

The Impact of Strategic Planning on Moroccan SME's Performance

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Abstract—Among management activities, the planning function retains increasingly attention of authors being interested in SME's (small and medium-sized enterprise) performance. Indeed, there are many authors who think that by following a strategy building formal process, SMEs can increase chances of success, while others consider that by trusting their manager's intuition, SMEs can stimulate creativity and develop important competitive advantages at the same time. Further to these controversies, we aim through this communication to partake in this debate mattering to both researchers and managers by revising the relation between strategic planning and SMEs' economic performance. So as to handle this matter, we verify nearby 100 Moroccan SMEs, the degree of importance they grant to strategic planning. We also examine how SMEs strategic planning may or not be associated with their economic performance as measured by average variation profits over the last three years.

Index Terms— Analysis, decentralization, economic performance, formalization, management, SME, strategic control, strategic planning.

1 INTRODUCTION

Today more than ever, the company's environment wins continually in turbulence: new factors of vulnerability and challenges appear and the acquired competitive positions are perpetually knocked down. Moroccan companies are not spared either.

Indeed, a recent study of Euler-Hermes alerts to the increase in the number of deficit firms in Morocco in 2015 (More than 2000 companies fell into bankruptcy over the first half of 2015).

This trend is disquieting today. According to the Euler-Hermes's study, it will keep increasing in the coming three years. (A. Diouri, 2015).

SMEs constitute overwhelmingly a fundamental pillar of countries' economy whether developed or developing. In Morocco, SMEs represent approximately 98 % of the productive firms.

However, this category of companies, in spite of their significant importance, suffers from several difficulties, which persist this day, and slow down earnestly

their development and their sustainability on the market.

The management process within the Moroccan SME is a field of tremendous studies (95 % of the bankruptcies are due to mismanagement (G.D'Amboise & Gasse, 1987)). Indeed, the strategic planning is the activity of management which calls more and more to be worthy of interest of authors being interested in performance (Brackern, 1982; Pearce et al., 1987; Thurston, 1983; Orpen, 1985; Ackelsberg, 1985; Frank et al., 1991) (L.O. Edmilson, 2003). These authors assert that the strategic planning constitutes an important management process key.

Thus, the practice of the strategic planning within Moroccan SMEs and its link with their performance appears to be so important. For that purpose, and following example of several authors and researchers, the strategic planning and its impact on the SMEs' economic performance catch our attention and make object of our study.

Considered as a process of strategy building, the strategic planning alerts the company to errors which can be penalizing and expensive especially in a highly competitive environment (M.E. Porter, 1996).

Besides, there are many authors who criticized the formal strategic planning, considering that it does not favor creativity and spontaneity, that encourages excessive

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2 OPERATIONALIZATION OF CONCEPTS ON STRATEGIC PLANNING, PERFORMANCE AND DEFINITION OF RESEARCH MODEL:

2.1 SMEs strategic planning:

▪ Definition:

Ansoff was one of first authors to be interested in the process of strategic planning in company and to propose a model for strategic decisions (H.Ansoff, 1968). He asserts that strategic planning is a formalized process of management.

However, a multitude of definitions for this concept were proposed. We keep the following ones:

« Planning is a formalized process to produce a result beforehand expressed, under the shape of an integrated decision-making system». The reflection concerning the future and efforts to control it are important components of the strategic planning(H.Mintzberg, 1994).

« Planning is necessary when the institution of a future desired state depends on series of interdependent decisions; it is a formalized decision-making system. » (R.Ackoff, 1973).

Ansoff, Ackoff and Mintzberg insist mainly in their definitions on formalization aspect of the planning.

The formalization means in our context all which is written, explicit with a logical chain. In opposite to informal plans defined by the conception school(N.Pearson & al, 1986)as being short-term plans based on intuition of the owner - leader, not written and kept in memory.

Indeed, managers are used to deciding alone and keeping everything in mind, however, formal planning obliges them to write their ideas on paper and to systematize their projects by using explicit plans.

To close, the formalization of the strategy indicates a continuous process where the stages are explicit with implication not only of the head office, but all functional administrators.

Objectives must be clear and included by all, the budgets must be explicit and allowing the realization of objectives. This facilitates control and gap analysis in case of non-realization of objectives.

A planning formal process is a key of success according to (H.Frank & al, 1991)although the history proved the opposite: towards the end of 1950s, Ford model knew a considerable failure in spite of a meticulous work of scientific planning.

Besides, other authors such as (L.Charles, B.Shrader, & al, 1988)prefer to use concept of strategic planning to be more operational and define it as follows:

A strategic plan is:

« A written communication including mission and long-term objectives of organization »

« A statement which indicates how objectives would be reached»

« A plan which also indicates the way the performance of the company would be measured and checked with ».

These three definitions make reference not only to the formal aspect, but also to temporal horizon. For these authors, strategic planning covers a going period from 1 to 5 years.

Finally and according to all quoted definitions, we retain that strategic planning is the plan formalized by elaboration of the strategy which regroupes important decisions of the organization as for its present and future orientation (1 - 5 years).

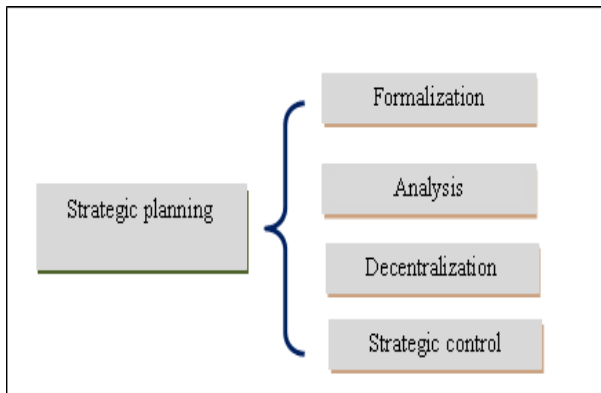
It is the coherent process which is based on analysis of internal and external environment of organization as well as competitors 'position to define objectives to achieve considering the mission of the company. It determines briefly the way of objectives achievement and corresponding control means to make the follow-up of realizations.

After all, basis of strategic planning process lies on analysis, external and internal diagnosis. So, gradually, many were cabinets, consultants, academics and researchers who proposed plans of analysis more and more refined to specify the fundamental criteria of competitiveness analysis.

▪ Measurement variables retained for strategic planning:

Our research allowed us to identify four variables to conceptualize the notion of strategic planning: formalization, analysis, decentralization and strategic control us follows in figure 1.

Fig. 1: Synthesis of measuring variables held for strategic planning



- Strategic planning is a formalized process:

For (P.Shields & M.K.Grover, 2006), the formalization can be defined as the way where the process of strategic planning is structured by rules, procedures and calendars paper.

- The strategic planning is a process based on the thorough internal and external environment analysis:

Strategic planning is a coherent process which is based on internal environment analysis to define: Vision (H.Mintzberg & P.G.P.Walters, 1982), Missions and objectives to be achieved (A.Chandler, 1962), Strengths and weaknesses (E.P.Learned & al, 1969), Resources and skills (B.Wernelfelt, 1984).

And also external environment analysis of the organization as well as the position of the competitors which regroups: The risk bound to the competitors: opportunities and Threats (E.P.Learned & al, 1969), Influence of the stakeholders (M.E.Porter, 1980).

- The strategic planning is a decentralized process :

In our research, we base our assumptions on principles of planning school which attribute in theory the strategic responsibility at the head office, who is practically supposed to approve it more than to formulate it. Planning school priorities planners (functional directors) to be the main actors of the process and responsible for its execution (H.Ansoff, 1977).

- Strategic planning requires a strategic control :

Setting up and developing strategy is not enough. To be successful, strategy must be monitored by indicators to assure the continuous development of the organization.

Thus, control is a way of performance appraisal, checking behavior of the stakeholders while turning to realization of purposes and objectives of the company (W.G.Ouchi, 1977).

2.2 Performance:

Whatever is the definition given to the performance, the measure of this concept is associated with four fundamental principles (A.Marison, A.Asquin, C.Everaere, D.Vinot, & M.Wissler, 2012): Effectiveness, efficiency, coherence and relevance.

In the literature, ((R.Avila, E.Fern, & K.Mann, 1988), (D.Behman & W.Perreault, 1982), (J.Boles, N.Donthu, & R.Lohtia, 1995), (D.Jackson, J.Schlacter, & W.Wolfe, 1995) we find 2 categories of performance measurement:

- Objective measuring which is interested in the profits of the organization
- Subjective measuring which estimates behavior of all company stakeholders

Decision to use one or other of these measurements depends on several factors among which, availability and cost for necessary information providing (A.Baldauf, D.Cravens, & A.Piercy, 2005), (M.Kraft, 1999).

In practice, companies use at the same time quantitative (objective) and qualitative (subjective) criteria. However, objective measurement of the performance over dominates in SMEs practices (D.Jackson, J.Schlacter, & W.Wolfe, 1995).

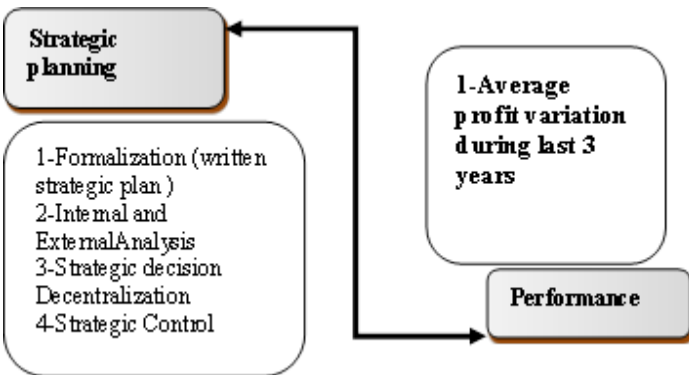
Therefore, regarding literature review realized on performance concept and its measurement and considering constraints and desired relevance of our research work, we decided to opt for an objective measurement. For objective performance we retain:

The average variation (as percentage) of profits over the last three years.

2.3 Model and assumptions of research held:

The basic model of this research contains synthesis of key concepts operationalization. It is presented as follows in figure 2 below:

Fig. 2: Basic model retained for relation between strategic planning and performance



Although the results spotted in the literature concerning relation between strategic planning and performance seem to be different, we notice a predomination of a positive relation between formal strategic planning and performance of organization. On it, we consider the following assumption:

General Assumption: there is a statistically significant relation between strategic planning and degree of performance in Moroccan SMEs

A1: There is a statistically significant relation between formalization and the average variation in profit during the last three years of the Moroccan SME.

A2: There is a statistically significant relation between an internal strategic analysis and the average variation in profit during the last three years of the Moroccan SME.

A3: There is a statistically significant relation between an external strategic analysis and the average variation in profit during the last three years of the Moroccan SME.

A4: There is a statistically significant relation between strategic decision decentralization and the average variation in profit during the last three years of the Moroccan SME.

A5: There is a statistically significant relation between the strategic control and the average variation in profit during the last three years of the Moroccan SME.

3 EMPIRICAL STUDY AND DISCUSSIONS:

3.1 Methodology of research:

In the light of our positivist epistemological positioning, we favor to adopt the quantitative method for empirical study of this research to estimate in which measure a level of strategic planning could increase the performance of the SME.

Through our quantitative study we try to measure statistically the impact of strategic planning on performance such as measured by chosen variables. Before drawing up empirical results of the study, we present in a first place our plan of sampling.

3.2 Sampling plan:

A plan of sampling is all instructions which describe the population, the frame of sampling, the sample and the method of its selection (Hcp.ma, 2012). Our plan is summarized as follows in table 1:

Table 1: Summary of sampling plan for the empirical study

| Elements | Characteristics |
|---------------------------------|--|
| Survey Population | 742 SMEs : 1- Appearing in the ranking of the cabinet Inforisk of 1000 first SMEs classified the most important in terms of turnover realized in 2015 2- The turnover of the last two exercises is < or = to 75 Millions of DH 3- Headcount is < or = to 200 persons. 4- All sectors and regions confused |
| Basis of Poll | Survey Population |
| Method of sampling | Non probabilistic method of quotas |
| Criterion of representativeness | Proportion of the survey population regions |
| Sample | 100 SMEs proportional in the quota by region of the survey population |
| Measuring instrument | Closed questions Questionnaire |
| Data collection method | Traveling to companies |
| Data processing method | Multiple regression |
| Data processing software | Excel |

Our sample is divided into regions as represented in table 2 below.

Table2: Sample composition using the quota method

| Region | Number of SMEs by region in total population | Proportion of SMEs by Region in total population | Number of SMEs by region in Sample | Proportion of SMEs in sample |
|--------------------------------|--|--|------------------------------------|------------------------------|
| Casablanca – Settat | 426 | 57% | 57 | 57% |
| Rabat - Salé – Kenitra | 90 | 12% | 12 | 12% |
| Tanger - Tetouan - Al hosseima | 67 | 9% | 9 | 9% |
| Fes-Meknes | 45 | 6% | 6 | 6% |
| Souss- Massa | 43 | 6% | 6 | 6% |
| Marrakech – Safi | 39 | 5% | 5 | 5% |
| Oriental | 15 | 2% | 2 | 2% |
| Beni mellal-Khenifra | 9 | 1% | 1 | 1% |
| Laayoune - Sakia al hamra | 4 | 1% | 1 | 1% |
| Draa – Tafilalet | 3 | 0% | 0 | 0% |
| Edakhla - Oued eddahab | 1 | 0% | 0 | 0% |
| Total general | 742 | | 100 | |

3.3 Results and Discussion:

In this part, we try to verify all the research assumptions we have already presented. Indeed, it is always about to verify the existence of a possible relationship between performance and the formal strategic planning. We call to the assumptions test of accepting counter-event whenever the null hypothesis is rejected at the threshold of five percent ($p = 0.05$).

The results of this research will be presented from indices calculated according to the methodology described above.

Table 3 below summarizes the coefficients which have been calculated. Testing the general assumption being conducted through a multiple regression between 4 variables from Level I (formalization, analysis, decentralization and strategic control) and the first variable on level II (average profit variation during last 3 years).

Table3 – Summary results of the general model (Strategic Planning / variation in profit during last 3 years)

| <i>Statistical regression</i> | |
|---|------------|
| coefficient of multiple determination | 0,73545734 |
| Coefficient of determination R^2 | 0,6408975 |
| Adjusted Coefficient of determination R^2 | 0,51613389 |
| Standard Deviation | 0,05731098 |
| Observations | 100 |

The general linear regression model gives a strong correlation between variables in level I “Strategic Planning” (formalization, analysis, decentralization and strategic control) and the first variable in Level II (The mean change in profit) with coefficient of multiple determinations R equals 0.73, close to 1.

The coefficient of determination (R^2) of the general linear regression model gives a value of 0.64 (greater than 0.5) which gives the model a good general level of explanation.

Table4 – ANOVA (Analyze of Variances)

| | Degree of freedom | Sum of square | Average square | F | Critical value of F |
|------------|-------------------|---------------|----------------|------------|---------------------|
| Regression | 4 | 0,37149436 | 0,09287359 | 37,7012112 | 7,379E-19 |
| Residual | 96 | 0,31531664 | 0,00328455 | | |
| Total | 100 | 0,686811 | | | |

Similarly, in Table 4 above, the robustness of the model produces a value of F (Fisher test) equal to 37,70 superior to read F (7.37 * 10-19) at threshold significance ($p = 0,000 < 5\%$) for degree of freedom of 100.

All coefficients are consistent with the prescribed standards. The model demonstrated a good explanatory power; Also, the observed coefficients confirm a causal relationship between the variables of level I and level II, ultimately, the general assumption (HG): "There is a statistically significant relationship between strategic planning and the mean change in profit last three years".

Table 5 – Summary results of the sub models:

| | <i>t -test</i> | <i>P value</i> |
|-------------------|----------------|----------------|
| Constant | 1,04 | 0,22 |
| Formalization | 0,14 | 0,09 |
| Internal analysis | 2,10 | 0,04 |
| External analysis | 2,52 | 0,02 |
| Decentralization | 2,87 | 0,01 |
| Strategic control | 2,71 | 0,01 |

To read figures above, we use the table 6 bellow of percentage points of student’s t-distribution.

Table 6 – percentage points of student’s t distribution:

| α | 25 % | 20 % | 15 % | 10 % | 5 % | 2,5 % | 1 % | 0,5 % | 0,25 % | 0,1 % | 0,05 % |
|--------------|-------|-------|-------|-------|-------|--------|-------|--------|---------|--------|---------|
| $1 - \alpha$ | 75 % | 80 % | 85 % | 90 % | 95 % | 97,5 % | 99 % | 99,5 % | 99,75 % | 99,9 % | 99,95 % |
| k | | | | | | | | | | | |
| 1 | 1,000 | 1,376 | 1,963 | 3,078 | 6,314 | 12,71 | 31,82 | 63,66 | 127,3 | 318,3 | 636,6 |
| 2 | 0,816 | 1,061 | 1,386 | 1,886 | 2,920 | 4,303 | 6,965 | 9,925 | 14,09 | 22,33 | 31,60 |
| 3 | 0,765 | 0,978 | 1,250 | 1,638 | 2,353 | 3,182 | 4,541 | 5,841 | 7,453 | 10,21 | 12,92 |
| 4 | 0,741 | 0,941 | 1,190 | 1,533 | 2,132 | 2,776 | 3,747 | 4,604 | 5,598 | 7,173 | 8,610 |
| 5 | 0,727 | 0,920 | 1,156 | 1,476 | 2,015 | 2,571 | 3,365 | 4,032 | 4,773 | 5,893 | 6,869 |
| 6 | 0,718 | 0,906 | 1,134 | 1,440 | 1,943 | 2,447 | 3,143 | 3,707 | 4,317 | 5,208 | 5,959 |
| 7 | 0,711 | 0,896 | 1,119 | 1,415 | 1,895 | 2,365 | 2,998 | 3,499 | 4,029 | 4,785 | 5,408 |
| 8 | 0,706 | 0,889 | 1,108 | 1,397 | 1,860 | 2,306 | 2,896 | 3,355 | 3,833 | 4,501 | 5,041 |
| 9 | 0,703 | 0,883 | 1,100 | 1,383 | 1,833 | 2,262 | 2,821 | 3,250 | 3,690 | 4,297 | 4,781 |
| 10 | 0,700 | 0,879 | 1,093 | 1,372 | 1,812 | 2,228 | 2,764 | 3,169 | 3,581 | 4,144 | 4,587 |
| 11 | 0,697 | 0,876 | 1,088 | 1,363 | 1,796 | 2,201 | 2,718 | 3,106 | 3,497 | 4,025 | 4,437 |
| 12 | 0,695 | 0,873 | 1,083 | 1,356 | 1,782 | 2,179 | 2,681 | 3,055 | 3,428 | 3,930 | 4,318 |
| 13 | 0,694 | 0,870 | 1,079 | 1,350 | 1,771 | 2,160 | 2,650 | 3,012 | 3,372 | 3,852 | 4,221 |
| 14 | 0,692 | 0,868 | 1,076 | 1,345 | 1,761 | 2,145 | 2,624 | 2,977 | 3,326 | 3,787 | 4,140 |
| 15 | 0,691 | 0,866 | 1,074 | 1,341 | 1,753 | 2,131 | 2,602 | 2,947 | 3,286 | 3,733 | 4,073 |
| 16 | 0,690 | 0,865 | 1,071 | 1,337 | 1,746 | 2,120 | 2,583 | 2,921 | 3,252 | 3,686 | 4,015 |
| 17 | 0,689 | 0,863 | 1,069 | 1,333 | 1,740 | 2,110 | 2,567 | 2,898 | 3,222 | 3,646 | 3,965 |
| 18 | 0,688 | 0,862 | 1,067 | 1,330 | 1,734 | 2,101 | 2,552 | 2,878 | 3,197 | 3,610 | 3,922 |
| 19 | 0,688 | 0,861 | 1,066 | 1,328 | 1,729 | 2,093 | 2,539 | 2,861 | 3,174 | 3,579 | 3,883 |
| 20 | 0,687 | 0,860 | 1,064 | 1,325 | 1,725 | 2,086 | 2,528 | 2,845 | 3,153 | 3,552 | 3,850 |
| 21 | 0,686 | 0,859 | 1,063 | 1,323 | 1,721 | 2,080 | 2,518 | 2,831 | 3,135 | 3,527 | 3,819 |
| 22 | 0,686 | 0,858 | 1,061 | 1,321 | 1,717 | 2,074 | 2,508 | 2,819 | 3,119 | 3,505 | 3,792 |
| 23 | 0,685 | 0,858 | 1,060 | 1,319 | 1,714 | 2,069 | 2,500 | 2,807 | 3,104 | 3,485 | 3,767 |
| 24 | 0,685 | 0,857 | 1,059 | 1,318 | 1,711 | 2,064 | 2,492 | 2,797 | 3,091 | 3,467 | 3,745 |
| 25 | 0,684 | 0,856 | 1,058 | 1,316 | 1,708 | 2,060 | 2,485 | 2,787 | 3,078 | 3,450 | 3,725 |
| 26 | 0,684 | 0,856 | 1,058 | 1,315 | 1,706 | 2,056 | 2,479 | 2,779 | 3,067 | 3,435 | 3,707 |
| 27 | 0,684 | 0,855 | 1,057 | 1,314 | 1,703 | 2,052 | 2,473 | 2,771 | 3,057 | 3,421 | 3,690 |
| 28 | 0,683 | 0,855 | 1,056 | 1,313 | 1,701 | 2,048 | 2,467 | 2,763 | 3,047 | 3,408 | 3,674 |
| 29 | 0,683 | 0,854 | 1,055 | 1,311 | 1,699 | 2,045 | 2,462 | 2,756 | 3,038 | 3,396 | 3,659 |
| 30 | 0,683 | 0,854 | 1,055 | 1,310 | 1,697 | 2,042 | 2,457 | 2,750 | 3,030 | 3,385 | 3,646 |
| 40 | 0,681 | 0,851 | 1,050 | 1,303 | 1,684 | 2,021 | 2,423 | 2,704 | 2,971 | 3,307 | 3,551 |
| 50 | 0,679 | 0,849 | 1,047 | 1,299 | 1,676 | 2,009 | 2,403 | 2,678 | 2,937 | 3,261 | 3,496 |
| 60 | 0,679 | 0,848 | 1,045 | 1,296 | 1,671 | 2,000 | 2,390 | 2,660 | 2,915 | 3,232 | 3,460 |
| 80 | 0,678 | 0,846 | 1,043 | 1,292 | 1,664 | 1,990 | 2,374 | 2,639 | 2,887 | 3,195 | 3,416 |
| 100 | 0,677 | 0,845 | 1,042 | 1,290 | 1,660 | 1,984 | 2,364 | 2,626 | 2,871 | 3,174 | 3,390 |
| 120 | 0,677 | 0,845 | 1,041 | 1,289 | 1,658 | 1,980 | 2,358 | 2,617 | 2,860 | 3,160 | 3,373 |
| ∞ | 0,674 | 0,842 | 1,036 | 1,282 | 1,645 | 1,960 | 2,326 | 2,576 | 2,807 | 3,090 | 3,291 |

To ensure representativeness of variables of level I at 95%, we should look at intersection of column of 0.05 (chance of error for rejecting assumptions) with the closest degree of freedom (100). It means in our case that t-test must be superior to 1.660. We conclude the following conclusions:

The t-test on variable "formalization" is not significant ($0.14 < 1.660$) at threshold of significance of 5%. Ultimately, the A1 hypothesis "There is a statistically significant relation between the formalization and the average variation in profit during the last three years of the Moroccan SME" is not validated.

The t-test on variable "internal strategic analysis" is significant ($2.10 > 1.660$) at threshold of 5%. These values are consistent with the standards. Ultimately, the A2 hypothesis "There is a statistically significant relation between internal strategic analysis and the average variation in profit during the last three years of the Moroccan SME" is validated.

The t-test on variable "external strategic analysis" is significant ($2.52 > 1.660$) at threshold of 5%. These values are consistent with the standards. Ultimately, the A3 hypothesis "There is a statistically significant relation between external strategic analysis and the average variation in profit during the last three years of the Moroccan SME" is validated.

The t-test on variable "decentralization" is significant ($2.87 > 1.660$) at threshold of 5%. These values are consistent with the standards. Ultimately, the A4 hypothesis "There is a statistically significant relation between the decentralization of the strategic decision and the average variation in profit during the last three years of the Moroccan SME" is validated.

The t-test on variable "strategic control" is significant ($2.71 > 1.660$) at threshold of 5%. These values are consistent with the standards. Ultimately, the A5 hypothesis "There is a statistically significant relation between the strategic control and the average variation in profit during the last three years of the Moroccan SME" is validated.

Therefore, the above results suggest the existence of a positive relationship between strategic planning and performance within Moroccan SMEs not especially formalized.

These results are consistent with several previous studies (A. Mbengue & Ouakouak, 2012). However they contradict the thesis of researchers who concluded that only a very weak association was identified between the practice of strategic planning and performance (J. Pearce & R. Robinson, 1987).

Indeed, the research results confirm the usefulness of strategic planning for improving economic performance of Moroccan SMEs within constraints of their external environment (Porter, 1996).

Note also that these results are the consequence of a sample of 100 Moroccan SMEs all sectors and regions, unlike most previous work often reduced to a sector or a particular region. Thus strategic planning, following this study, suggests improvement of performance of SMEs irrespective of sector or region where they operate.

4 CONCLUSIONS

Our problematic was built following the controversies identified in the literature on the relationship between formal strategic planning and performance of SMEs.

Considered as strategy building process, strategic planning educates the business about mistakes that can be costly and disadvantageous especially in a highly competitive environment (M.E. Porter, 1996).

Moreover, many authors have criticized formal strategic planning considering that it does not promote creativity and spontaneity, and that it encourages excessive bureaucracy and decrease the ability to adapt to environmental changes (H. Mintzberg, 1994) (Falshaw & al, 2006).

These differing views have led us to ask some questions about the main aspects of planning. Thus, we wanted to reexamine the relationship between strategic planning and performance by trying to contribute to the theoretical, practical and methodological.

On the theoretical side, we tried through a large review of the literature to define the strategic planning concepts and performance and to deduce measurement variables.

We have identified four main dimensions of strategic planning which are: formalization, analysis, decentralization and strategic control. Furthermore we have chosen average variation during the last three years. Thus, our research could contribute to a better understanding of strategic planning concepts and performance within SME.

Also, the confirmation of the positive impact in strategic planning on SMEs' economic performance could be a significant theoretical contribution.

Methodologically, our research is conducted on a sample of 100 SMEs. This sample was selected by the regional quotas method which guarantees better representation of the total population.

Also, our sample contains 100 SMEs all sectors and regions in contrast to previous work who were content to study the

impact of a strategic planning on business performance of one sector or one particular region.

In practical terms, our research seems to suggest to Moroccan SMEs leaders that strategic planning effort of their activities suggests an improvement in their economic performance.

However, like every single research, our study has limitations. On one hand, it is purely quantitative, qualitative studies could add significant contributions to our results. On the other hand, we focused exclusively on economic performance with a single measurement variable. Other variables can be introduced to better measure the SMEs performance. However, these gaps can be filled by future researchers. In addition to that, it could be interesting to check the relationship between strategic planning and other SMEs performance fields than economic ones.

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