

#### 4. Mintzberg's Critique of the Early Strategic Planning and the Strategy Elaboration in Practice

### 3. The Strategic Planning/Strategy Formulation and the Incremental trial-and-error approach comparison in a new context - Bulgaria - and the benefits of strategic planning.

Practice	No	Percent	Yes	Percent
In principle, the organization elaborates a strategy to achieve its goals.	10	16,9	49	83,1
Our company has an elaborated strategy to achieve its goals.	7	11,9	52	88,1
The organization carefully develops specific strategies/strategic orientations/guidelines, which are usually fully formulated after their elaboration.	32	54,2	27	45,8

Correlations				
			In principle, the organization elaborates a strategy to achieve its goals	Plan Achievement
Spearman's rho	In principle, the organization elaborates a strategy to achieve its goals	Correlation Coefficient	1	,324*
		Sig. (2-tailed)	.	0,013
		N	59	58
	Plan Achievement	Correlation Coefficient	,324*	1
		Sig. (2-tailed)	0,013	.
		N	58	58

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

Correlations							
			In principle, the organization elaborates a strategy to achieve its goals	Overall sales growth	Overall revenue growth	Overall firm performance /success	Overall profitability or financial performance
Spearman's rho	In principle, the organization elaborates a strategy to achieve its goals	Correlation Coefficient	1	,269*	,304*	,327*	,260*
		Sig. (2-tailed)	.	0,039	0,019	0,011	0,047
		N	59	59	59	59	59

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

Correlations				
			Our company has an elaborated strategy to achieve its goals.	Plan Achievement
Spearman's rho	Our company has an elaborated strategy to achieve its goals.	Correlation Coefficient	1	,262*
		Sig. (2-tailed)	.	0,047
		N	59	58
	Plan Achievement	Correlation Coefficient	,262*	1

		Sig. (2-tailed)	0,047	.
		N	58	58

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

Correlations						
			Our company has an elaborated strategy to achieve its goals.	Overall sales growth	Overall firm performance /success	Overall profitability or financial performance
Spearman's rho	Our company has an elaborated strategy to achieve its goals.	Correlation Coefficient	1	,309*	,296*	,317*
		Sig. (2-tailed)	.	0,017	0,023	0,014
		N	59	59	59	59

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

Correlations								
			The organization carefully develops specific strategies/strategic orientations/guidelines, which are usually fully formulated after their elaboration.	Overall sales growth	Overall firm performance/success	Overall profitability or financial performance	Organization's competitive position	Performance Multiple-Item Scale
Spearman's rho	The organization carefully develops specific strategies/strategic orientations/guidelines, which are usually fully formulated after their elaboration.	Correlation Coefficient	1	,294*	,327*	,269*	,282*	,312*
		Sig. (2-tailed)	.	0,024	0,011	0,04	0,035	0,016
		N	59	59	59	59	56	59

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

## 2. Strategic Planning

Strategic Planning (SP)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not adopted	21	35,6	35,6	35,6
	Adopted	38	64,4	64,4	100,0
	Total	59	100,0	100,0	

### SP Correlational analysis

Correlations						
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			SP	Overall firm performance / success	Overall profitability or financial performance	Overall performance of the strategic planning/management	Performance Multiple-Item Scale
Spearman's rho	SP	Correlation Coefficient	1	,263*	,289*	,302*	,264*
		Sig. (2-tailed)	.	0,044	0,026	0,025	0,044
		N	59	59	59	55	59
* Correlation is significant at the 0.05 level (2-tailed).							
** Correlation is significant at the 0.01 level (2-tailed).							

### SP Hierarchical multiple regression analysis

Variables Entered/Removed <sup>a</sup>			
Model	Variables Entered	Variables Removed	Method
1	Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization <sup>b</sup>	.	Enter
2	Industry <sup>b</sup>	.	Enter
3	SP_Ownership, SP_Size, SP_Environment <sup>c</sup>	.	Enter
a. Dependent Variable: Overall profitability or financial performance			
b. All requested variables entered.			
c. Tolerance = ,000 limit reached.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,485 <sup>a</sup>	,236	,162	,66657
2	,537 <sup>b</sup>	,288	,205	,64943
3	,734 <sup>c</sup>	,539	,452	,53881
a. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization				
b. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization , Industry				
c. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization , Industry, SP_Ownership, SP_Size, SP_Environment				

ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	7,119	5	1,424	3,205	,013 <sup>b</sup>
	Residual	23,105	52	,444		
	Total	30,224	57			
2	Regression	8,714	6	1,452	3,444	,006 <sup>c</sup>
	Residual	21,510	51	,422		
	Total	30,224	57			
3	Regression	16,289	9	1,810	6,234	,000 <sup>d</sup>
	Residual	13,935	48	,290		
	Total	30,224	57			
a. Dependent Variable: Overall profitability or financial performance						
b. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization						
c. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization , Industry						
d. Predictors: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization , Industry, SP_Ownership, SP_Size, SP_Environment						

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-3,251	1,370		-2,374	,021
	SP	,234	,097	,308	2,412	,019
	EnvironmentStUst	,040	,274	,018	,145	,885
	Size of organization	,079	,065	,159	1,226	,226
	Ownership of organization	,048	,130	,048	,367	,715
	Type of organization	1,691	,683	,305	2,477	,017
2	(Constant)	-3,276	1,335		-2,454	,018
	SP	,226	,095	,298	2,390	,021
	EnvironmentStUst	,122	,270	,055	,450	,654
	Size of organization	,110	,065	,219	1,686	,098
	Ownership of organization	,051	,127	,052	,406	,686
	Type of organization	1,775	,667	,320	2,663	,010
3	Industry	-,113	,058	-,240	-1,944	,057
	(Constant)	-4,150	1,151		-3,607	,001
	SP	1,671	,425	2,201	3,937	,000
	EnvironmentStUst	,829	,321	,374	2,586	,013
	Size of organization	,204	,057	,407	3,568	,001
	Ownership of organization	-,059	,117	-,059	-,502	,618
	Type of organization	1,890	,555	,341	3,403	,001
	Industry	-,183	,051	-,388	-3,582	,001
	SP_Environment	-,951	,318	-1,445	-2,989	,004
	SP_Size	-,244	,055	-1,189	-4,437	,000
	SP_Ownership	,257	,118	,568	2,169	,035
a. Dependent Variable: Overall profitability or financial performance						

Excluded Variables <sup>a</sup>					
Model		Beta In	t	Sig.	Collinearity Statistics
					Tolerance
1	Industry	-,240 <sup>b</sup>	-1,944	,057	,263
	SP_Environment	-,783 <sup>b</sup>	-1,388	,171	,191

	SP_Size	-,840 <sup>b</sup>	-2,916	,005	-,378	,155
	SP_Ownership	,135 <sup>b</sup>	,442	,660	,062	,161
	SP_TypeOfO	. <sup>b</sup>	.	.	.	,000
2	SP_Environment	-1,157 <sup>c</sup>	-2,073	,043	-,281	,042
	SP_Size	-,878 <sup>c</sup>	-3,167	,003	-,409	,154
	SP_Ownership	,215 <sup>c</sup>	,719	,475	,101	,158
	SP_TypeOfO	. <sup>c</sup>	.	.	.	,000
3	SP_TypeOfO	. <sup>d</sup>	.	.	.	,000
a. Dependent Variable: Overall profitability or financial performance						
b. Predictors in the Model: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization						
c. Predictors in the Model: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization, Industry						
d. Predictors in the Model: (Constant), Type of organization, Size of organization, EnvironmentStUst, SP, Ownership of organization, Industry, SP_Ownership, SP_Size, SP_Environment						

### 3. Strategic Management as a relevant approach even in less turbulent context

Strategic Management (SM)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not applied	27	45,8	45,8	45,8
	Applied	32	54,2	54,2	100,0
	Total	59	100,0	100,0	

Practice	No	Percent	Yes	Percent
Our company's strategy - This was a strategy formulated ex-ante.	33	55,9	26	44,1
Our company's strategy was a strategy formulated ex-ante, and at the same time, actions and initiatives that the company took, but were not planned in advance.	21	35,6	38	64,4
Practice	Always		Never	
In our organization, strategic actions precede strategic decisions.	1	1,8	12	21,8

In our organization, strategic actions precede strategic decisions					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	12	20,3	21,8	21,8
	Occasionally	17	28,8	30,9	52,7
	Sometimes	18	30,5	32,7	85,5
	Often	7	11,9	12,7	98,2
	Always	1	1,7	1,8	100,0
	Total	55	93,2	100,0	
Missing	System	4	6,8		
Total		59	100,0		

Correlations				
			Our company's strategy - This was a strategy formulated ex-ante.	Market Share Change
Spearman's rho	Our company's strategy - This was a strategy formulated ex-ante.	Correlation Coefficient	1	,305*
		Sig. (2-tailed)	.	0,03
		N	59	51
	Market Share Change	Correlation Coefficient	,305*	1
		Sig. (2-tailed)	0,03.	
		N	51	51
*. Correlation is significant at the 0.05 level (2-tailed).				

Correlations											
			Our company's strategy - This was a strategy formulated ex-ante.	Overall sales growth	Overall revenue growth	Overall firm performance /success	Overall profitability or financial performance	Customer satisfaction	Stock price performance	Organization's competitive position	Performance Multiple-Item Scale
Spearman's rho	Our company's strategy - This was a strategy formulated ex-ante.	Correlation Coefficient	1	,282*	,351**	,369**	,353**	,320*	,442**	,269*	,373**
		Sig. (2-tailed)	.	0,03	0,006	0,004	0,006	0,013	0,005	0,045	0,004
		N	59	59	59	59	59	59	39	56	59
* Correlation is significant at the 0.05 level (2-tailed).											
** Correlation is significant at the 0.01 level (2-tailed).											

Correlations					
			Our company's strategy was a strategy formulated ex-ante, and at the same time, actions and initiatives that the company took, but were not planned in advance.	Overall sales growth	Overall profitability or financial performance
Spearman's rho	Our company's strategy was a strategy formulated ex-ante, and at the same time, actions and initiatives that the company took, but were not planned in advance.	Correlation Coefficient	1	,279*	,316*
		Sig. (2-tailed)	.	0,032	0,015
		N	59	59	59
* Correlation is significant at the 0.05 level (2-tailed).					

Correlations				
			In our organization, strategic actions precede strategic decisions.	Customer satisfaction

Spearman's rho	In our organization, strategic actions precede strategic decisions.	Correlation Coefficient	1,306*
		Sig. (2-tailed)	0,023
		N	55

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

Correlations				
			SM	Overall sales growth
Spearman's rho	SM	Correlation Coefficient	1	,262*
		Sig. (2-tailed)	.	0,045
		N	59	59

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

All Together				
Correlations				
Control Variables			SM	Overall sales growth
EnvironmentStUst & Industry & Size of Org & Type of Org & Ownership	SM	Correlation	1	0,27
		Significance (2-tailed)	.	0,051
		df	0	51
	Overall sales growth	Correlation	0,27	1
		Significance (2-tailed)	0,051	.
		df	51	0

Correlations				
Control Variables			SM	Overall sales growth
EnvironmentStUst	SM	Correlation	1	0,273
		Significance (2-tailed)	.	0,038
		df	0	56
	Overall sales growth	Correlation	0,273	1
		Significance (2-tailed)	0,038	.
		df	56	0

Correlations				
Control Variables			SM	Overall sales growth
Industry	SM	Correlation	1	0,252
		Significance (2-tailed)	.	0,057
		df	0	56
	Overall sales growth	Correlation	0,252	1
		Significance (2-tailed)	0,057	.
		df	56	0

Correlations				
Control Variables			SM	Overall sales growth
Size of the Org	SM	Correlation	1	0,251
		Significance (2-tailed)	.	0,06
		df	0	55
	Overall sales growth	Correlation	0,251	1
		Significance (2-tailed)	0,06	.
		df	55	0

Correlations				
Control Variables			SM	Overall sales growth
Type of the Org	SM	Correlation	1	0,218
		Significance (2-tailed)	.	0,099
		df	0	56
	Overall sales growth	Correlation	0,218	1
		Significance (2-tailed)	0,099	.
		df	56	0

Correlations				
Control Variables			SM	Overall sales growth
Ownership of the Org	SM	Correlation	1	0,245
		Significance (2-tailed)	.	0,066
		df	0	55
	Overall sales growth	Correlation	0,245	1
		Significance (2-tailed)	0,066	.
		df	55	0

## 1. The Strategic Success Theory validation in the context of Bulgaria

### I. Strategic Success

Statistics		
Gap-Lewis-Jaja-Djohar-Hatziantoniou		
N	Valid	59
	Missing	0
Mean		,4915
Median		,0000
Mode		,00
Range		1,00
Minimum		,00
Maximum		1,00

Gap-Lewis-Jaja-Djohar-Hatziantoniou					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Small gap	30	50,8	50,8	50,8
	Large gap	29	49,2	49,2	100,0
	Total	59	100,0	100,0	



### Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Overall sales growth is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,008	Reject the null hypothesis.
2	The distribution of Overall revenue growth is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,024	Reject the null hypothesis.
3	The distribution of Overall firm performance/success is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,259	Retain the null hypothesis.
4	The distribution of Overall profitability or financial performance is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,106	Retain the null hypothesis.
5	The distribution of Growth in the customers number is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,279	Retain the null hypothesis.
6	The distribution of Customer satisfaction is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,833	Retain the null hypothesis.
7	The distribution of Stock price performance is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,181 <sup>1</sup>	Retain the null hypothesis.
8	The distribution of Organization's competitive position is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,305	Retain the null hypothesis.
9	The distribution of Overall performance of the strategic planning/management is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,119	Retain the null hypothesis.
10	The distribution of Performance Multiple-Item Scale is the same across categories of Gap-Lewis-Jaja-Djohar-Hatziantoniou.	Independent-Samples Mann-Whitney U Test	,322	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

<sup>1</sup>Exact significance is displayed for this test.

Correlations					
			Gap-Lewis-Jaja-Djohar-Hatziantoniou	Overall sales growth	Overall revenue growth
Spearman's rho	Gap-Lewis-Jaja-Djohar-Hatziantoniou	Correlation Coefficient	1	-,346**	-,296*
		Sig. (2-tailed)	.	0,007	0,023
		N	59	59	59
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

