
**EVALUATION OF THE EFFECT OF ENTERPRISES PLANNING ON SUCCESS OF
ENTERPRISES IN UGANDA: A CASE STUDY OF SMALL AND MEDIUM ENTERPRISES
MAKINDYE DIVISION**

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ABSTRACT

The study was about the “Evaluation of the effect of Enterprises Planning on Success of Enterprises in Uganda: A Case Study of Small and Medium Enterprises Makindye Division and study was guided by the following specific objectives; To examine relationship between enterprise planning and the success of enterprises in small and medium enterprises. To establish the significant factors essential for effective strategic planning practice and how they affect the overall enterprise success. To identify the challenges faced by the enterprises in practice of planning by small and medium enterprises in Makindye Division. The study adopted a case study design with quantitative approaches. The study targeted the population of 70 respondents and a sample size of 50 respondents was taken and this was purposively and randomly chosen and interview and questionnaire methods were used. From the findings, the mean values of the respondents were (Mean 3.35), respondents agreed that the enterprises plan extensively for its purchase with a mean score 4.01, the respondents further agreed that enterprise success begins with "planning" as shown by mean score of 3.90. This confirmed (Byokusheka, 2010) that enterprise planning was the primary function that sets the stage for subsequent success within the enterprise. The top management takes part in the strategic planning as shown by a mean score of 3.83; and shown an appreciable level of full commitment by guiding the strategic planning of the agricultural firms to ensure that lower management strategies are consistent with the corporate strategies (mean score= 3.78). Organizations should accord priority attention to the elements of strategic planning for example; having a documented mission statement, a future picture (vision) of the organization,

organizations should establish core values i.e., organization's rules of conduct, set realistic goals, establishment of long-term objectives (this has to be measurable and specific) and the development of action (strategic) plans and its implementation and adequate follow-up.

Key words: *enterprises, planning, success and enterprises*

Background of the study

Around 1999, empirical researchers began to examine the success and consequences of formal enterprise planning (Byokusheka, 2010) and over 40 planning success studies have appeared since that time. However, in recent years this line of research has slowed to a trickle and with good reason: Previous studies lacked theoretical grounding, produced a bewildering array of contradictory findings, drew heavy criticism for inadequate methodologies and had little or no discernable net impact on enterprises strategic management research or practice (Paul & Kazaara, 2023).

Planning is a process by which we can envision the future and develop the necessary procedures and operations to influence and achieve that future. As in many other fields, enterprise planning professionals often cloak their work in pseudoscientific jargon designed to glorify their work and create client dependence (Ansoff et al., 2014). In reality, enterprise strategic planning processes are neither scientific nor complex. With modest, front-end assistance and the occasional services of an outside facilitator, organizations can develop and manage an on-going and effective planning program (Jac & Kazaara, 2023).

Therefore, enterprise strategic planning consists of a set of underlying processes that are intended to create or manipulate a situation to create a more favorable outcome for a company. This is quite different from traditional tactical planning that is more defensive based and depends on the move of competition to drive the company's move. In business, strategic planning provides overall direction for specific units such as financial focuses, projects, human resources and marketing (Damasus et al., 2023).

According to Berry (2016) strategic planning is a tool for finding the best future for your organization and the best path to reach that destination. Quite often, an organization's strategic planners already know much of what will go into a strategic plan. However, development of the strategic plan greatly helps to clarify the organization's plans and ensure that key leaders are all on the same script but far more important than the strategic plan document is the strategic planning process itself (Faridah et al., 2023). The strategic planning process begins with an assessment of the current economic situation.

Problem statement

Past and recent research studies have made it clear that there is an increased internal and external uncertainty due to emerging opportunities and threats, lack of the awareness of needs and of the facilities related issues and environment and lack of direction. Many organizations spend most of their time realizing and reacting to unexpected changes and problems instead of anticipating and preparing for them. This is called crisis management. Organizations caught off guard may spend a great deal of time and energy playing catch up (Christopher et al., 2022). They use up their energy coping with immediate problems with little energy left to anticipate and prepare for the next challenges. This vicious cycle locks many organizations into a reactive posture. This research study is to assess the impact of strategic planning on organizational performance, which at the long run enhances organizational survival (Musaibah et al., 2023).

Specific objectives

- 1. To examine relationship between enterprise planning and the success of enterprises in small and medium enterprises.*
- 2. To establish the significant factors essential for effective strategic planning practice and how they affect the overall enterprise success.*
- 3. To identify the challenges faced by the enterprises in practice of planning by small and medium enterprises in Makindye Division.*

Research questions

1. *What is the relationship between enterprise planning and the success of enterprises in small and medium enterprises?*
2. *What factors are essential for effective strategic planning practice and how they affect the overall enterprise success.*
3. *What are the challenges faced by the enterprises in practice of planning by small and medium enterprises in Makindye Division?*

Methodology

Research design

The study was mainly used quantitative approach in that it involved the collection of numerical data in order to explain, predict, and control phenomena of interest and data was analyzed by statistical procedures (Amin, 2005). The study also used a cross sectional survey because it gathered data from a sample of a population at a particular time to reduce costs. Therefore, this aimed at examining the relationships and identification of qualities that exist among a set of variables within the enterprises. However, quantitative approaches involved the use of descriptive statistics generated with frequency tables, graphs, and Charts.

Population of the study

The target population of this study constituted by some different enterprise staffs, organizational managers both top and operational for regardless of their qualifications in the services as well as customers, government officials which has been active for at least 2 years. Therefore, the study targeted 70 respondents in number mainly in both Small and Medium Enterprises Makindye Division. This population was chosen because it was in position to give accurate views concerning

Effects of Enterprises Planning on Success of Enterprises in Uganda: A Case Study of Small and Medium Enterprises Makindye Division (Turyatamba et al., 2022).

Sampling Procedure

Sampling according to sloven allows the researcher to sample the population with desire degree

of accuracy. It gives the researcher an idea of how large his sample size needs to be to ensure a reasonable accuracy of results. The researcher used a sampling population size of 50 people with a margin of error 0.05 (5%) to estimate the sample size. The study adopted both stratified random and purposive sampling. Stratified random sampling was used to guide the selection of smallholder of business. Purposive sampling was used to select a good representation of the key informants and these included Managers, program staffs and government officials. The key informants were selected because of their knowledge and experience about this study of the enterprise planning on their success.

Data collection methods and instruments

Data was collected from both primary and secondary data sources. The primary data sources comprised of questionnaire, interviews and documentary review.

Primary data

This shall include the data obtained directly from the respondents including the shareholders, operational managers and other government officials. This data shall be obtained through interviews and questionnaires.

Secondary data

This shall include the data from written literatures and records such as from the organization records, government journals, magazines, textbooks, newspapers and cost center records related to developmental journals.

Data Analysis

Since qualitative and quantitative data was collected, the study employed both qualitative and quantitative methods of data analysis respectively. Qualitative data analysis approach was used included summarized, categorized and connected content of the interviews using SPSS (Nelson et al., 2022). Quantitative data was analyzed using frequency and percentages using E-views (Nelson et al., 2023).

RESULTS

Job Description

The descriptive statistics was used to show the demographic characteristics of the respondents. These were followed by the Pearson correlation and regression analysis was used the result from the cross-tabulations are presented below.

Table 1: Showing the Job description of the respondents

Job	Frequency	Percent (%)
<i>Manager</i>	<i>36</i>	<i>24.0</i>
<i>Operation staff (Pro, HR, Admin & Log)</i>	<i>81</i>	<i>54.0</i>
<i>Program staff</i>	<i>33</i>	<i>22.0</i>
Total	150	100.0

Source: Field study, (2021)

From the results above the table indicated the job positions of officers in selected enterprises in Makindye Division and from the results the researcher was able to identify that Operation staff represented by 81 (54%) were the majority which enabled the researcher to gather relevant information regarding to enterprise planning in Makindye enterprises and the minority were the program officers by 33(22%). This implied that the success which are suitable for enterprises performance.

Results from the interview

Results from the interview interactions with enterprise planning manager, he mentioned that they employee more of the operation staff because they participate in most of council activities that involves serving people and provision of humanitarian support towards the enterprises in Makindye Division.

Gender of Respondents

Table 2: The table showing the Gender of respondents

Gender	Frequency	Percent
<i>Male</i>	100	66.7
<i>Female</i>	50	33.3
Total	150	100.0

source: *Field study*, (2021)

From the table 2 results indicate that most of the respondents were males 100(66.7) and females are 50(33.3%). This is because most of businesses in enterprises in Makindye are occupied by male in decision making compared by female. Also, many females are not involved in decision making just like planning. Thus, far male staffs are dominant in many enterprises in Makindye Division Compared to the female.

Table 3: The education of respondents

Education	Frequency	Percent
<i>Diploma</i>	56	37.3
<i>Degree holders</i>	64	42.7
<i>Masters</i>	30.0	20.0
Total	150	100.0

Source: *Field study*, (2021)

As regards the level of education, in most of the staff are degree holders 64(42.7%), followed by Diploma 56(37.3%) and Masters 30(20%). This implies that working staff quality

in terms of qualifications is relatively high. This means that the procurement levels in the organization is high and it made the researcher easy to access the relevant information for this study. This clearly indicates that most staffs had degrees prompted the researcher to analysis data through their interviews.

Table 4 The period of respondents

	Frequency	Percent
1-2 year	9	6.0
3-5 year	48	32.0
6-8	61	40.0
9 and above	32	21.0
Total	150	100.00

Source: Field study, (2021)

Table 4. Above indicates that majority of the respondents had served for 6-8 years were represented by 61 (40.7%); In addition, respondents with a working experience 3-5 years were represented with 32%, yet the least worked for 1 -2 years. This implies that they have got the information pertaining the results, effects and impact of enterprise planning on the success or performance of enterprises in Makindye both small and medium businesses.

Effect of need for enterprise planning in an enterprise in Makindye Division

The first objective in this study was to examine the need for enterprise planning in an enterprise in Makindye Division, Managers and staffs of enterprise in Makindye Division were asked to rate whether there is an extent enterprise in Makindye by indicating the extent to which they agree or disagree with each item.

Table 5: Table showing the effect of need -for strategic planning in an enterprise in Makindye Division

<i>We are always polite to one another and to the rest of the people</i>	Mean	Std. Deviation
<i>Thinking up new ideas and being creative is acceptable in</i>	4.01	900

<i>these enterprises by all members.</i>		
<i>To you as an individual being very successful in this organization is acceptable</i>	2.79	1.187
<i>It is important to do things the way you found them in this enterprise</i>	3.64	1.097
<i>It is important to treat every person equally in these enterprises</i>	3.90	1..010
<i>People want to be in charge and tell others what to do in these enterprises</i>	2.79	1.187
<i>People in this enterprise believe they must be honest in any situation and always tell the truth</i>	3.74	1.049
<i>People in this organization believe they should do what they are told. They believe that they should follow the rules at all times even when no one is watching.</i>	3.45	1.204
<i>People in this enterprise are ambitious and ready to work hard to get ahead</i>	2.79	1.187
<i>People in this enterprise are curious and try to understand everything</i>	2.96	1.256
<i>People in this organization think they should do what others expect of them.</i>	3.40	1.156
<i>People in this organization do not like to boast or to draw attention to things they do. They want to be modest.</i>	3.83	1.890
<i>The workers in this enterprise have a sense of the enterprises' mission</i>	3.78	1.180
<i>Workers feel free to voice innovative suggestions to top management in this enterprise</i>	2.97	1.256
<i>Departmental Heads frequently discuss with the workers their task requirements in order to cope well with the</i>	2.79	1.189

<i>enterprises' objectives</i>		
<i>Workers perform competently without pressure from their bosses.</i>	3.70	1.46
<i>Employees show a lot of concern to seeing that they complete their day's work</i>	3.64	1.49

Source: **Field Data**, 2021

Table 5 presents the mean response of enterprise planning in Makindye Division Kampala. The mean values of the respondents were (Mean 3.35), respondents agreed that the enterprises plan extensively for its purchase with a mean score 4.01, the respondents further agreed that enterprise success begins with "planning" as shown by mean score of 3.90. This confirms (Byokusheka, 2010) that enterprise planning is the primary function that sets the stage for subsequent success within the enterprise. The top management takes part in the strategic planning as shown by a mean score of 3.83; and shows an appreciable level of full commitment by guiding the strategic planning of the agricultural firms to ensure that lower management strategies are consistent with the corporate strategies (mean score= 3.78).

The result conforms that forms and procedures may be convenient and useful tools, but the planning effort will succeed only to the complete commitment and involvement of top management. **Furthermore**, the respondents strongly believed that relevant approvals are obtained from the enterprise authority alone for all procured items and not from any other person, with (mean score = 3.74). The respondents slightly agreed that People in this enterprise think they should do what others expect of them as shown by a mean score of 3.40.

Table 6 The success of enterprises in Makindye Division while enterprise Planning

<i>Item of success of enterprises</i>	<i>Mean</i>	<i>Std.</i>
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		<i>Deviation</i>
<i>I have the final decision-making authority within my department.</i>	3.42	1.54
<i>I do not have time to consider suggestions of my staff.</i>	1.51	1.84
<i>I always tell my staff how to do things that have to be done.</i>	3.04	1.64
<i>When staff' makes mistakes, tell them not to do it again.</i>	2.15	1.36
<i>New hires are not allowed to make any decisions unless I approve them.</i>	1.68	1.94
<i>I closely monitor employees to ensure that they are performing correctly.</i>	2.46	1.57
<i>I like the power that my management position holds over subordinates.</i>	2.58	1.57
<i>Employees must be threatened with punishment in order to get them to achieve</i>	1.66	1.85
<i>I act fast with minimal consultation with the group.</i>	3.64	1.491
<i>I avoid giving members too much freedom.</i>	3.12	1.56
<i>I encourage the use of uniform procedures.</i>	1.52	1.99
<i>I convince my staff to adopt a position even when their views differ.</i>	1.92	1.39
<i>I give some members authority to act.</i>	3.76	1.39
<i>I ask members to fell low standard rules.</i>	2.58	1.75
<i>I ask employees for their ideas on upcoming plans and projects.</i>	1.50	1.95
<i>When things go wrong, I call a meeting to get employee's</i>	2.92	1.68

advice.		
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Source: **Field Data**, 2021

The study also examined the effectiveness of enterprise planning of enterprises in Makindye Division towards achieving its objective. The mean 2.12 and Std. deviation 1.3.16 shows that the effectiveness of work plan is moderate. the management carries out strategic actions to enhance performance by effecting the work decisions assigned in these enterprises in Makindye Division.

Strategic planning practices

The study in this section asked the interviewees how different strategic planning practices done in enterprises Makindye Division enhance performance.

Setting the strategic direction

From the study findings, majority of the interviewees cited that Enterprise planning process is comprehensive, adaptable, efficient and realistically focused to the objectives. Enterprises' Secretariat communicates the global strategic direction and mission priorities with inputs from country programme. These shapes, priorities and streamline New Plan work. As a country programme, enterprises in Uganda expected to develop new Country Strategy Paper taking into account the local context and the global priorities.

Shaping the future strategy of enterprises in Makindye involves drawing from local and global processes to ensure strategy alignment and relevance. The process involves alignment to the global plans and priorities: national driven engagements through organized inputs by staff, stakeholders and making propositions. With technical support from experts. a review of the strategy for the period ended is undertaken to assess impact, lessons learned, review of the national context and implications for the various thematic areas.

Conclusions

Judging from the various computation analysis and findings, the results revealed some pertinent

fact from which the researcher then drew certain conclusion. It can be reasonably concluded that at 95% confidence, strategic planning enhances performance and survival of small and medium sized businesses in Makindye Division.

Most of the respondents strongly agree that strategic planning enhances better enterprise

performance. Few agree while just a little of the respondents were undecided. Hence, it can be

deducted from the above responses that strategic planning enhances better enterprises performance. Almost all of the respondents strongly agree and agree that there is a link between strategic planning and small and medium sized enterprises survival in Makindye Division.

Recommendations

Having discovered that organizational performance and survival is a function of strategic planning, Organizations should accord priority attention to the elements of strategic planning for example; having a documented mission statement, a future picture (vision) of the organization, organizations should establish core values i.e., organization's rules of conduct, set realistic goals, establishment of long term objectives (this has to be measurable and specific) and the development of action (strategic) plans and its implementation and adequate follow-up.

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