred with (Locke & Latham, 2006) that, goals have persuasive influence on employee behavior and performance in organization and management practice. Nearly every modern organization has some form of goal in operation. Programs such as management by objectives, systems thinking, and strategic planning include development of specific goals (Lunenburg, 2011). The learning goal orientation is particularly relevant in today’s work environment, which requires employees to be proactive, problem solvers and open to new ideas, and adopt to new and changing situations (Luthans, 2011).

4.4 Chapter Summary

The results of the data analysis showed that, in a business environment characterized by turbulence strategic thinking is what could differentiate the winners from the losers among the competition. Strategic thinking enables a company make maximum use of ever arising business opportunities. To grab an opportunity requires strategic thinking in the sense of, what new opportunity of information have we received from the environment. How do we interpret the information or opportunity in terms of, what are we able and willing to do in order to match our actions with the matters arising.

A summary of the findings showed a clear alignment between strategic thinking and strategic management practices. The data analysis showed that indeed strategic thinking can influence a manager to act strategically and hence practice strategic management subconsciously. The data analysis showed the importance of strategic thinking as a quality for leadership and as a useful attribute to look for when hiring employees and managers.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter involves the presentation of a summary of the findings of the study, conclusions and recommendations. The summary of the findings endeavors to realize the objective of the study while the conclusions strives to confirm whether the findings are consistent with the theories of the study. The implications of the study tries to show the value of the study and finally the researcher gives the recommendations and limitations of the study and then ends with a suggestion for additional research.

5.2 Summary

The objective of this study was to establish strategic thinking and strategic management practices at Boogaart Betonpompen BV. The data of this study was collected from the CEO and the reason for interviewing him was that he is solely in charge of the entire management and specifically strategic management of the company. He is the only one with the knowledge of the company mission and vision and he is leading and directing the company and the employees towards this mission. It is important to point that the CEO handles strategy formulation and evaluation singlehandedly.

The results suggested that strategic management practices in the company are being carried out subconsciously as it was revealed that the company is even involved in a strategic alliance and an acquisition. The results also suggested that the company is well aware of the importance of environmental scanning and analysis as the company keeps a keen eye on the environment, especially the customers and the competition.
The strategic thinking attribute of the CEO came out clearly as was seen through his moves in the environment. Strategic management was clearly seen in the actions and reactions by the management. Strategic management emerged randomly from actions which are based on past experiences and future expectations and by the thought input of the CEO. The whole process of strategy formulation, strategy implementation and strategy evaluation could be seen from the results. Strategic thinking was seen in provision of guidance and direction towards the company goals, actions to respond to the ever turbulent environment, analysis of the company in terms on strength, weaknesses, opportunity and threats, conversion of this threats to opportunity and the weaknesses into strengths, the grabbing of opportunity and giving the company a lead over the competitors.

The results suggested the importance of employee in the success of any company, the need to recruit qualified, talented and able employees. The need to train them on the job, the need to keep a close eye on them in order to evaluate them and the need to retain them. The need to give them the freedom to have their own input in how they can do their work and produce desirable results. The need to encourage collection, sharing and use of information that in turn helps the company achieve its goals.

The results suggested the importance of a leader leading from behind. It suggested the great impact of a leader who is involved in the entire operational activities of the company. It suggested that it is important for the leader to be able to be involved in the core business of the company. The results suggested the importance of the leader concentrating on collection of first-hand information as opposed to getting information from the juniors. The results suggested that a good leader will only be seen by the results of the leadership.
5.3 Conclusion

The study demonstrated the importance of strategic thinking, it helps the management make decisions that would guarantee success. Strategic thinking helps a company to be abreast with the happenings of the environment and to make decisions to align the company to the environment. Strategic thinking helps a company anticipate change and when the change comes it helps to quickly adopt to the new situation. Strategic thinking also make it easy for the management to know how the environment will react to any of the company’s advances.

Strategic thinking is necessary for a company to be proactive as opposed to being reactive. It is necessary in pushing the creativity and innovativeness of the managers as they struggle to succeed in the competitive market. Strategic thinking enables the managers have an in-depth understanding of the business as they are able to know the business as well as know exactly know what the customers want. Strategic thinking leads to a clear understanding of the company, the employees, the competition, the environment and linking all this to the bigger picture.

There is need to involve employees in strategic thinking as it is useful in information gathering and the creation of value from the information gathered. Giving the employees broad targets and goals and allowing them to work out a way to meet the goals is a way to nurture strategic thinking. Employees who are encouraged to explore their work to know the industry best practices are more motivated and hence more productive which leads to the employees playing their part in the achievement of the company goals. What was clear was the need to nurture and develop employees and help them discover their potential as this encourage them to give their best to the organization.
There are companies who practice strategic management who are not successful and the whole process of strategic management have been followed. The study led to a conclusion that strategic thinking might be the extra ingredient needed to guarantee the success of a company practicing strategic management. The importance of strategic thinking in “strategy formulation”, “strategy implementation” and “strategy evaluation and control” has been shown in the study.

This and many other studies have concluded that strategic management is an essential task that directly influences the success of any company. However, successful organizations are successful on a number of basis, based on sufficient resources, quality products and services, and much more. Strategic management is limited to being a strong instrument, whose impact can only be realized ones this powerful instrument is put to full and effective use.

5.4 Recommendations and Implications

Recommendations of the study were divided into three major sections namely, implications for theory development, implications for managerial policy, and implications for managerial practice;

5.4.1 Implications for Theory Development

The study stressed the need to pay more attention to strategic thinking and its influence on the success of strategic management. The study was an attempt to contribute to the theory on strategic thinking and hence a buildup on theory. Knowledge on this topic is important in today’s highly volatile business environment characterized by tight competition, rapid technological advancement and much more challenges.
The environment is what drives the organizations and hence it would be effective to take cues to develop a strategy directly from the environment as compared to having long term plans that do not take environmental turbulence into consideration. The study builds up on the theory that suggests the importance of emergent plans that are flexible and intuitive.

5.4.2 Implications for Managerial Policy

The results revealed the importance of strategic thinking and hence it would be of benefit for the policy makers to incorporate the importance of this concept as they go about the policy making business. This will widen their scope of thinking and improve the quality of the decisions made in formulating policies. This will lead to better policies for the organizations.

An inclusion of strategic thinking in policies will be helpful in ensuring that the employees are able to better understand their job without using trial and error. Clearly written policies and procedures that have captured the value of strategic thinking would be one of the effective ways to mentor the employees towards strategic thought.

5.4.3 Implications for Managerial Practice

The results of the study unveiled the great significance of strategic thinking in the whole management process. Managers could try their best to ensure that they involve all employees in strategic thinking. They could train and mentor the employees so that the employees can make use of the importance of strategic thinking as they carry out the implementation of the strategies and other operational duties in the organization.
Focus may be placed on the recruitment or development of strategic thinkers especially at the management level. There could be creation of another department for strategic thinking where employees are able to identify developments in the environment, process this developments and come up with recommended actions that the company can take in order to succeed.

5.5 Limitations of the study

The first limitation of this study is that the researcher used a case study of one company in the Holland to study strategic thinking and strategic management practices. There may be value to explore the topic under study in other developed and developing countries in order to find out if the same results will still be shown. A survey would have provided a larger sample which would have yielded more generalized results.

The second limitation is in regard to the respondent and the methodology in that, the interviewer had to interview the CEO of the company only. First, getting appointments for the interviews was a challenge as the CEO is a busy man due to the nature of his work and the commitments he has to not only the company under study but also other companies being run by him. This prolonged the duration of data collection which delayed the analysis of the findings and the whole project.

5.6 Suggestions for Further Research

This study revealed a lack of extensive research done on strategic thinking and yet it is shown by the results to play a key role in strategic management. Many companies have failed and yet they have employed strategic management practices and hence more research should be carried out to establish the importance of strategic thinking or show what impact strategic thinking has on the concept of strategic management.
The study was limited to a single company and a single respondent, this might have significantly narrowed down the accuracy of the results. A further similar research based on multiple respondents from multiple companies would help give a more accurate finding. A cross sectional survey research would help bring the comparability effect into the research and hence better results in terms of generalization of the findings.

There is a lack of enough research to challenge theory in terms of importance of strategic management. The results showed that it is possible to manage successfully without prior exposure to the concept of formal strategic management. A research could be done to establish whether or not all businesses practice strategic management and what value they attach to strategic management.
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Appendix. Interview Guide

PART A.
DETAILS OF THE RESPONDENT

Respondent Name__________________________________________________________

Position Held______________________________________________________________

Professional Background____________________________________________________

Educational Background_______________________________________________________

PART B:

MANAGEMENT PRACTICES AT BOOGAART BETONPOMPEN BV

a) Do you have a strategic plan?

b) What are the current mission, objective, strategies, and policies? Are they
clearly stated or merely implied from performance?

c) What are the possible future scenarios for the company?

d) What is the top management’s level of involvement in strategic management
   and do you value strategic management as a field of research?

e) How does the company grow market share? How does it expand?

f) How does the company gain competitive advantage in the industry and how do
   you review the rules of competition?

g) Has the company been involved in an alliance, a merger or an acquisition? If so
   how did the idea come about and how was it done?

h) What are the company’s core competencies? How were they identified?

i) What general environmental forces are currently affecting the company and the
   industry it operates in?
j) What forces drive the industry competition? What trends emerge from these analyses?

k) How do you hire the human resource and how do you keep them motivated?

l) In your opinion what makes good leadership

m) How does strategic thinking influence management practices in your opinion?

n) What influence do you think strategic management has on performance?