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INFLUENCE OF STRATEGIC DECISION MAKING ON STRATEGY IMPLEMENTATION IN KENYA AGRICULTURAL AND LIVESTOCK RESEARCH ORGANIZATION

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Abstract: **The study sought to examine the influence of strategic decision making on strategy implementation in Kenya Agricultural and Livestock Research Organization (KALRO). Theory used in the study was Stewardship Theory. The study adopted a descriptive research design. The target population of the study was 64 senior managers in KALRO, Nairobi region. Questionnaires were used for data correction. Questionnaires were tested for validity and reliability. Statistical package for social sciences was used for analyzing data. Data was analyzed using descriptive statistics which included frequency, percentages, mean and standard deviation and inferential statistics which included regression and correlation analysis and data was presented in tables. The study established that strategic decision making had a significant influence on strategy implementation. Therefore the study concluded that strategic decision making has a significant influence on strategy implementation in KALRO. The study recommended that the firm should make informed decisions that enable it to implement its strategies. These strategic decisions will enable the firm to come up with decisions that are consistent with its long term goals and objectives used in the long run of the business.**

Keywords: **Strategy, KALRO, Leadership, Decision Making, Strategy Implementation, Transparency.**

I. INTRODUCTION

Corporate governance has come under the sport light in recent times due to the demand by stakeholders for accountability, transparency and true value in their investments in light of the global financial crisis, the corporate scandals, and collapses, and public concerns over the lack of effective boards and perceived excessive executive remuneration packages (Mallin, 2010). Further increased global customers' demands and competition, cross border trading, new economic coalitions, political integration and integration of world financial system has resulted in demands for new dimensions of standards, regulations and practices of corporate governance (Claessens, 2003).

Business corporations have been created to address objectives which are much more than creating products and services, it has to serve the larger purpose of satisfying multilevel needs of the society. These corporations have always faced the tug of war of protecting the interests of the shareholders, the legal owners or the stakeholders which includes suppliers, customers, creditors, government and communities. Therefore, corporations work on corporate governance (CG) which has been gaining importance ever since the economic turmoil caused by collapsed of many business corporations in last two decades such as WorldCom, Enron, and Tyco International (MobeenUr, Rehman & Hussain, 2013). Corporate Governance is basically a detailed disclosure of information and an account of an organization‘s financial situation,

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performance, ownership and governance, relationship with shareholders and commitment to business ethics and values. The relevance of corporate governance has increased several times since the concept was introduced. With the introduction of globalization and competition, managing shareholder expectations is no longer amulet for success. The current economic crisis is often blamed at poor regulatory and check mechanisms for the business, which has led to ramifications which are far reaching both geographically and socially (MobeenUr Rehman and Hussain, 2013).

Corporate governance aims at promoting firms competition, while allowing customers the option of making choice. This concerns deregulation as reform measures that guarantees lower rates, provide customer choice and offer reliable services so that no one is literally left in the dark (Ogbechie, 2011). Corporate governance arrangement and institutions however, vary from place to place, with the promotion of corporate fairness, transparency and accountability the focus.

Strategy research increasingly recognizes corporate governance as an important organizational factor affecting the firm's performance and long-term survival. Some recent papers have begun to combine the resource-based and agency perspectives to explain entrepreneurial behavior, strategic choice and organizational structure, and network dynamics (Toms, 2006; Toms & Filatochev, 2004). One of most preferred topics of researchers in corporate governance and strategic management remains the process of board involvement into corporate strategy. So far there is a lack of clear consensus about the nature of boards' involvement in strategy.

The presence of strong governance standards provides better access to capital and aids economic growth. Corporate governance also has broader social and institutional dimensions. Properly designed rules of governance should focus on implementing the values of fairness, transparency, accountability, and responsibility to both shareholders and stakeholders. In order to be effectively and ethically governed, businesses need not only good internal governance that includes important internal factors to corporation such as the board of directors, capital providers, stakeholders, and management, but likewise must operate in a sound institutional environment that includes important factors external to the corporation, such as laws and regulations, competitive markets, the media, and transparent external auditing measures. Governance failures or weaknesses can reflect aspects of both (Tura, 2012).

Good corporate governance ensures that the business environment is fair and transparent and that companies can be held accountable for their actions. Conversely, weak corporate governance leads to waste, mismanagement, and corruption. It is also important to remember that although corporate governance has emerged as a way to manage modern joint stock corporations it is equally significant in state-owned enterprises, cooperatives, and family businesses. Regardless of the type of venture, only good governance can deliver sustainable good business performance (Chen and Lee, 2012).

Barr (2004) postulates that, corporate governance can generate investor confidence and promote organizational profitability. In addition, lack of proper management policies among firms can lead to reduced productivity among competitive firms. Corporate governance frameworks adopted by competitive firms can promote a several benefits ranging from; accessibility to financing reduced cost of capital and enhanced stakeholder relationships. Therefore, good corporate governance has been associated with improvement of liquidity, customer satisfaction, employee motivation and adaptability to changes (Becks et al., 2010).

Corporate governance should take into account the need to implement effective business policies and long-term objectives that represent the scope of good governance and that should provide the structure through which the company sets objectives, the strategy for attaining those objectives, and the guidelines for monitoring performance. Similarly, boards of directors should be more involved in strategy formulation rather than limiting their role to strategy ratification and monitoring management behavior. In light of this, this study will seek to establish the role of corporate governance on strategy formulation in Kenya Agricultural and Livestock Research Organization.

II. STATEMENT OF THE PROBLEM

Enormous time, energy, and resources go to strategy development, but many organizations have little to show for the effort, largely due to poor implementation. Wheelen and Hunger (2008), argue that poor implementation of strategy has been blamed for a number of strategic failures with lack of top management commitment being one of the most mentioned problems. Cases of organizations collapsing as a result of poor governance issues are not new in Kenya. In CMA (2015) bulleting, they indicated the preeminent collapse of uchumi supermarkets, which actually collapsed a year later. Kenya airways have also been in a corporate leadership crisis which almost rendered it to its knees (Kenya airways annual report, 2014). Various scholars have carried out research on different aspects of strategy implementation, with many in the recent past focusing on the challenges of strategy implementation in state owned corporations. The scholars

include; Ayabei (2010), Atandi (2010), Acholla (2010), and Kapto (2009), among others. However, no known recent study exists on the role of corporate governance on strategy implementation in KALRO (Kenya Agricultural and Livestock Research Organization). Given its vital role in the agricultural sector, there is need for an in-depth study on the influence of corporate governance in strategy implementation in Kenya Agricultural and Livestock Research Organization.

III. OBJECTIVE OF THE STUDY

The study sought to assess the influence of strategic decision making on strategy implementation in Kenya Agricultural and Livestock Research Organization.

IV. RESEARCH HYPOTHESIS

Strategic decision making has no statistically significant influence on strategy implementation in Kenya agricultural and livestock research organization.

V. CONCEPTUAL FRAMEWORK

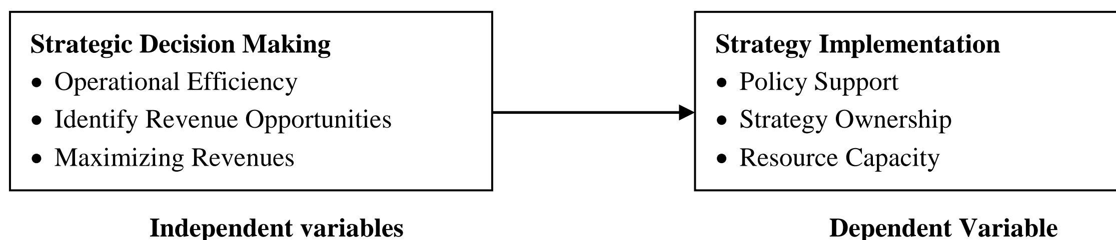

Figure 1: Conceptual Framework

VI. THEORETICAL REVIEW

Stewardship Theory Strategy Formulation:

The theory was established by Davis in (1997). The theory argues that representatives of the organization or stewards should always protect and maximize shareholders wealth through firm performance. The ability of managers to have multiple skills like entrepreneurship, innovative and risk management will help firms to maximize profits for the benefit of shareholders. Shareholders always expect employees to acquire relevant skills and knowledge to utilize scarce resources of the firm to achieve long term goals more efficiently and effectively (Davis et al., 1997). Organizational managers or stewards are likely to be motivated if there is good corporate governance and vice versa. Donaldson and Davis (1991) argue that competitive firms should have governance structures that promote organizational development and appreciate diversity of workers in terms of skills and culture. To minimize the costs of operation and maximize profits, managers should create an environment that promotes creativity and innovation, change management and technological integration in the system (Davis et al., 1997). Daily et al. (2003) assert that in order to protect corporate image, managers should develop policies that promote the welfare of workers without discrimination.

This theory is applicable to this study based on the notion that it is the responsibility of managers and directors of KALRO to develop strategies that will enhance shareholder value. Policies of diversification, new product development and operational efficiency are internal initiatives implemented by shareholder representatives to maximize shareholder value through dividends. Therefore, policies formulated by KALRO will enhance shareholder value based on profits and dividends. Flexibility of the policies will enable the firms to align their practices to the changing business environment for the benefit of the shareholder.

VII. EMPIRICAL REVIEW

Strategic Decision Making and Strategy Implementation:

Strategic decision making is a rational, deliberate, purposeful action which begins with the development of a decision strategy and moves through to implementation and appraisal of results (Wang et al, 2007). It is one of the basic cognitive processes of human behaviors by which a preferred option or a course of action is chosen from among a set of alternatives based on certain criteria (Wang et al, 2007).

Strategic decisions are long-term in their impact. They affect and shape the direction of the whole business and are generally made by senior managers (Business Case Studies, 2016). However, strategic business decisions are often made with incomplete information about the true picture of risk and opportunity across the whole organization (Sword Active Risk Manager [SARM], 2016). Traditional approaches to decision-making focus on ad hoc reporting and financial statement line items. These approaches typically exclude key external and operational drivers, limiting a company's ability to make fully informed decisions (Ernst and Young, 2016).

Since strategic decisions affect the way organizations react to their environment, it is vital for a firm to make strategic decisions and define strategy with regard to its function to the environment. The aim of strategy is to offer directional signals to the organization that permit it to realize its goals while, at the same time, responding to the opportunities and threats in the environment (Pearce and Robinson, 2007).

Companies use business intelligence to extract crucial facts from a vast amount of unstructured data and transform them into actionable information that enables companies to make informed strategic decisions, improving operational efficiency and business productivity (Lyoob, 2012). Companies need to take a more incorporating approach that implements driver analytics and uses the analytics to mathematically link business strategies with the market, competitor, operational and financial forces driving value and, by extension, good decision-making. This leads to the improvement of performance management capabilities driving profitable growth within a company (Ernst & Young, 2016).One term that stresses the need to make more informed decisions using all these sources is "evidence-based decision-making." Evidence-based decision-making is a term that is being used across many professions which are trying to apply research and evaluation to the decision-making of clients (Serve Centre, 2016).

Informed decision making assists the organization develop a clear map to address overlaps and gaps in the mandates and scope of the existing risk functions and systems. For example, the development of a responsibilities and reporting matrix can also show how each existing risk function supports the organization's strategic objectives. From this overlaps, duplications and redundancies become clearly visible. (Business Case Studies, 2016). This leads to proper diagnosis and prognosis of events within the organization therefore good morale among employees. A strategic leader realizes this and positively exploits it for mutual benefit of employees and employer (Lyoob, 2012).

The effect of informed decision making in an organization is by being able to exploit revenue opportunities, stop revenue leakage and boost its top line results (Michael, 2015). Executives can identify revenue opportunities, marketing teams can precisely target customers with the right products, and sales teams can confidently decide the right price to offer for maximizing revenue (Pure Systems, 2016). Businesses can easily leverage their revenue opportunities with informed strategic decision-making support and actionable marketing and sales optimization. Businesses can move from the experience-based marketing and sales to a more sophisticated level of science-based decision making. They can gain additional revenue by using a variety of strategies, from scientifically targeting customers, through to price fine-tuning during sales (Lyoob, 2012).

An organization's strategic decision is considered rational if it is consistent with its long term goals, objectives and information. Strategic decision making is regarded as a fundamental part of the strategic management process (Wang et al, 2007). It is concerned with whole environment in which a firm operates, the entire resources, the people who form the company and the interface between the subsystems. Decisions are the realm in business and every success, mishap, opportunity seized or missed is the result of a decision someone made or failed to make. No matter how clever the company's strategy can be, if the right decisions are not made effectively, executed quickly and consistently, the business loses ground (Hammer, 2006).

VIII. STRATEGY IMPLEMENTATION

According to Pearce and Robinson (2005), Strategy implementation is part of strategic management which also includes strategy formulation and control of plans. Strategic management is viewed as a set of decisions and actions designed to achieve an organization's mission, vision, strategy and strategic objectives within the business environment they operate. Thompson and Strickland (2003) adds that strategy implementation is seen as a key part of the strategy management as it is viewed as the process that turns a formulated strategy into actions ensuring the vision and mission of the organization is achieved as planned. This is also backed up by Yang, Sun , Martin and Eppler (2008) who indicate that strategy implementation as the most significant management challenge that most corporations.

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According to Meier, O'Toole, Boyne and Walker, (2010) strategy formulation is a guide to executives in defining the business their firm is in, the ends it seeks and the means it will use to accomplish those ends. Therefore, organizations formulate strategy by firstly defining the mission of their organization. A company's mission is the unique purpose that set the company apart from others of its type and identifies the scope of operations. Organizations are consciously created at one point in time to accomplish certain objectives (Pearce & Robinson, 2009). In order to accomplish the objectives which they have set organizations formulate appropriate strategies which give rise to development of organization structure through which the set objectives will be achieved, hence in strategic management; organizations choose appropriate organizational structure that matches the environment in which the organization operates as well as the productive activities of the organization. At the implementation level of formulated strategies there could be further environmental changes which indicates that there could also be further strategic planning analysis of the new changes. This is done by the organization such that the organization is not taken by surprise, which could lead to some losses in investment caused by the new changes. The new analysis to the changes is called real time response issue or surprise issue (Onwuchekwa 2000).

Kruger and Mama (2012) directed that strategy formulation comprises developing a business system, recognizing an organization's external prospects and threats, defining internal weaknesses and strengths, establishing long term goals, alongside generating alternative strategies and choosing specific strategies for pursuance. Strategic formulation includes decision making on new business to venture into, new businesses to abandon, resource allocation within a business, growth and diversification, diversification to enter regional or international markets mergers or joint ventures and avoiding hostile takeovers. To this end, Ahuja (2003) insisted that due to constraints of resources organizations must decide which alternative strategies will benefit them the most. Strategy formulation decisions commit an organization to specific products, markets, resources and technologies over an extended period of time. Strategies determine long term competitive advantage. They have major multifunctional results and lasting effects on an organization. Mostly, top managers have the best viewpoint on understanding fully the consequences of decision formulation and have the unenviable authority to commit the resources necessary for implementation (Pearce and Robinson, 2005).

Once the course of strategy has been charted, the manager's priorities swing to converting the chosen strategic plan into actions and good results (Thompson et al., 2008). Putting the strategy into effect and getting the organization moving in the direction of strategy accomplishment is a critical phase of strategic management process. This is the strategy implementation stage. Thompson et al. (2008) concur with this view that strategy implementation is an operations-oriented; make-things happen activity aimed at performing core business activities in a strategy supportive manner. Daft (2009), states that strategy gives a company a competitive edge only if it is skillfully executed through the decisions and actions of front line managers and employees.

Good strategy execution requires a team effort (Wheelen & Hunger, 2008). Successful strategy implementation thus depends upon the leadership skills of working through others, organizing, motivating, culture building, and creating strong fits between strategy and how the organization does things (Thompson et al., 2008, Chapman, 2004) observes that many corporations struggle to translate the theory into action plans that will enable the strategy to be successfully implemented and sustained. He says that most organizations know their businesses, and the strategies required for success but many repeatedly fail to truly motivate their people to work with enthusiasm, all together, towards the corporate aims.

Ahuja (2003) indicated that executing strategy implies marshaling employees alongside managers in order to put formulated strategies into action. Successful strategy implementation requires discipline, commitment, sacrifice and tests manager's ability to motivate employees. Interpersonal skills are critical for a successful strategy implementation. Implementation affects all employees and employers in an organization. Every segment of an organization must position itself to answer questions such as actions to be taken to implement their part of the organization's strategy.

Strategy formulation and implementation involves both tangible and intangible variables such as cultures, values, motivation, commitment, power relationships, and attitudes, perceptions, managing human and physical resources .Organizations that want to be successful must develop strategies and implement them successfully. If the strategies are developed without taking into consideration the organizational objectives, its implementation will lead to problems arising hence failing (Abuya, 2011).

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IX. RESEARCH METHODOLOGY

Descriptive survey research design was adopted as it enabled the researcher generalize the findings to a large population. This is because the design is well structured with clearly stated research questions. The target populations for this study were the senior managers in KALRO. There are 64 senior managers spread across the KALRO institutes in Nairobi. The 64 formed the target population for the study. In consideration of the size of the target population, the study employed census approach where all the 64 senior managers formed the study respondents. Population Census is unique in that it provides the possibility of examining small and special population groups, and acquiring information on small geographic units. The study employed the use of questionnaires as the main tools for collecting data. Questionnaires enabled the researcher to reach a large sample within a short time. The questionnaires were composed of short structured closed ended statement constructed on a 5 point Likert scale. The questionnaire was pilot tested for reliability and validity. The Cronbach's alpha coefficient was used to to indicate the reliability of the questionnaire. Data collected from the questionnaires was analyzed, summarized, and interpreted accordingly with the aid of descriptive (Frequencies, percentages, means and standard deviations) as well as inferential (Pearson product moment correlation coefficient) statistics. Statistical Package for Social Sciences (SPSS) was used to analyse the collected data. The findings were presented in the form of tables and discussions thereof.

X. FINDINGS AND DISCUSSIONS

The study intended to collect data from 64 respondents. 64 questionnaires were issued to the respondents. 49 questionnaires were completely filled up and returned and checked for data completeness and consistency. This represented a response rate of 76.6% which was characterized as very good.

10.1 Descriptive Statistics:

10.1.1Strategic Decision Making Descriptive Statistic Results:

The researcher established the views of the respondents in regard to strategic decision making in KALRO. The percentages, means and standard deviations of the responses were established to aid in making inferences. The findings from the analysis were as presented in Table 1.

Table 1: Descriptive Statistics on Strategic Decision Making

	SA (%)	A (%)	N (%)	D (%)	SD (%)	Mean	Std. Dev
The company makes strategic decisions that improves operational efficiency	14.3	67.3	14.3	2.0	2.0	3.90	.743
Decisions made by the firm improves the management capabilities resulting to profit growth	20.4	46.9	20.4	8.2	4.1	3.71	1.021
Strategic decisions made by the company motivates the employees morale	18.4	44.9	24.5	6.1	6.1	3.63	1.055
Decisions made in the company are able to identify revenue opportunities in the firm	18.4	55.1	20.4	4.1	2.0	3.84	.850
KALRO has made informed decisions that help to maximize revenue	18.4	46.9	20.4	10.2	4.1	3.65	1.032
The company makes strategic decisions that are consistent with its long term goals and objectives	16.3	63.3	8.2	10.2	2.0	3.82	.905
KALRO makes informed decisions that enables the company to improve productivity	20.4	57.1	10.2	8.2	4.1	3.82	.993
Valid N (listwise)	49						

From the table, findings indicated that majority of the respondents agreed that the company makes strategic decisions that improve operational efficiency. 67.3 % of the respondents agreed while 14.3% of them strongly agreed hence registering a mean of 3.90 and a standard deviation of .743. A mean of 3.71 and a standard deviation of 1.021 were recorded where 67.3% of the respondents agreed that decisions made by the firm improves the management capabilities resulting to profit growth. On the other hand, respondents agreed (M=3.63, SD=1.055) that strategic decisions made by the company motivate the employees' morale. 44.9 % of the respondents agreed while 18.4% strongly agreed. 55.1% of the

respondents agreed while 18.4% of them strongly agreed that decisions made in the company are able to identify revenue opportunities in the firm thus registering a mean of 3.84 and a standard deviation of .850. Respondents were also in agreement that KALRO has made informed decisions that help to maximize revenue. 46.9% and 18.4% of the respondents agreed and strongly agreed respectively recording a mean of 3.65 and a standard deviation of 1.032. Further, 63.3% of the respondents and 16.3% of them agreed and strongly agreed respectively that the company makes strategic decisions that are consistent with its long term goals and objectives. This assertion had a mean of 3.82 and a standard deviation of .905. Additionally, the researcher observed that majority of the respondents comprising of 77.5% of the respondents agreed that KALRO makes informed decisions that enables the company to improve productivity. This had a mean of 3.82 and a standard deviation of .993. Findings were in agreement with findings of Pearce and Robinson (2007) who argued that it is vital for a firm to make strategic decisions and define strategy with regard to its function to the environment. The aim of strategy is to offer directional signals to the organization that permit it to realize its goals while, at the same time, responding to the opportunities and threats in the environment

10.1.2 Strategy Implementation Statistical Descriptive Results:

The study further sought to establish the responses of the respondents regarding strategy implementation. The percentages, means and standard deviations were computed. The findings from the analysis were as presented as shown below.

Table 2: Statistical Descriptive on Strategy Implementation

	SA (%)	A (%)	N (%)	D (%)	SD (%)	Mean	Std. Dev
KALRO maintains a policy manual for strategy implementation	24.5	59.2	14.3	2.0	0	4.06	.689
KALRO's policies are relevant to strategy implementation activities	20.4	69.4	6.1	4.1	0	4.06	.659
The institutions allocates sufficient financial resources to support strategy implementation	6.1	26.5	44.9	18.4	4.1	3.12	.927
The board of directors in KALRO is committed to allocate sufficient resources to enhance strategy implementation	8.2	30.6	44.9	6.1	10.2	3.20	1.040
The staff in the institutions express great enthusiasm in implementing institutional strategies	12.2	53.1	18.4	10.2	6.1	3.55	1.042
Employees in KALRO own up the organizations strategies and implement them as their own	10.2	49.0	20.4	14.3	6.1	3.43	1.061
The institutions employees have a greater understanding of the vision and mission driving strategy implementation	18.4	57.1	14.3	8.2	2.0	3.82	.905
Valid N (listwise)	49						

The researcher observed that majority of the respondents comprising of 83.7% agreed with the assertion that KALRO maintains a policy manual for strategy implementation where a mean of 4.06 and standard deviation of .689 were recorded. Further, 69.4% and 20.4% of the respondents agreed and strongly agreed respectively that KALRO policies are relevant to strategy implementation activities. The findings had a mean of 4.06 and a standard deviation of .659. On the other hand, it was established that on average respondents were undecided (M=3.12, SD=.927) on whether institutions allocates sufficient financial resources to support strategy implementation. 26.5% and 6.1% of the respondents agreed and strongly agreed respectively while 18.4% and 4.1% disagreed and strongly disagreed respectively. The findings further indicated that the respondents were undecided (M=3.20, SD=1.040) on whether the board of directors in KALRO are committed to allocating sufficient resources to enhance strategy implementation 38.8% of the respondents agreed while 16.3% disagreed. Conversely, respondents agreed that the staff in the institutions express great enthusiasm in implementing institutional strategies where 53.1% and 12.2% of the respondents agreed and strongly agreed registering a mean of 3.55 and a standard deviation of 1.042. Respondents however agreed that employees in KALRO own up the organizations strategies and implement them as their own. 49.0% of the respondents agreed while 10.2% of them strongly agreed. This aspect had a mean of 3.43 and a standard deviation of 1.061. Finally, 57.1% of the respondents agreed while 18.4% of them strongly agreed that the institutions employees have a greater understanding of the vision and mission driving strategy implementation. The findings had a mean of 3.82 and a standard deviation .905. However, Abuya (2011) identified that strategy formulation and implementation involves both tangible and intangible variables such as cultures,

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values, motivation, commitment, power relationships, and attitudes, perceptions, managing human and physical resources .Organizations that want to be successful must develop strategies and implement them successfully. If the strategies are developed without taking into consideration the organizational objectives, its implementation will lead to problems arising hence failing.

10.2 Correlation Analysis:

10.2.1 Influence of Strategic Decision Making on Strategy Implementation:

The relationship between strategic decision making and strategy implementation were established and findings were presented in table 3.

Table 3: Correlations between Strategic Decision Making and Strategy Implementation

		Strategy Implementation
	Pearson Correlation	.875**
Strategic Decision Making	Sig. (2-tailed)	.000
	N	49

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

The table indicated the presence of a positive strong significant (r=.875, p=.000) relationship between strategic decision making and strategy implementation in KALRO. As such, strategic decisions made in KALRO greatly determine the level of strategy implementation. Therefore, in order to enhance strategy implementation in KARLO, strategic decision making need to be enhanced. These findings were in line with findings of Wang, et. al (2007) who asserted that an organization's strategic decision is considered rational if it is consistent with its long term goals, objectives and information. Strategic decision making is regarded as a fundamental part of the strategic management process. Strategic decisions affect the way organizations react to their environment, it is vital for a firm to make strategic decisions and define strategy with regard to its function to the environment (Pearce and Robinson, 2007).

XI. CONCLUSIONS AND RECOMMENDATIONS

Strategic decision making in corporate management was shown to be of paramount importance in determining strategy implementation. It was observed that strategic decision making help the firm improve operational efficiency and improve management capabilities hence maximizing returns. Therefore the study concluded that strategic decision making has a significant influence on strategy implementation in KALRO. The study recommended that the firm should make informed decisions that enable it to implement its strategies. These strategic decisions will enable the firm to come up with decisions that are consistent with its long term goals and objectives used in the long run of the business.

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