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**THE RELATIONSHIP BETWEEN STRATEGIC MANAGEMENT AND  
ORGANIZATIONAL EFFECTIVENESS OF SOFT DRINKS  
MANUFACTURERS IN LIBYA**

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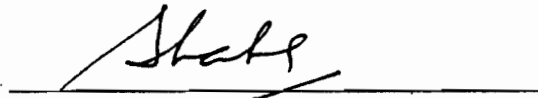
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## **ABSTRACT**

The strategic management process (SMP) is key part of the business success and organizational effectiveness. The SMP is comprised environmental analysis, strategy formulation, strategy implementation, and strategic control. This study investigates the relationship between strategic management process and organizational effectiveness of soft drinks manufacturer in Libya. Data were collected from executive in soft drinks manufacturer. Descriptive statistics were calculated and correlation analysis and regression analysis was used to test the hypothesized relationships. It was found that strategic management process has great impact and related to the organizational effectiveness.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND

In this age of anxiety, performance is an obsession. From schools to universities, businesses to government departments we have become an audit society (Humphrey and Owen, 2000; Power, 2000) absorbed in performance measurement and the assessment of relative success, which can affect the allocation of resources, and the fates of institutions and individuals.

Strategic management is the essence of an executive's job. The process deals with the fundamental organization renewal and growth, with the development of the strategies, structures, and systems necessary to achieve such renewal and growth, and with the organizational systems needed to effectively manage the strategy formulation and implementation process.

According to Johnson and Scholes (1993), Strategy is the direction and scope of an organization over the long-term: which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations.

According to, points out that people use strategy in several different ways, the most common being these four:

1. Strategy is a plan, a how, a means of getting from here to there.
2. Strategy is a pattern in actions over time; for example, a company that regularly markets very expensive products is using a high end strategy.

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