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**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE**

***THE EFFECT OF STRATEGIC THINKING ON
ORGANIZATIONAL PERFORMANCE: THE CASE OF
ENAT BANK S.C.***

**BY
MULUKEN KEBEDE**

**A RESEARCH PROJECT SUBMITTED TO ADDIS ABABA
UNIVERSITY SCHOOL OF COMMERCE IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR MASTERS OF
ART DEGREE IN BUSINESS LEADERSHIP**

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Addis Ababa University
College of Business and Economics
School of commerce

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A Research Project Submitted to Addis Ababa University
School of Commerce in Partial Fulfillment of the
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Leadership

Advisor: Abdurezak Mohammed (PhD)

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Ethiopia



Certification

Addis Ababa University

School of graduate studies

This is to certify that the project made by Muluken Kebede entitled, ***“The effect of strategic thinking on organizational performance: The case of Enat Bank S.C.”*** and submitted to partial fulfillment of the requirement of the award of Master’s of Art Degree in Business Leadership complies with regulation of the university and meets the accepted standards with respect to its originality and quality.

Approved by Board of Examiner

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External Examiner:	_____	_____	_____
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Advisor:	_____	_____	_____

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Abbreviations and Acronyms

ST- Strategic Thinking

STQ- Strategic Thinking Questionnaires

ROE- Return on Equity

ROA- Return on Asset

ROI- Returns on Investment

NIM- Net Investment Margin

ANOVA- Analysis of Variance

SPSS- Statistical Package for Social Sciences

Abstract

The objective of the study was to examine the effect of strategic thinking on organizational performance in the case of Enat Bank. To investigate such effect, the study has used three strategic thinking dimensions namely system thinking, reframing, and reflection adopted from the study of Pisapia et al. (2005). A self-administered questionnaire was issued and distributed to the targeted population of 115 employees, from the total targeted population 93 (80.9%) responded representing a response rate of 80.9%. The study applied both explanatory research designs and a quantitative research approach. To examine the relationship and effect among variables, this study used Pearson correlation and multiple linear regressions. The findings of the study from regression analysis have shown that all the three strategic thinking dimensions namely system thinking, reframing, and reflection had a positive and a statistically significant effect on organizational performance as the p-value of each variable is less than 0.05 ($p\text{-value} < 0.05$) and positive beta coefficient. Therefore, the study concludes that all basic components of strategic thinking affect organizational performance and the researcher recommends that Enat Bank, through strategic thinking, should formulate and implement a strategy that ensures organizational sustainability and growth which is responsive to environmental change and the bank committed to institutionalizing the practice of strategic thinking in the bank's corporate culture and committed to institutionalizing the practice of strategic thinking in the bank's corporate culture. This study indicates that the need for more research related to the relationship between strategic thinking and performance with incorporating additional variables and extend the study to be made on the industry level.

Keywords: Strategic Thinking, Organizational Performance, Enat Bank

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

The business world has become more dynamic, complex, and interrelated than ever before, which led the environment to be unpredictable and turbulent, Luke Sandelands and Himanshu Singh (2017). This business environment has raised a question for organizations such as: how they can remain sustainable and competitive in this cut-throat environment? Studies indicated the merit of being a ‘strategic thinker’ to be sustainable and competitive in this turbulent environment. For instance, according to a study made by Olaniyi M. and Elumah Lucas O. (2016), Strategic thinking is expressed as the generation and application of distinctive business ideas and opportunities intended to create a competitive advantage for a firm or business.

In Literatures, there is no general agreement about the meaning of strategic thinking; researchers differed in defining strategic thinking and have used the term interchangeably with other concepts such as strategic planning or strategic management. Bonn (2001), for instance, used the term strategic thinking interchangeably with strategic planning and strategic management. Ian Wilson (1994), described strategic thinking as an improvement from strategic planning. He argued that the improvement of strategic planning has profoundly changed its character of strategic planning so that it can be appropriate to refer to it as strategic management or strategic thinking.

Mintzberg (1994) argued that strategic planning is about taking those articulated goals and turning them into formal, documented action steps that can be implemented to achieve agreed results. As per the study of Maree Conway (2013), the development of effective and meaningful strategy involves three stages: strategic thinking, strategic decision making, and strategic planning. Strategic thinking is about exploring possibilities and options, strategic decision-making is about setting directions, and strategic planning is about implementing actions.

A successful strategy needs all these three stages. As Wilson (2004) marks, little things are gained from developing a plan but there is everything to be gained from the thinking

that lies behind the plan and the action that follows it.

While strategic thinking is supported by previously conducted researches, assessment tools, however, have not readily been available to measure the leader's ability to perform these skills and they have not been widely studied empirically (Bonn, 2011). Pisapia et al. (2005) identified three metacognitive skills in the literature, which enable leaders to recognize patterns, interdependencies, and make consequential decisions: systems thinking, reframing, and reflection.

Liedtka (1998), defined strategic thinking as a particular way of thinking, with specific attributes. She conceptualized and examined strategic thinking in terms of six sub-variables, namely strategic thinking (general), thinking in time, intent-focused, intelligent opportunism, system perspective, and hypothesis-driven.

Sanjay Dhir, Swati Dhir, and Payel Samanta (2018) identified four dimensions of strategic thinking which include reflection, organizational awareness, trend analysis, and pattern recognition. They argued that organization and strategic thinkers specifically need to focus on the significance of identified dimensions of strategic thinking to benefit the organizations in making effective decisions.

Though there are many variables of strategic thinking which affect the performance of one's organization. In this study, however, only three variables that are identified by Pisapia et al. (2005) that are system thinking, reframing, and reflection will be examined to investigate their effect on the bank's performance.

Azizi, M., & Jafari, M., & Hosseini, M. (2018) said that 'Strategic thinkers contribute to the development and creation of a strategy that can allow organizational leaders the opportunity to create ideas that give an organization a sustainable competitive advantage.' So there is a relationship between strategic thinking and organizational performance since strategic thinking plays a vital role in enhancing organizational performance and achieving high levels of organizational performance.

Michael (2006), argued that the success or failure of the organization depends on strategic management, which is an analytical process that aims to select and determine the status of the organization in the future, depending on changes and developments, and here strategy reflects the prestige and status that is occupied by the organization.

In the Ethiopian financial sector, as per the researcher's knowledge, there is no study on the effect of strategic thinking on business performance. Most of the studies deal with the impact of leadership styles, change management, employee performance, and corporate governance on organizational performance. Hence, this paper fills the gap by investigating the effects of strategic thinking on the organizational performance of Enat Bank.

1.2. Background of the Organization

Enat Bank S.C. was established on March 05, 2013, as the 16th private bank with a subscribed capital of Birr 260 million and a paid-up capital of Birr 120 million. As stated on the website, Enat Bank was initiated by a diverse group of eleven powerful Ethiopian women with a vision to create a new bank that was open to everyone, with a special focus on women.

As stated in the bank's monthly report of May 31, 2021, the total paid-up capital of the bank reached Birr 1.5 billion, total Asset of Birr 14.4 billion, the total number of branches 72, and 724 total number of employees. The annual reports of the Bank show that the bank has registered profit from the first year of operation and its figure in profitability has been increasing year on year.

The organizational structure of the bank shows that the upper governing organ, the Board of Directors, has eleven members. The Board of Directors oversees the policies and procedures of the bank, and it is the higher governing body of the bank and handles the corporate governance of the bank and ensure the bank's compliance with the regulatory framework of National Bank of Ethiopia. Under the supervision of the board of directors, there is a president with two vice presidents. There are also eleven departments to facilitate the services of the bank.

According to the banks' official website, the Vision of the bank is:

“To remain true to our name, set a trend in the provision of excellent and inclusive banking services mainly by focusing on women economic needs and taking advantage of the state-of-art-technology, innovation and professional workforce with the aim of maximizing the value of our shareholders;”

Enat bank drives its banking service with its core values like dedication, approachability, impartiality, integrity, concern of employees, learning organization, teamwork, and professionalism.

Enat Bank is providing full-fledged banking services like saving, loan, and advance services for projects and domestic and international trade services. Enat Bank works to empower women by supporting women to make deposits, access credit, and trade services, and better manage their finances is good business. Thus, with these major banking activities, the Bank has been playing its role in the national economy.

1.3. Statement of problem

Strategic thinking plays a key role to create a competitive advantage of an organization over adversaries and helps to enhance the organization's performance (Heracleous, 1998). However, organizations lack the strategic skill to be competitive in the business environment to meet the organization's set of goals and objectives (Ibrahim Olaniyi M. & Elumah Lucas O., 2016). Managers lack the technical know-how to strategically think to compete with other organizations to achieve remarkable performance and meet the goal of the organization.

Pisapia (2006) argues that organizations that lack leaders with strategic thinking skills/insights are prone to multiple inadequacies because oftentimes, the leaders are trained and rely upon a linear thinking mindset which doesn't work in situations characterized by ambiguity and complexity. Hence, the concept of strategic thinking skills should be studied to be effectively applied by managers of the organization to enhance the organization's performance and to achieve the desired goal of the organization.

Strategic thinking enables us to be proactive in approaching the future rather than reactive (Maree Conway (2013), Falih M. (2007)). Barnett and Berland (1999) argued that strategic thinking capability can help businesses identify ways to develop confident forecasts and to reduce the uncertainty of business decisions. Hence manager should develop their strategic thinking capability to reduce the uncertainty of the business decision which adversely affect the competitive position of the organization and customer services and also negatively affect the overall performance of the organization.

Moreover, poor strategic plans and lack of proper implementation of strategic plans occasioned by lack of strategic thinking continue to impact negatively on the organization's overall performance (Emereole I., Okafor Shinyere, and Prof. Emerole G., 2019). Managers of organizations have not addressed thoroughly the strategic thinking elements involved in creating a strategic direction and some managers lack analytical thinking, rational thinking, logical thinking, and mathematical thinking towards achieving organizational performance.

Furthermore, the preliminary survey made on Enat Bank shows that though there have been functional, business and corporate strategies in the bank, there was no clearly outlined strategy for strategic thinking within the bank. Therefore, this study helps the bank to found out the effects of strategic thinking on bank's business performance.

From a research point of view, the effect of strategic thinking on organizational performance in the Ethiopian context has not been addressed thoroughly in studies carried out in the past. And previous studies showed that little focus has been given to key thinking elements that strategic thinkers should apply in an organization to bring the much-needed change and enhance organizational performance (Bonn, 2001; Essery, 2002; Mason, 1986; Zabriskie & Huellmantel, 1991).

Although numerous studies have been done on the Ethiopian banking industry (Haimanot Solomon (2017), Addisalem Zewddie, 2019, Endeshaw Azaj, Mengistu Bogale Ayele, and Worku Mekonnen, 2020), there is no study focusing on strategic thinking. Specifically, the effect of strategic thinking on organizational performance of banks has never been tested empirically in this industry. Because bank performance is associated with effective leaders and managers who possess key thinking elements that strategic thinkers should apply in an organization to bring the much-needed change and enhance organizational performance, this study helps to found out the effects of strategic thinking on organizational performance in the Ethiopian context.

1.4. Research Questions

The following research questions will be asked in this study:

1. To what extent is the effect of system thinking on organizational performance?
2. To what extent is the effect of reframing on organizational performance?
3. To what extent is the effect of reflection on organizational performance?

1.5. Objectives of the Study

The main objective of the study is to examine the effect of strategic thinking on the performance of Enat Bank s.c; other specific objectives include:

1. To examine the effect of system thinking on organizational performance
2. To examine the effect of reframing on organizational performance
3. To examine the effect of reflection on organizational performance

1.6. Hypothesis of the Study

Ho1: System thinking has no significant effect on organizational performance

Ho2: Reframing has no significant effect on organizational performance

Ho3: Reflection has no significant effect on organizational performance

1.7. Significance of the study

The results of this study might be beneficial to the bank's industry in Ethiopia in general and to Enat bank S.C in particular to examine the effects of strategic thinking on their performances and to take appropriate actions to achieve their desired goals of the organization. The study result may also be useful to other organizations to examine the significances of strategic thinking to enhance their performances. Finally, future researchers who want to conduct their research papers related to this paper topic may use this paper as a reference.

1.8. Scope of the Study

The study will focus on the examination of the effect of strategic thinking on the performance of Enat Bank. The research will cover only a single case of a bank as the paper will be made as a project work for academic purposes. As per the researcher's knowledge, this research is the first research in the banking sector in the Ethiopian context. Though there are many variables of strategic thinking which affect the performance of one's organization. In this study, however, only three variables which are identified by Pisapia et al. (2005) that are system thinking, reframing, and reflection will be examined to investigate their effect on the bank's performance.

As of May 31, 2020, the bank had 72 branches all over the country and 724 employees; but the study will limit only to directors, managers, and senior officers in the bank; and these individuals were the unit of analysis in the study.

1.9. Limitation of the Study

The current Covid 19 pandemic had significantly affected the research process to make face to face discussion with the advisor and shortage of internet access to get resources. Furthermore, the researcher was unable to interview with the bank's top management and Board of Directors because of the pandemic.

1.10. Definition of Terms

Strategy: according to Alfred D. Chandler, Jr. (1962), strategy is defined as “the determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources for carrying out these goals.”

Strategic Thinking: According to Goldman (2012), strategic thinking is defined as a mental process that involves synthesizing, utilizing intuition and creativity to identify and solve problems.

Organizational performance: As per the definition of Tomal and Jones (2015) organizational performance is defined as the actual results or output of an organization as measured against that organization's intended outputs.

System thinking: as per Pisapia, J.R.; Reyes-Guerra, D; Coukos-Semmel, E. (2005), system thinking is the ability to see systems holistically by understanding the properties, forces, patterns, and interrelationships that shape the behaviors of the systems which provides options for actions.

Reframing: According to Pisapia, J.R.; Reyes-Guerra, D; Coukos-Semmel, E. (2005), Reframing refers to the ability to switch attention across multiple perspectives, frames, mental models, and paradigms to generate new insights and options for actions.

Reflection: According to Pisapia et al. (2005) Reflection refers to the ability to weave logical and rational thinking through the use of perceptions, experience, and information to make judgments as to what has happened and then create intuitive principles that guide future actions.

1.11. Organization of the Study

This research project will be organized into five chapters. The first chapter incorporates the background of the study, the background of the organization taken as a case study, the statement of the problem, research questions, and significance of the study, scope, and delimitation of the research. The second chapter dealt with a review of related literature related to strategic thinking and organizational performance. Chapter three presents the research methodology including research design, sample design, data collection techniques, and data reliability test and data analysis. Chapter four dealt with the result and discussion of findings and interpretation. The final chapter includes the summary of findings and conclusions and discussions on research questions and hypothesis and forward recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.1. Theoretical Review

2.1.1. Introduction

The main objective of the study is to examine the effect of strategic thinking on the performance of Enat Bank. Accordingly, this chapter focused on a review of related literature in the area of strategic thinking to enable readers to better understand the subject matter. It highlights the concept of strategy and strategic thinking issues including strategic thinking skills. It also presents the relationship between strategic thinking and organizational performance. It also presents the review of previous studies related to strategic thinking and organizational performance. Generally, this chapter presents theoretical and empirical reviews and the conceptual framework of the study.

2.1.2. Strategy

The term strategy, formerly known as *stratēgós* or *stratēgēō*, roots back to the ancient Greeks, which means ‘a general or the commander of an army. The antiquity originally used the word strategy to describe the skills of the war general (Heuser, 2010). In research, strategy has been defined by many authors with many meanings and all of them are relevant and useful to those who are charged with setting strategy for their corporations, businesses, or organizations. John Maxwell defines strategy as a science of planning and directing large-scale military operations to maneuvering forces into the most advantageous position before actual engagement with the enemy (Maxwell, 2003); applied in business, strategy refers to a maneuver for competitive success.

Alfred D. Chandler, Jr. (1962), defined strategy as “the determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources for carrying out these goals.” Robert N. Anthony, (1965), used an unpublished paper by Harvard colleague Kenneth R. Andrews and defined strategy as “the pattern of objectives, purposes or goals and major policies and plans for achieving these goals stated in such a way as to define what business the company is or is to be in and the kind of company it is or is to be.” While, Michael Porter (1980), defined competitive strategy as “a broad formula for how a business is going to compete, what its goals should be, and what policies will be needed to carry out those goals.”

According to Benjamin B. Tregoe and John W. Zimmerman (1980), strategy is defined as the framework which guides choices that determine the nature and direction of an organization.

In 1994, Henry Mintzberg declared strategy did indeed have several meanings, all of which were useful. He points out that strategy is a plan, a pattern, a position, a perspective, and, also, he indicated that it can also be a ploy, a maneuver intended to outwit a competitor.

According to John Bryson (1996) strategy is defined as a pattern of purposes, policies, programs, actions, decisions, or resource allocations that explains what an organization is, why it does it, and what it does.

In 1990 Henry Mintzberg presented the ten schools of thought. These ten schools are perceived as a very good illustration of the disparate strands of thinking in the field of strategy (Kippenberger, 1998). Within this illustration, the ten schools of Mintzberg as well as many other publications follow the same disparity in the highly discussed field of strategy with two major overarching sides: strategic planning and strategic thinking.

2.1.3. Strategic Planning vs. Strategic Thinking

Strategic planning and strategic thinking has its own approach towards strategy. As per the study of Haycock, Cheadle & Bluestone (2012), Strategic planning approach considers strategy as a systematic and logical application of strategies, whereas strategic thinking approach perceives it as an innovative, creative, and right-brained process that encourages an open exchange of ideas and solutions to meet the dynamic, often unpredictable challenges faced in today's economy and clearly distinguishes between two thinking modes: analytical thinking and systems thinking (Harrison & Bramson, 1982; Senge, 1991; Ackoff, 1994; Bartlett, 2001).

2.1.4. Strategic Thinking

Strategic thinking is a distinct way of thinking that utilizes intuition and creativity with the outcome being an integrated perspective of the enterprise (Mintzberg, 1994). Strategic thinking is expressed as the generation and application of distinctive business ideas and opportunities intended to create competitive advantage for a firm or business (Olaniyi M. and Elumah Lucas O. (2016). So effective strategic thinking creates competitive advantage for the organizations to achieve the desired goal of the organization. Thinking strategically

is different from strategic planning. Strategic thinking is thinking that contributes to broad, general, overarching concepts that focus the future direction of an organization based on anticipated environmental conditions (Goldman 2012). Strategic thinking necessitates more intuitive and open-ended cognition, but strategic planning requires linear, analytical processes.

As per Game theorists definition, strategic thinking is defined as the art of outdoing an adversary, knowing that the adversary is trying to do the same to you. Strategic thinking is commonly deployed in areas of problem solving and decision-making and with thought to envisioning the organization's future (Heracleous and Liedtka 2011). Initiating new innovations and solutions is the "most difficult task faced by executives and senior managers but if done well, it challenges assumptions and creates new mental models of markets, offerings, and organizations (Rouse, 2009)."

The uncertainty, complexity and turbulence of the contemporary world of business have demanded that organizational leaders and managers think strategically in order to ensure survival of their businesses (Haycock, 2012). O'Shannassy (2006) defines strategic thinking as 'a particular way of solving strategic problems and opportunities at the individual and institutional level combining generative and rational thought processes'.

In literature of strategic management, there is no general agreement about the meaning of strategic thinking. The concept of strategic thinking have used by some authors for other perceptions such as strategic planning and management. For instance, Wilson states: the basis of strategic planning chanced by attempting to improve organizational affairs so that we should regard it as strategic management or thinking (Sarhangi, 2011).

2.1.5. Assessing Strategic Thinking Skills

While strategic thinking is supported by previously conducted researches, assessment tools, however, have not readily been available to measure the leader's ability to perform these skills and they have not been widely studied empirically (Bonn, 2011). Pisapia et al. (2005) identified three metacognitive skills on the literature, which enable leaders to recognize patterns, interdependencies, and make consequential decisions: systems thinking, reframing, and reflection.

Liedtka (1998), following the views of Mintzberg, defined strategic thinking as a particular way of thinking, with specific attributes. She conceptualized and analyzed strategic thinking in terms of six sub-variables, namely strategic thinking (general), thinking in time, intent-focused, intelligent opportunism, system perspective and hypothesis-driven.

Sanjay Dhir, Swati Dhir and Payel Samanta (2018) identified four dimensions of strategic thinking which include reflection, organizational awareness, and trend analysis and pattern recognition. They argued that organization and strategic thinkers specifically need to focus on the significance of identified dimensions of strategic thinking to benefit the organizations in making effective decisions.

Though there are many variables of strategic thinking which affects the performance of one's organization. In this study, however, only three variables which is identified by Pisapia et al. (2005) that are system thinking, reframing and reflection will be examined to investigate their effect on the bank's performance.

A. System thinking

Pisapia et al. (2005) defined system thinking as the ability to see systems holistically by understanding the properties, forces, patterns and interrelationships that shape the behaviors of the systems which provides options for actions. Unlike the traditional systems thinking (analytic/linear/reductionist thinking) notion "the parts are primary and the whole is secondary", systems thinking rests on the notion that the "whole is greater than the parts."

Bertalanffy (1968), identified interaction, interrelationships, and interdependence as the main characteristics of systems. In system, there should be interactivity among the elements, otherwise it is not a system. Capra (2002) argued the view that systems thinking is contextual. He said in order to understand something, one begins by putting it into a larger context rather than take it apart. This focus on connectedness in terms of context and relations created a mind shift from analysis to context, from structure to process (Pisapia et al. (2005).

Generally, there are four abilities used in systems thinking as per the study of (Pisapia et al. (2005):

- Ability to think holistically
- Ability to recognize patterns and interrelationships
- Ability to recognize and act upon intrinsic systems properties and specific systems archetypes
- Ability to recognize and act upon the system imperatives of goal attainment, pattern maintenance, integration and adaptation.

B. Reframing

Pisapia et al. (2005) defined framing as a cognitive process that helps us gather and organize information and create knowledge. It comprises interpreting the meaning of new information, events, and experiences and sorting. He said that framing imposes assumptions and offers a language for analysis of behavior in which certain aspects of situations are chosen to be considered and interpreted and when trying to understand new, complicated events and to have control over how communications, goals and initiatives will be perceived we will reach in framing. However, framing a problem is a subjective process. As Cuban (1990) explains,

“It depends upon one or more facts that show a discrepancy between what is and what ought to be done. It depends upon the perceptions of the person or group that interpret the data and do the defining. What shapes [these perceptions] are [one’s] previous personal and work experiences, [one’s] beliefs and values, the position [one holds] within an organization, and the expected role [one] is to play within that organization. “

Hence, reframing is the process of investigating the same situation from multiple perspectives. If reframing is conducted properly, it enables leaders to diagnose their context, define critical issues, interpret them and communicate in ways that empowers their followers. As Kouzes and Posner (1993) state, the “more you know about the world, the easier it is to approach it with assurance.”

As per (Pisapia et al. (2005), Fluency in multiple frames is considered a basic skill for postmodern leaders since it is critical for them to make their dominant frames explicit and to widen their frame repertoire.

Generally, there are four abilities used in reframing as per the study of (Pisapia et al. (2005)

- Suspend judgment while appropriate information is gathered
- Identify and understand mental models, paradigms and frameworks that are being used to frame a problem, situation or issue
- Ability to use different mental models, paradigms and frameworks to understand one situation
- Ability to review and reform one's own and others' mental models.

C. Reflection

Reflection outlined by Pisapia et al. (2005) as “the ability to weave logical and rational thinking through the utilization of perceptions, expertise and data to make judgments on what went on then create intuitive principles that guide future actions.” It is a cognitive skill that involves careful consideration of any belief or practice that promotes understanding of situations and then applying newly gained knowledge to these situations.

The ability to combine reflection and action is a central theme found in previous studies. For instance, Dewey (1933) mentioned reflection as a systematic process of thinking and reflective actions and dispositions. As per Korthagen (1988) definition reflection defined as a cycle of thinking and acting which contains action, seeing back on the action, awareness of essential aspects, creating various way of actions, and trial, which is the start of a new cycle of reflection. Argyris and Schön (1978) made a significant contribution to this concept when they split theory and action. As per their argument, people have implicit mental maps (theories in use) that tell them how to act in certain situations and other theories (espoused theory) which are used to explain our actions to others.

Senge (1990) classified reflection into three levels when he describes professional practice based on reflective thinking. The first level is technical reflection that is focused with examining the efficiency and also the effectiveness of means to realize certain ends. The second level is practical reflection, involves examining not only the means but also the ends, questioning the assumptions and the actual outcomes and also the third level is important reflection, that considers the ethical and moral issues of the social compassion and justice at the side of the means and also the ends, encompassing the first two levels.

In General, there are five abilities used in reflection as per the study of (Pisapia et al. (2005):

- Ability to recognize why certain choices work and others do not

- Ability to use double loop learning governing principles
- Ability to use perceptions, experience and knowledge to understand situation and how to think about them
- Ability to blend perceptions, experiences, and knowledge and analysis while taking action.
- Ability to use your current perceptions, experience, and knowledge and that of others from past experience to create an understanding of the present and the future

In summary, all of the three strategic thinking variable: systems thinking, reframing and reflection in all of their forms are important cognitive skills for leaders to possess. Therefore, this paper tries to investigate the effects of these important cognitive skills on the performance of Enat bank.

2.1.6. Organizational Performance

Organizational performance is defined as the actual results or output of an organization as measured against that organization's intended outputs (Tomal and Jones, 2015). As per Faisal, Hermawan, & Arafah, (2018), Performance is generally known as a measure of success in strategic decision making that increases the efficient and effective usage of resources to maintain business continuity.

As explained by Meilak, & Bonnici, (2015) strategists focus on profitability, efficiency, product quality, and technical progress when they measure performance; and they claimed that organizational performance can be affected by several industry factors, including the concentration of competitors in the industry, barriers to enter the market, economies of scale, product differentiation, and diversification.

According to the study made by Aghazadeh, (2015), business performance composed of three main components: customer performance (satisfied and loyal customer), market performance (sales volume and market share) and financial performance (profit, ROI). Therefore, in order to evaluate business performance, market performance and financial performance were employed.

2.1.7. Strategic thinking and Organizational Performance

The proper application of Strategic thinking which includes good preparation and management of strategic choices, through the sources of strength and weakness of internal

resources, or in dealing with the threats and opportunities that exist in the external environment creates the success of the business organizations. Michael (2006), argued that the success or failure of the organization depends on the strategic management, which is an analytical process that aims to select and determine the status of the organization in the future, depending on changes and developments, and here strategy reflects the prestige and status that is occupied by the organization.

The competitive capabilities of managers in the organization plays a vital role for the success of organization. Hence, competitive capability is a fundamental and important concept as a cornerstone in improving the performance of the organizations (Macmillan and Mahan, 2010). And it looks at competitive capability as a statement about the superiority of the organization in the areas of marketing, finance, above all priorities, which in turn requires an understanding of the general framework of the organization by top management, as top management must determine the needs of customers of the service provided and how to deliver them through an advanced chain of proper processing time (Evans & Collier, 2007).

2.2. Empirical Review

Mary A., Mulili B. and Okumu N. (2018), by using descriptive research design, examined the effect of strategic thinking on the organizational performance of state corporations of Kenya the case of National Social Security Fund (NSSF) of Kenya. The target population was 425 employees selected from Management staff working in Headquarters. As instruments questionnaires were used and both stratified sampling and simple random sampling were applied in the study. Descriptive statistics and inferential statistics were used to examine the effect of strategic thinking on the organizational performance of state corporations at NSSF. Correlation analysis and regression was used to examine the relationship between strategic thinking and organizational performance. The study found out that organizational performance at NSSF was positively affected by strategic thinking, organizational performance and political change. The study, based on its findings, recommended that to improve the performance of NSSF, the organization should put more emphasis on the strategic thinking by employing better management styles and connecting employee more on the decision making processes in the organization. It also recommends that, to strengthen the organization through mobilization of resources and achievement of organization objectives, the Top management should strengthen its network with other

organizations that provide useful resources. It further recommended that organization should focus to the needs of all subordinates and provide opportunities for their growth and promotion to higher levels of personality development through strategic thinking resulting better performance.

Similarly, Ahmed A. & Ayat M. (2018), using a sample from Jordan banking sector, conducted an empirical investigation of the effect of strategic thinking skills on the dimensions of competitive advantage the bank. They used Strategic Thinking Questionnaire (STQ) to collect data for the research. To capture the effect of each skill of strategic thinking on each dimensions of competitive advantage, our models were developed and tested through several hypotheses using multiple regression analysis and hypotheses testing. Results indicated that, in all models, reflecting as a strategic thinking skill was statistically significant and has a positive effect on all dimensions of competitive advantage. However, the research found out that, the remaining two skills of strategic thinking namely system thinking and reframing failed to show any significant effect on competitive advantage in all models.

Furthermore, Hasan A. and Mustafa S. (2017) studied the impact of strategic thinking competencies in building intelligent organization. The aimed of this research is to identify the skills of strategic thinking and its influence on building intelligent organizations in the King Abdullah II Design and Development Bureau. The study was conducted by selecting a random sample of 120 managers and their assistants, heads of departments and supervisors of production from the total population of all companies at King Abdullah II Design and Development Bureau. The study has used primary source for collecting data through the questionnaire developed as the main tool for the study. Multiple regression analysis was used to test the hypothesis of the study to examine the impact of the four dimensions of the strategic thinking competences namely systemic thinking, innovative thinking, and vision-oriented thinking on the managers of the King Abdullah II Design and Development Bureau in Building the intelligent Organization. Based on the multiple regression analysis, the study found out that, all the three strategic thinking competences (systemic thinking, innovative thinking and vision-oriented thinking) had a positive and statistically significant impact in building the intelligent organization of King Abdullah II Design and Development Bureau. From this findings, the study recommended that, in order

to enhance the capabilities and focus on the building of the intelligent organization, it is necessary to focus on the competencies of strategic thinking.

Gerald A., Prof. David M. and Joash M. (2016), also studied the impact of strategic thinking on organizational performance in the case study of Uchumi supermarket limited. The researchers used descriptive research design. The target population was 116 management staff from the total population for this study that is 1,073 employees at Uchumi Supermarket Kenya Limited based in Kenya. From the target population of the study a sample of 64 managers were selected from Nairobi County for this study. Primary data was collected using in-depth interview with senior managers and self-administered questionnaires. The study used five strategic thinking elements namely system perspective, strategic intent (intent focus), Intelligent opportunism, thinking in time and Hypothesis driven. The study found out that, in order enhance organization performance and to be effective, the process of strategic thinking should be reinforce through intimate and enthusiastic participation of all employees of the organization and that management teams for successful strategic planning and implementation. Based on the findings, the study recommended that top corporate executives should ensure that all stakeholders especially employees are included in the planning process of the organization as this importantly encourages psychological attachment, strategic thinking and improves job satisfaction of the organization.

In the same way, the study of Mahdi M. , Vahid R. and Farideh H. (2014), investigated the influence of strategic thinking on Mashhad municipal mangers performnace. They used all the senior managers of Mashhad Municipality which includes 90 people as a targeted sample of this research due to the limited number of the subjects. The researchers used both descriptive inferential analysis to analyze the data. The study has used three kinds of standard questionnaires namely desirability of strategic thinking level among managers, the impact of strategic thinking on the performance of managers, and considering the performance level among managers. The study has used six strategic thinking variables namely conceptual thinking, systematic approach, cognition, foresight, opportunism and transformational leadership variable. The result from regression analysis showed that all strategic thinking variables had positive relationship with organizational performance and statistically significant. Hence, the study indicated that strategic thinking had an acceptable

level among municipal managers of Mashhad City and all factors of strategic thinking enhanced their performance.

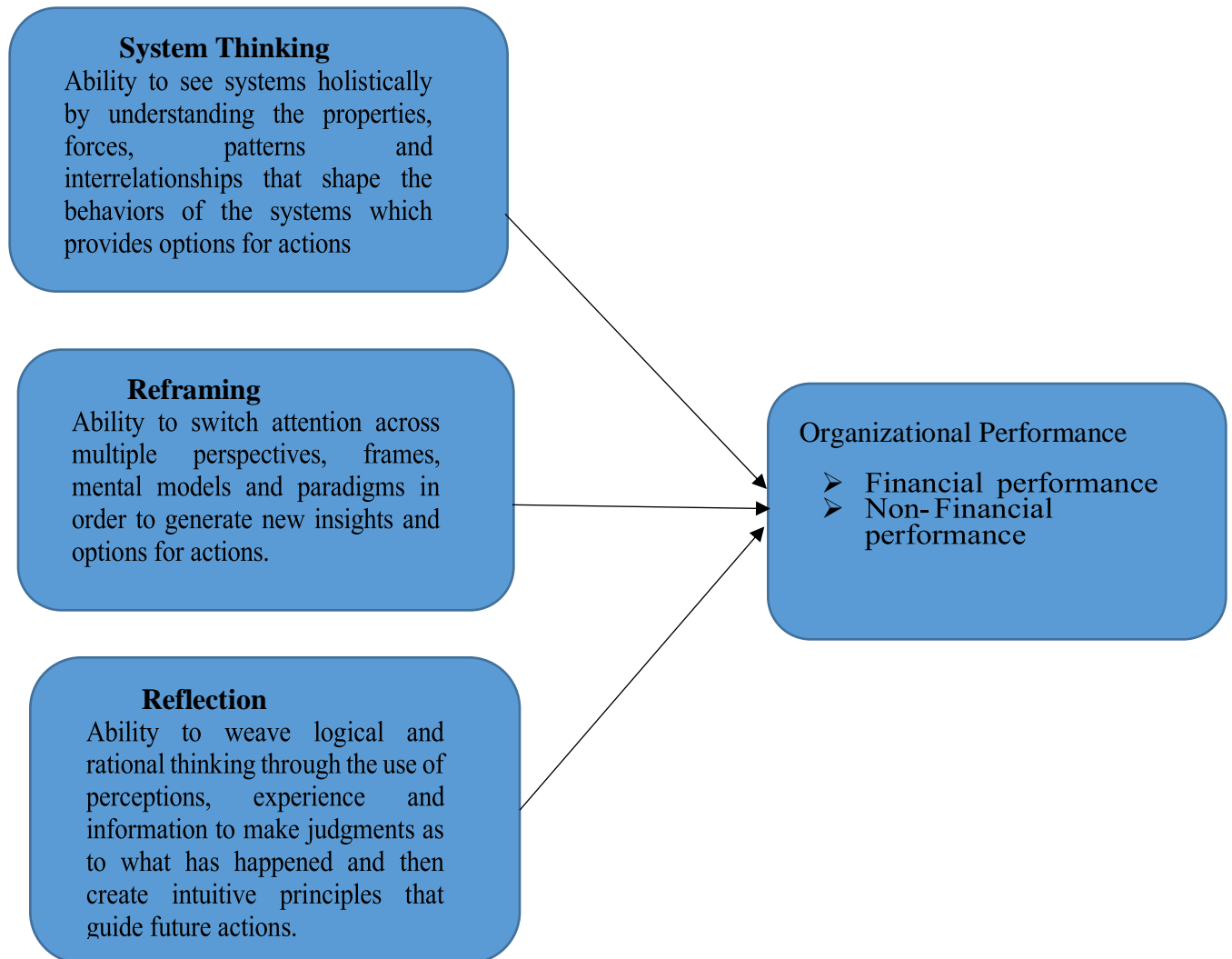
The study of Emereole I., Okafor Shinyere and Prof. Emerole G. (2019), also focused effect of strategic thinking on organizational performance in the case study of MTN Nigeria in Abia State. The aim of study was to investigate the impact of strategic planning and strategic leadership on organizational performance, examine the relationship between strategic thinking and organizational performance and identify and analyze the factors of strategic thinking that has an effect on organizational performance. The researcher has used a survey research design and has used both primary and secondary data. The sample size of 80 respondents was selected by using Taro Yamane formula from the target population 100 employees which consists of senior and junior staff of MTN Nigeria Abia State. Pearson correlation analysis and regression analysis was adopted in testing the association between the dependent and independent variables. Based on the regression analysis, the study found out that, there was significant and positive relationship between Strategic planning and organization effectiveness. The study also found out that Strategic leadership has positive and significant effect on organizational performance. Hence, the study recommended that vision of the organization should properly outlined and then involve strategic thinking methods that leadership skills or best situation solutions can realize organizational advantage and sustainability.

Moreover, Nicholas Sun-Keung and John Pisapia (2012), studied the usage and effectiveness the strategic thinking skills of Hong Kong school leaders. The aim of this study was to identify strategic thinking skills that differentiate effective school leaders in Hong Kong. The study framed three constructs: skill of strategic thinking, organizational personal characteristics, and effectiveness of school leaders. The study applied a quantitative and correlation techniques to identify the relationships between the three strategic thinking variables (system thinking, reframing and reflection) and leader effectiveness. In this study Five hundred and forty-three (543) school leaders was participated. The study has used structure of the strategic thinking questionnaire (STQ) in the Chinese context. The study indicated that strategic thinking profile changes depending on role assignment, school type, and environmental complexity. The study also reveals that system thinking and reframing has used by principals of Hong Kong school leaders and Vice-principals of the schools has used reframing more frequently than the other skills.

Moreover, senior masters use strategic thinking skills significantly less often than principals and vice-principals.

2.3. Conceptual framework

Figure 1: Conceptual framework



Source: developed from the study of Pisapia et al. (2005).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

This chapter discusses the research methodology applied for conducting this research which includes the research approach, research design, population of the study, sample design, sample size, data reliability and validity and ethical issues related to the study.

3.2. Research Approach

The research was designed to use the quantitative approach because the study is based on measuring the organizational performance and strategic thinking of Enat Bank. The relationship between different variables was empirically tested with quantitative method. Strategic thinking variables such as system thinking, reframing and reflection were taken as independent variable and organizational performance was dependent variable. The inter-relation between the independent variables was also tested to examine the relationship among the independent variables.

3.3. Research Design

According to Creswell & Plano Clark, (2007), research design is the ‘procedures for collecting, analyzing, interpreting and reporting data in research studies’ (Creswell & Plano Clark 2007). There are four possible forms of research design: exploratory, descriptive, explanatory and experimental (Akhtar, 2016). As he explained, exploratory research design is applied when there are few or no earlier studies about the research problem and has a purpose to achieve new insights into a phenomenon and to formulate a problem for more accurate investigating or for developing a hypothesis. Descriptive research design used to describe phenomena such as age distribution, community-wise distribution, educational level, state of physical health and so on. Explanatory research design is applied when the research is mainly concerned with causes of some phenomenon. Experimental research design is used to test a Research Design of causal relationship under controlled situation.

In view of the aforementioned research design typologies, this study used both descriptive and explanatory research design to describe specific views or opinions of respondents in more detail and to identify the relationship between independent variables (System thinking, reframing and reflecting) and organizational performance; and the interrelationship between the independent variables and regression model was used for empirical test of correlations among variables.

3.4. Research Population

The target population of the study is individuals and groups who have involvement on strategic aspects of Enat bank. Therefore, the target population of study consists of all managers and senior staffs working at both corporate and branch levels of Enat Bank. Consequently, directors, division managers, and senior officers of the bank were included as target population of study. The total targeted population of the study consists of 115 employees. The study targeted these managerial and senior staffs of the bank due to the facts that most of the strategic issues and performance measures are assumed to be handled by them.

3.5. Data collection

The study used a self-administered structured questionnaire that contains questions about the dependent and independent variables to collect data from the targeted respondents. The constructs of the variables that is Strategic Thinking Questionnaire (STQ) are adapted from the study of Pisapia et al. (2005) and XIE Hongming, LIU Changyong, CHEN Chunhui (2007).

Five point Likert scale was adopted to rate the responses of the target group. The questionnaire contains thirteen questions for system thinking measures, ten questions for reframing measures, fifteen questions for reflection measures, and nine questions for organizational performance measures. The five point Likert scale of measurement follows the format: 1 for “strongly disagree”, 2 for “dis- agree”, 3 for “neutral”, 4 for “agree” and 5 for “strongly agree” for measure of independent variables. While in the measure of organizational performance follows the format: 1 for very low, 2 for low, 3 for average, 4 for high and 5 for very high.

3.6. Data Analysis

The data that were obtained from the questionnaire response was assessed and analyzed using statistical package for social sciences (SPSS v 23). The study used both descriptive and explanatory analyses; and linear regression and correlation to analyze the impact and relationship between variables. Descriptive statistics (such as mean, standard deviation) were used to analyze to describe the demographic characteristics of the respondents and to know the level of employees' perception of strategic thinking and organizational performance based on the response of respondents. The data was presented quantitatively by using tools like percentile, tables, charts, graphs and others to facilitate the interpretation of the results of the data. Descriptive statistics was analyzed by comparing the mean and standard deviation score of each variable. As per the study of Zaidatol & Bagheri (2009), the mean score *below 3.39* is considered *as low*; the mean score from *3.40 up to 3.79* is considered as *moderate* and mean score *above 3.8* is considered *as high*:

Table 1: Mean Score of Five Point Likert Scale

<i>s/n</i>	<i>Mean score</i>	<i>Description</i>
	≤ 3.39	<i>Low</i>
	<i>3.4- 3.79</i>	<i>Moderate</i>
	≥ 3.8	<i>High</i>

Source: Zaidatol & Bagheri (2009)

Multiple linear regression analysis was used to test the relationship between the independent variables and the dependent variable; and Pearson's Correlation was used to test the relationship among the predictor variables. Before conducting regression analysis normality test, multicollinearity test, homoscedasticity tests were undertaken.

3.7. Reliability and Validity

As stated by Heale & Twycross (2015) reliability defined as a consistency across time (test-retest reliability), across items (internal consistency), and across researchers (inter-rater reliability), and validity is the extent to which the scores actually represent the variable they are intended.

Reliability of the questionnaires of this research was measured through Cronbach's Alpha which is the most commonly used test to determine the internal consistency of an instrument. As stated by George and Mallery (2003), the Cronbach's α result is a number between 0 and 1; and it will be acceptable if the reliability score is 0.7 and higher and provides the following rules of thumb: >0.9-Excellent, >0.8-Good, >0.7-Acceptable, >0.6- Questionable, >0.5-Poor.

Table 2: Cronbach's Alpha of all variables

<i>Variable</i>	<i>Reliability Statistics</i>	
	<i>Cronbach's Alpha</i>	<i>N of Items</i>
<i>System thinking</i>	<i>0.867</i>	<i>13</i>
<i>Reframing</i>	<i>0.786</i>	<i>10</i>
<i>Reflection</i>	<i>0.851</i>	<i>15</i>
<i>Organizational performance</i>	<i>0.915</i>	<i>9</i>

Source: survey result, 2021

As shown in the table below, Cronbach's alpha of each of the variables was found to be above acceptable as per George and Mallery (2003) rule of thumb. Thus, the reliability of the questionnaire was approved due to the appropriate Alpha Coefficients (higher than 70%).

3.8. Ethical Consideration

The researcher give due attention to the ethical considerations of confidentiality and privacy throughout the research process. The research was made using primary data collected from senior staffs and managers of Enat international Bank. The researcher obtained necessary permissions and approvals to collect these required data and all participants were guaranteed that their responses will be kept confidentially and only be used for the purpose of this study. Moreover, all the views and opinions of the scholars were properly referenced in the study.

CHAPTER FOUR

DATA PRESENTATION ANALYSIS AND DISCUSSION

3.1. Introduction

In this chapter, the researcher attempted to analyze and examine the effects of strategic thinking on organizational performance in the case of Enat Bank S.c. The collected raw data were analyzed using SPSS version 23. The data were tried to be collected from 115 employees of Enat bank but only 93 were returned. Thus, the total response rate become 80.9%, which is acceptable level of response rate.

The researcher used descriptive analysis to summarize and organize the collected data. The demography analysis was conducted by using frequencies and percentages and the mean and standard deviation of the independent and dependent variables was tested by descriptive analysis. Further, Regression analysis and correlation analysis was also used to explain how much the independent variables (Strategic Thinking variables) had an effect on the dependent variable (Organizational Performance) and to find the association between independent and dependent variables.

3.2. Response Rate

In order to undertake this survey, a total of 115 questionnaires were issued and distributed to responders in person and through email. Out of the total questionnaire 93 (80.9%) were returned as valid which is acceptable level of response rate (Mugenda and Mugenda, 2003) and hence utilized for further analysis.

3.3. Demographic Characteristics of Respondents

To analyze the demographic characteristics of the respondents, descriptive statistics using frequencies was used. The result of the analysis is tabulated in Table 4 and the result is described in detail below:

Table 3: Demographic characteristic of respondents

Category		Frequency	Percentage
Work unit	Head office	55	59.1
	Branch	38	40.9
	Total	93	100
Position	Director	7	7.5
	Division Manager	18	19.4
	Branch Manager	38	40.9
	Senior	30	32.3
	Total	93	100
Year of Service	Less than 5	39	41.9
	5 – 15	49	52.7
	16 – 25	5	5.4
	Total	93	100
Gender	Male	49	52.7
	Female	44	47.3
	Total	93	100
Age	Less than 25 years		
	25-35 years	54	58.1
	36-45 years	34	36.6
	Above 45 yr	5	5.4
	Total	93	100
Academic Qualification	BA	28	30.1
	Masters	65	69.9
	Total	93	100

As shown in Table 4, Head office work unit takes a large share of respondents with 59.1% , followed by branch which takes 40.9% share of the respondents. Regarding with the title or position of the respondents, 7.5% are directors, 19.4% are division managers, 40.9% are branch managers and the remaining 32.3% are senior staffs. As presented in the table 4, it was found that 52.7% of the respondents have been working in their current position between 5 - 15 years. Followed by those of service less than 5 years (41.9%) and those in between 16-25 years were constituted 5.4%. on average, this implies that most of the employees of the Bank have an experience of equal and less than 15 years. Regarding with the age composition of the respondents, 52.7% are male and 47.3% are female; and in the age distribution, 58.1 % of the respondents are between the age of 25 up to 35, 36.6% of the respondents are in the range of 36 and 45 years and 5.4 % are above 45 years. This indicates that there are almost equal gender distribution in the bank who workers in the strategic area of the bank and most of the ages fall in the range of 26-45 years. As observed in the statistics of academic qualification, master’s degree holders

takes a large share of respondents with 69.9% , followed by BA degree holders which takes 30.1% share of the respondents This indicates that the strategic issues of the Bank are mainly handled by highly academic professionals.

3.4. Descriptive Analysis

The descriptive analysis was used to examine the mean and standard deviation of the responses of respondents. As per the study of Zaidatol & Bagheri (2009), the mean score below 3.39 is considered as low; the mean score from 3.40 up to 3.79 is considered as moderate and mean score above 3.8 is considered as high.

Table 4: Descriptive Statistic of strategic Thinking

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
SYSTEM THINKING	93	2.69	4.77	3.7146	.49885
REFRAMING	93	2.50	4.80	3.5763	.46166
REFLECTION	93	2.60	4.93	3.7548	.47204
ORGANIZATIONAL PERFORMANCE	93	1.78	4.78	3.2784	.64093
Valid N (listwise)	93				

Source: Survey date 2021

As indicated in the above table, all the mean scores of the strategic thinking dimensions were in the range of moderate and low scale as per the stipulation of Zaidatol & Bagheri(2009). The strategic dimension of Reflection scores the highest mean score (i.e. $M = 3.75$) with low variance among the responders (with $S.D = .47$), followed by System thinking ($M= 3.71$), and Reframing ($M= 3.56$). With regard to Organizational performance, bank scores low level of mean score ($M = 3.28$) with moderately high variance ($S.D .64$) among the respondents, which implies that the overall performance of the bank were low.

4.1.1. Descriptive Analysis of System Thinking

Statistical analysis of system thinking has been made using thirteen constructs with the expectation of four main abilities: ability to think holistically, ability to recognize patterns and interrelationships, ability to recognize and act upon intrinsic systems properties and specific systems archetypes and, ability to recognize and act upon the system imperatives of goal attainment, pattern maintenance, integration and adaptation:

The detail descriptive statistic of system thinking and constructs are depicted below:

Table 5: Descriptive statistics of System Thinking
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Abilities to see patterns in ambiguous information	93	1	5	3.39	.834
Take into account how change happens through the influence of environmental factors.	93	2	5	3.75	.732
Pinpoint a problem within the structure of things— comprising hierarchies, goals, specialized roles, and formal relationships— that influence the specific problem.	93	1	5	3.58	.798
Increase capability once you see a possible for growth in an area of your bank before the actual demand hits.	93	2	5	3.58	.913
Search for the overarching, common goal when two parties are competing.	93	2	5	3.69	.794
Take into account how different parts of the bank influence the way things are done.	93	2	5	3.73	.739
Try to sense changes in your bank's atmosphere which will need changes internally.	93	1	5	3.85	.872
Develop a policy or procedure of the bank that is designed by those concerned in the use of a resource because depleting that resource will be detrimental to the bank.	93	2	5	3.92	.663
Take into account that what you are doing influences what the bank is doing.	93	1	5	3.89	.840
Search for a goal that may enable each parties to succeed when two parties within your bank are competing.	93	1	5	3.75	.775
Take into account how one factor seems to lead to the next in a nonlinear way.	93	1	5	3.66	.744
Look for patterns when challenged with rich information.	93	2	5	3.71	.774
Focus on developing the capacities of the employees to solve the problem when they are faced with a problem needing resolution.	93	1	5	3.78	.931
Valid N (listwise)	93				
The overall mean				3.7146	

Source: Survey date 2021

As shown in the above table, all the mean scores of system thinking major constructs are on low scale of measurement according Zaidatol & Bagheri (2009) definition, except three constructs with high score; sense changes in the organization (M= 3.85), Create a policy or procedure by using resources effectively (M = 3.92) and Consider influences of action on the organization (M = 3.89). This overall implication of the mean score is that the bank has low mean score level regarding with system thinking dimension.

4.1.2. Descriptive Analysis of Reframing

Statistical analysis of Reframing has been made using ten constructs with the expectation of four main abilities as per the study of (Pisapia et al. (2005): ability to suspend judgment while appropriate information is gathered, ability to identify and understand mental models, paradigms and frameworks that are being used to frame a problem, situation or issue, ability to use different mental models, paradigms and frameworks to understand one situation and, ability to review and reform one's own and others' mental models. The detail descriptive statistic of reframing and constructs are depicted below:

Table 6: Descriptive Statistics of Reframing

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Notice that the more complex the problem the more you need to create and investigate totally different perceptions and the possible solutions that come from them.	93	1	5	3.65	.732
Track trends by asking everybody what's new or what's changing.	93	2	5	3.65	.761
Reframe the problem in the ways of solution-free terms.	93	1	5	3.58	.665
Stress in team meetings that all assumptions are to be held in suspension so that members can explore ideas together in an inquiring, generative mode.	93	1	5	3.58	.785
Involve in discussions with critics and challengers or just those that hold a totally different world view (perspective) and different beliefs or build different assumptions.	93	2	5	3.56	.758
Evaluate a scenario using many alternative viewpoints.	93	2	5	3.82	.765
Ask yourself and others to design different strategies required to design the resolution of a problem.	93	2	5	3.84	.664
Judge the problem at its face value and develop plans to solve it before looking at alternative viewpoints. (R)	93	1	5	3.32	1.002
Generate a pre-conceived resolution to a problem before it has been clearly outlined or understood. (R)	93	1	5	3.17	.928
Recognize when a problem is being presented with a predetermined resolution.	93	1	5	3.60	.768
Valid N (listwise)	93				
The Overall mean				3.5763	

As presented in the above table, the overall mean in the descriptive statistics of Reframing was 3.56, indicating that the bank has low mean score as per Zaidatol & Bagheri (2009). The statistics indicates that bank has used good reframing strategy to evaluate situations using many different viewpoints and to map different strategies for problem resolution (M = 3.82 and M= 3.84 respectively). However, the bank Create a pre-conceived solution to a problem (M = 3.17) and Judge the problem at its face value (M = 3.32). In addition,

the bank has scored low reframing strategies for the following constructions: create and examine a new and different perceptions and possible solutions and track trends (M = 3.65), problem reframing (M = 3.58), challenge and critic those who hold different view and make different assumptions (M = 3.56), and recognize predetermined solution for a problem (M = 3.6).

The lower mean score indicates that the bank has low performance in reframing strategy of thinking. This might adversely affects the profitability and market share growth of the bank. Therefore, the bank need to improve its reframing strategy to enhance the bank performance through developing reframing abilities such as suspend judgment while appropriate information is gathered, identify and understand and use different mental models, paradigms and frameworks and, review and reform one's own and others' mental models.

4.1.3. Descriptive Analysis of Reflection

Statistical analysis of Reflection has been made using fifteen constructs with the expectation of five main abilities as per the study of (Pisapia et al. (2005): ability to recognize why certain choices work and others do not, ability to use double loop learning governing principles, ability to use perceptions, experience and knowledge to understand situation and how to think about them, ability to blend perceptions, experiences, and knowledge and analysis while taking action and, ability to use your current perceptions, experience, and knowledge and that of others from past experience to create an understanding of the present and the future. The detail descriptive statistic of reframing and constructs are depicted below:

Table 7: Descriptive Statistics of Reflection

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Use samples of conditions that allow you to understand what you've done and decisions you've made	93	1	5	3.66	.787
Try to puzzle out why things worked properly and why they didn't when thinking about what you've done and decisions you've made	93	2	5	3.60	.782
Reconstruct an experience in your mind and check out to understand your feelings concerning it	93	1	5	3.77	.782
Try to take into account the real life effects of your thinking when thinking about what you've done and decisions you've made	93	1	5	3.77	.823
Look for a mentor or colleague to discuss what you're doing when in a position that needs your action	93	1	5	3.65	.789
Try to decide how you might have handled a situation well when thinking about what you've done and decisions you've made	93	2	5	3.81	.613
Search for a goal that may allow each parties to succeed when two parties within your bank are competing	93	1	5	3.75	.775
Try to accept the chance of error even within the beliefs that are beloved to you when thinking about what you've done and decisions you've Made	93	1	5	3.73	.768
Try to think about what you'll do next time in similar situations when thinking about what you've done and decisions you've made	93	2	5	3.88	.673
Try to find coaching by professionals or coworkers when thinking about what you've done and decisions you've made	93	1	5	3.73	.739
Acknowledge the constraints of your own perspective	93	1	5	3.67	.812
Investigate the beliefs, values, and feelings that you just appear to be most sensitive when thinking about what you've done and decisions you've made	93	2	5	3.75	.747
Request WHY questions to develop an understanding of the issue presented to you	93	2	5	3.95	.697
Put aside specific periods for analyzing and understanding the source of your own specific successes and failures	93	1	5	3.69	.794
Take into account your own experiences (practices) in applying your own understanding to any problem.	93	2	5	3.91	.789
Valid N (listwise)	93				
The Overall mean				3.7548	.47204

As shown in the above table, the overall mean scores of reflection strategic thinking is moderate level ($M=3.75$, $SD=.47$). This indicates that more than average staff of the bank who works in related with strategic issue agreed with ability reflection strategies and the low standard deviation implies that there were an agreement among respondents to the

respective observation. The mean score of all constructs under reflection strategy indicates that the bank moderately used reflection strategy. As shown in table above, the bank scored high mean score level of reflection strategy in four constructs: ability to ask ‘why’ questions to develop an understanding of the problems (M = 3.95), ability to consider own experiences in applying own knowledge to any problem (M = 3.91), ability to think about what will be done next time in similar circumstances when thinking about what have done and decisions have made (M = 3.88) and ability to decide how could have handled a situation better when thinking about what have done and decisions have made (M = 3.81). The lowest mean score among these constructs is ability to puzzle out why things worked and why they did not when thinking about what have done and decisions have made (M = 3.60), followed by ability to Use examples of situations that allow to understand what have done and decisions have made (M = 3.66).

4.1.4. Descriptive Statistics of Organizational Performance

Descriptive statistics of organizational performance measures the performance of the bank with two dimensions, namely financial performance and non-financial performance by using the mean score and standard deviation. The detail descriptive statistics of organizational performance and constructs are tabulated below:

Table 8: Descriptive Statistics of Organizational performance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Financial Performance					
Market share growth of the bank	93	1	5	2.88	.870
Return on investment (ROI) growth of the bank	93	1	5	3.09	.843
Growth in Return on Equity (ROE) of the bank	93	1	5	3.06	.857
Operating income growth of the bank	93	1	5	3.38	.833
Net income growth of the bank	93	1	5	3.24	.772
Non-Financial Performance					
Success in realizing bank's client satisfaction	93	1	5	3.52	.842
Success in retaining existing customer of the bank	93	2	5	3.44	.787
Success in attracting new client	93	1	5	3.45	.950
Success in overall performance of the Bank	93	1	5	3.45	.700
Valid N (listwise)	93				
The Overall mean				3.2784	

As shown in the above table, the overall performance of the bank was found to be low as perceived by directors, division managers, branch managers and senior officers of the bank (M = 3.28). This mean score indicated that the bank's performance in both financial and

non-financial performance measures was low. As shown in the table above market share growth of the bank was lower than other performance indicators (M = 2.88). Similarly, all financial indicators fall in the low scale as per the measurement scale defined earlier. While, the non- financial performance indicators fall in moderate scale. Generally, the mean score of organizational performance indicators showed that the overall performance of the bank were low and need improvement to achieve the goal of the organization.

3.5. Inferential Statistics

3.5.1. Correlation Analysis

The correlation analysis was performed to see the association between independent variable (strategic thinking dimensions) and dependent variable (organizational performance). Correlation analysis therefore helps to asses if there is a relationship between variables and how strong the relationship is. According to Cohen (1988), the value of Pearson’s correlation coefficient from 0.10 to 0.29 indicates a weak correlation, a correlation coefficient from 0.30 to 0.49 indicates a medium correlation, and a correlation coefficient between 0.50 and 1.0 indicates a strong correlation.

Table 9: Pearson Correlation Matrix

Correlations					
		SYSTEM THINKING	REFRAMING	REFLECTION	ORGANIZATIONAL PERFORMANCE
SYSTEM THINKING	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	93			
REFRAMING	Pearson Correlation	.479**	1		
	Sig. (2-tailed)	.000			
	N	93	93		
REFLECTION	Pearson Correlation	.626**	.608**	1	
	Sig. (2-tailed)	.000	.000		
	N	93	93	93	
ORGANIZATIONAL PERFORMANCE	Pearson Correlation	.554**	.568**	.581**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	93	93	93	93

** . Correlation is significant at the 0.01 level (2-tailed).

As shown in the above correlation analysis table result, there is significant positive relationship between organizational performance and the identified strategic thinking

dimensions (System thinking, Reframing and Reflection). As per the classification of Cohen (1988), all the coefficients had strong correlation since they were in the range of 0.5 to 1.0.

The reflection dimension is the dimension with strong relationships with performance indicated by $r=0.581$, followed by the reframing dimension with $r=0.568$. Similarly, system thinking dimension has a strong relationship with performance indicated by $r=0.554$. Hence, all the identified strategic thinking dimensions system thinking, reframing and reflection have strong positive relationship with performance. These strong positive relationships indicate that adequate level practice of strategic thinking has increased the performance of the bank. This implies when there is an increase on those strategic thinking dimensions the performance of the bank will increase significantly.

3.5.2. Regression Analysis

Regression analysis is a technique that can be used to investigate the effect of one or more independent variables on independent variable. Multiple linear regressions is a tool that can be used to identify the relationship and to determine the most dominant variables that influenced the outcome Mooi et al (2017). This regression analysis was conducted to know by how much each independent variable (Systemic thinking, reframing and reflection) explains the dependent variable (organizational performance). In order to show the impact that each dimension has on the dependent variable, the study checked the Standardized Coefficients, R- square and P-value for significance of the relationship. The regression analysis of this study was made between the predictor variables which are the three different dimensions of strategic thinking (Systemic thinking, reframing and reflection) with the dependent variable of organizational performance.

Before conducting regression analysis, the researcher tested the assumption of multiple regression such as linearity, reliability of measurement, homoscedasticity, and normality tests.

A. Normality Test

One of the assumption of regression is that the sample distribution should be normal irrespective of the population distribution. According to Kim, H.Y (2013) , normality test can be conducted based on the absolute value of skewness and Kurtosis, for a sample distribution to be normal its skewness has to be less than absolute value of two and

kurtosis less than absolute value of 7(seven). Thus, based on the normality test result showed in the table below, the absolute values of the skewness and kurtosis are below two and seven respectively; hence the distribution is normal.

Table 10: Normality Test

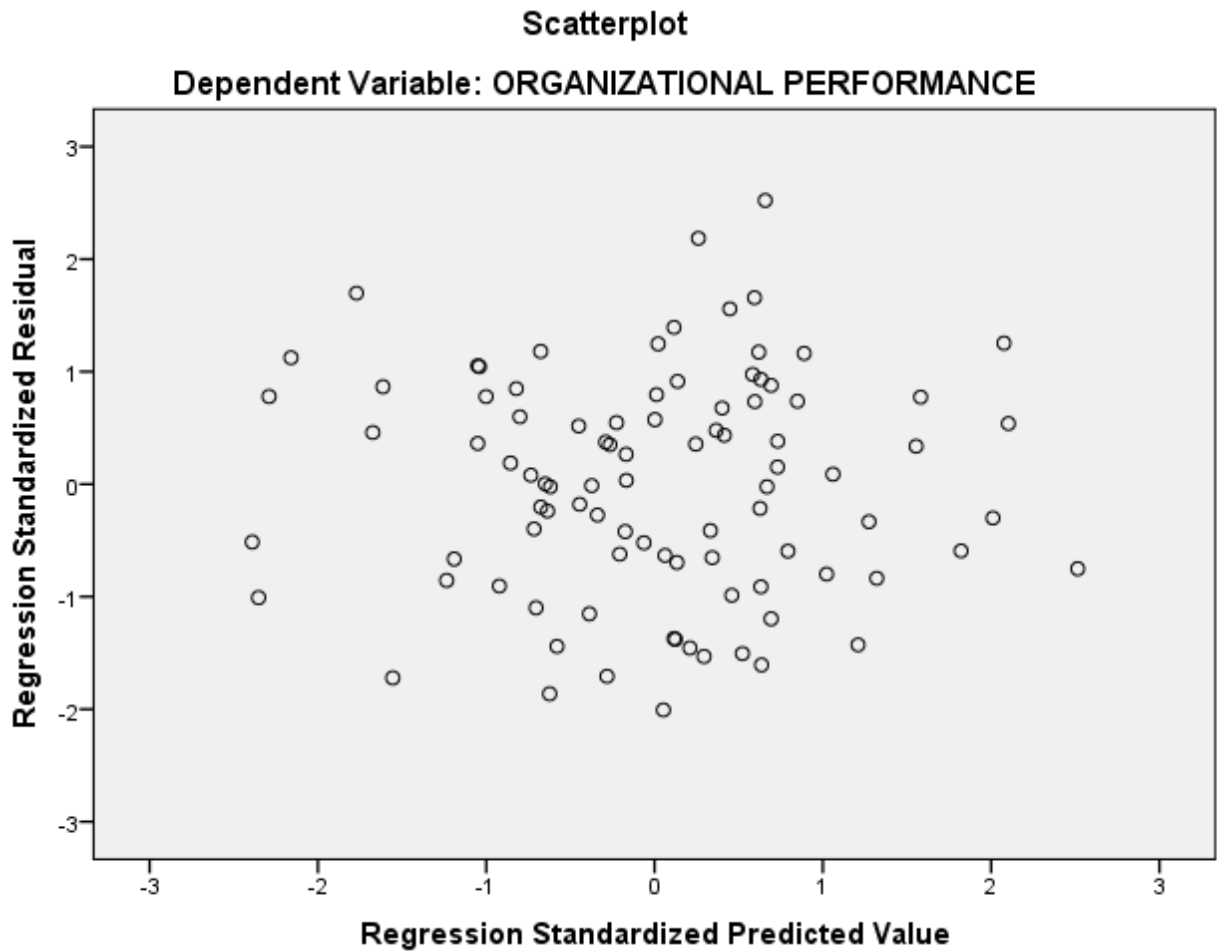
Descriptives			
		Statistic	Std. Error
SYSTEM THINKING	Skewness	-.003	.250
	Kurtosis	-.465	.495
REFRAMING	Skewness	.164	.250
	Kurtosis	.047	.495
REFLECTION	Skewness	-.102	.250
	Kurtosis	-.145	.495
ORGANIZATIONAL PERFORMANCE	Skewness	.045	.250
	Kurtosis	-.201	.495

B. Test of Homoscedasticity

The other assumption of linear regression is homoscedasticity also called assumption of equal variance. Homoscedasticity assumption is met when the variance of error terms is similar across the values of the independent variables. This assumption can be checked using scatterplot using standardized residuals and predicted values. To fulfill the assumption of homoscedasticity, the points should be about the same distance from the line and the data should not obvious pattern, the points should be equally distributed above and below zero on the X axis, and to the left and right of zero on the Y axis (Statistics solution, 2017).

Hence, as shown graph below, homoscedasticity is confirmed as there is no clear pattern shown on the scatter plot, the points almost equally distributed above and below zero on the X axis, and to the left and right of zero on the Y axis.

Figure 2: Test of Homoscedasticity



A. Autocorrelation test

Autocorrelation is one the assumption of regression analysis that should be tested for autocorrelation in a data set. The Durbin Watson statistic is one of test for autocorrelation and it is found to be always between 0 and 4 (Statistics solution, 2017). If the value is 2 there is no auto correlation in the sample of the study and values approaching 0 indicates positive auto correlation and if values towards 4 there is negative autocorrelation (Ibid).

Table 11: Durbin-Watson Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.673 ^a	.452	.434	.48218	1.465

a. Predictors: (Constant), REFLECTION, REFRAMING, SYSTEM THINKING

b. Dependent Variable: ORGANIZATIONAL PERFORMANCE

Therefore, the above table indicates that the value of Durbin Watson statistic result is 1.465. Thus, the Auto correlation assumption is fulfilled as there is positive auto correlation in the data set.

B. Multicollinairity test

Multicollinearity test is conducted to test the correlation of independent or predictor variables with each other. Absence of multicollinearity can be checked using variance inflation factor (VIF) values. As per statistical solutions (2017), all value of VIF should be less than 10 to acceptable for the requirements of no multi-collinearity. Therefore, as shown in the table below, all value of VIF results are below 10, indicating that the assumption is met to conduct regression analysis.

Table 12: VIF Multicolliniarity Test

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	SYSTEM THINKING	.592	1.689
	REFRAMING	.614	1.628
	REFLECTION	.484	2.064

a. Dependent Variable: ORGANIZATIONAL PERFORMANCE

3.5.3. Multiple Regression Analysis Result

As described above, multiple linear regressions has been conducted to identify the relationship and to determine the most dominant variables that influenced organizational performance.

The model summary table presents R, R², adjusted R², and the standard error of the estimate, helps the researcher to identify the fitness of a regression model to the data. The multiple correlation coefficients, R, yields the maximum degree of linear relationship that can be obtained between two or more independent variables and a single dependent

variable. The R2 value (coefficient of determination) show the explanatory power of the model.

Table 13: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.673 ^a	.452	.434	.48218

a. Predictors: (Constant), REFLECTION, REFRAMING, SYSTEM THINKING

As shown in the above model summary table, R square explains that 45.2 % change in organizational performance can be predicted by the three strategic thinking variables and the remaining 54.8% of organizational performance was predicted by other extraneous variables.

Table 14: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.101	3	5.700	24.518	.000 ^b
	Residual	20.692	89	.232		
	Total	37.793	92			

a. Dependent Variable: ORGANIZATIONAL PERFORMANCE

b. Predictors: (Constant), REFLECTION, REFRAMING, SYSTEM THINKING

The Analysis of Variance (ANOVA) test statistic is conducted to determine the influence that independent variables have on the dependent variable in a regression study. ANOVA test is applied to find out whether the differences between groups of data are statistically significant.

As shown in the ANOVA table above, F statistics is 24.518 with a p value of 0.000 implying that there is a significant influence of strategic thinking variables on organizational performance. From statistical point of view the table of analysis of variance indicates that the model is significant as the level of significance is less than 0.05 (p-value<0.05).

Table 15: Multiple Regression

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-.661	.462		-1.431	.156
	SYSTEM THINKING	.339	.131	.264	2.592	.011
	REFRAMING	.416	.139	.299	2.990	.004
	REFLECTION	.318	.153	.234	2.076	.041

a. Dependent Variable: ORGANIZATIONAL PERFORMANCE

The negative or positive sign of the regression coefficient result indicates whether each independent variables have positive or negative relationship with dependent variable. The p -values indicates whether these relationships are statistically significant or not. Therefore, the above coefficient table shows that the relationship of all independent variables that is system thinking, reframing and reflection with organizational performance is statistically significant and have positive effect on organizational performance as the coefficients are positive and significance level is less than 0.05 (p-value<0.05).

From the regression result shown on table above, it has been found that, holding all independent variables (system thinking, reframing and reflection) zero, will result in a decline of bank's performance by 66.1%. This indicates that the bank cannot be successful without applying strategic thinking variables that is system thinking, reframing and reflection.

The regression result regarding system thinking show that it has statistically significant at 5% significant level (95%confidence interval) and also positive effect on organizational performance since p-value<0.05 and the sign of the coefficient is positive. As shown in table of coefficients above, a unit increase in system thinking, Ceteris paribus, will lead to the increase in the bank's performance by 33.9%. Thus, from the results it can be concluded that system thinking has positive effect on organizational performance of the bank. This result agreed with the finding of Hasan A. and Mustafa S. (2017), Mahdi, Vahid and Farideh (2014) and Sibel K. and Rabia A. (2012).

And also the regression results indicate that the relationship between reframing strategic thinking and organizational performance is statistically significant at 1% significant level as $p\text{-value} < 0.05$. And reframing strategic thinking has a positive effect on organizational performance with beta coefficient of 0.416. The result implies that, holding other strategic thinking variables constant, one percent increase in reframing strategic thinking will increase the performance of the bank by 41.6%. This finding is supported by Nicholas Sun-Keung Pang and John Pisapia (2012).

Moreover, the regression result indicate that there is statistically significant and positive relationship between reflection strategic thinking and organizational performance at 5% significant level as $p\text{-value} < 0.05$ and beta coefficient is positive. This result indicates that, holding other strategic thing variables constant, one unit increase in reflection strategic thinking will increase the performance of the bank by 31.8%. The findings on the relationship between reflection strategic thinking and organizational performance was supported by the study made by Karğın & Aktas (2012) and Ahmed A. & Ayat M. (2018) who argues that reflection strategic skill of managers increase the business performance of the organization. Therefore, the bank should invest to enhance the refection skill of the employees who work in strategic issue of the bank to register remarkable performance and achieve the desired goal of the organization.

Generally, the findings from the study indicates the importance of strategic thinking skills for the performance of business organizations. Hence, the bank should deploy appropriate strategic thinking skills to enhance the bank's performance.

3.6. Hypothesis Testing

The study used multiple linear regression models to test the combined effect of strategic thinking dimensions (system thinking, reframing and reflection) on organizational performance. Accordingly, as indicated in regression table, the p-value of all independent variables are less than 0.05 ($p\text{-value} < 0.05$); p-value of system thinking is 0.01, p-value of reframing is 0.004 and p-value for reflection is 0.041. Therefore, the hypotheses that system thinking has positive relation with organizational performance, reframing has positive relationship with organizational performance and reflection has positive relation with organizational performance have been supported as level of significances are less than 0.05 ($p\text{-value} < 0.05$). The following table shows the summary hypothesis testing result.

Table 16: Hypothesis testing

	Hypothesis	Analysis used	Remark
H1	Strategic thinking has no significant effect on organizational performance	Multiple linear regression	Rejected
H2	Reframing has no significant effect on organizational performance	Multiple linear regression	Rejected
H3	Reflection has no significant effect on organizational performance	Multiple linear regression	Rejected

Source: Regression result, 2021

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1. Introduction

This chapter summarizes the major findings and result of the study and based on the key findings and results, conclusions are drawn and some recommendations are given accordingly for the concerned bodies and highlights future research.

5.2. Summary of Findings

The main objective of this study was to assess and identify the effect of strategic thinking on the organizational performance in the case of Enat bank, the major findings of the study are outlined as follows:

- From total of 115 questionnaires (population target), 93 questionnaires were returned representing a response rate of 80.9%, which is acceptable level of response rate.
- The study reveals that from the total respondents, 52.7% were male and 47.3% were female in the gender distribution and the age distribution of the study showed that 58.1% fall between the age of 25 to 35 years and 36.6% were in the range of 36 and 45 years and the remaining 5.4% were above 45 years. This age and gender distribution indicates that both male and female, almost in equal proportion, involved in the strategic area of the bank and most of the workers found in the age range of 26-35 years.
- The frequency of academic qualification indicates that, 69.9% of the respondents hold Master's degree and 30.1% hold Bachelor's degree. This reveals that the strategic issues of the bank were mainly handled by highly academic professionals.
- The descriptive analysis of the study show that all the mean scores of the strategic thinking dimensions were in the range of moderate scale; the mean scores of system thinking, reframing and reflection were 3.71, 3.58 and 3.75. This indicate that the bank has moderately practiced these three strategic thinking dimensions to deal with the strategic issue of the bank.
- The organizational performance of the bank was assessed with nine performance indicator statements with two dimensions, namely financial performance and non-financial performance. The average agreement to these statements ranges from the

smallest 2.88 to the largest 3.45. For all these statements, the total average performance level of Enat bank is computed to the level $M=3.29$, which is a low level of performance. Hence, this reveals that the bank should aggressively work to enhance the performance of the bank through effectively apply strategic thinking skills to achieve the desired goal of the organization.

- From the Correlation Analysis Matrix , it was found that all the three strategic thinking dimensions, system thinking, reframing and reflection were found to have positive and strong correlation with the organizational performance at 0.05 level of significance (as defined by Pearson's correlation). The reflection dimension is the most related to performance with $r=0.581$, followed by the reframing dimension with $r=0.568$ and the system thinking dimension was also strongly related to performance with $r=0.554$ and $r=0.407$.
- To further assess the effect of strategic thinking on organizational performance, Multiple Regression Analysis was conducted. The multiple linear regression result showed that all the three strategic thinking variables had a positive relationship with organizational performance and statistically significant as the p-value of all variables were less than 0.00s ($p\text{-value}<0.05$) and has positive beta coefficient. From the three strategic thinking variable, reframing had high effect on organizational performance with beta coefficient of 0.416 (41.6%), followed by system thinking with beta coefficient of 0.339 (33.9%), and reflection had positive effect on organizational performance with beta coefficient of 0.318 (31.8%).

5.3. Conclusion

Based on the above findings, conclusion was made based on the results of descriptive statistics for demographic characteristics, level of agreement on Likehert scale measurement of constructs on system thinking, reframing and reflection strategic thinking skills. Descriptive statistic show that the mean scores of all three independent variables namely system thinking, reframing and reflection were in moderate level. This result indicates that the three strategic thinking dimensions were moderately practiced by Enat bank employees who handles strategic issue of the bank. However, the mean score level of organizational performance was low. This low mean scores for organizational performance indicates that Enat bank respondents perceive the performance of the bank needs improvement to be competitive in the industry and attract potential customers and

then to increase the required profit and market share of the bank.

The inferential statistics result of the study shows effect of strategic thinking dimensions on organizational performance. The regression result of the model summary indicates that the coefficient of determination, R square, .452 indicates that 45.2% change in the bank's performance can be predicted by strategic thinking and also indicates that strategic thinking skills positively affects organizational performance. The ANOVA table result, shows that the combined effect of the bank's strategic thinking was statistically significant in explaining changes in the level of business performance in the bank. This indicates that the strategic thinking practices undertaken by the bank had positively related to the organizational performance of the bank. Hypothesis testing from results of multiple regressions can be concluded that:

- The hypothesis that system thinking has no positive effect on organizational performance has been rejected,
- The hypothesis that reframing has no positive effect on business performance of the bank has been rejected,
- The hypothesis that reflection has no positive effect on performance of the bank has been rejected,

Accordingly the result of the study confirms that there is a positive relationship between the three strategic thinking dimensions (system thinking, reframing and reflection) and organizational performance. The positive relation of system thinking with organizational performance has been supported by the study of Hasan A. and Mustafa S. (2017) who found that there was significant relationship between system thinking and organizational performance.

Related to the reframing strategic thinking, the study of Nicholas Sun-Keung Pang and John Pisapia (2012) support the result as their study found out that there was statistically significant between reframing strategic thinking skill and leader effectiveness. Therefore, reframing skill can help the bank to employ effective leaders to enhance the overall performance of bank in terms of financial and non-financial performance dimensions.

Regarding reflection strategic thinking, prior studies suggested that reflection strategic skill was an important factor for the performance of organization. The study of Karğın & Aktas (2012) and Ahmed A. & Ayat M. (2018) also support the result as their study argue

that reflection strategic skill of managers increase the business performance of the organization.

In general, this research work justified that strategic thinking has positive relationship and effect on organizational performance. This means the bank can enhance its business performance and achieve better performance through the employment of appropriate strategic thinking skills.

5.4. Recommendations

Based on the findings of the study and conclusion, the researcher suggests the following recommendations:

- The findings of the study indicates that the three strategic thinking skills namely system thinking, reframing and reflection have significant effect on Enat bank performance. Hence, Enat Bank should focus on developing these competencies of strategic thinking of the bank and formulate and implement an appropriate strategic thinking skills that ensures organizational sustainability and growth.
- The result of the study show that the employees perception on the practice of strategic thinking skills namely system thinking, reframing and reflection skill (competencies) in the bank was moderate but their perception on organizational performance on both financial and non-financial dimension were low. This indicates that the bank's strategic alignment on strategic thinking with business performance was not established in the bank. Therefore, the bank has to work to establish strategic alignment to reinforce the combined effect of strategic thinking on business performance.
- To enhance the performance of the bank, the managers of the organization should be committed to institutionalizing the practice of strategic thinking in the bank's corporate culture.
- Another factor that improves the strategic thinking within the organization is award scheme. This scheme is an appropriate method to improve the strategic skill of managers and employees which influence the managers and employees leading to important results in managerial decisions and strategies.
- The bank also facilitate a forum or training for employees who handle strategic issues of the bank for discussion and debate in the area of strategy in order to

exchange their ideas in line with strategic thinking to enhance the banks performance.

5.5. Suggestion for Future Research

The following are some of the suggestions to be addressed in future studies:

- The study was conducted on the case of a single bank. It can further be made on industry level and the result will be more specific and clearer for the user of the research result.
- The study has examined only three strategic thinking variables, but there are many variables which affect organizational performance. Hence, the study recommends that other studies should be conducted to deal with another variables with organizational performance such as innovative thinking and vision-oriented thinking.
- The study was made in banking sector. It can future extend the research topic to include other sectors of the economy such as industrial sector so that a better understanding of the relationships embedded in this study results can be realized.

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Annex



Addis Ababa University
College of Business and Economics
School of commerce (MA program)

Dear respondents,

I am conducting a research which shall be submitted in partial fulfillment of the requirements for Master's Degree in Business Leadership. The purpose of this study is to examine the effect of strategic thinking on organizational performance in the case of Enat Bank. Therefore, this is to kindly request you to take some of your precious time to fill the questionnaire at your convenience. Your honest and accurate response will make this study more valuable. Your responses are only meant for academic purpose and will be kept confidential. So, please read it carefully and give your opinion. No need of writing your name.

Thank you in advance for your time!
Muluken Kebede
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Part I: General Information of the Respondents

This part of the questionnaire is about your general information

1. Work unit _____

2. Position _____

For the following questions, please put „tick mark (✓)“ in the boxes

3. No. of years of service in your current position

Less than 5 5 - 15 16 - 25 more than 25

4. Gender : Male Female

5. Age

Less than 25 25-35 36-45 more than 45

6. Academic qualifications:

Diploma Bachelor's Degree Master's PhD

Part II: strategic thinking Measures

The second part of the questionnaire is meant to measure the strategic thinking of the bank. Please put tick mark (✓) on the number that best represents your opinion.

1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree

	<i>Construct</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	<i>Systems Thinking</i>					
	Abilities to see patterns in ambiguous information					
	Take into account how change happens through the influence of environmental factors.					
	Pinpoint a problem within the structure of things—comprising hierarchies, goals, specialized roles, and formal relationships—that influence the specific problem.					
	Increase capability once you see a possible for growth in an area of your bank before the actual demand hits.					
	Search for the overarching, common goal when two parties are competing.					
	Take into account how different parts of the bank influence the way things are done.					
	Try to sense changes in your bank’s atmosphere which will need changes internally.					
	Develop a policy or procedure of the bank that is designed by those concerned in the use of a resource because depleting that resource will be detrimental to the bank.					
	Take into account that what you are doing influences what the bank is doing.					
	Search for a goal that may enable each parties to succeed when two parties within your bank are competing.					
	Take into account how one factor seems to lead to the next in a nonlinear way.					
	Look for patterns when challenged with rich information.					
	Focus on developing the capacities of the employees to solve the problem when they are faced with a problem needing resolution.					
2	<i>Reframing</i>					
	Notice that the more complex the problem the more you need to create and investigate totally different perceptions and the possible solutions that come from them.					
	Track trends by asking everybody what’s new or what’s changing.					
	Reframe the problem in the ways of solution-free terms.					

	Stress in team meetings that all assumptions are to be held in suspension so that members can explore ideas together in an inquiring, generative mode.					
	Involve in discussions with critics and challengers or just those that hold a totally different world view (perspective) and different beliefs or build different assumptions.					
	Evaluate a scenario using many alternative viewpoints.					
	Ask yourself and others to design different strategies required to design the resolution of a problem.					
	Judge the problem at its face value and develop plans to solve it before looking at alternative viewpoints. (R)					
	Generate a pre-conceived resolution to a problem before it has been clearly outlined or understood. (R)					
	Recognize when a problem is being presented with a predetermined resolution.					
3	<i>Reflecting</i>					
	Use samples of conditions that allow you to understand what you've done and decisions you've made					
	Try to puzzle out why things worked properly and why they didn't when thinking about what you've done and decisions you've made					
	Reconstruct an experience in your mind and check out to understand your feelings concerning it					
	Try to take into account the real life effects of your thinking when thinking about what you've done and decisions you've made					
	Look for a mentor or colleague to discuss what you're doing when in a position that needs your action					
	Try to decide how you might have handled a situation well when thinking about what you've done and decisions you've made					
	Search for a goal that may allow each parties to succeed when two parties within your bank are competing					
	Try to accept the chance of error even within the beliefs that are beloved to you when thinking about what you've done and decisions you've Made					
	Try to think about what you'll do next time in similar situations when thinking about what you've done and decisions you've made					
	Try to find coaching by professionals or coworkers when thinking about what you've done and decisions you've made					
	Acknowledge the constraints of your own perspective					
	Investigate the beliefs, values, and feelings that you just appear to be most sensitive when thinking about what you've done and decisions you've made					
	Request WHY questions to develop an understanding of the issue presented to you					
	Put aside specific periods for analyzing and understanding the source of your own specific successes and failures					
	Take into account your own experiences (practices) in applying your own understanding to any problem.					

Part- III. Organizational performance

The third part of the questionnaire covers items related to the dimensions of organizational performance. Please put tick mark (\surd) on the number that best represents your opinion related to bank's business performance:

1 = very low, 2 = Low, 3 = Average, 4 = high, 5 = Very high

	<i>Construct</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>1</i>	<i>Financial Performance</i>					
	Market share growth of the bank					
	Return on investment (ROI) growth of the bank					
	Growth in Return on Equity (ROE) of the bank					
	Operating income growth of the bank					
	Net income growth of the bank					
<i>2</i>	<i>Non-Financial Performance</i>					
	Success in realizing bank's client satisfaction					
	Success in retaining existing customer of the bank					
	Success in attracting new client					
	Success in overall performance of the Bank					