

**RELATIONSHIP OF STRATEGIC MANAGEMENT PRACTICES  
AND PERFORMANCE OF PERCETAKAN NASIONAL (M) BERHAD**

**MOHD IMRAN MOHD HUSIN**

**UNIVERSITI UTARA MALAYSIA**

**2011**



**KOLEJ PERNIAGAAN**  
(College of Business)  
Universiti Utara Malaysia

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(Date)

**RELATIONSHIP OF STRATEGIC MANAGEMENT PRACTICES  
AND PERFORMANCE OF PERCETAKAN NASIONAL (M) BERHAD**

**A project paper submitted to the College of Business in partial fulfillment of the  
requirements for the degree of Master of Science Management  
Universiti Utara Malaysia**

**MOHD IMRAN MOHD HUSIN**

**UNIVERSITI UTARA MALAYSIA**

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## **ABSTRACT**

This paper discusses mainly about strategic management and its implications especially in the organization. The paper aims to develop an understanding of the role of strategic management in the proper allocation of business resources on businesses today especially in the global business environment. This study's objective is to present the importance of having the right organization that fits to the strategy of a company. It aims to determine the effect of the organization to the implementation of a strategy especially a global strategy that can bring changes to the production process, distribution and marketing channel that will demand new ways of organization. This study was done among 200 exempt staffs in Percetakan Nasional Malaysia Berhad. Data were gathered through questionnaires and was being analyzed by using Statistical Package for Social Science (SPSS) version 19.

## **ACKNOWLEDGEMENT**

Praise to Allah S.W.T the Most Merciful and Most Gracious for bestowing me with strength, patience and excellent health throughout the process of completing this research. This project paper would not been done without assistance and support from many people. I would like to take this opportunity to extend my deepest gratitude to my supervisor, En.Mohmad Amin Mad Idris for his expert advice, guidance and support throughout the entire research.

A special thanks to my friends; Ahmad Sabri, Chia, Risuki and Azmi for their helpful guidance, advice, and who motivate me to keep up. Also, I would like to thank Universiti Utara Malaysia for giving me this great opportunity to achieve my educational goals throughout my entire MSc (Management) study duration in UUM KL.

My deepest appreciation also goes to beloved family my wife Aziah Mohd Khalid for constant support, patient and understanding throughout my life.

Finally, special thanks to those who have directly as well as indirectly been involve in the accomplishment of this project paper. Your endless contribution and encouragement are very much appreciated.

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Introduction

Strategy and the formulation of strategy play an important part in the firms' management process. The strategy gives the direction that a firm has in mind and in which way they want to achieve their goals. Earlier research demonstrated that firms that set out a clear strategy, for example a quality differentiation or a cost leadership strategy will outperform those firms that deploy a mixed strategy (Baum et al., 2001). The Managing Director plays an important and perhaps a crucial role in firm when it comes to the formulation of a firm's strategy. The Managing Director competitive development and personal goals determine the understanding and use of strategic management and planning (Postma and Zwart, 2001). The strategy is often strongly influenced by the distinct competencies and unique knowledge of the Managing Director. Strategy and strategic vision create a clear direction for the company and this proves to be an important input for firm policy and operational decisions (Philipsen and Kemp, 2003). The Managing Director is usually the person who has the vision. Often, this vision is not disseminated throughout the organisation. Nevertheless, the businesses will probably have a better performance if they set up a clear strategy and if that strategy is dispersed throughout the organisation. With a clear and communicated strategy, employees can take decisions with that strategy in mind. Which strategy leads to the best performance for firms? According to the contingency theory, the optimal strategy of a firm depends on many factors, for example availability of qualified employees and other resources (external factors), quality of the current employees and the goals and strategic behavior of the business owner (both internal factors). Also sustainable competitive advantages are often referred to as important determinants for the selection of the strategy. These factors differ largely between firms. For this reason it is not possible to derive one most favorable strategy for a certain group of firms. Each company has to find its own optimal strategy, which is determined by the external and internal factors of the firm. This theory

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