The state of the art of strategic planning in selected South African companies

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Numerous overseas studies have concluded that formal planning of company operations was uncommon and strategic planning even rarer. Those companies professing formal planning systems were found to use little more than extended budgeting. However, some of these studies did find a trend towards more systematic planning practices. The aim of this study was to determine whether a similar trend exists among selected South African companies. The survey results indicate that although all respondents have progressed beyond the informal planning stage, some still only practise basic financial planning and extended budgeting. The majority of respondents practise forecast-based planning and only a few have reached the externally orientated planning stage. Findings indicate that none of the respondents practise strategic management. These conclusions, as well as respondents' reasons for planning failure, have implications for chief executives and planners, and indicate areas of future research.
S. Afr. J. Bus. Mgmt. 1986, 17: 101 – 107

Verskeie studies in die buiteland gedoen, het aangedui dat formele beplanning van maatskappy-aktiwiteite nie algemeen voorkom nie en dat strategiese beplanning nog minder beoefen word. Daar is bevind dat die maatskappye wat beweer dat hulle wel formele beplanningstelsels gebruik, niks meer as 'n uitgebreide begrotingstelsel gebruik nie. Tog het dit uit sommige van hierdie studies geblyk dat daar wel 'n neiging tot meer sistematiese beplanning was. Die doel van hierdie studie was om te bepaal of 'n soortgelyke neiging onder 'n geselekteerde groep Suid-Afrikaanse maatskappye te bespeur is. Die resultate toon dat hoewel respondente reeds verby die informele beplanningstadium gevorder het, sommige steeds slegs basiese finansiële beplanning en uitgebreide begrotingstegnieke gebruik. Die meerderheid baseer hul beplanning op geprojekteerde tendense en slegs 'n paar konsentreer hul beplanning op die eksterne omgewing van die maatskappy. Dit lyk asof geen respondente strategiese bestuur toepas nie. Hierdie gevolgtrekkings asook respondente se redes waarom beplanning faal, hou implikasies in vir topbestuur en beplanners en dui areas vir toekomstige navorsing aan.
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Introduction

The risks and gains in any business, both in financial and human terms, are magnified in these modern times of rapid change. In an article on environmental assessment, Klein & Linneman (1984: 66) discussed the increasing complexity and instability of the external corporate environment. According to Unni (1981: 54) strategic planning is essential to anticipate future problems and opportunities in this rapidly changing environment.

Furthermore, Denning (1971: 6) regarded the possible penalty of not practising effective strategic planning as 'corporate death'. It therefore seems logical to expect most businesses to practise strategic planning. However, many overseas studies (see Hussey, 1983) have concluded that, whilst there is a definite trend towards more systematic strategic planning practices, most companies have not progressed beyond the extended budgeting stage.

To date, little information exists as to whether a similar trend is to be found in South Africa. Therefore, the objectives of this study were:

(a) to determine the nature of strategic planning in selected South African companies, and
(b) to determine the state of the art of strategic planning in these selected companies by comparing the empirical evidence with the theoretical views promoted in the relevant literature.

Strategic planning defined

Corporate planning and strategic planning are often used as synonyms. However, Denning's view (1971: 6) is deemed more appropriate. He regarded corporate planning as:

> '. . . a formal, systematic, managerial process, organised by responsibility, time, and information, to ensure that operational planning, project planning, and strategic planning are carried out regularly to enable top management to direct and control the future of the enterprise.'

Strategic planning is therefore a component of corporate planning, the other components being operational and project planning. Strategic planning is the component which is aimed at ensuring the good health of the entire organization over time. Argenti (1974: 15) defined strategic planning as:

> '. . . the careful, deliberate, systematic taking of decisions which affect, or are intended to affect, the organization as a whole (as opposed to only parts of it) over long periods of time.'

The evolution of strategic planning

Over a period of two years Gluck, Kaufman & Walleck (1983: 291) studied the development of formal planning systems in 120 companies in seven countries. They found that formal strategic planning evolves along similar lines in different companies and that this evolutionary process can be divided into the following four sequential phases.

Phase I: Basic financial planning

Planning in this phase is limited to the annual budgeting process where everything is reduced to a financial problem.

Phase II: Forecast-based planning

This phase is characterized by multi-year forecasts, environmental analysis and the static allocation of resources. Past trends are extrapolated in an attempt to predict the future. The focus is on current capabilities rather than on the search for options.

Phase III: Externally oriented planning

Realizing that trend forecasts cannot cope with rapid environmental changes, managers try to understand the basic phenomena that drive change. Phase III involves the dynamic allocation of resources, the evaluation of strategic alternatives, corporate appraisal and competitor assessment. Related businesses are grouped together in strategic business units.

Phase IV: Strategic management

This is the phase that joins planning and management into a single process. All the resources act together to create a competitive advantage. Gluck, *et al.* (1983) saw the distinguishing characteristic not so much as the planning technique as the thoroughness with which management links strategic planning to operational decision-making.

The strategic planning process

All companies take strategic decisions; they always have and always will. The way in which these decisions are taken, however, differs from company to company. The more unstructured or informal the strategic planning process, the higher the risk of some vital issue being missed or misjudged. When should a more systematic strategic planning process be implemented? Studies indicate that a more formal strategic planning process is required

(a) when the business increases in size and complexity, and
(b) when management is unable to assimilate all the relevant information to reach an acceptable decision.

In a survey of U.K. companies, Denning & Lehr (1983: 82) used four size categories to determine whether there is a relationship between company size and degree of formalization of the planning system. They found that all four size categories indicated that the larger the company, the more likely it is to have a formal planning system and a strategic planning group. This is supported by Woodburn (1984: 23) who found that South African companies became more involved in planning as their size and complexity increased.

The strategic planning process is a never-ending cycle of strategy formulation, implementation and control. In an existing organization. the process has no definite beginning or end. It is a continuous correcting of misaligned forces on the path towards achieving corporate objectives.

However, the cycle can be broken into the following tasks.

- Defining the corporate mission and objectives.
- Doing an environmental and corporate appraisal.
- Describing possible futures by forecasting or using scenarios.
- Analysing the gap between the company's current position and the possible futures.
- Checking the organization structure to ensure that it fits the strategy.
- Communicating the strategy to all who should know.
- Devising action plans and setting goals.
- Securing and allocating resources.

These tasks may or may not be included in the strategic planning process, depending on the degree of formalization of the process. The survey results cover these elements under the broader headings of strategy formulation, strategy implementation and control, the participants in the strategic planning process, the benefits of strategic planning and strategic planning obstacles and reasons for failure.

Methodology

This study is aimed at the top 100 listed companies in South Africa as ranked according to total assets by the *Financial Mail* (Special survey, May 1984: 35).

Questionnaires were sent to the Chief Executive Officer (CEO) of each of these top 100 companies. A total of 60 usable questionnaires were returned and analysed on the basis of the following cross-tabulations:

(i) the size of the company;
(ii) the length of service of the CEO;
(iii) the existence of a formal planning department; and
(iv) if a planning department existed, whether it reported directly to the CEO.

Cross-tabulations were analysed to determine whether the proportional differences measured are statistically significant (Lewis & Fox, 1969: 232). The hypothesis tested was that proportion A is equal to proportion B, and the hypothesis was rejected if the test result was greater than the tabulated normal value. The test was done at the 5% significance level.

Size of the company

For the purpose of this study the number of employees was taken as the basis for size classification. Companies with less than 15 000 employees were classified as small and those with more than 15 000 employees as large. On this basis 39 respondents (65%) were classified as *small* companies and 21 (35%) as *large*.

Length of service of CEO

In a survey of major U.K. companies, Taylor & Irving (1983: 101) found a change of leadership to be the most common event providing the impetus for establishment or reshaping of the planning function.

In order to establish what effect a change in leadership has on the strategic planning function, respondents were asked to indicate how long the current CEO had been in office. As it normally takes a few years for a new CEO to make his mark, it was decided to classify all CEO's of less than five years standing as *new* and those with more than five years as *old* CEO's. On this basis 29 respondents (48%) had a new CEO and 31 (52%) had an old CEO.

Existence of planning department

The responses of those companies with a planning group were compared to the responses of those companies without a planning group. Twenty-nine (48%) of the 60 respondents had a formal planning department.

Planning department reporting to CEO

The involvement of the CEO and top management in the strategic planning process is imperative. Therefore, for a strategic planning department to be effective it should report as directly to the CEO as possible. Of the 29 formal planning departments, 23 (79%) reported directly to the CEO.

Survey results

Strategy formulation

All except two respondents have developed a formal statement of their business. Seventy-two per cent of respondents always formulated company objectives before strategic plans were generated, 17% often and 11% seldom or never bothered. The results appear to support the following.

(i) When the CEO is new, top management is more likely to determine objectives than when the CEO is well established. Of the 29 companies with a new CEO, 93% involve top management in determining objectives compared to 55% of companies having an old CEO. This is supported by the fact that the six CEO's who determine objectives on their own are all old CEO's. This is statistically significant at the 5% level ($z=3,35$).

(ii) A planning group in a large company is more likely to become involved in determining objectives than a planning group in a small company. Thirty-three per cent of large-company planning groups are involved in determining objectives compared to 10% of small-company planning groups. This is statistically significant at the 5% level ($z=2,20$).

All respondents do an appraisal of their strengths and weaknesses, and competitive advantages at some stage. Eighty per cent of respondents always do so. Forty-one respondents (68%) always do a detailed analysis of their company's position in regard to competitors and market share, 12 often do so, whilst seven seldom or never bother to do so.

Respondents were asked to indicate which external factors were evaluated during the strategic planning process. These external factors are listed in Table 1. Most companies (92%) evaluate the national economic trend during their strategic planning exercise. The results indicate the following.

(i) New CEO's appear to be more concerned than old CEO's about these external factors. For each factor listed, a greater percentage of new CEO's indicated their use than old CEO's. This is statistically significant at the 5% level ($z=4,39$).

(ii) Companies with a planning group appear to be more concerned about these external factors than companies without a planning group. Except for one factor, a greater percentage of companies with a planning group indicated their use than companies without a planning group. This is statistically significant at the 5% level ($z=4,79$).

Although only 14 respondents (23%) appear to use special forecasting techniques, 39 (65%) indicated that they always or often use scenarios to sketch alternative futures.

Alternative courses of action to achieve company objectives are investigated by 31 respondents (52%), 23 respondents (38%) do this often, and six respondents (10%) seldom or never. Of the 54 companies (90%) who always or often look for alternatives, only 46 (77%) always or often develop different plans for these different alternatives.

As can be seen from Table 2, the three most common financial measures used to formulate quantified goals are return on investments, earnings growth, and earnings per share. Companies with a new CEO are more likely to set goals for return on investment than companies with an old CEO. Ninety-three per cent of companies with a new CEO set goals for return on investment compared to 71% of companies with an old CEO. This is statistically significant at the 5% level ($z=2,21$).

Table 2 Financial measures for which goals are determined

Financial measure	No.	%
No. of respondents	60	100
Return on investment	49	82
Earnings growth	46	77
Earnings per share	40	67
Sales growth	36	60
Market share	36	60
Growth in assets	22	37
Other	17	28

Companies with planning groups are more concerned with setting goals for sales than companies without planning groups. The results indicate that 76% of companies with a planning group set goals for sales compared to 45% of companies without planning groups. This is statistically significant at the 5% level ($z=2,43$).

In Table 3 a list of activities for which formal plans are prepared is shown. A company with a planning group is more likely to have formal plans for capital equipment procurement than a company without a planning group. The comparative figures are 90% for companies with a planning group and 61% for companies without a planning group. This is statistically significant at the 5% level ($z=2,5$).

Table 1 External factors considered during the strategic planning exercise

External factor	No.	%
No. of respondents	60	100
National economic trend	55	92
Political developments	44	73
International economic trend	42	70
Labour relations	42	70
Technological advances	41	68
Population trends	40	67
Social trends	38	63
Personal disposable income	33	55

Table 3 Activities for which formal plans are prepared

Activities	No.	%
No. of respondents	60	100
Plant expansion	47	78
Capital equipment procurement	45	75
Company acquisitions	38	63
New product development	37	62
Hiring and training of key personnel	36	60
Research and development	30	50
Advertising	21	35
Other	12	20

Strategy implementation and control

Half of the respondents always have written strategy implementation and control procedures. Thirteen companies often have written procedures, while 17 companies seldom or never bother with written procedures.

The larger the company, the more likely it was to have written strategy implementation and control procedures. Seventy-one per cent of large companies always have written procedures compared to 38% of smaller companies. This is statistically significant at the 5% level ($z=2,44$). Stated differently, 33% of small companies seldom or never bother with written procedures compared to 19% of large companies.

Eighty-three per cent of respondents work to a set timetable for the submission of strategic plans. Companies with a new CEO are more likely to work to a set timetable than companies with an old CEO. Ninety-seven per cent of companies with a new CEO work to a set timetable compared to 71% of companies with an old CEO. This is statistically significant at the 5% level ($z=2,66$).

Most companies prepare strategic plans annually for a planning horizon of two to five years. Fifty respondents (83%) always or often prepare detailed plans for the allocation of company resources as a means of achieving company objectives. Companies with a planning group are more likely to prepare these plans than companies without a planning group. Ninety-three per cent of respondents with a planning group prepared these plans compared to 74% of respondents without a planning group. This is statistically significant at the 5% level ($z=1,96$).

The majority of respondents (62%) monitor actual performance against strategic plans bi-annually or annually. A total of 29 respondents (48%) monitor performance more frequently. This seems to reflect a misconception as to what strategic planning really entails. Possibly these companies are referring to performance monitored against operational or budget plans. Five companies never monitor their performance against strategic plans. Only two companies do not allow plans, once in operation, to be modified in the event of unexpected variations or problems.

The participants

The CEO and top management

The importance of top management involvement in strategic planning is shown in Table 4. In 48 companies (80%), top managers were responsible for strategic planning.

Top managers were more likely to be responsible for strategic planning in companies without planning groups. Ninety-seven per cent of top managers in companies without planning groups were responsible for strategic planning compared to 62% of companies with a planning group. This is statistically significant at the 5% level ($z=3,36$). This point is supported by the fact that 52% of top managers in companies without planning groups were solely responsible for strategic planning compared to 21% of top managers who were solely responsible in companies with a planning group. This is statistically significant at the 5% level ($z=2,48$).

In Table 5 the ranking of the strategic planning activities on which CEO's spend their time is shown. The most important activities are setting objectives (53%) and reviewing plans (53%).

Table 4 Responsibility for strategic planning action

Responsible person	No.	%
No. of respondents	60	100
Top management	48	80
Line management	22	37
Line and planning	12	20
Planning	4	7
External consultants	1	2
Top management only	22	37
Line management only	4	7
Planning only	1	2

Table 5 How CEO's spend their time on strategic planning

Activity	No.	%
No. of respondents	60	100
Plan review	32	53
Setting objectives	32	53
Plan development	27	45
Analysis	8	13
Development only	12	20
Review only	10	17
Objectives only	7	12
Analysis only	1	2

Line managers

All respondents indicated that their line managers are involved in some way in the strategic planning process. Their participation is illustrated in Table 6. The two most important line manager tasks in the strategic planning process are preparing plans (77%) and providing input (70%).

Line managers in companies with a new CEO are more likely to prepare plans than line managers in companies with an old CEO. The comparative figures are 90% for companies with a new CEO and 65% for companies with an old CEO. This is statistically significant at the 5% level ($z=2,30$).

Table 6 Line manager participation in the planning process

Action	No.	%
No. of respondents	60	100
Prepare plans	46	77
Provide input	42	70
Review plans	22	37
Prepare only	15	25
Input only	9	15

The strategic planners

As previously stated, 29 companies had a strategic planning specialist or a strategic planning group. Of the 31 respondents who did not have a strategic planning group, only six intended creating one. All six were small companies.

Generally, planning specialists appeared to be in positions of influence in that 23 (79%) of the 29 planning groups reported directly to the CEO.

From the results it would appear that smaller companies are more likely to have single planners reporting directly to the CEO. Of the seven companies employing only one planning individual, six were small companies and in six of them the planning individual reported directly to the CEO.

Growth was the main reason cited for establishing a planning group. This seems to confirm the findings of Denning & Lehr (1983), as previously discussed, that the larger the company, the more likely it is to have a planning group.

The main responsibilities of the planning group were given as co-ordinating the planning exercise (97%) and reviewing plans (90%).

The benefits of strategic planning

All except one of the 60 respondents regarded strategic planning as useful. Eighty-two per cent considered strategic planning to result in better decision-making and 62% listed greater profitability as its major benefit.

Strategic planning obstacles and reasons for failure

The major strategic planning obstacles are given in Table 7. Most respondents appeared to be too busy with operational activities to allow sufficient time for strategic planning.

As indicated in Table 8, most respondents (22%) felt that strategic planning failed in their companies because it was conducted once a year and then forgotten. The results appear to support the following.

(i) A lack of line manager support was more likely to result in strategic planning failure in large companies than in small companies. The comparative figures are 29% for large companies and 8% for small companies. This is statistically significant at the 5% level ($z = 2,16$).

(ii) A lack of top manager support was more likely to cause strategic planning to fail in large companies than in small companies. The comparative figures are 29% for large companies and 5% for small companies. This is statistically significant at the 5% level ($z = 2,55$).

(iii) The fact that planners are too low down in the organization structure is more likely to cause planning to fail in a large company than in a small one. The comparative figures are 19% for large companies and 3% for small companies. This is statistically significant at the 5% level ($z = 2,20$).

(iv) Planning being conducted once a year and then forgotten is more likely to cause planning to fail in a company with a new CEO than in a company with an old CEO. The comparative figures are 34% for companies with a new CEO and 10% for companies with an old CEO. This is statistically significant at the 5% level ($z = 2,33$).

(v) A lack of a method of implementation is more likely to cause planning to fail in a company with a new CEO than in a company with an old CEO. The comparative figures are 21% for companies with a new CEO and 3% for companies with an old CEO. This is statistically significant at the 5% level ($z = 2,11$).

Table 7 Strategic planning obstacles

Obstacles	No.	%
No. of respondents	60	100
Time	26	43
Lack of know-how	13	22
Internal resistance to change	12	20
Business cycle	11	18
Funding	2	3
Other	9	15

Table 8 Reasons for planning failure

Reason for failure	No.	%
No. of respondents	60	100
Planning is conducted once a year and then forgotten	13	22
Top managers are seen not to make decisions based on plan	10	17
Not reviewing the plan	10	17
Lack of line manager support	9	15
Lack of top management support	8	13
Lack of method of implementation	7	12
Lack of written objectives	7	12
Plans and motivation not in writing	6	10
Planners too low down in organization structure	5	8
Not planning the plan	5	8
Abandoning plan at first problem or unexpected event	5	8
Using planning to delay decision-making	3	5
Inflexible targets	3	5
Lack of planning staff	3	5
Poor strategic planning system	3	5
Other	15	25
No failure	8	13

Conclusions

Theory suggests that as the company size increases, strategic planning needs to become more formalized. Furthermore, formal strategic planning can only be effective with the services of a full-time planner. If these two points are valid, and it is remembered that this survey was conducted amongst the top 100 listed companies in South Africa, then the results indicate that just over half of these companies *do not* practise formal strategic planning. If less than half of the largest companies in South Africa *do* practise formal strategic planning, there is little likelihood that the other companies in South Africa do.

The participants

The respondents appear to appreciate the importance of CEO and top management involvement in strategic planning and that this involvement should be in the form of leadership and control. The results show that CEO's spend the bulk of their strategic planning time on setting objectives and reviewing plans.

All the respondents indicated that their line managers are involved, in some way or other, in the strategic planning process. The two most important line manager tasks in the strategic planning process are preparation of plans and providing input.

Most of the planning groups in the survey appear to be fairly recent innovations. In this respect South African companies seem to lag behind their American and European counterparts which introduced strategic planning in the sixties.

The most important tasks of the planning groups are the coordination of the planning exercise and reviewing the plans. This agrees with the theory and with other study results, namely that planners do not plan. It appears that the roles of the planners are in line with what the correct practice of strategic planning requires. However, as the same roles also apply to operational planning and the annual budgeting process, this does not provide proof that the respondents actually practise *strategic* planning.

The strategic planning process

Strategy formulation: The majority of respondents prepare strategic plans annually for the following two to five years. Most respondents have developed a formal statement of their business and most consider objectives before plans are generated. All respondents do a corporate appraisal, and to a lesser extent, an environmental appraisal, at some stage.

The majority of respondents do not use special forecasting techniques or scenarios to develop possible futures. However, the majority develop alternative courses of action to achieve company objectives. This points to some incongruity: why develop alternative courses of action if different futures are not developed?

The survey results reflect some understanding of the process of strategy formulation. However, the depth of this understanding is questionable. Incongruities in the results indicate that, although respondents appreciate the need for completing each of the stages of the strategy formulation process, the majority are merely paying lip-service.

Strategy implementation and control: The majority of respondents profess to have written procedures as to how the strategic plans are to be implemented and controlled and work to a set timetable for the implementation of these plans. Most respondents set clear goals and prepare detail plans for the allocation of corporate resources. The majority of respondents allow plans to be modified in the event of unexpected variations or problems. This may point to some degree of flexibility which is a vital ingredient of strategic planning. However, respondents could equally be reflecting flexibility in their operational and budgeting processes.

The evolutionary stage

At which stage of the evolutionary process, as presented by Gluck, *et al.* (1983), do these selected companies find themselves? First, it will be incorrect to suggest that the respondents do not practise some form of strategic planning. Hussey (1983: 10) is undoubtedly correct in saying that '. . . it would be wrong to claim that in the beginning there was no planning, for thinking managers have always given thought to their organisation's aims and strategic actions'.

All respondents, then, have moved beyond what Hussey terms the informal planning stage. Most of them practise extended budgeting where planning is limited to the annual budgeting process, with the budgets extended for the following two to three years. Hussey warns, however, that most of the companies using this technique consider that they practise formal planning.

A few respondents have obviously moved beyond this stage into the forecast-based planning phase. This is evidenced by the forecasting techniques they profess to use in their planning process.

All respondents indicated that they do pay attention to some external factors. However, it is clear that only a few analyse their external environments to the extent that they have actually entered the third stage of evolution which Gluck, *et al.* (1983: 295) refer to as externally oriented planning.

It is doubtful whether any of the respondents have entered the final phase, namely strategic management.

Recommendations

The results show that the two most important obstaclês respondents encountered in attempting strategic planning are time (44%) and the lack of know-how (22%). These and other obstacles and reasons for failure listed in Tables 7 and 8 together with the conclusions on the evolutionary stage of strategic planning, point to a number of areas in which action can be taken to improve strategic planning.

Implications for the CEO

A deeper commitment by the CEO to corporate planning in general, and in particular to strategic planning, is necessary. This requires a better appreciation and understanding of the concept of strategic planning and a realization that an over-emphasis on short-term results alone will not ensure the survival of the organization in an increasingly uncertain environment.

Furthermore, the CEO should realize that he influences line managers mainly through his actions. To get his line managers committed to strategic planning, the CEO must demonstrate his own commitment and involve them in the strategic planning effort.

Only through the CEO's commitment, involvement, and understanding can the above-mentioned obstacles and reasons for failure be overcome. In this respect Gouy (1983: 209) suggested that 'the organization of work should ensure that more time and resources are devoted to creativity so that operational thinking should not be the main pre-occupation of the decision-makers.'

Implications for the planners

The role of the planner is to coordinate, educate, assist and to act as a sounding board for the ideas of others. Furthermore, he is a catalyst for change. It therefore stands to reason that the planner does not plan. Corporate culture and politics are aspects which the planner should consider when carrying out these activities.

Planners, clearly, have a major educational task; not only to educate themselves as to the best practices of strategic planning, but also to educate the entire organization with regard to strategic planning. The CEO should be the planner's first target. However, if the planner encounters resistance to strategic planning from the CEO, he can concentrate his efforts on educating line managers. These relatively younger managers who may become the CEO's of tomorrow, are often more open to innovative ideas and practices.

The corporate planner should not operate in isolation. He can enlist the aid of business schools and other research institutions to ensure that he stays abreast of the latest developments in strategic planning and aware of environmental changes that may affect his company.

Suggestions for future research

Linneman & Klein (1985: 73) talked about trends pointing to 'titanic' change to come and suggested that the effect of this change will be the following:

- More distant planning horizons.
- Formalization of the environmental assessment process.
- More formal involvement by top management in environmental assessment.
- Greater use of the multiple-scenario approach.
- Greater emphasis on adaptive strategies.

These point to areas where meaningful future research should be done, specifically in business forecasting techniques, environmental scanning and the use of scenarios. Other areas include corporate appraisal techniques, and the implementation and control of strategy. Detailed studies of these different elements of the strategic planning process can serve as proof of the benefits as well as promote the techniques used. Therefore, these studies should be both theoretical and empirical investigations of the techniques used in South African companies.

The practice of strategic planning in selected companies does not appear to be widespread enough to warrant similar studies on other companies in South Africa. However, a study on the performance of planning versus non-planning top one hundred companies appears necessary.

It is clear that, through research, educational institutions can play a major role in promoting the use of strategic planning in South African companies. And promoting the use of planning is necessary, if only, in the words of Tennessee Williams, to avoid regret: 'The future turns into the present, the present turns into the past and the past turns into everlasting regret if you don't plan.'

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