

EXPLORING STRATEGIC MANAGEMENT PRACTICES: CASE STUDY OF 4 MOBILE TELECOMMUNICATION OPERATORS IN NIGERIA

VU MINH HIEU

Faculty of Commerce and Business Administration, Van Lang University, Vietnam
Email: vuminhhieu@vanlanguni.edu.vn

CHIJOKE NWACHUKWU

Mendel University in Brno, Czech Republic
Email: cesogwa@yahoo.com

Abstract

This study examined strategic management practices in mobile telecommunication firms in Nigeria. The authors used case study and descriptive research approach to explore the subject. A survey was conducted to obtain information from employees of four mobile telecommunication firms operating in Nigeria. Our results suggest that vision, mission, strategic analysis, and establishing long-term objectives are important factors for successful strategy formulation in the mobile telecommunication firms in Nigeria. The results suggest that organisational policies, financial resources, employee commitment to strategy implementation, human resources, and organisational structure are important strategy implementation practices in sample firms. However, we observed that organisational structure/governance model is not appropriate to support strategic initiative of one of the mobile operators. The study shed light on different strategic analysis tools used by the firms. It was also observed that strategy evaluation practices are important to achieve business success. Recommendation and suggestions for further research are proposed.

Keywords: Strategic management, telecommunication operators, Nigeria, strategic analysis

JEL Classification: L20, M10

Introduction

Over the past 30 years, the telecommunication industry has experienced fast growth and innovation both in developed and developing economies. Telecommunication contributes to globalisation, internationalisation and effective coordination of economic activities across national borders. In today's world, telecommunication supports business activities, contribute to national income and employment growth. Globally, the telecommunication industry has been considered as one sector that has an enormous impact on other sectors of the economy. It is in light of this, that developed countries such as the United Kingdom, United States of America, Japan, and France deregulated their telecommunication sectors to allow for more investments. The deregulation of telecommunication sectors of these countries has led to enhanced telecommunication capabilities, boom in private sector development, increased foreign investments, more job opportunities and better education and training facilities. Similarly, the liberalisation of Nigeria's telecommunication sector led to massive growth and innovation. The active subscription grew from 400,000 lines in 2001 to 145.3 million lines in May 2017, resulting in a teledensity of 0.4 and 103.82 per cent in both years respectively (Nigerian Communications Commission, 2017). Teledensity measures the percentage number of active telephone connections for every one hundred persons living within an area. In fact, the mobile telecommunication sector is Nigeria's most vibrant and competitive sector after the petroleum industry. Nigeria is the biggest and fastest growing mobile market in

Africa and one of the fastest in the world (Ndukwe, 2004). The telecommunication markets are mostly characterized by the oligopolistic structure of a market, where there are only a few firms providing similar services to the customers. In Nigeria, there are four firms operating in the mobile telecommunication sector. The mobile telecommunication sector contributed 9.13 % to Nigeria's Gross Domestic Product, (GDP) in 2016 (Nigerian Communications Commission, 2017). The Nigerian telecommunications sector has attracted \$35 billion Foreign Direct Investments (FDIs) (Nigerian Communications Commission, 2017). According to GSMA (2015), the mobile operators contributed \$8.3 billion in value added to the Nigerian economy in 2014 (\$2.2 billion of this comes from value added generated from direct impact of wages, taxes and dividends, \$3.7 billion comes from value added generated across the mobile ecosystem that remains within Nigeria and \$2.4 billion comes from subsequent rounds of expenditure created directly or indirectly captured using the multiplier). The sophistication of consumers' demands, preferences, and changing trends in technology have necessitated the need to deliver products that meet and exceed customers' expectations (Nwachukwu & Zufan, 2017). In this context, well-articulated strategic management practices can help firms achieve their strategic goals. Therefore, it is important for these firms to take strategic business decisions to cope with changes in the business environment. Strategic management is important to both large companies and small and medium enterprises (SMEs). Firms put in place initiatives to achieve business success. Despite these efforts made by organisations, there are still some difficulties in the strategic management of firms (Hajara, 2011). Strategic management process needs to be re-visited all the time to cope with the dynamic business environment (Hajara, 2011). Indeed, studies on strategic management process in large firms especially mobile telecommunication firms in Nigeria context is scanty. Although, some scholars have examined strategic management in small and medium enterprises in Nigeria (SMEs) (e.g. Muogbo, 2013; Dauda, Akingbade, & Akinlabi, 2010) and microfinance banks. This research gap particularly applies to the strategic management literature in the context of mobile telecommunication operators in an emerging market such as Nigeria. This study aims to explore and compare strategic management practices in four mobile telecommunication firms in Nigeria. Specifically, this attempts to find out strategic formulation practices, strategic implementation practices and strategic evaluation practice that are important to the firms based on employees perception. Second, provide insights into the strategic analysis tools used by the sample mobile telecommunication firms.

1 Literature review

Strategy enables firms to make decisions and allocate resources to achieve long term goals. Barney and Hesterly (2006) assert that a firm's strategy focuses on how to perform better than competitors. Similarly, Hitt, Ireland and Hoskisson, (2007) posit that strategy is an integrated and coordinated set of commitments and actions designed to use core competencies to gain competitive advantage. Arguably, almost all the definitions of strategy discussed above noted that strategy is the actions firms take in light of rapid changes in their operating environment to achieve competitive advantage. Thus, executives and managers of firms need to devise strategies to respond to challenges posed by their operating environment. Strategic management focuses on why firms differ in term of business performance. In strategic management research, the focus is on how to outperform rival companies and survive over a long period of time (Hoopes, Madsen, & Walker, 2003; Hoque, 2004). Dess, Lumpkin and Eisner (2007), posit that strategic management involves organisational analysis and decisions that enable companies to remain competitive. The function of strategic management is to align management actions with the environment, thereby facilitating the achievement of firm objectives and mission (Dess et al., 2007; Steinthorsson & Soderholm, 2002). Empirically, some scholars have reported that strategic management influence profitability, competition, operational performance, competitive advantage (Monday, Akinola, Ologbenla & Aladeraji, 2015; Olanipekun, Abioro, Akanni, Arulogun & Rabi, 2015; Dauda et al., 2010) and academic performance (Babalola & Taiwo, 2016). Some studies on strategic management dimension are documented in the literature. For instance (Wanjiru, 2016; Maroa & Muturi, 2015; Katsvamutima & Jeevananda, 2014; Aremu & Oyinloye, 2014; Auka & Langat, 2016) observed that strategy formulation

influence performance in different context. A comprehensive review of strategy implementation literature revealed that there is a positive and significant connection between strategy implementation and firm performance (Kumar, 2015; Njagi & Kombo, 2014; Ibrahim, Sulaiman, Kahtani, & Abu-Jarad, 2012). Furthermore, strategic management literature shows that some scholars have examined various drivers of strategy implementation. For instance, attention to organisational structure (Sorooshian, Norzima, Yusof & Rosnah, 2010; Mackenzie, Wilson & Kider, 2001), leadership styles, structural adaptations, human resources, technology (Kihara, 2016). Wrong strategic decision could have serious implications for firm growth and survival. Thus, firms need to evaluate their activities, monitor and compare actual performance with desired performance. Managers need to obtain precise, prompt, and unbiased information to be able to make a meaningful evaluation of their firm strategy. Strategy evaluation practices can highlight weaknesses in already implemented strategic plans and makes the entire process to start all over. Elshamly (2013) pointed out that strategy evaluation prevents firms from making wrong decisions because it identifies disruptions before they lead to serious damage. Ivancic (2013) contends that effective evaluation method is important because the key activity of strategic evaluation is to determine if the strategy execution meet the firm objectives. Mooncalves (2009) argues that periodic evaluations keep the strategic plan flexible so that it can be connected to the firm competencies. Empirically, few studies have examined the link between strategy evaluation and performance in SMEs in the emerging market contexts (e.g. Abdul Najib Bin Abdul Majid and Mas Bambang Baroto, 2016; Maroa & Muturi, 2015). Most studies on strategic management literature in Nigeria did not consider strategy evaluation as separate constructs in the strategic management process (e.g., Monday et al, 2015; Muogbo, 2013).

2 Methodology

2.1 Sample

This study aims at using descriptive and case study approach to explore strategic management practices in four mobile telecommunication firms in Nigeria. This study used secondary and primary data. Secondary data were collected from the sample firms' websites. We used primary data collected from a semistructured questionnaire that targeted four firms in the mobile telecommunication sector in Nigeria. The questionnaire was administered to employees in the sales, marketing, finance/audit, customer service and engineering departments of the firm's head offices and eight regional offices across the country. The survey was conducted between the months of June 2017 and November 2017. The targeted respondents are responsible for strategic decision making in the firms. We used a purposive sampling method to select a sample of 120 analysts/supervisors, lower, middle and senior managers. Out of 120 employees selected, 105 completed responses were used in our analysis.

2.2 Measures and analytical approach

The questionnaire was developed by the authors as part of an ongoing research project. The instrument was designed in two main parts; Part A of the questionnaire collected data on strategic management practices (formulation, implementation and evaluation). To enable and simplify processing of the responses, a five-point scale was used, from 1 (strongly disagree) to 5 (strongly agree). For strategy formulation practice, information was sought on mission, vision, establishing long-term objectives, and strategic/environmental analysis. Strategy implementation part asked for information on human resources, financial resources, organisational structure, organisational policies and employee commitment to strategy implementation. Five questions were used to collect data on strategy evaluation, which included: (i) company assessment of current practices and their contribution to strategy implementation (ii) timely communication of assessment results to various stakeholders (iii) company current practices on developing key performance indicators or some other form of accountability to track the success of strategic initiative (iv) company success at identifying corrective actions when strategic initiatives are

failing or could be improved and (v) company response time after acknowledging that strategic initiative is failing. Part B collected data on general firm profile data. Part C addressed the firm performance through subjective measures adapted from (Santos & Brito, 2012). The Cronbach alpha result for each variable; strategy formulation had $\alpha = 0.874$, strategy implementation had $\alpha = 0.875$, strategy evaluation had $\alpha = 0.800$. These Cronbach alpha results greater than $\alpha = 0.70$ indicate good internal consistency among the items (Zikmund et al., 2013).

The KMO and Bartlett's test of sampling adequacy was significant (KMO; 0.742, $p = 0.000 < 0.05$). The results of the Kaiser-Meyer-Olkin measure of sampling adequacy of 0.742 is greater than 0.5 and not above 1.0. Thus, the variables are reliable and internally consistent. The Bartlett's test of Sphericity had a p-value = 0.000 which is less than 0.05. The Bartlett's test of Sphericity was significant which means that the factor was valid and suitable. The opinion of experts was sought on face validity, comprehensiveness and coherency of the measurement scale. Descriptive statistics were used for data analyses. This method is considered appropriate because the study sought to find out the perception of employees on the subject. The results of the study (mean and standard deviation) are presented in bar charts, pie charts, table of frequencies and percentages Statistical package for social sciences (SPSS25) software was employed for calculating mean, standard deviation, KMO and Bartlett's test and reliability test.

3 Introduction of Mobile Telecommunication Providers in Nigeria

MTN NIGERIA

MTN Group is a leading mobile telecommunication firm in Africa. The firm provides telecom services and business solutions in over 20 countries in Africa and the Middle East. It obtained a digital mobile license in Nigeria in 2001 (Ndukwe, 2004). The company paid \$285 million for one of the four digital mobile licenses in Nigeria in January 2001. The company has spent over US\$1.8 billion on building mobile telecommunications infrastructure in Nigeria (MTN, 2017). In the last 16 years, the company has steadily deployed its services across Nigeria. The company provides services to customers across the 36 states of Nigeria and the Federal Capital Territory, Abuja (www.mtnonline.com).

GLOBACOM NIGERIA LIMITED

Globacom is a multinational telecommunications firm owned by a Nigerian with headquarter in Lagos, Nigeria. GLO is a privately-owned telecommunications carrier that started operations on 29th of August 2003. It currently conducts business in 4 countries in West Africa namely Nigeria, Republic of Benin, Ghana and Ivory Coast. The company employ more than 3,000 people worldwide. Globacom is one of the fastest growing mobile service providers in the world (www.gloworld.com). As at May 2017, Globacom Nigeria has over 37 million mobile subscribers and over 25% market share (Nigerian Telecommunication Commission, 2017). The company is the first to build \$800 million high capacity fibre optic cable known as the GLO-1 (IBP, 2009). Globacom Nigeria Ltd built the first successful submarine cable to Nigeria from the United Kingdom. The submarine cable has the potential to significantly reduce the costs of telecommunication and provide excess bandwidth to several other countries connected to the cable (IBP, 2009).

AIRTEL NIGERIA

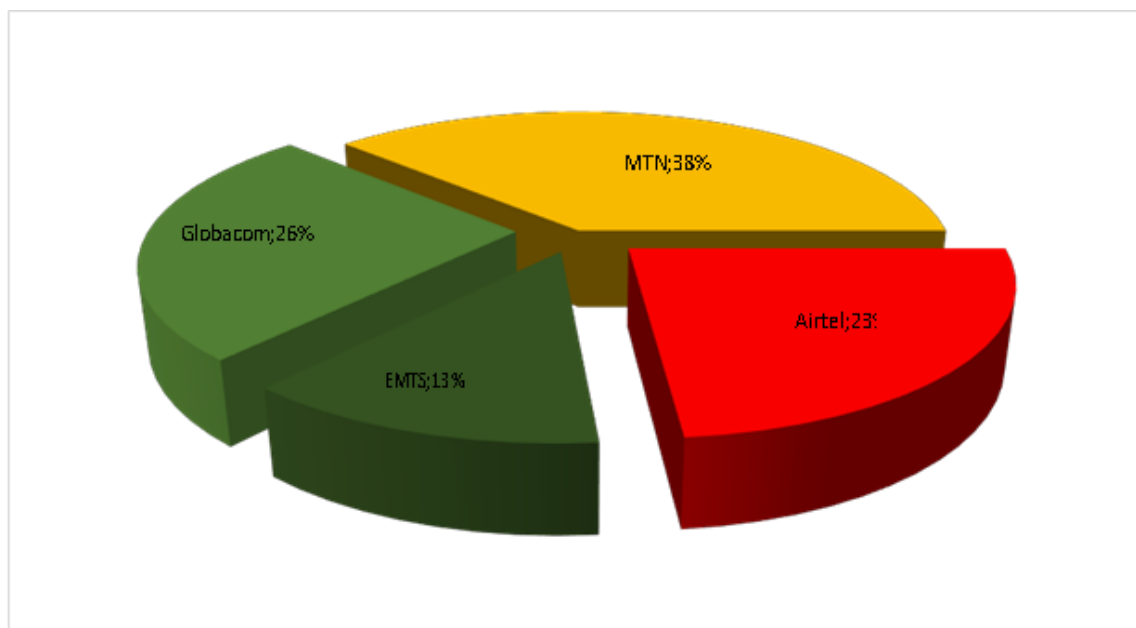
The company was established in 2000 with head office in Lagos, Nigeria. The company is a subsidiary of Indian Telecommunication Group Bharti Airtel. Airtel Nigeria provides telecommunication services to the mobile market in Nigeria. Its core areas are focused on GSM mobile phones, SAGEM Debt & Fax

products, Electronic Airtime distribution, and Network management (Ndukwe, 2008). The company offers personal and business plans, including prepaid and postpaid services, mobile enterprise products, 3.75 generations (3G) services and SMS and fax services. As at May 2017, Airtel Nigeria has over 34 million mobile subscribers which account for over 23% market share (Nigerian Communications Commission, 2017). The company places high values on its customers by providing services that meet and satisfy their customers' needs.

ETISALAT NIGERIA

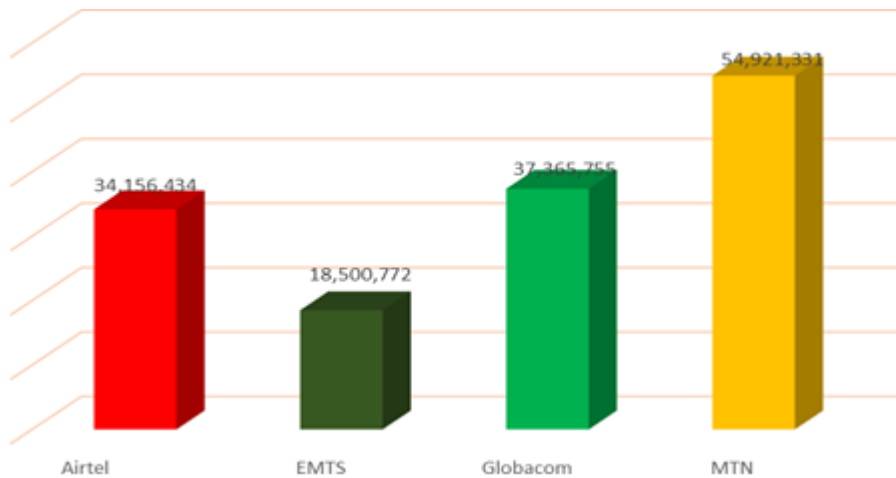
Etisalat Nigeria started operation in Nigeria in October 2008 as a subsidiary company of Etisalat of the UAE and Mubadala development company (Ndukwe, 2008). In its many years of operation, the company has invested heavily on state-of-the-art telecom infrastructure, human resources various skills acquisition and development programmes to enable its staff offer outstanding services to the people of Nigeria (IBP, 2009). As at May 2017, Etisalat Nigeria has over 18 million mobile subscribers which account for over 12% market share (Nigerian Communications Commission, 2017). This innovative provider offers unique products and prepositions such as the Easy Net, Easy Starter, Easy life and Easy Cliq to customers in the Nigeria market (IBP, 2009). Etisalat's core strategy focuses on acknowledging and understanding its customers.

Figure 1: Percentage (%) of Market Share by Operators (GSM) May 2017



Source: Author's adaptation based on Nigerian communications commission (May 2017, online).

Figure 2: Number of subscribers, May 2017



Source: Author's adaptation based on Nigerian Communications Commission (May 2017, online)

Results

Table 1: Study response rate

Firms	Questionnaires issued			Returned questionnaires			%
	H/O	Regional offices	Total	H/O	Regional offices	Total	Return rate
MTN	14	32	46	14	25	39	84.8
Globacom	12	16	28	12	16	28	100
Airtel Nigeria	6	16	22	6	8	14	64.3
Etisalat Nigeria	8	16	24	8	16	24	100
Total			120			105	87.5

Source: Own, 2018

46 questionnaires were sent to respondents in the head office and regional offices of MTN Nigeria, 39 completed and returned the questionnaires which accounted for 84.8% response rate. Respondents in Globacom head office and regional offices completed and returned all the 28 questionnaires sent to them, which represents 100% response rate. 22 questionnaires were sent to respondents in the head office and regional offices of Airtel Nigeria, 14 completed and returned the questionnaires which accounted for 64.3% response rate. Respondents in Etisalat Nigeria head office and regional offices completed and returned all the 24 questionnaires sent to them, which represents 100% response rate. The high response rate from each of the firms is well over 50% which considered adequate for the study.

Age of the Firms

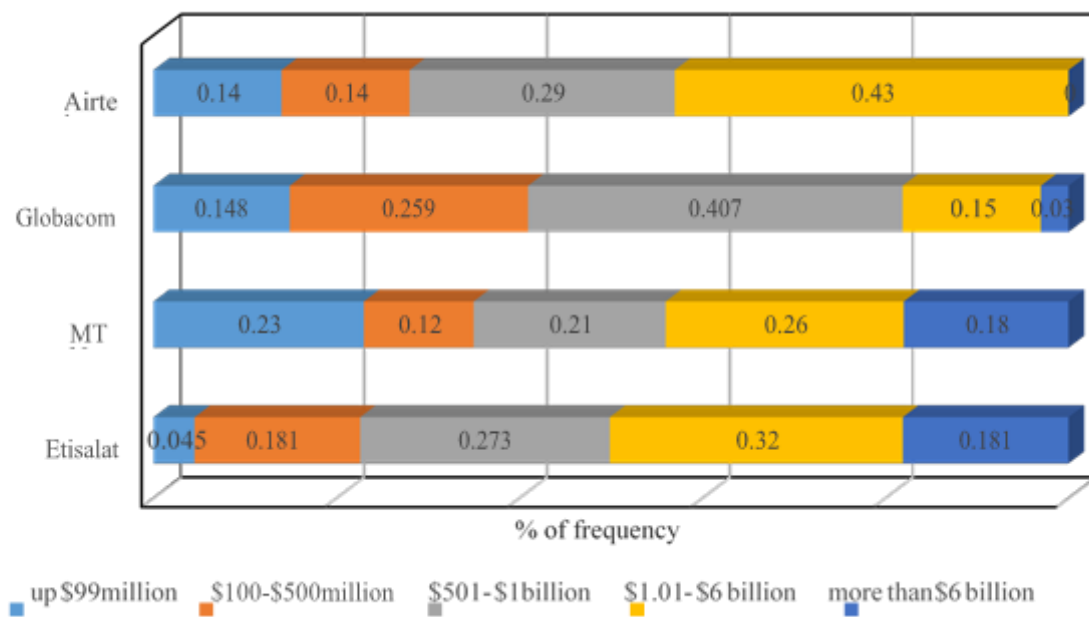
Age indicates a firm's stage of development and experience. The information for the age of the firms was collected from the websites of the firms. As at 2017, Airtel Nigeria has been in the market for 17 years, MTN Nigeria for 16 years, Globacom Nigeria for 14 years and the youngest Etisalat Nigeria with 9 years experience in the market with the least market share. The age of a firm is a factor that may affect the

firm's survival, growth and/ or decline and death. Age of a firm indicates good infrastructure, assets and experience which have a positive impact on its performance. The current development in mobile telecommunication firms supports this argument. Over the years, the mobile telecommunication firms have built infrastructural and technological capabilities through the introduction of new technologies within diverse sectors of the Nigerian economy (for instance, easier banking services, bank mobile applications, access to e-learning platform).

Firm Size

This study was also interested in knowing the size of the individual firms using total assets in dollars as a firm size indicator. Total assets measure the firm's total resources. The responses to this question were statistically analysed and presented in Figure 3.

Figure 3: Size of the firms



Source: Own, 2018.

The firm size (total assets) were classified into five groups of up to \$99 million; between \$100 - \$500 million; between \$501- \$1 billion; between \$1.01- \$6 billion and more than \$6 billion. (14%) respondents from Airtel Nigeria indicated that the firm size is up to \$99 million, (14%) between \$100

- \$500 million, (29%) between \$501- \$1 billion. Majority (43%) of the respondents indicated that the firm size is between \$1.01- \$6 billion. No respondent (0.0%) indicated that the firm size is, more than

\$6 billion. (15%) of the respondents from Globacom Nigeria indicated that the firm size is up to \$99 million, (26%) indicated that the firm size is between \$100 - \$500 million. (41%) indicated that the firm size is between \$501- \$1 billion, (15%) indicated that the firm size is between \$1.01- \$6 billion, while (3%) of the respondents indicated more than \$6 billion. (23%) respondents from MTN Nigeria indicated that the firm size is up to \$99 million, (12%) between \$100 - \$500 million, (21%) between

\$501- \$1 billion, (26%) between \$1.01- \$6 billion, and (18%) more than \$6 billion. (4.5%) respondents from Etisalat indicated that the firm size is up to \$99 million, (18.1%) between \$100 - \$500 million, (27.3%) between \$501- \$1 billion. (32%) of the respondents indicated that the firm size is between \$1.01- \$6 billion while (18.1%) respondents indicated more than \$6 billion. The larger the firm the more probable it is in terms of survival and have the benefit of experience, reputation, access, links, and

legitimacy leading to unlimited access to external resources (McKee, Varadarajan & Pride, 2009). Presented in Table 2 is the summary of the respondents' answers to the question posed. It appears the firms use similar strategic analysis tools other than SWOT analysis. Some of the strategic analysis tools are peculiar to the individual firms, for instance, Etisalat Nigeria (Gap analysis, Ansoff matrix, research, KPI (key performance indicator), trend analysis), MTN Nigeria (enterprise risk management framework, King IV, network performance scorecard, voice of customer, Mckinsey 7-S framework, positives and negatives, Globacom (SERQUAL measures service delivery across customer driven firms), IFE (internal factors evaluation matrix), EFE (external factors evaluation matrix) and IE (internal/external matrix analyses) and Airtel Nigeria (fishbone analysis, critical path analysis, 5 Whys and impact cost analysis).

Table 2: Other strategic analysis tools used by the individual firms

Firms	Strategic analysis tools used by the firms
Etisalat	Gap analysis, Ansoff matrix, research, VMOST (vision, mission, objectives, strategy, tactical), PEST (political, economic, social, technology), RCA (root cause analysis), KPI (key performance indicator), trend analysis.
MTN Nigeria	BCG matrix (Boston consulting group matrix), Porter five forces, enterprise risk management framework, King IV, Porter's value chain analysis, network performance scorecard, VMOST (vision, mission, objectives, strategy, tactical) STEEP, PEST, SOAR (strengths, opportunities, aspirations and results), root cause analysis, Pareto analysis, voice of customer, Mckinsey 7-S framework, positives and negatives.
Globacom	Root cause analysis, maturity model, Porter five forces, industry life cycle analysis, VRIO analysis, SERQUAL (measures service delivery across customer driven firms), IFE (internal factors evaluation matrix), EFE(external factors evaluation matrix) and IE (internal/external matrix) analyses, BCG matrix (Boston consulting group matrix), SOAR (strengths, opportunities, aspirations and results), PEST (political, economic, Social, technology).
Airtel Nigeria	SOAR (strengths, opportunities, aspirations and results), Pareto analysis (80/20 rule), fishbone analysis, value chain analysis, critical path analysis, 5 Whys and impact cost analysis.

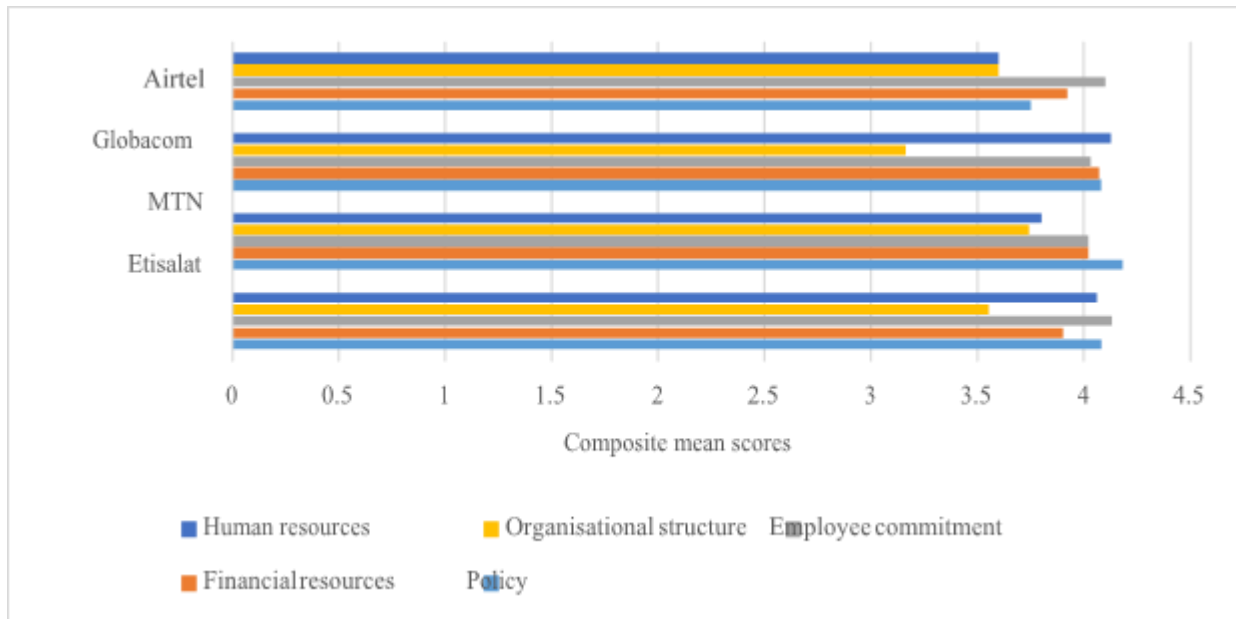
Source: Own, 2018

This study used a multi – dimensional scale to measure the constructs of strategy formulation practices. A mean score of 3.5 and above on each item indicates that the respondents agreed with the statement given while those with a mean score below 3.5 indicates disagreement. The author used vision, mission, strategic analysis and establishing long-term objectives as strategy formulation variables. See appendix 1 for the descriptive statistics on strategy formulation of the individual firms. The study results shows that the respondents agreed with the following statements concerning the vision of the four firms during strategy formulation: that the company has a clearly formulated vision (Etisalat, mean score, 4.12), (MTN, mean score, 4.51), (Globacom, mean score, 4.25) and (Airtel, mean score, 4.25), the company strategy comes from its vision (Etisalat, mean score, 3.83), (MTN, mean score, 4.50), (Globacom, mean score, 3.96) and (Airtel, mean score, 4.31), the company vision is relevant to the current situation and future expectations (Etisalat, mean score, 4.00), (MTN, mean score, 4.05), (Globacom, mean score, 4.11) and (Airtel, mean score, 4.07), the Company visions is updated regularly (Airtel, mean score, 3.57). However, the respondents from (Etisalat, mean score, 3.12), (MTN, mean score, 3.34), (Globacom, mean score, 2.85) disagreed with the statement that the company vision is updated regularly. With respect to the firms mission the respondents agreed with the following

statements: the company has a clearly formulated mission (Etisalat, mean score, 4.16), (MTN, mean score, 4.36), (Globacom, mean score, 4.22), (Airtel, mean score, 4.35), the company strategy comes from its mission (Etisalat, mean score, 3.58), (MTN, mean score, 4.18), (Globacom, mean score, 3.74) and (Airtel, mean score, 4.00), the company mission is taken into account when deciding about the future development opportunities (Etisalat, mean score, 3.75), (MTN, mean score, 3.94), (Globacom, mean score, 3.89) and (Airtel, mean score, 4.00), the Company mission is updated regularly (Airtel, mean score, 3.50) whereas, respondents from (Etisalat, mean score, 2.83), (MTN, mean score, 3.21), (Globacom, mean score, 3.21) disagreed with the statement that the company mission is updated regularly. The respondents agreed with the following statements based on strategic analysis during strategy formulation: It is important to give attention to the development of external and internal environment (Etisalat, mean score, 4.00), (MTN, mean score, 4.68), (Globacom, mean score, 4.64) and (Airtel, mean score, 4.57), the company systematically analyses the external and internal environment (Etisalat, mean score, 4.08), (MTN, mean score, 4.31), (Globacom, mean score, 4.25) and (Airtel, mean score, 4.35), SWOT analysis is the main tool used for analysing the external and internal environment (MTN, mean score, 3.97), (Globacom, mean score, 3.85), (Airtel, mean score, 4.14). However, respondents from (Etisalat, mean score, 3.39) disagreed with the statement that SWOT analysis is the main tool used for analysing the external and internal environment.

The respondents from (Etisalat, mean score, 3.78), (MTN, mean score, 3.84), (Globacom, mean score, 3.78) and (Airtel, mean score, 3.92) agreed that the results of the environmental analysis are regularly updated. The respondents agreed with the following statements concerning establishing long term objectives: The company sets long-term objectives (Etisalat, mean score, 4.26), (MTN, mean score, 4.38), (Globacom, mean score, 4.28) and (Airtel, mean score, 4.14), establishing long-term objectives is important for my company (Etisalat, mean score, 4.04), (MTN, mean score, 4.51), (Globacom, mean score, 4.39) and (Airtel, mean score, 4.28), long-term objectives are important for achieving superior performance (Etisalat, mean score, 4.00), (MTN, mean score, 4.41), (Globacom, mean score, 4.25) and (Airtel, mean score, 4.21). The results in figure 4 indicated that the respondents agreed that vision (Etisalat, composite mean score, 3.77), (MTN, composite mean score, 4.10), (Globacom, composite mean score, 3.79), (Airtel, composite mean score, 4.11), mission (Etisalat, composite mean score, 3.58), (MTN, composite mean score, 3.92), (Globacom, composite mean score, 3.76), (Airtel, composite mean score, 3.96), strategic analysis (Etisalat, composite mean score, 3.81), (MTN, composite mean score, 4.20), (Globacom, composite mean score, 4.13), (Airtel, composite mean score, 4.25), and establishing long-term objectives (Etisalat, composite mean score, 4.10), (MTN, composite mean score, 4.43), (Globacom, composite mean score, 4.30), (Airtel, composite mean score, 4.21) are important strategy formulation practices in the mobile telecommunication multinational firms in Nigeria.

Figure 4: Descriptive statistics on the dimensions of strategy formulation



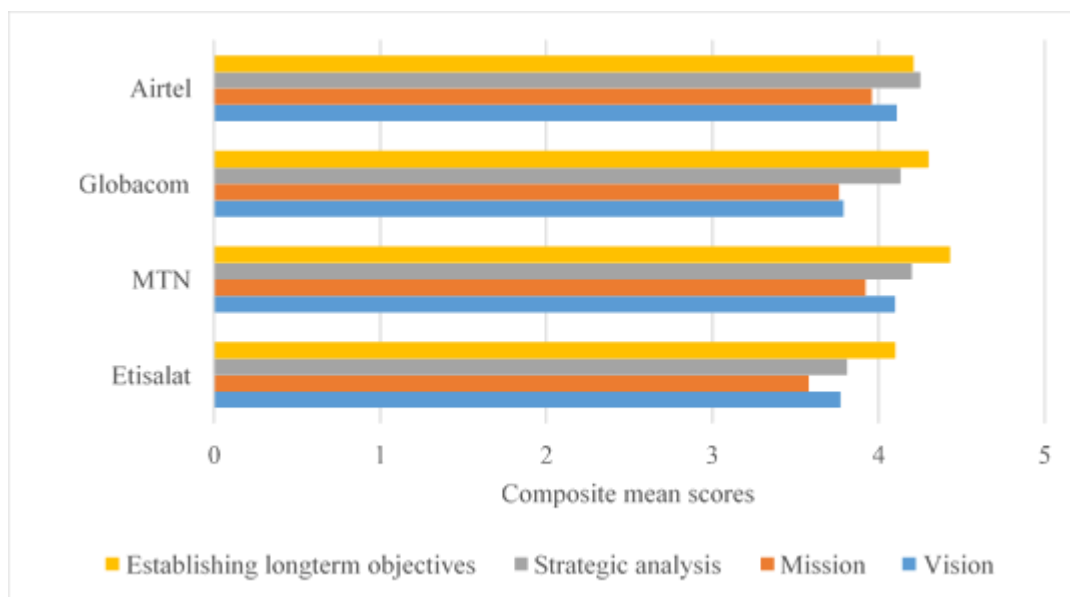
Source: Own, 2018

This study used a multi-dimensional scale to assess the constructs of strategy implementation practices. The variables used are organisational policy, financial resources, employee commitment to strategy implementation, organisational structure and human resources (see Appendix 2). With respect to organisational policy, the study results indicate that the respondents agreed with the following statements during strategy implementation: the company maintains a policy manual that serves as guide to strategy implementation (Etisalat, mean score, 4.26), (MTN, mean score, 4.25), (Globacom, mean score, 4.17) and (Airtel, mean score, 3.64), the company policies are updated on a regular basis (Etisalat, mean score, 4.04), (MTN, mean score, 4.00), (Globacom, mean score, 3.78) and (Airtel, mean score, 3.57), the company's policies are relevant to current business activities (Etisalat, mean score, 4.04), (MTN, mean score, 4.23), (Globacom, mean score, 4.32) and (Airtel, mean score, 3.92), the company management understands and supports formal policy development and implementation (Etisalat, mean score, 4.00), (MTN, mean score, 4.25), (Globacom, mean score, 4.07) and (Airtel, mean score, 3.85). With respect to the financial resources the respondents agreed with the following statements: the company has the financial capacity to implement strategies (Etisalat, mean score, 3.86), (MTN, mean score, 4.12), (Globacom, mean score, 4.07), (Airtel, mean score, 4.00), the company is committed to providing financial resources to support the implementation of strategic initiatives (Etisalat, mean score, 4.18), (MTN, mean score, 3.92), (Globacom, mean score, 4.10) and (Airtel, mean score, 4.07).

The respondents agreed with the following statements based on employee commitment to strategy implementation: Staff are committed to the implementation of strategic initiatives (Etisalat, mean score, 4.00), (MTN, mean score, 4.68), (Globacom, mean score, 4.64) and (Airtel, mean score, 4.57), Management is committed to implementing strategic initiatives (Etisalat, mean score, 4.09), (MTN, mean score, 4.12), (Globacom, mean score, 3.96) and (Airtel, mean score, 4.14). The respondents agreed with the following statements with respect to the organisational structure of the four firms during strategy implementation: company current structure is appropriate to support the implementation of strategic initiatives (Etisalat, mean score, 3.63), (MTN, mean score, 3.73), (Airtel, mean score, 3.71), company current governance model is effective for the implementation of strategic initiatives (MTN, mean score, 3.84) and (Airtel, mean score, 3.92). However, respondents disagreed with the statement that: company current structure is appropriate to support the implementation of strategic initiatives (Globacom, mean

score, 3.07) and company current governance model is effective for the implementation of strategic initiatives (Etisalat, mean score, 3.47) and (Globacom, mean score, 3.25). The respondents agreed with the following statements based on human resources during strategy implementation: company has human resource capability to manage and implement the current strategy (Etisalat, mean score, 4.04), (MTN, mean score, 3.71), (Globacom, mean score, 4.10) and (Airtel, mean score, 3.50) and company staff has the competencies to plan, manage and implement strategic initiatives (Etisalat, mean score, 4.09), (MTN, mean score, 3.89), (Globacom, mean score, 4.14) and (Airtel, mean score, 3.71). The results in figure 5, show the composite mean scores of the mobile telecommunication firms based on the dimensions of strategy implementation constructs. The results indicated that the respondents agreed that their firms' policies (Etisalat, composite mean score, 4.08), (MTN, composite mean score, 4.18), (Globacom, composite mean score, 4.08), (Airtel, composite mean score, 3.75), financial resources (Etisalat, composite mean score, 3.90), (MTN, composite mean score, 4.02), (Globacom, composite mean score, 4.07), (Airtel, composite mean score, 3.92), employee commitment to strategy implementation (Etisalat, composite mean score, 4.13), (MTN, composite mean score, 4.02), (Globacom, composite mean score, 4.03), (Airtel, composite mean score, 4.10), human resources (Etisalat, composite mean score, 4.06), (MTN, composite mean score, 3.80), (Globacom, composite mean score, 4.12), (Airtel, composite mean score, 3.60) and organisational structure (Etisalat, composite mean score, 3.55), (MTN, composite mean score, 3.71), and (Airtel, composite mean score, 3.60) are important in the implementation of strategic initiatives. However, respondents from (Globacom, composite mean score, 3.16) disagreed that the firm organisational structure/governance model is appropriate to support its strategic initiative.

Figure 5: Descriptive statistics on the dimensions of strategy implementation

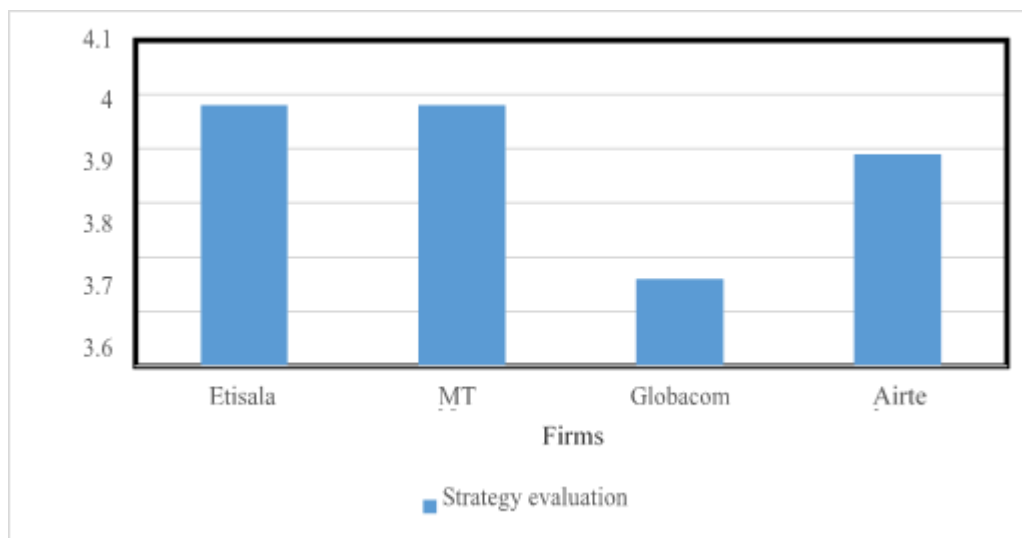


Source: Own, 2018

This study used five questions to measure the constructs of strategy evaluation practice. The results indicate that the respondents agreed with the following statements concerning the strategy evaluation practices (see appendix 3): company continuously assesses the current practices and their contribution to strategy implementation (Etisalat, mean score, 3.95), (MTN, mean score, 3.97), (Globacom, mean score, 3.89), (Airtel, mean score, 3.71), company communication of assessment results to various stakeholders is timely (Etisalat, mean score, 3.82), (MTN, mean score, 3.92) and (Airtel, mean score, 3.85), company developed a set of key performance indicators or some other form of accountability to track the success of strategic initiatives (Etisalat, mean score, 4.26), (MTN, mean score, 4.28), (Globacom, mean score,

4.07), (Airtel, mean score, 4.50), company is successful at identifying corrective action when strategic initiatives are failing or could be improved (Etisalat, mean score, 4.13), (MTN, mean score, 4.12), (Globacom, mean score, 3.75), (Airtel, mean score, 3.92), the response time, after my company acknowledges that a strategic initiative is failing is appropriate (Etisalat, mean score, 4.13), and (MTN, mean score, 4.12). However, the respondents disagreed with the following statements: Company communication of assessment results to various stakeholders is timely (Globacom, mean score, 3.39) and the response time, after my company acknowledges that a strategic initiative is failing is appropriate (Globacom, mean score, 3.21) and (Airtel, mean score, 3.46). The results in Figure 6, show the composite mean scores of the mobile telecommunication firms based on strategy evaluation practices. The results indicated that all the firms adopt robust strategy evaluation practices (Etisalat, composite mean score, 3.98), (MTN, composite mean score, 3.98), (Globacom, composite mean score, 3.66), (Airtel, composite mean score, 3.89).

Figure 6: Descriptive statistics on strategy evaluation



Source: Own, 2018.

Discussion

The study examined strategic management practices of mobile telecommunication firms in Nigeria. Based on the responses from four firms, the results suggest that vision, mission, strategic analysis, and establishing long-term objectives are important strategy formulation practices in the mobile telecommunication firms in Nigeria. The results showed that organisational policies, financial resources, employee commitment to strategy implementation, human resources, and organisational structure are important in the implementation of strategic initiatives. The above results are consonance with the findings of several scholars (e.g. Wanjiru, 2016; Maroa & Muturi, 2015; Katsvamutima & Jeevananda, 2014; Aremu & Oyinloye, 2014; Auka & Langat, 2016; Sorooshian, Norzima, Yusof & Rosnah, 2010; Kumar, 2015; Njagi & Kombo, 2014). However, respondents from Globacom Nigeria disagreed that the firm organisational structure/governance model is appropriate to support its strategic initiative.

This may be because Globacom is an indigenous family-owned multinational firm. Family business governance is complex in terms of understanding the various interconnections/relationships among owning/controlling family members. A robust corporate governance model can strengthen the relationship between the family shareholders and the executives managing the business, who may or may not be members of the family (Sarbah & Xiao, 2015). The results further suggest that all the firms consider strategy evaluation practices as important to achieve business success. This result is in line with the

studies of (Elshamly, 2013; Ivancic, 2013) who submitted that strategy evaluation practices enable firms to achieve superior performance. Additionally, we observed that the two market leaders MTN Nigeria (with over 54 million subscribers or 37.89% market share, May 2017) and Globacom Nigeria (with over 37 million subscribers or 25.78% market share, May 2017) appear to use more robust strategic analysis tools, this may be responsible for their performance. This is consistent with Afonina and Chalupský (2013) that strategic management tools and techniques assist managers in strategy formulation, strategy implementation and strategy evaluation. Therefore, it is important for managers of the sample firms to pay attention to strategic management practices as this can enable them to develop and execute successful strategies.

4 Conclusion

Effective use of resources and technology can facilitate the creation of products and services that enable firms to remain competitive. In this ever-changing and complex business environment, firms must use robust performance measurement system to manage complexities and evaluate their strategic efforts (Nwachukwu, Chladkova & Zufan, 2017). This research focused on a single industry using case study and descriptive research approach. We used theoretical insights from strategic management literature to enhance the understanding of the subject (especially the multidimensional nature of strategy formulation and strategy implementation) in mobile telecommunication firms in an emerging market. We observe that all the firms lend support to the importance of strategic management practice. Furthermore, the study identified different strategic analysis tools used by mobile telecommunication operators in Nigeria. To the best of our knowledge the first of such attempt in Nigeria. However, we recommend that mobile telecommunication firms should give attention to their organisational structure and governance model especially, Globacom Nigeria Limited. Second, the firms should pay close attention to the response time after they acknowledge that a strategic initiative is failing. Also, timely communication of assessment results to various stakeholders is important.

Limitation and directions for further research

The study used descriptive research approach. Future research should consider using a both descriptive and inferential statistical analysis method to validate the subject in other industries and countries. Future research can examine the relationship between strategic analysis tools and techniques usage and performance in emerging market contexts. Nonetheless, our study adds to strategic management literature in the emerging market context.

5 References

- Abdul Najib Bin Abdul Majid, N., & Mas Bambang Baroto, B. (2016). The relationship between strategic planning and Malaysian SMEs business performance: The effect of employee participation, implementation incentive and strategy evaluation and control. *The International Journal of Business & Management*, 4(3), 353-368.
- Afonina, A. & Chalupský, V. (2013). Investigation of strategic management tools and techniques. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 61(4), 833 – 840.
- Aremu, M. A. & Oyinloye, O. O. (2014). Relationship between strategic management and firms' performance in Nigerian banking industry. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 4(3), 28-41.
- Auka, D. O. & Langat, J. C. (2016). Effects of strategic planning on performance of medium-sized enterprises in Nakuru Town. *International Review of Management and Business Research*, 5(1), 188-203.

- Babalola, O. & Taiwo, O. (2016). Strategic management and academic performance of selected private universities in Southwest, Nigeria. *Basic Research Journal of Business Management and Accounts*, 5(3), 26-35.
- Barney, J. B., & Hesterly, W. S. (2006). *Strategic Management and Competitive Advantage – Concepts and Cases*. New Jersey: Pearson Prentice Hall.
- Dauda, Y. A., Akingbade, W. A., & Akinlabi, H. B. (2010). Strategic management practice and corporate performance of selected small business enterprises in Lagos Metropolis. *International Journal of Business and Management*, 5(11), 97-105.
- Dess, G., Lumpkin, G. T., & Eisner, A. (2007). *Strategic Management: Creating Competitive Advantages*, 4th ed. New York: McGraw Hill Companies.
- Elshamly, A. B. (2013). Developing a strategic framework in small and medium-sized enterprises (SMEs). A PhD thesis submitted to the University of Gloucestershire.
- Gonçalves, H. S. (2009). Proposal of a strategy model planning aligned to the balanced scorecard and the quality environments. *The TQM Journal*, 21(5), 462-472.
- GSMA. (2015). Načteno z GSMA:
https://www.gsma.com/publicpolicy/wpcontent/uploads/2016/09/GSMA2015_Report_DigitalInclusionAndTheRoleOfMobileInNigeria.pdf
- Hajara, S. (2011). Challenges of strategic management.
<https://www.tutebox.com/businessmanagement/challenges-to-strategic-management>. retrieved 19.02.2017
- Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2007). *Strategic Management - Competitiveness and Globalisation*, 7th ed. Ohio: Thomson South-Western.
- Hoopes, D. G., Madsen, T. L., & Walker, H. (2003). Guest Editor's Introduction to the Special Issue: Why is there a Resource-based View? Toward a Theory of Competitive Heterogeneity. *Strategic Management Journal*, 24(10), 889-902.
- Hoque, Z. (2004). A contingency model of the association between strategy, environmental uncertainty and performance measurement: impact on organizational performance. *International Business Review*, 13(4), 485-502.
- IBP, U. (2009). Nigeria Telecommunication Industry Business Opportunities Handbook. USA: International Business publications.
- Ibrahim, M., Sulaiman, M., Kahtani, A., & Abu-Jarad, I. (2012). The relationship between strategy implementation and performance of manufacturing firms in Indonesia: The role of formality structure as a moderator. *World Applied Sciences Journal*, 20(7), 955-964.
- Ivancic, V. (2013). The Biggest Failures in Managing Strategy Implementation. *Interdisciplinary Management Research*, IX.
- Katsvamutima, E., & Jeevananda, S. (2014). Strategy formulation and implementation in Zimbabwe's food manufacturing industry. *International Journal of Science and Research*, 3(5), 849- 855.
- Kihara, M. P. (2016). Influence of strategy implementation on the performance of manufacturing small and medium firms in Kenya. Unpublished PhD thesis, Kenya: Jomo Kenyatta University of Agriculture and Technology.
- Kumar, P. (2015). Correlation between strategic planning and firm performance. *International Journal of Management & Business Studies*, 5(2), 64-75.
- Leting, S. L. (2009). Leadership in Strategic Management: A Theory of Corporate Governance Emergence. University of Nairobi, Unpublished PhD Thesis.
- Mackenzie, D., Wilson, D., & Kider, S. (2001). Effects of Correctional Boot Camps on offending. *The ANNALS of the American Academy of Political and Social Science*, 578(1), 126-143.
- Maroa, J. G., & Muturi, W. (2015). Influence of strategic management practices on performance of floriculture firms in Kenya. A survey of Kiambu County Kenya. *International Journal of Economics, Commerce and Management*, 3(7), 497-513.

- Miesing, P., & Preble, J. F. (1985). A comparison of five business philosophies. *Journal of Business Ethics*, 4(6), 465 – 476.
- Monday, J., Akinola, G. O., Ologbenla, P. & Aladeraji, O. K. (2015). Strategic management and firm performance: A study of selected manufacturing companies in Nigeria. *European Journal of Business and management*, 7(2), 161-171.
- MTN, (2017). Corporate Information. retrieved on 21-03-2017 from <https://www.mtnonline.com/about-mtn>
- Muogbo, U. S. (2013a). The impact of strategic management on organisational growth and development: A study of selected manufacturing firms in Anambra State. *Journal of Business and Management*, 7(1), 24-33.
- Ndukwe, E. (2008). Seven Years of Telecoms Revolution. Tell Magazine of Nigeria.
- Ndukwe, E. C. (2004). An Overview of the Nigerian telecommunications environment. Nigeria: Nigerian Communications Commission, ITU Telecom Africa.
- Nigerian Communications Commission. (2017). Stakeholder statistics retrieved on 2107-017 from <http://www.ncc.gov.ng/stakeholder/statistics-reports/industryoverview#view-graphs- tables-7>
- Njagi, L., & Kombo, H. (2014). Effect of strategy implementation on performance of commercial banks in Kenya. *European Journal of Business and Management*, 6(13), 62-67.
- Nwachukwu, C. & Zufan, P. (2017). Influence of Customer focused Mission statement on Customer Satisfaction. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunen- sis*, 65(3), 1031-1038.
- Nwachukwu, C., Chladkova, H., & Zufan, P (2017). Empirical Assessment of Microfinance Banks using the EFQM Excellence Model. *International Journal for Quality Research*, 11(2), 279-294.
- Olanipekun, W. D., Abioro, M. A., Akanni, L. F., Arulogun, O. O., & Rabi, R. O. (2015). Impact of strategic management on competitive advantage and organisational performance: Evidence from Nigerian bottling company. *Journal of Policy and Development Studies*, 9(2), 185-198.
- Santos, J. B., & Brito, L. A. (2012). Toward a subjective measurement model for firm performance. *Brazilian Administrative Review*, 9(6), 95- 117.
- Sarbah, A., & Xiao, W. (2015). Good Corporate Governance Structures: A Must for Family Businesses. *Open Journal of Business and Management*, 3(1), 40-57.
- Sorooshian, S., Norzima, Z., Yusof, I., & Rosena, Y. (2010). Effect analysis on strategy implementation drivers. *World Applied Sciences Journal*, 11(10), 1255-1261.
- Steinhorsson, R., & Soderholm, A. (2002). Strategic management as multi-contextual sense making in intermediate organizations. *Scandinavian Journal of Management*, 18(2), 233-248.
- Thompson, A., Strickland, A., & Gamble, J. (2007). *Crafting and Executing Strategy – Texts and Readings*, 15th ed. New York: McGraw-Hill Irwin.
- Wanjiru, N. S. (2016). The influence of strategic management practices on corporate performance of Serov Town hotels. Unpublished MBA thesis, University of Nairobi, Kenya.
- www.gloworld.com

Appendix 1: Descriptive statistics on strategy formulation of individual firms

FIRMS	ETISALAT		MTN		GLOBACOM		AIRTEL	
	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev
CONSTRUCTS								
Company has a clearly formulated vision.	4.1250	1.22696	4.5135	.69208	4.2500	.70053	4.5000	.51887
Company strategy comes from its vision.	3.8333	1.12932	4.5000	.76229	3.9643	.96156	4.3077	.63043
Company visions is updated regularly.	3.1250	1.32902	3.3421	1.09733	2.8519	1.02671	3.5714	1.08941
Company vision is relevant to the current situation and future expectations	4.0000	1.06322	4.0526	.92845	4.1071	.78595	4.0714	.73005
Company has a clearly formulated mission.	4.1667	.81650	4.3684	.58914	4.2222	.64051	4.3571	.49725
Company strategy comes from its mission.	3.5833	1.17646	4.1842	.72987	3.7407	.98421	4.0000	.87706
Company mission statement is updated regularly.	2.8333	1.20386	3.2162	1.08359	3.2143	1.10075	3.5000	1.09193
Company mission is taken into account when deciding about the future development opportunities.	3.7500	1.18872	3.9474	.73328	3.8929	.95604	4.0000	.87706
It is important to give attention to the development of external and internal environment.	4.0000	1.08711	4.6842	.47107	4.6429	.48795	4.5714	.51355
Company systematically analyses the external and internal environment.	4.0870	.84816	4.3158	.61973	4.2500	.79931	4.3571	.49725
SWOT analysis is the main tool used for analysing the external and internal environment.	3.3913	.94094	3.9737	.94402	3.8571	.75593	4.1429	.66299
Results of environment analysis are regularly updated.	3.7826	.90235	3.8421	.78933	3.7857	.87590	3.9286	.61573
Company sets long term objectives.	4.2609	.91539	4.3846	.74747	4.2857	.71270	4.1429	1.02711
Establishing long-term objectives is important for my company.	4.0435	1.14726	4.5128	.68333	4.3929	.73733	4.2857	.82542
Long term objectives are important for achieving superior performance.	4.0000	1.16775	4.4103	.71517	4.2500	.79931	4.2143	.89258

Appendix 2: Descriptive statistics on strategy implementation of individual firms

FIRMS CONSTRUCTS	ETISALAT		MTN		GLOBACOM		AIRTEL	
	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev
Company maintains a policy manual that serves as guide to strategy implementation.	4.2609	.91539	4.2564	.63734	4.1786	.86297	3.6429	1.15073
Company policies are updated on a regular basis.	4.0435	.92826	4.0000	.82717	3.7857	.95674	3.5714	1.08941
Company's policies are relevant to current business activities.	4.0435	.87792	4.2308	.70567	4.3214	.72283	3.9286	.82874
Company management understands and supports formal policy development and implementation.	4.0000	1.08711	4.2564	.67738	4.0714	.89974	3.8571	1.02711
Company has the financial capacity to implement strategies.	3.8636	.56023	4.1282	.76707	4.0714	.71640	4.0000	.55470
Company is committed to providing financial resources to support the implementation of strategic initiatives.	3.9545	.48573	4.0769	.87011	4.0714	.71640	3.8571	1.02711
Staff are committed to the implementation of strategic initiatives.	4.1818	.58849	3.9231	.53235	4.1071	.49735	4.0714	.73005
Management is committed to the implementing strategic initiatives.	4.0909	.52636	4.1282	.65612	3.9643	.83808	4.1429	.77033
Company current structure is appropriate to support the implementation of strategic initiatives.	3.6364	1.00216	3.7368	.75995	3.0714	1.05158	3.7143	.82542
Company current governance model is effective for the implementation of strategic initiatives.	3.4762	.98077	3.6923	.73104	3.2500	1.00462	3.5000	1.01905
Company has human resource capability to manage and implement the current strategy.	4.0455	.57547	3.7179	.88700	4.1071	.83174	3.5000	1.01905
Company staff has the competencies to plan, manage and implement strategic initiatives.	4.0909	.52636	3.8974	.82062	4.1429	.44840	3.7143	1.20439

Appendix 3: Descriptive statistics on strategy evaluation of individual firms.

FIRMS	ETISALAT		MTN		GLOBACOM		AIRTEL	
	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev	Mean	Std.Dev
Company continuously assesses the current practices and their contribution to strategy implementation.	3.9565	.76742	3.9744	.70663	3.8929	.83174	3.7143	.82542
Company communication of assessment results to various stakeholders is timely.	3.8261	.88688	3.9231	.77407	3.3929	.78595	3.8571	.66299
Company developed a set of key performance indicators or some other form of accountability to track the success of strategic initiatives.	4.2609	.68870	4.2821	.55954	4.0714	.89974	4.5000	.51887
Company is successful at identifying corrective action when strategic initiatives are failing or could be improved.	4.1304	.75705	4.1282	.65612	3.7500	1.00462	3.9286	.61573
The response time, after my company acknowledges that a strategic initiative is failing is appropriate.	3.7391	.96377	3.6154	.81484	3.2143	.87590	3.4615	.96742