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Recognizing the Obstacles of Successful Strategy Implementation (Case Study of the East Azerbaijan Oil Company)

Mitra Safarzadehnia

Department of Manegment, Science and Research Branch, Islamic Azad University, Ghaemshahr, Iran.

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ABSTRACT

The aim of the present research is to study the obstacles of administrating the strategy (including: not transferring the strategies to the lower levels of organization, not convergence of the staff with the strategies, non-commitment of the managers, not proper specification of the sources, lack of supportive culture and not paying attention to the human source) in the oil company of the East Azerbaijan. Research method is descriptive in aim and correlational in terms of method. The population of the study includes all the managers of the oil company who were more than 35 people. In order to collect the data, a questionnaire is used and the reliability of the questionnaire is tested by the face validity and in order to test the reliability, the questionnaire was first distributed among 35 of the participants of the participants and after completing them, the Cronbach alpha was calculated by the SPSS and after the reliability was obtained, the questionnaire was prepared and administrated. The research findings found that not transferring the strategies to the lower level of the organization, not convergence of the staff with the strategies, non-commitment of the managers, lack of supportive culture and not paying attention to the human source have been at the levels higher than intermediate and are the obstacles of strategy administratio. The prioritizing the effect of each factors in not performing the strategies are less to more, respectively: lack of culture for supporting the strategy, not paying attention to human resources, not transferring the strategies to lower level, non-commitment of the managers, not convergence of the staff with the strategies, not specification of the resources.

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INTRODUCTION

Strategy determination successfully cannot be guarantee that this strategy will be implemented in an optimal manner. To be successful, strategies and practices should be supported by all managers and staff. Achieving organizational goals depends on cooperation and coordination of all the factors that systematic interaction of them gives meaning to the organization. Among these are the organizations that despite the provision of strategic programs, fail to achieve strategic objectives. Kaplan and Norton in their study claimed that 70 percent of senior executives' fail in America is not for the failure of strategy formulation but is due to lack of implementation strategies successfully [9]. Thinkers and scholars knew other factors such as lack of access to strategic goals important. Some consider the personnel in the organization as the factor of the failure of strategic planning and some others knew resource allocation problem of lack of access to some strategic objectives. Babbie in the study of the problem of access to the strategic objectives wrote: "The problem is lack of resources specification to implement the strategic plan is one of the main problems and the failure of strategic plans. In many organizations, managers after several meetings to review and plan agree on a strategic plan that must be implemented in a dynamic and successful organization and system programming and application are defined but the budgeting are system is not committed to funding the programs "[1] According to Henry Mizenberg, for an effective organization to able to implement its strategic agenda, it should control the interaction of the main force. When planning, a director of the organization must also consider the interaction of these forces and the alignment of staff [4]. For many years, developing a strategy was considered as the "winner" key to successful organizations competing in a world full of mystery. Emphasis on strategy and vision was leading to the formation of the false belief that "all that is necessary for the success is a correct strategy," but in 1982 a study was conducted and its results were published in the Journal of fortune. It was found that only

Corresponding Author: Mitra Safarzadehnia, Department of Manegment, Science and Research Branch, Islamic Azad University, Ghaemshahr, Iran.
E-mail: mitrasafarzadehnia@yahoo.com

10% of well-formulated strategies had been implemented successfully in practice. In fact, this implementation is an important issue in strategic management process (implementation) strategy. When the managers of successful organizations were questioned on how to achieve successful organizations, they often used two words repeatedly: Alignment and focus [1]. Considering the above, organizations have found that successful strategy formulation does not guarantee successful executing of them, in other words, none of the applications and the analysis was used; unless strategies are developed extensively and translated into action. Research conducted in strategic management indicates the fact that companies that have used the approach to the strategy for sustainable competitive advantage are often confronted with the problem of implementation in different organizational levels. Document published by the United Nations Conference 2005 Hyogo proposed gaps and challenges in executing the strategy policies; In some parts of it, the cases are as follows: Why are strategies that are approved after scientific studies and hours of undergraduate work and high levels of government face of hurdles operation? Several factors seem to play a role:

Barriers related to lack of strategy transport

1. Barriers related to lack of stakeholder alignment with the strategy
2. Barriers related to lack of commitment from senior management
3. Barriers related to lack of necessary resources
4. Barriers related to the lack of a backup strategy
5. Barriers related to the lack of attention to human resources.

Oil companies in the East had substrate efficacy established by the directors and strategies to achieve optimal efficiency and good performance, but it has proven that unsuccessful strategies have been developed. Now the question is: what are the barriers to implementing the strategies adopted by East Azerbaijan Oil Company?

The approval and adoption of a strategy for East Azerbaijan Oil Company as well as a lack of clear strategy on different levels of the organizational are aspects of the subject, but the barriers to the implementation of the strategies and priorities are the unknown aspects of the subject. Examining the barriers to implementing its strategies and priorities can make difficult for managers to implement the strategic goals of the organization more transparent and ignoring it will cause problems for strategic programs left unrecognized and it also cause numerous losses for all organizations in East Azerbaijan Oil Company.

Objectives:

The main goal is to investigate the barriers to successful implementation of organizational strategies in East Azerbaijan Oil Company, the aforesaid general purposes of which can be divided into the following specific aims.

Research Question:

The research question in this study which the researcher aims to respond to is:

What are the barriers to successful implementation of the strategies in organization?

Hypothesis:

1. No transfer of strategies to lower level prevent implementation of organizational strategies.
2. Failure to align employees with the strategy prevented the implementation of organizational strategies.
3. Lack of management commitment has prevented the implementation of organizational strategies.
4. Non-optimal allocations of resources have prevented the implementation of organizational strategies.
5. Lack of support culture for the strategy prevents the implementation of the organization's strategy.
6. Lack of attention to human resource barriers to organizational strategy

The effects of factors in the lack of significant difference strategy

Hypothesis 1: No Transmission of strategies to lower levels prevents the implementation of organizational strategy.

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio of non-delivery of strategies to lower level of organization on the implementation of strategies equals the average level of 3.

Hypothesis= the ratio of non-delivery of strategies to lower level of organization on the implementation of strategies does not equal the average level of 3.

The mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of preventing the strategies transfer to the lower level of organization on implementing the strategies is significantly average. That is not transferring the strategies to the lower levels of the organization prevents the implementation of the organizational strategies.

Table 1: Results of one sample t-test to evaluate the effect of low levels of non-delivery of strategies to lower levels in the implementation of corporate strategy.

variable	Test Rate=3						
	N	Mean	SD	t	df	sig.	Average Difference of variable and test ratio
not transferring the strategies to lower level	35	3.93	0.50	11.079	34	.000	.933

Hypothesis 2: Lack of staff alignment with the strategy prevented the implementing organizational strategy.

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio lack of staff alignment to lower level of organization on the implementation of strategies equals the average level of 3.

Hypothesis= the ratio lack of staff alignment to lower level of organization on the implementation of strategies does not equal the average level of 3.

Table 2: Results of one sample t-test to evaluate the effect of lack of staff commitment to lower levels in the implementation of corporate strategy.

variable	Test Rate=3						
	N	Mean	SD	t	df	sig.	Average Difference of variable and test ratio
Non alignment of staff with strategies	35	4.16	0.48	14.257	34	.000	1.162

The mean variable is 4.16 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of preventing of lack of staff commitment on implementing the strategies is significantly average. That is not transferring the strategies to the lower levels of the organization prevents the implementation of the organizational strategies.

Hypothesis 3: Lack of management commitment has prevented the implementation of organizational strategy

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio lack of management alignment to lower level of organization on the implementation of strategies equals the average level of 3.

Hypothesis= the ratio lack of management alignment to lower level of organization on the implementation of strategies does not equal the average level of 3

Table 3: Results of one sample t-test to evaluate the effect of lack of management commitment to lower levels in the implementation of corporate strategy.

variable	Test Rate=3						
	N	Mean	SD	t	df	sig.	Average Difference of variable and test ratio
Non commitment of the managers	35	4.04	0.40	15.293	34	.000	1.044

The mean variable is 4.04 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of preventing of lack of management commitment on implementing the strategies is significantly average. That is lack of management commitment prevents the implementation of the organizational strategies.

Hypothesis 4: lack of resources allocation prevents the implementation of organizational strategy.

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio lack of resources allocation prevents the implementation of strategies equals the average level of 3.

Hypothesis= the ratio lack of resources allocation prevents the implementation of strategies does not equal the average level of 3.

The mean variable is 4.05 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio lack of resources allocation on implementing the strategies is significantly average. That is lack of resources allocation prevents the implementation of the organizational strategies.

Table 4: Results of one sample t-test to evaluate the effect of lack of resources allocation on the implementation of corporate strategy.

variable	Test Rate=3						Average Difference of variable and test ratio
	N	Mean	SD	t	df	sig.	
Not specification of the resources	35	4.05	0.39	15.956	34	.000	1.051

Hypothesis5: The lack of a supportive culture strategy prevents the implementation of organizational strategy..

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio lack of a supportive culture strategy prevents the implementation of strategies equals the average level of 3.

Hypothesis= the ratio lack of a supportive culture strategy prevents the implementation of strategies does not equal the average level of 3.

Table 5: Results of one sample t-test to evaluate the effect of lack a supportive culture strategy on the implementation of corporate strategy.

variable	Test Rate=3						Average Difference of variable and test ratio
	N	Mean	SD	t	df	sig.	
Not creating the support culture	35	3.57	0.54	6.234	34	.000	.571

The mean variable is 3.57 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of lack a supportive culture strategy on implementing the strategies is significantly average. That is lack a supportive culture strategy prevents the implementation of the organizational strategies.

Hypothesis 6: Lack of attention to human resources prevents the implementation of organizational strategy.

In all the questions related to this hypothesis, the barrier ratio is being asked. So there is only one variable and sample t-test was used to test this hypothesis. Scores are between 1 and 5, so the test score of 3 which is the average rate has been considered so if the average is greater than 3, it indicates the prevention.

Null hypothesis= the ratio lack of attention to human resources on the implementation of strategies equals the average level of 3.

Hypothesis= the ratio lack of attention to human resources on the implementation of strategies does not equal the average level of 3.

Table 6: Results of one sample t-test to evaluate the effect of lack of attention to human resources on the implementation of corporate strategy.

variable	Test Rate=3						Average Difference of variable and test ratio
	N	Mean	SD	t	df	sig.	
Not considering the human resources	35	3.84	0.41	12.058	34	.000	.841

The mean variable is 3.84 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of lack of attention to human resources on implementing the strategies is significantly average. That is lack of attention to human resources prevents the implementation of the organizational strategies.

Priority of the effect of each factor on not implementing the strategies:

Friedman test was used for prioritizing the effective factors on not implementing the strategies. The mean and mean of the scores were calculated for each factor. The variable that has the least impact would have the lowest rank. In prioritization, the ranks are criteria not the averages.

Chi square is 43.49, degree of freedom (df) is 5 and level of significance (sig.) is 0.000. Since the level of significance is less than 0.05, it is concluded that there were no significant differences between the factors. Influence of each factor on not implementing the strategies is from low to high as follows: lack of a supportive culture, and lack of human resources, lack of transport of strategies to lower levels, lack of management commitment, lack of staff alignment with the strategy, lack of resources.

Conclusion:

In hypothesis one the mean score is 3.93 and the level of significant is 0.000, since the mean is more than 3 and significance is less than 0.05, the null hypothesis is rejected. As a result, the ratio of preventing the strategies transfer to the lower level of organization on implementing the strategies is significantly average. That

is not transferring the strategies to the lower levels of the organization prevents the implementation of the organizational strategies.

Table 7: Results of Friedman test to rank the obstacles of organizational strategy.

variable	N	Mean	SD	Mean	Chi square	df	sig.
Not creating the support culture	35	7.77	0.54	1.87	43.49	5	.000
Not considering the human resource	35	3.84	0.41	3.19			
not transferring the strategies to lower level	35	3.93	0.5	3.5			
Not commitment of the manager	35	4.04	0.4	3.83			
Not alignment of the staff	35	4.16	0.48	4.27			
Not specification of the resources	35	4.05	0.39	4.34			

In hypothesis two the mean variable is 4.16 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of preventing of lack of staff commitment on implementing the strategies is significantly average. That is not transferring the strategies to the lower levels of the organization prevents the implementation of the organizational strategies.

In hypothesis three the mean variable is 4.04 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of preventing of lack of management commitment on implementing the strategies is significantly average. That is lack of management commitment prevents the implementation of the organizational strategies.

In hypothesis four the mean variable is 4.05 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio lack of resources allocation on implementing the strategies is significantly average. That is lack of resources allocation prevents the implementation of the organizational strategies.

In hypothesis five the mean variable is 3.57 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of lack a supportive culture strategy on implementing the strategies is significantly average. That is lack a supportive culture strategy prevents the implementation of the organizational strategies.

In hypothesis six the mean variable is 3.84 and the test significance is 0.000 and so since the mean score is more than 3 and the level of significant is less than 0.05 and null hypothesis is rejected. As a result, the ratio of lack of attention to human resources on implementing the strategies is significantly average. That is lack of attention to human resources prevents the implementation of the organizational strategies.

In addition, the priority of each factor on not implementing the strategies is from the less to more, respectively as below: non-optimal allocation of resources, the failure to align employees with organizational strategies, lack of management commitment, lack of transport strategies, lack of attention to human resources and supportive culture of the strategy.

From the perspective of the participants in this study the challenge of non-optimal allocation of resources has the greatest influence on the formulation of strategies and lack of support culture has the least effect.

Suggestions It is suggested that: Since the results of this study show that lack of strategies transport to low levels of organizational strategies is therefore recommended:

- Managers and authorities Oil Company inform the strategies of relevant committee in written form to the company's bottom lines.
- In order to encourage staff of low levels to study, knowledge, offering suggestions and encouragement is necessary in various methods.

Since the research questions approved that failure to align employees with the strategy prevented the implementation of organizational strategies, it is also mentioned that the barrier outweighs other obstacles:

- All staff in a manner consistent with the strategies of cooperation should be encouraged.
- The recommendations expressed by employees take positive score in their evaluation.

The results confirmed that the lack of management commitment prevents the implementation of the organizational strategies and therefore it is recommended that:

- The selection and appointment of directors of the company is done using valuation methods such as interviews and to assess their commitment towards strategies performance.
- Successful managers should be encouraged about implementation and aligning the staff with their commitments.

Considering the approvals of the results of not allocating the resources which prevent the organizational strategies, it is suggested that:

- The committees of defining and approving the strategies have to estimate the resources.
- The units or work groups should be formed in order to study, estimate and allocate the resources.

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