RESEARCH

STRATEGIC PLANNING: WHY NEPALI PUBLIC ENTERPRISES NEED IT?

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CHAPTER ONE

INTRODUCTION

Background of the study

Strategic management process is a full set of commitments, decisions, and actions required for a firm to achieve strategic competitiveness (Hitt et al., 2011). The main functions of strategic management have been explained by Robbins and Coulter (1996) as identifying the enterprise's current mission, objectives, and strategies, analyzing the environment, identifying the opportunities and threats, analyzing the enterprise's resources, identifying the strengths and weaknesses, formulating and implementing strategies, and evaluating results. A central theme of the strategic management perspective is that an enterprise achieves sustained success only if it has an astute, timely strategic game plan, revises its strategies according to changes in the environment and the enterprise's situation, and implements its strategies with proficiency (Hambrick & Fredrickson, 2001; Kim & Mauborgne, 2002; Porter, 1996; Schendel & Hofer, 1979). Cauwenbergh and Cool (1982) described strategic management as the most critical element in managing enterprises because it explains success and survival to a large extent. In today's business environment the only constant is change, requiring enterprises to effectively adapt their strategies, systems, products, and cultures to the changes taking place in their environment (Waterman, 1987). Strategic management is a senior management perspective as it deals with enterprise-wide priorities and resource allocation decisions, provides an overall direction for the entire enterprise, and provides a basis for different business functions to work together to pursue the enterprise’s key goals and priorities and achieve long term success (Pearce II & Robinson, 2005).

Similarly, some government enterprises have been practicing some aspects of strategic management mainly derived from international practices and from private sector enterprises. However, significant segments of the plan lack a strategic orientation and are less focused on long term growth objectives (Pant, 2007). The practices of strategic management in Nepalese public sector enterprises have not been studied. Therefore, it is not known if strategic management practices in Nepalese public sector enterprises are similar to those in western countries or have some unique characteristics of their own.

Strategic planning is a set of concepts, procedures and tools that enterprises use when determining their overall strategic direction and the resources required to achieve strategic objectives (Bryson, 2011). Although aspects of strategic planning are common to all types of enterprises, the application of planning processes needs to be carefully tailored to the public sector environment when applied by public service enterprises (Bryson, 2011). In particular, public managers have to build-in the perspectives and needs of those stakeholders with whom they must co-operate and collaborate in order to achieve the goals of the enterprise (Bryson, Crosby and Bryson, 2009). The more time and effort that is devoted to analyzing the internal and external environment, and developing and evaluating strategic options, the managers may feel more confident that the outcome of that process will be a positive one (Camillus, 1975; Capon, Farley and Hulbert, 1987). As such, the basic assumption underpinning the practice of strategic planning is that it is rational to invest resources in formulating good plans because this will vastly improve the prospects of implementation success.

(Mintzberg,2000). Strategic planning for Bryson is hence a method of systematically keeping up or ahead of changing environments and is out of necessity politically sensitive.

Strategic planning (SP) is now used as an instrument in contemporary public sector enterprises (Bryson, 2010). Typically, SP is operationalized as a systematic process of strategy formulation during which an enterprise's environment is analysed and strategic goals are defined (Poister et al., 2013; George et al., 2016a). Despite its popularity, the effectiveness of SP is strongly debated (Ugboro et al., 2011). Some argue that the complex adaptive context of public enterprises inhibits effective application of SP and incremental processes might be needed (Bovaird, 2008). Additionally, recent reviews have shown that there is a lack of large sample evidence testing the effectiveness of SP in public enterprises (Bryson et al., 2010; Poister et al., 2010).

One of the major purpose of strategic planning is to promote the process of adaptive thinking or thinking about how to attain and maintain firm environment alignment. (Ansoff,1991). This study draws the insights from some of the many publications on the use of strategic planning in the private sector and from the growing number of those that deal with its uses and potential for the public enterprises. This research focuses on the impact of the strategic planning on the improved performance of the chosen public enterprises. It also tries to identify whether strategic plan provides positive platform for the public enterprises. In this connection the research studies four public enterprises: two which have strategic plan and the rest two without strategic plan. The organizations for the study which have strategic plan are: Nepal Rastra Bank and Nepal Airlines Corporation likewise organizations research covers which don't have strategic plan are: Employee Provident Fund and Sajha Prakashan.

Statement of the Problem

In Nepal some emerging private corporate business houses have increased their strategic orientations due to the fast changing environment affected by both the 11-year political conflict and increased competitive pressures. Similarly, the international non-government enterprises (INGOs) and large non-government enterprises (NGOs) have been practicing some aspects of strategic management mainly derived from international practices. However, there is less focus on long term growth objectives of public enterprises (Shrestha, 2008).

Various studies have stressed out the importance of strategic planning for the betterment of the enterprise but not all public enterprises follow it. Is it really a necessary document for enterprises to excel on its performance? This research is therefore going to touch upon the areas of how organizations that have strategic orientation have been benefitted from it. The research aims to provide insights on this issue by doing comparative analysis of the enterprises having strategic orientation with the enterprises not having it.

Objectives of the Study

The main objectives of the study cover the following:

- Analyze the impact of the strategic orientation on the performance outcome amongst the enterprises.
- Identify missing aspects of strategic thinking in Nepalese public enterprises

Value of the Study

The study is supposed to add new knowledge to the existing body of knowledge on understanding whether the strategic plan is a crucial document for the functioning of the enterprise or the public enterprises of Nepal are following the trend of other enterprise without understanding the core need of their own enterprise. The researchers in the future can use this research as the reference for understanding the real scenario of strategic plan in the public enterprise of Nepal.

Limitations:

The main limitation of the study is the coverage. The study focuses on the public enterprise based on Kathmandu Valley only and the findings are based on it due to limited resources and less sample size.

CHAPTER TWO

Literature Review

2.1 Introduction

In this chapter literature related to strategy planning documents related to the public corporations is reviewed.

Different authors have defined “strategy” in different ways. Some define the concept broadly to include both goals and means of achieving them. Chandler (1962) and Ansoff (1990), define strategy narrowly by including only the means to achieving the goals. The definitions suggest that the authors gave selective attention to aspects of strategy, which are all relevant to our understanding of the concept.

Chandler (1962) considered strategy as a means of establishing the purpose of a company by specifying its long-term goals and objectives, action plans and resource allocation patterns to achieve set goals and objectives. Andrews (1971) brought together the views of Drucker (1954) and Chandler (1962) in defining strategy. To him, strategy is the pattern of major objectives, purposes or goals and essential policies and plans for achieving these, stated in such a way as to define what business the company is in or is to be in and the kind of company it is or is to be. In this definition, Andrews (1971) introduces an additional dimension that strategy deals with the definition of the competitive domain of the company.

Strategies go first though planning then implementation processes. Different writers have defined the concept of strategic planning from several points of view. Naylor (1970) defines strategic planning as a long range planning with time horizon of 3-5 years. Heifer (1976) on the other hand suggests that strategic planning is concerned with the development of a match between enterprises‟ capabilities and the risks present in its environment. In their definition, Litschent and Nicholson (1968) view strategic planning as the highest level of decision making concerning a company‟s basic direction and purpose in order to assure long term health and vitality of the enterprise.

According to Steiner (1979), strategic plans are formulated either as master strategies or programme strategies. He defines master strategies as basic mission purposes, objectives and policies. On the other hand, he views programme strategies as being concerned with acquisition, use and disposition of resources for specific projects. Mintzberg (1994) observes that corporate strategic planning faces a number of challenges: cultural web, enterprise level structure, uncertainty and learning enterprise, division of responsibility, the time challenge of implementation and the process itself.

Bryson asserts that the purpose of any strategic plan is to ensure a public agency's ability to add public value, which is the key aspect that differentiates public from private sector and nonprofit enterprises. Pursuit of this overarching goal encourages public enterprises to prioritize their activities, needs, and 5 goals differently than their for-profit counterparts. Therefore, strategic plans articulate the enterprise's mission (what it is and why it does it) and describe tangible activities that support goal accomplishment (what it does). In this regard, strategic plans are creative, innovative, and analytical "big picture" documents that frame a public agency's current context and chart a course for its future direction. Bryson et al. (2010) suggest that once the enterprise defines what it is, what it does, and why it does it, the strategic plan can be implemented to add public value. Normative theory also encourages enterprises to document goals and objectives, use performance metrics to record accomplishments and shortcomings, and use feedback loop data to modify the strategic plan. This iterative quality allows decision makers to learn, modify, and evolve the document to benefit future versions of the strategic plan.

The international non-government enterprises (INGOs) and large non-government enterprises (NGOs) of Nepal have been practicing some aspects of strategic management mainly derived from international practices. However, public sector lacks a strategic orientation and are more focused on shorter term goals and objectives (Agarwal, 2007). The practices of strategic management in Nepalese enterprises have not been studied. Therefore, it is not known if strategic management practices in Nepal are similar to those in western countries or have some unique characteristics of their own (Gyawali & Shrestha,2008). Various enterprises around the world have been using strategic orientation as the tool to achieve enterprise level effectiveness however it has always been challenging while translating those strategies into activities. The main reason might be the lack of prior study of the situation and the projection of the future of the enterprise. In context of Nepal, very few researches have been carried out to understand that strategic plan is really a need or just the ritual to the enterprise.

Many scholars believe that plans should be simple, promising, and not overly exaggerated. In today’s world, many leaders spend a lot of time, energy, and money building basic policies and devoting themselves to planning for the sustainable growth of their institutions. However, the literature has shown that the biggest problems with the implementation of strategic plans in a system are the commitment of the staff that will carry out the plans. This means that a number of studies see employee engagement as a mitigating factor implying that there is a need for management to inculcate its employees in the structuring of plans for organizational development.

Government officials use this process, due to major changes that occur in public sector, and has force them analyze more deeply about public sector needs. Strategic plans should involve community workers, employees and other stakeholders in an organization, suggests that it is important and can be a natural part of the policy of public enterprises. However, developing a strategic planning framework with other parastatals and government agencies can be difficult and public purpose. In the management of public service, the organizational planning structure should focus on the overall improvement of the organization and its activities. There are three factors associated with structuring a strategic plan for any public sector institution: purpose, budget, organizational objectives. The study shows that different organizations have their own needs, with each department having a unique planning structure that will guide them, rather than a rigid plan used by all agencies and institutions in the public sector which is a major challenge in the Nigerian public sector. Public services often have rules and restrictions that may explain the purpose and extent of their strategic planning ability. The main driving force is not profit but activities around the planning of budgets meaning the elements of competition that makes an intense need to grow is missing. Another important area in literature is the role of people in strategic and process design. Previous studies recognize that people are an integral part of the process and are essential for the success of strategic planning . Poister and Streib, (2018), points out that it is very not easy to identify the things that make up an effective public institution, but he identifies four strategic functions that he considers vital for the success of strategic planning: leadership, team, skills, and external input. The importance of people in design methods stems from the fact that three of the four important tasks confront people with their role in strategic planning design. Although the public sector strategic planning has well known with the public, there is debate over whether private sector development plans can be applied in the public sector.

Bloom (2014) describes this as written: “While no one opposes the use of strategic planning, some argue that the distinction between the public and private sectors is important for all approaches. There are a wide range of ways to manage the public sector”.

CHAPTER THREE

RESEARCH METHODS

3.1 Research Methodology

The research follows case study approach by exploring the strategic planning process of the public enterprises in an in-depth manner. The data is collected conducting semi structure questionnaire and interview is conducted with the concerned officials. The public enterprises situated within Kathmandu Valley which is convenient to visit is chosen for the study.

3.1.1 Data Collection Procedures

As most of the head offices of the public enterprises are situated at Kathmandu Valley, the public enterprises situated at Kathmandu Valley are chosen as it would be convenient to visit the office and interview the officials. Interviews and observations are used to collect the data.

3.1.2. Data Recording Procedure

The notes are gathered as an observer and also semi-structured interview is conducted which is audio taped and transcribed.

3.1.3 Cases for the study

The population of the study are two public enterprises having strategic plan and the other two public enterprises which do not have strategic plan.

Enterprises with Strategic Plan:

Nepal Rastra Bank

Securities Exchange Board of Nepal

Enterprises without Strategic Plan:

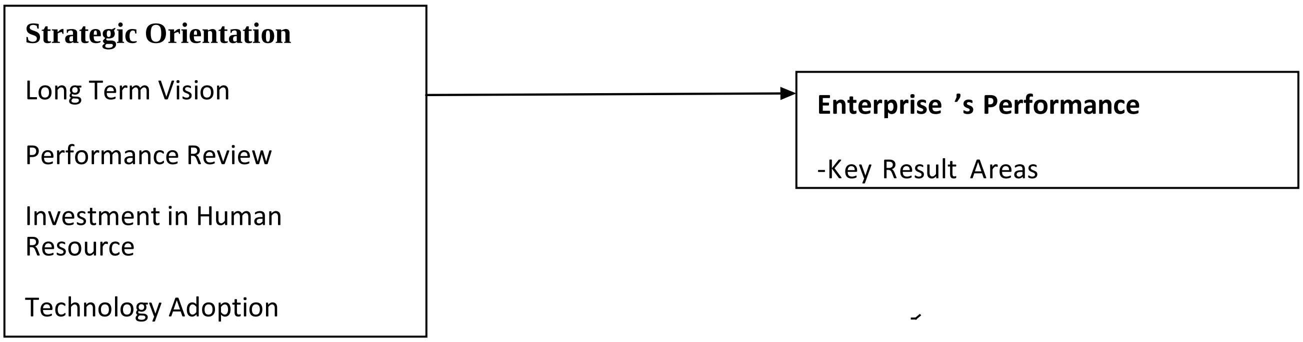
Nepal Airlines Corporation

Saajha Prakashan

3.2 Data Processing and Analysis

The interviews are transcribed and cases are formulated. The cases are used to identify the comparative impact of the strategic plan to the performance of the public enterprise with the strategic orientation and without it and the implications of the strategic orientation on the smooth functioning of the enterprise is analysed.

3.3 Framework of the study:



The framework of the study covers the relationship of the various variables of strategic orientation on the performance of the public enterprises. Strategic orientation is an indication of the direction where the organization wants to or should go in the future, and how well it is established to meet the objectives. The various variables under strategic orientations are Long term vision, performance review, investment in human resources and technology adoption and the study focused on the impacts of these variables on the performance outcome.

Propositions:

Long term vision facilitates formulating annual targets and objectives

Performance review increases employee's productivity

Investment in human resources increases employee retention

Technology adoption facilitates work processes.

Key Result areas:

Employee retention

Targets

CHAPTER FOUR

Findings

Sajha Prakashan

Sajha Prakashan has been publishing literary books along with the academic books. There are more than 1900 networks of distributors whole over Nepal so that the students at every nook and corner get the opportunities to read the book. It is responsible for encouraging the creativity of people so in this regards, it has been awarding the recognized people for their contributions in literary fields.

Despite the encouraging motive of this enterprise, the weak management has negatively impacted the economic activities and administrative procedures of it. There is huge gap between income and expenses which has compelled the organization to take loan and is highly dependent on the loan provided by the government to run its activities.

Strategic plan has always been needed for the organization as it provides clear direction and vision to the organization to function. As the organization lacks the strategic plan, it has somehow hampered the functioning of the organization because it sets the concrete vision of what the enterprise aspires to be within the time frame. The enterprise is functioning without clear vision and also due to various formal procedures, the performance of it is deteriorating.

Positive aspects:

- Realization of the necessity of strategic plan for the effective functioning of the organization.
- There are enough distribution channels to reach to the nook and corner of the country.

Negative Aspects:

- Leadership is centered for vested interest only rather than organizational interest.
- There is overstaffing in the enterprises which causes extra cost burden
- There is low financial discipline and transparency
- More focused on the traditional work approach and no innovation
- absence of investment in human resources

Linking with the propositions:

- The enterprise has been functioning without clear vision and ineffective leadership due to which the organizational targets and objectives have not been set.
- Employee satisfaction is low due to less investment in human resources.
- It is not able to adapt to new technologies and innovative culture due to traditional approach towards work.
- As there is no strategic orientation, the organization is not able to perform as needed.

Nepal Airlines Corporation (NAC)

Nepal Airlines Corporation (NAC) was incorporated on 1 July 1958 through enactment of Nepal Airlines Corporation Act. 2019 with the following main objective to provide air transport service to any person, agency or organization within various destinations.

Nepal Airlines Corporation has prepared 10 years Business Development Plan. It focuses on how frequently NAC is inducting the new aircrafts. It also focuses on the continuous improvement in the organizational performance.Nepal Airlines used to have flight for Frankfort and Paris but later the fight was stopped. Due to the gradual declination in the capacity of the organization a concrete plan to guide the whole organization's activities for a longer period was realized and so Business Development Plan was developed. This document act as the written proposal to convince the stakeholders (especially government) for the further planning about the aircrafts and human resources. The committee is formed where the representative from both the operating and non-operating departments are selected.

Nepal Airlines has prepared 10 years Business Development Plan (2020-2031) and yearly action plan is prepared on the basis of it. The essence of strategic plan is realized by this organization as it gives the clear direction of where the organization should march in the years to come. The plan incorporates the induction of new aircrafts, addition of the crafts to existing one, revenue generation from operating and non-operating assets etc.

The plan has always helped the organization for the achievement of its objectives as it helps to create the yearly action plans and the organization function accordingly. But there have always been challenges associated with the formulation of the plan. Due to the frequent changes in the government, the leadership changes and with the frequent change in leadership the vision with which the plan is forecasted gets distorted. It has huge impact on the cost of fund which eventually impact the national economy. Staff retention is the next challenge in the organization. The staff who has owned the plan and is well acquainted with the documents leave the organization (especially admin staff) and hiring new staffs and training them is a costly affair. Also the next challenge is that the approval of the documents takes the lengthy formal procedures, so even the plan incorporates the logical and fruitful areas for the development of the organizations the long procedure hinders the performance.

Positive aspects:

- The need of strategic orientation is realized and the strategic plan (Business Development Plan) is prepared.
- The plan incorporates the induction of new aircrafts, addition of the crafts to existing one, revenue generation from operating and non-operating assets etc.
- In order to formulate the business development plan, departmental ideas are brainstormed and are incorporated.

Negative aspects:

- Frequent changes in the leadership is the biggest challenge. Even though strategic orientation is realized, with the change in leadership vision changes and the Business Development Plan prepared by the previous leadership is not implemented.
- Investment in human resources is negligible so the work productivity is low.
- The employees involved in strategic plan preparation is only aware about the document and employees from other department are completely unaware about it.

Linking with our propositions:

- There is the realization of strategic orientation but due to unstable leadership, the target and objectives are not met.
- Employee turnover is high due to negligible investment in human resources.
- The need of advanced technologies is realized for both the technical and non-technical departments
- Presence of Strategic Orientation alone is not sufficient to ensure performance (meeting targets and employee satisfaction), leadership is an integral factor.

Nepal Rastra Bank

Nepal Rastra Bank (NRB), the Central Bank of Nepal, was established in 1956 under the Nepal Rastra Bank Act, 1955, to discharge the central banking responsibilities and it helps to guide the other financial sector. Since establishment, there has been significant growth in both the number and the activities of the domestic financial institutions in the country. It formulates necessary monetary and foreign exchange policies in order to maintain the stability of price and balance of payment for economic stability and sustainable development of economy, and manage it and it develop a secure, healthy and efficient system of payment.

Nepal Rastra Bank has been formulating the strategic plan on the regular basis and it identifies the flaws on the previous plan and mitigate it. The Fourth Strategic Plan 2022-2026 takes into account the social and economic disruptions caused by the Covid-19 Pandemic globally and attempts to support economic recovery by steering the financial sector as a catalyst revival and progress in line with global financial interdependencies and Financial and Technological innovations. The Bank has prepared this plan to capitalize on the emerging opportunities by leveraging its strengths, while continuously working to mitigate weaknesses for effective response to the challenges and future shocks.

Positive Aspect

- The strategic planning process is participatory to a certain degree
- The strategic document at Nepal Rastra Bank helps the enterprise formulate its annual departmental goals.

- The biggest hurdle in the formulation process is generating relevant ideas from the internal workshops that are conducted at NRB.
- In the implementation phase, the changing scenarios (political situation, other externalities such as COVID, blockade in 2072) supersedes the strategic plan
- Leadership is one of the most influential factor that sensitizes the importance of formulating a strategic plan
- The annual performance review is done after 8 months into the fiscal year and is done by the Corporate Planning Unit

Negative Aspect

- Not all employees working at Nepal Rastra Bank are aware about the plan being drafted; the dissemination of the ideas in the plan is not adequate
- Nepal Rastra Bank as an organization does not require a plan to function as it has to fulfill its given mandates
- One of the important reason behind drafting a long term plan is to embrace the international practice being done by other international banks
- Human Resources as a part of the strategic plan is not an urgent priority for the enterprise even though there have been trainings and development programs conduct for the employees at Nepal Rastra Bank
- Enterprises' Strength, Weakness, Opportunities and Threats are confidential aspects for them, therefore, should not be kept in the public domain

Linking it with our Propositions

- The long term vision has helped formulate annual plans and departmental plan for the enterprise. Thereby, helping to set the agreed upon target and objectives.
- The investment in human resource has helped the enterprise retain its talented workforce, which can be linked with the employee satisfaction.
- Performance Review though not done in an individual basis is done in a departmental manner which helps accelerate interventions needed to fulfill the set target
- The central bank realizes the importance of advanced technologies in creating a conducive work environment for the delivery of quality services through modern physical infrastructure including ICT
- To sum up, the strategic orientation at Nepal Rastra bank have supported the central Bank in ensuring their performances.

Securities Exchange Board of Nepal

Government of Nepal established Securities Exchange Board of Nepal (SEBON) as an apex regulator of Securities Markets. It has been regulating the markets under the Securities Related Act, 2006 whereby SEBON's mandate is to regulate and manage the activities of the securities markets and persons involved in securities business by regularizing the issue, purchase, sale and exchange of securities in order to develop capital markets and to protect the interests of investors. SEBON is also mandated to regulate commodity exchange markets after the enactment of Commodity Exchange Market Act, 2017 in 2017. SEBON, with the approval of Government of Nepal, issued Specialized Investment Fund Regulations, 2019 to regulate and manage private equity fund, venture capital and hedge funds.

Positive aspects:

- The action plan for each strategy and priority is developed along with the indicators and responsible authority for its execution so the strategic plan acts as the guiding documents for the preparation of departmental and unit goals.
- A comprehensive discussion and review of the strategic plan implementation will be undertaken every year at the time of preparation of annual policy and programmes.
- The Steering Committee (SC) is formed, led by Chairman with departmental heads as members, to critically measure, track and review the key performance indicators (KPIs).

Negative aspects:

- All the employees of the organization are not aware about the strategic plan so the employees cannot own the plan.

- There is high demand of ICT in the regulation of the stock market but it has not been able to invest of ICT.

Linking with the proposition:

- There has been drastic improvement in the performance of the organization after the implementation of the strategic plan. It has helped the organization to set departmental goals and meet the targets.

CHAPTER FIVE

Discussion

From the study of different organizations with strategic plan and without strategic plan, it is evident that the organization with strategic orientation is successful in achieving the set targets and also able to retain the competent employees. The strategic plan provides focused guidelines for the organizations to prepare the departmental and unit goals and it also facilitates to prepare the action plan aligned with it. The performance of the organization with strategic plan is comparatively better as these organizations are able to achieve the key performance indicators. It is identified that not only the importance of strategic orientation is realized in the organization with plan but also it is reviewed timely in order to understand any deviation from the set objectives and is corrected timely in case of need. Due to this systematic process, the enterprises are able to enhance their performance.

The organization which doesn't have strategic plan has also realized the importance of strategic plan and admits that the strategic plan has positive impact on the performance of the organization as it provides the clear direction and long term vision to move ahead. Despite the realization due to various formal hurdles these organizations are not able to prepare the strategic plan. Due to the unclear vision, the organization is moving in the haphazard direction and the performance is not up to mark.

Leaders are the pillar to the organization as their strategic thinking creates the map of where and how the organization will function. In the organization under study, the strategic plan has positive impact on the performance where the leaders are dedicated, committed and place organizational interest above of their personal interest and vice versa. In the organization like Nepal Rastra Bank and Securities Board of Nepal (SEBON), Leadership is one of the most influential factor that sensitizes the importance of formulating a strategic plan and motivates the other employees to be aligned with the plan. These enterprises are able to meet the set targets and perform better.

However, in Nepal Airlines Corporation (NAC) there is strategic plan but due to frequent change in leadership, the plan could not be implemented. Due to unstable leadership and lack of vision, the organization once functioning very effectively is in huge problems. The Business Development Plan of NAC contains very pertinent issues of the organization but due to unstable leadership it is not implemented.

Likewise, Sajha Yatayat is in miserable condition. The organization has realized the importance of Strategic Plan but due to the leadership who has vested interest in the organizational affairs it is not able to prepare it. The organization is in downfall situation.

The strategic orientation is aligned with the performance review of the employees. The organization with strategic plan set the various indicators to measure the performance of the employees within the various departments. The performance is reviewed and corrected in case of need. Various interventions are carried out to make the employees to perform better. Due to this the organization like NRB and SEBON are able to enhance employee productivity.

Whereas, in the organization like NAC and Sajha Yatayat, the performance of the employees are not reviewed timely so due to which the employees productivity is low. There is low investment in human resource and ultimately employee turnover is high.

Employees play a huge role in every company's success. So every aspect of it, from operations to company culture, is tremendously impacted when an employee leaves. Turnovers dampen morale, negatively affecting performance and productivity. Present employees who will take on the added responsibilities left behind by their co-worker may also feel less motivated and satisfied with work. There is also an opportunity cost associated with losing senior employees, who have the institutional knowledge, skills, and relationships.

When investing into human capital, the enterprise should pay attention to the criteria used for investments into fixed capital, taking into account also the specifics and factors that affect the overall investment process. When considering the philosophy of strategic planning into human resources, it is necessary to take into account two criteria: first, feasibility of investment which answers fundamental questions about the availability of necessary resources, efficiency, time factor, the size of capital invested and the like. The second criterion is the eligibility of the investment. Then, the investor confirms the correctness of the decision to implement the investment. The evaluation process will take into account the appropriate approaches and methods, including the time factor and also the risk of investment into company's human resources.

In economic theory, investments in education of the employees are the most common assessment of the investment in connection with the analysis of investment in human capital. The development of required skills of the employees is mostly provided by two key elements: personality training and education. Personality training can be understood as the process of creating the personality of an individual. Education is a form of development and shaping of the personality of an individual. These two elements represent important components of the activities of personnel management. Personnel management, by influencing behavior and skills of employees, seeks to effectively achieve the objectives within the frame of the company's strategies.

On the other hand, it is well known that seeking out and adopting new technology (suitable for your enterprise) is essential in ensuring that your enterprise is efficient, productive and competitive. It is also no secret that the rate of change in the technology space is growing exponentially. While there are many ways that new technology can be introduced into the enterprise, one of the most powerful is from staff identifying areas of pain and opportunities to innovate in order to make things better. Having a team that is dedicated to constantly challenging themselves and learning new things is critical in ensuring that staffs are willing to embrace the adoption of new technology. Ultimately we should work towards an environment that incorporates the process of learning new tools and trying new techniques as a part of day to day enterprise.

Leading on from personal learning, the next most important is improving the enterprise. With staff actively exploring and investigating ways of improving how they work personally, a team should be also challenging the status quo of how the whole enterprise operates. Regardless of if you adopt new technology or not, as an enterprise the rate of change is so high, that it becomes almost essential to improve your operations every day. Instilling the value of challenging how things are done now, in order to do them better is how this happens.

Encouraging employees to challenge the status quo and make constant improvements are one thing, but how do we ensure that they actually feel comfortable providing that feedback and continuing to make suggestions to improve. Building trust within an organization is crucial! It creates an environment where employees feel confident to put ideas forward. Trust gets built from the top down and the bottom up. As leaders, and as colleagues, we need to ensure that ideas are not dismissed, but rather acknowledged and elaborated on. When new ideas and feedback are not adopted, it needs to be clearly communicated as to why.

While technology in office environments has fundamentally changed them, it's possible not every change is permanent. Workplaces have an opportunity to dial back the negative changes that technology has brought. Some may prioritize changing the factors that lead to stress, lack of sleep or depression. Forward-thinking companies might consider the gains in efficiency from technology as a reason to slow down, as opposed to hurry up. Companies can even use technology to encourage healthy habits and discourage negative ones. With intention and focus, they can design workplaces and processes to encourage taking breaks and limiting time spent answering emails outside of office hours. Workers might one day receive notifications telling them to take a break instead of asking them to handle more work-related demands.

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ANNEXURE

Nepal Administrative Staff College

Research Topic
Strategic Planning: Why Nepali Public Enterprises need it?

Research Discussion Questionnaire

For Organization with Strategic Plan

1. Do you think strategic planning is required for public enterprises? Why?
2. Why has the enterprise not prioritized on formulation of its strategic plan?
3. How is the goal setting process for each level/ department currently designed?
4. How difficult is it to formulate organizational goals, departmental goals and individual goals in the absence of strategic plan?
5. What are the problems associated while allocating the budget to the departments in the absence of strategic plan?
6. What are the human resource associated problems that emerge in the absence of a strategic plan?
7. How do you think the formulation of a strategic plan is going to benefit your enterprise?
8. What are the supporting factors needed for public enterprises to have a strategic orientation?
9. What key result areas should the enterprise strategically focus on?
10. What are the overall challenges faced by the organization in the absence of a strategic plan?

For Organization without strategic Plan

1. Do you think strategic planning is required for public enterprises? Why?
2. How has the strategic planning benefitted the organization for the achievement of its objectives?
3. How is the goal setting process for each level/ department currently designed?
4. What are the key challenges faced by the organization for the formulation of the strategic planning?
5. Are the staffs at all level aware about the strategic plan? If not where the organization fail to communicate it.
6. Is the annual plan aligned with the strategic plan?
7. After the completion of the strategic plan cycle, are the reviews of the strategic plan recorded and considered for the next strategic cycle?
8. What are the areas that have been of primary focus in the enterprise’s strategic plan?
9. What are the factors needed for enterprises to have strategic direction/thinking/ orientation?

10. What are the challenges that the organization has faced in the ownership/ implementation of the strategic document?