

# Impact of Strategy Implementation (Strategy, Structure, and Human Resources) on Organizational Performance with in Abu Dhabi Police, UAE

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## Abstract

The main objective of the study is to examine the impact of strategy implementation on the organizational performance in the context Abu-Dhabi police department in the UAE. The present study adopts quantitative research design in its quest to achieve a credible study. As such, questionnaire was developed and used to elicit the respondents' opinion on the effects of strategy formulation on the UAE public sector performance. 423 usable responses were analyzed using SPSS and Partial Least Squares Structural Equation Modeling-Variance Based was employed to assess the research model. Non-probability sampling technique was adopted to gather the required quantitative data. Based on the findings in relation to this objective, the study concluded that the results indicated that strategy implementation (strategy, structure, and human resources) has a significant and positive impact on organizational performance. Results would give insights for Abu-Dhabi police.

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## I. INTRODUCTION

Strategic management is one of the important topics and has attracted a great concern among scholars [1]. Strategic management has been a concern of private and public organizations [2]. Failure of having strategic management namely the implementation strategy which is considered as a critical stage will result to poor performance and effectiveness in organization.

Currently, one of the significant constituent of organizations is strategic management as such organizations both private and public around the globe utilise strategic management [3], which has become important on part of the public sector because of the increased pressure of attaining high performance [4]. One of the effective management tools has been touted is strategic management, because it strengthen the performance of organizations through effective decision-making and systematic strategy implementation [5].

This study aims at achieving the following goals, i.e.

examining the impact of: (1) strategy implementation (strategy) on organizational performance (OP); (2) strategy implementation (structure) on OP; and (3) strategy implementation (human resources) on OP.

## II. LITERATURE REVIEW

### A. Strategy Implementation (SI)

SI involves gathering the resources of an organization and motivating the staff for achieving the goals [6]. It is the organization direction and scope to achieve the long-term advantage through resources formation [7]. This requires motivation of employees, devising organizational policies, establishing the organizational objectives, and assigning resources for executing the formulated strategies [5]. Abu-Qouod (2006) [8] measured the strategy implementation that consisted of strategy, structure and human resources in determining OP. Previous literature studies have been conducted to establish the link between strategy implementation and OP. In a study carried out by Muchira (2013) [6], it was

found that implementation strategy influenced OP, taking into account various measures like organization goals, past performance of the business and projected performance of other industries. Isaac, Masoud, Samad, & Abdullah (2016) [9] examined the effect of strategy implementation on organizational performance, and found that the strategy implementation had a significant and positive influence on performance, while Ibrahim, Sulaiman, Al Kahtani, & Abu-Jarad (2012) [10] and Gitonga (2013) [11], found an influence of implementation strategy on organizational performance. Consequently, the following hypotheses are proposed:

H1: Strategy implementation (strategy) has a positive effect on organizations performance.

H2: Strategy implementation (structure) has a positive effect on organizations performance.

H3: Strategy implementation (human resources) has a positive effect on organizations performance.

### B. Organizations Performance (PER)

Organizational performance factor is one of the most significant parameters in the research related to management and perhaps the most significant guide to the overall performance of the organization [12]. The performance of the organization is a benchmark or an indicator for efficiency, effectiveness, and environmental obligation like productivity, time of cycle, reduction of waste, and compliance of rules [6]. The large amount of definitions serve to view the performance of the organizations as a tool for achieving objectives [13, 14]. In short, the performance of the organization is the most significant factor in evaluation of organizations, their activities, and the environments in which they work. This significance is represented by the continual use of performance of the organization as a dependent parameter in earlier research [15]. According to Abu-Qouod (2006) [8], performance of the organization (consists factors like finance, internal functioning, clients, learning and growth). The efficient performance and success of the organisation is usually ascribed to exceptional strategy and excellent resources. On the basis of the theory of contingency, there is no best way or method to run organisations [12].

## III. RESEARCH METHOD

### A. Overview of the Proposed Conceptual Framework

This study proposes a research model based on Resource-Based View Theory and strategic management models postulated in the literature which examined the relationship between strategy implementation consists of (strategy, structure and human resource) and

organizational performance (consists aspects of financial, clients, internal operational processes, Growth and Learning). Based on the above, the research model for this study is depicted in Figure 1.

### B. Development of Instrument and Data collection

The present study adopts quantitative research design in its quest to achieve a credible study. As such, questionnaire was developed and used to elicit the respondents' opinion on the effects of strategy implementation on the UAE public sector performance. 423 usable responses were analysed using Statistical Package for Social Sciences (SPSS) and PLS (Partial Least Squares)

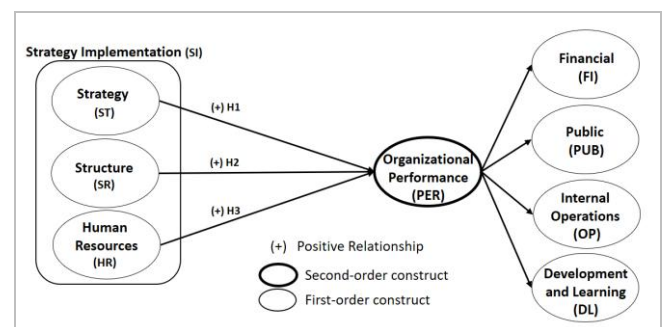


Fig. 1. The proposed conceptual framework

SEM-VB (Structural Equation Modelling-Variance Based) was employed to assess the research model. Non-probability sampling technique was adopted to gather the required quantitative data in which selection procedure which is used for choosing settings or groups that are professional on a specific area of study. Variables were measured using a Likert Scale which recommended in the previous studies [16].

## IV. DATA ANALYSIS AND RESULTS

PLS (Partial Least Squares) SEM-VB (Structural Equation Modelling-Variance Based) was employed to assess the research model by utilising the software SmartPLS 3.0 [17]. A two-phase analytical technique [18, 19] consisting of (i) measurement model analysis (reliability and validity) and (ii) structural model analysis (examining the conceptualised relationships) was employed after performing the descriptive assessment. This two-phase analytical technique consisting of a structural and a measurement model assessment is better than a single phase assessment [20]. While the model of measurement explains each parameter's measurement, the structural model describes the correlation between the parameters in this model [19].

### A. Descriptive analysis

Table 1 presents the mean and standard deviation of each variable in the current study. The respondents were asked to indicate their opinion in relation strategy implementation and organizational performance based on a 5-point scale ranging from 1 (strongly disagree) to 5 (strongly agree). Public score the highest with mean 3.688 out of 5.0, with a standard deviation of 0.847.

### B. Measurement Model Assessment

Construct reliability as well as validity (comprising discriminant and convergent validity) were used to examine the measurement model. The particular alpha coefficients of Cronbach were tested to determine the reliability of every core parameter in the measurement model (construct reliability). The quantities of all the unique alpha coefficients of Cronbach in this research ranged from 0.792 to 0.967, which went beyond the proposed value of 0.7 [21]. Moreover, for inspecting construct reliability, all the CR (composite reality) values ranged from 0.857 to 0.976, which went beyond 0.7 [22]. Thus, as Table 1 shows, construct reliability

has been fulfilled as Cronbach's CR and alpha were rather error-free for all the parameters.

Analysis of indicator reliability was conducted by utilising factor loadings. When the related indicators are very similar, this is reflected in the construct and signified by the construct's high loadings [19]. As per Hair et al. (2010) [20], the exceeding of values beyond 0.50 suggests substantial factor loadings. Table 1 displays that all items in this research had factor loadings greater than the suggested value except for items ST1, ST5, ST6, SR6, HR6, FI3, FI5, FI7, PUB3, PUB4, OP1, DL1, DL6, and DL7, because of the low loading the items were omitted.

AVE (average variance extracted) was employed in this study to analyse convergent validity, which represents the degree to which a measure is correlated positively with the same construct's other measures. All the AVE values ranged from 0.535 and 0.910, which went beyond the proposed value of 0.50 [20]. Thus, all constructs have complied with the convergent validity acceptably, as shown in Table 1.

Table-I: Measurement assessment results

Constructs	Item	Loading (> 0.7)	M	SD	$\alpha$ (> 0.7)	CR (> 0.7)	AVE (> 0.5)
Strategy (ST)	ST1	Deleted	3.457	0.604	0.828	0.873	0.535
	ST2	0.751					
	ST3	0.763					
	ST4	0.795					
	ST5	Deleted					
	ST6	Deleted					
	ST7	0.654					
	ST8	0.697					
	ST9	0.721					
Structure (SR)	SR1	0.803	3.527	0.709	0.881	0.913	0.679
	SR2	0.792					
	SR3	0.854					
	SR4	0.857					
	SR5	0.811					
	SR6	Deleted					
Human Resources (HR)	HR1	0.746	3.447	0.686	0.793	0.857	0.546
	HR2	0.806					
	HR3	0.775					
	HR4	0.698					
	HR5	0.661					
	HR6	Deleted					
Financial (FI)	FI1	0.947	3.513	0.675	0.949	0.964	0.869
	FI2	0.923					
	FI3	Deleted					
	FI4	0.900					
	FI5	Deleted					
	FI6	0.957					
	FI7	Deleted					
Public (PUB)	PUB1	0.956	3.688	0.847	0.967	0.976	0.910
	PUB2	0.936					
	PUB3	Deleted					
	PUB4	Deleted					

	PUB5	0.955					
	PUB6	0.969					
Internal Operations (OP)	OP1	Deleted					
	OP2	0.814					
	OP3	0.970	3.416	0.935	0.949	0.964	0.871
	OP4	0.967					
	OP5	0.973					
Development and Learning (DL)	DL1	Deleted					
	DL2	0.762					
	DL3	0.737					
	DL4	0.859	3.359	0.631	0.792	0.865	0.616
	DL5	0.776					
	DL6	Deleted					
	DL7	Deleted					

Note: M=Mean; SD=Standard Deviation,  $\alpha$ =Cronbach's alpha; CR = Composite Reliability, AVE = Average Variance Extracted.

Key: ST: strategy, SR: structure, HR: human resources, FI: financial, PUB: public, OP: internal operations, DL: development and learning.

The degree to which the articles distinguish among concepts or measure different constructs is demonstrated by discriminant validity. Fornell-Larcker was employed to analyse the measurement model's discriminant validity. Table 2 shows the outcomes for discriminant validity by employing the Fornell-Larcker condition. It was discovered that the AVEs' square root on the diagonals (displayed in bold) is bigger than the correlations among constructs (corresponding row as

well as column values), suggesting a strong association between the concepts and their respective markers in comparison to the other concepts in the model [23, 24]. According to Hair et al. (2017) [19], this indicates good discriminant validity. Furthermore, the exogenous constructs have a correlation of less than 0.85 [25]. Therefore, all constructs had their discriminant validity fulfilled satisfactorily.

Table-II: Results of discriminant validity by Fornell-Larcker criterion

	DL	FI	HR	OP	PER	PUB	SR	ST
DL	<b>0.785</b>							
FI	0.389	<b>0.932</b>						
HR	0.420	0.410	<b>0.739</b>					
OP	0.369	0.315	0.355	<b>0.934</b>				
PER	0.679	0.743	0.510	0.709	<b>0.647</b>			
PUB	0.333	0.369	0.287	0.318	0.722	<b>0.954</b>		
SR	0.276	0.306	0.322	0.241	0.364	0.221	<b>0.824</b>	
ST	0.413	0.396	0.492	0.472	0.554	0.310	0.365	<b>0.732</b>

Note: Diagonals represent the square root of the average variance extracted while the other entries represent the correlations.

Key: ST: strategy, SR: structure, HR: human resources, FI: financial, PUB: public, OP: internal operations, DL: development and learning.

### C. Structural Model Assessment

The structural model can be tested by computing beta ( $\beta$ ),  $R^2$ , and the corresponding t-values via a bootstrapping procedure with a resample of 5,000 [19].

Figure 2 and Table 3 depict the structural model assessment, showing the results of the hypothesis tests. Strategy, structure, human resources positively influence organizational performance. Hence, H1, H2, and H3 are accepted with ( $\beta = 0.362$ ,  $t = 7.659$ ,  $p < 0.001$ ), ( $\beta = 0.140$ ,  $t = 2.928$ ,  $p < 0.001$ ), and ( $\beta = 0.287$ ,  $t = 5.275$ ,  $p < 0.001$ ) respectively. Forty percent of the variance in organizational performance is

explained by strategy, structure, human resources. The values of  $R^2$  have an acceptable level of explanatory power, indicating a substantial model [24, 27].

### V. DISCUSSION

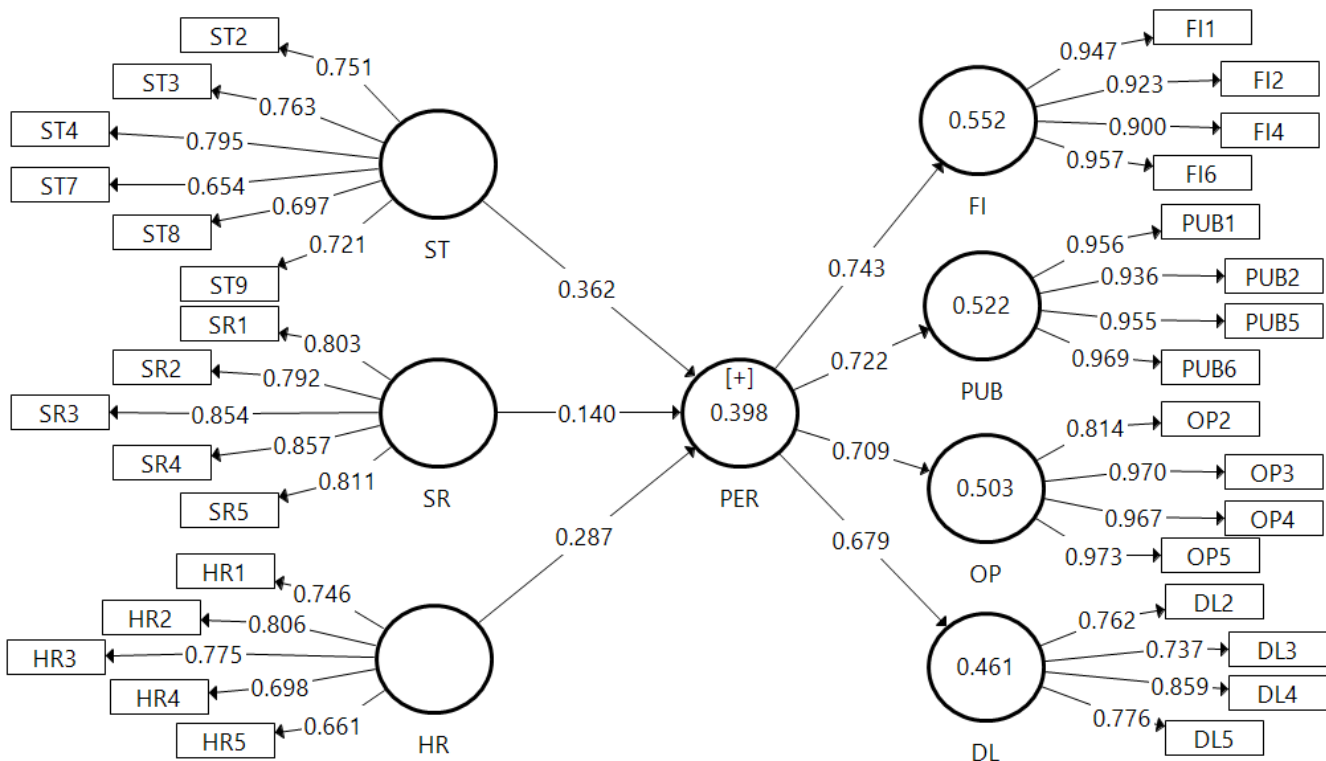
The main objective of the study is to investigate the effect of strategy implementation (Strategy, structure, and human resources) on organizational performance within government institutions in the UAE represented by Abu-Dhabi police department. This study discusses its findings based on the three main objectives mentioned earlier.

The first objective was to examine the impact of strategy implementation (strategy) on the organizational performance. H1 was developed to examine the first hypothesis. Results indicates that there is a positive direct impact of the strategy implementation (strategy) on the organizational performance with ( $\beta = 0.362, t= 7.659, p <0.001$ ). Thus, H1 was supported. The results is supports by a research finding of Muchira (2013) [6] which concluded that strategy implementation influences organizational performance positively, along with Mohamud, Mohamud, & Mohamed (2015) [27] and Aligholi & Gheshlagh (2014) [3] who they also indicated that strategy implementation has a significant positive impact on organizational performance.

Second objective was to examine the effect of strategy implementation (structure) on the organizational performance. H2 was supported with ( $\beta = 0.140, t= 2.928, p <0.001$ ), indicating that there is a positive direct effect of strategy implementation

(structure) on the organizational performance. The results is comes in line with a research finding of Muchira (2013) [6] which indicated that strategy implementation (structure) influences organizational performance positively, along with Mohamud, Mohamud, & Mohamed (2015) [27] and Aligholi & Gheshlagh (2014) [3] who they also indicated that strategy implementation has a significant positive impact on organizational performance.

Finally, H3 was formulated to examine the third objective of this study which is examining the effect of strategy implementation (human resources) on the organizational performance. Results indicats that there is a direct relation between strategy implementation (human resources) on the organizational performance with ( $\beta = 0.287, t= 5.275, p <0.001$ ), thus H3 is supported. This results is consistent with Mohamud, Mohamud, & Mohamed (2015) [27] and Aligholi & Gheshlagh (2014) [3] who they also indicated that strategy implementation has a significant positive impact on organizational performance.



Key: ST: strategy, SR: structure, HR: human resources, PER: organizational performance, FI: financial, PUB: public, OP: internal operations, DL: development and learning

Fig. 2. PLS algorithm results

Table-III: Structural path analysis result

Hypothesis	Relationship	Std Beta	Std Error	t-value	p-value	Decision	R <sup>2</sup>
H1	ST → PER	0.362	0.047	7.659	0.000	Supported	0.40
H2	SR → PER	0.140	0.048	2.928	0.002	Supported	
H3	HR → PER	0.287	0.054	5.275	0.000	Supported	

Key: ST: strategy, SR: structure, HR: human resources, PER: organizational performance.

## VI. IMPLICATIONS, LIMITATIONS AND FUTURE DIRECTIONS

The study is important from both scientific and practical perspective for researchers and scholars in public administration. It studies application of implementation strategy in a developing country. It provides the Ab-Dhabi police department and other stakeholders with important data and insights on current state and practice of implementation strategy by Ab-Dhabi police department. The study sheds light on one of the most important administrative dimensions through systematic and scientific study. In order to apply implementation strategy successfully optimal methodology to apply important lessons learned from experienced countries is needed. The results are expected to enhance the application of such strategies by the department for delivering services properly. This research could enhance institutional efficiency, reduce waste, and lead to higher utilisation of idle potentials, which should in turn enable the policing organisation to offer more modern services at lower cost, thus using the available budget efficiently, whatever level it may be set to later. The research findings could well serve as a field reference in this area.

Furthermore, the study may offer more opportunities for other researchers working in this field, and hence several proposals for future study are offered. Among such would be the need for further examination of the association between strategic management and organisational performances, as well as the examination of all moderating effects of leadership in such associations. There may be a requirement for carrying out wider studies that include staffs from other governmental as well as private institutions. A comparison studies can be conducted to compare among ministries and organizations in the UAE in terms of their current strategic planning practices. The effect of good strategic planning practices on government organizations performance is possible by focusing on performance of employees. An additional research can be done to examine the relationship between performance and organizational culture. Finally, there is a capacity for more studies related to strategic management in the UAE besides separate researches on governmental initiatives and policies in relation to it.

## VII. CONCLUSION

Well-defined and clear strategy implementation policies, which are important corporate governance issues, are needed to help a top management to make the right decision about ways to obtain outstanding performance. This study investigated the relationship between strategy

implementation and performance of organization in Abu-Dhabi police department. Based on the findings in relation to this objective, the study concluded that the results indicated that strategy implementation (strategy, structure, and human resources) has a significant and positive impact on organizational performance. Results would give insights for Abu-Dhabi police

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