NEAR EAST UNIVERSITY GRADUATE SCHOOL OF SOCIAL SCIENCES BUSINESS ADMINISTRATION MASTER'S PROGRAMME

MASTER'S THESIS

THE ROLE OF THE STRATEGIC PLANNING PROCESS IN HOUSING DEVELOPMENT: THE CASE OF NORTHERN IRAQ

HEMIN ALI HAMA 20102350

NICOSIA

2013

NEAR EAST UNIVERSITY

GRADUATE SCHOOL OF SOCIAL SCIENCE BUSINESS ADMINISTRATION MASTER'S PROGRAM

MASTER'S THESIS

THE ROLE OF THE STRATEGIC PLANNING PROCESS IN HOUSING DEVELOPMENT: THE CASE OF NORTHERN IRAQ

HEMIN ALI HAMA 20102350

THESIS SUPERVISOR

ASSOC. PROF. DR MUSTAFA SAĞSAN

NICOSIA 8/07/2013

YAKIN DOĞU ÜNİVERSİTESİ

INSTITUTE OF SOCIAL SCIENCES

<u>The role of strategic planning process in housing development: the case of</u> <u>Northern Iraq</u>

Prepared by: HEMIN ALI HAMA

We certify that the Thesis is satisfactory for the award of the Degree of Master of BUSINESS ADMINISTRATION

Examining Committee in Charge

Assoc. Prof. Dr. Erdal Güryay

Department of Business Administration

Assist. Prof. Dr. Ahmet Ertugan

Head of Marketing Department, Faculty of Economics and Administrative Sciences

Assoc. Prof. Dr. Mustafa SAĞSAN

Head of Knowledge Management Department

& Coordinator of Medical Documentation

and Secretariat Program

Approval of the Graduate School of Social Sciences

Prof.Dr. Aykut Polatglu

Director

Near East University

Graduate School of Social Sciences

Department of

JURY REPORT

ACADEMIC YEAR: 2013/2014

Student Information

Full Name:	Hemin Ali Hama	Nationality:	Iraqi
Institution:	Social Sciences	Department:	Business Administration
Thesis		·	
Title:	The role of strategic planni	ng process in housing	development: the case of Northern
		Iraq	
Description:	companies housing sector is they intend to implement displaying a strategic plan companies and correlate by distributing indebt question hypotheses were developed were made with regards of strategic planning process to A scan of the past literature affects it; to achieve this, a obtained from the question of the sample population Sulaimaniyah Governorat correlation among variables	in Sulaimaniyah Gove strategic planning pro- ning process to create between the variables. nnaire among manage l, the findings were pro- establishing a better o affected competitive e on strategic planning case of some compani- naire as well. The com- n, our findings and e's Companies for s.	of strategic planning process of ernorate of Northern Iraq and how beess in the field. It also aims to e competitiveness among national The data was collected through ers and projects' engineers. Four resented and the recommendations way to enhance the application of strategy in the Northern Iraq. g process and how competitiveness ies were carried out and the results appanies carried out on the subjects what does effect to design a strategic planning process by
Supervisor:	Assoc. Prof. Dr. Mustafa Sa	ağsan	
Jury's Decision	1		

Jury's Decision

The Jury has decided to accept the student's Thesis. The decision has been taken unanimously.

Jury Members

Number Attending: 3	Date:
Name:	Signature:
Approvals	

Hazırlayan HEMIN ALI HAMA

8/07/2013

ÖZET

Bu çalışma, Kuzey Irak Süleymaniye Valiliği bölgesinde bulunan şirketlerinin konut sektöründeki stratejik planlama sürecinin güvenilirliğini incelemektedir. Çalışmada, stratejik planlama sürecinin bir örgüt içerisinde hangi değişkenlerden etkilendiği araştırılmıştır. Çalışmaya, şirketlerin genel müdürleri, proje yöneticileri, proje mühendisleri, satış yöneticileri ve pazarlama yöneticileri dahil edilmiştir. Çalışmada veri toplamak üzere hazırlanan ankette toplamda 32 adet soru bulunmaktadır. Bu sorular toplam altı grupta incelenmektedir. Stratejik plan oluşturma sürecine etki eden dört önemli bağımsız değişken, literatüre dayalı olarak oluşturulmuştur. Bunlar; pozisyonel strateji, insan (beşeri) sermayesi, hibrit strateji ve örgütsel performans olarak belirlenmiştir. Çalışmada yapılan araştırma sonucuna ve hipotezlere dayalı olarak insan sermayesi ile pozisyonel strateji ile bir örgütün stratejik plan oluşturması arasında bir ilişkiden söz edilebilir. Toplam 26 firma düzeyinde elde edilen veriler, SPSS programında analiz edilmiştir. Çalışma içerisinde oluşturulan H1 ve H1 ve H2 geçerli kılınmıştır.

Anahtar Kelimeler: Stratejik Planlama Süreci, Rekabetçi Strateji, Pozisyonel Strateji, Beşeri (İnsan) Sermayesi, HibritStrateji ve Örgütsel Performans

THE ROLE OF THE STRATEGIC PLANNING PROCESS IN HOUSING DEVELOPMENT: THE CASE OF NORTHERN IRAQ

Prepared by: HEMIN ALI HAMA

8/07/2013

Abstract

This study aims to examine the reliability of strategic planning process of companies housing sector in Sulaimaniyah Governorate of Northern Iraq. The study intends to answering the question "what are the factors that affect the development of housing sector by using strategic planning process". The participants consisted of all the general managers, project managers, project engineers, sales managers and marketing managers.

In order to achieve the study objectives, the collected the required data, the researcher developed a questionnaire that consists of 32 items divided on six groups. The first as dependent variable is strategic planning process, includes 10 items, the second group is control variable as competitive strategy, includes 4 items, the third, fourth, fifth and the sixth groups as independent variables are Human Capital with 8 items, Organizational Performance with 3 items, Hybrid Strategy with 2 items and Positioning Strategy with 5 items. On the empirical side, quantitative analysis techniques are used to collect data from the 26 different companies which these managers and engineers found our answers.

The results showed that companies such as human capital has strongly correlated to become strategic planning process and hybrid strategy negatively correlated to become strategic planning process, positioning strategy weak correlation and organizational performance not correlation.

Keyword: Strategic Planning Process, Competitive Strategic, Positioning Strategy, Human Capital, Hybrid Strategy and Organizational Performance.

ACKNOWLEDGEMENTS

First and foremost, I thank Allah for endowing me with health, patience, and knowledge to complete this work.

I would like to thank my supervisor Assoc. Prof. Dr. Mustafa Sagsan, I value his constant effort and ever present support throughout this process. I knew I could count on him and I was not disappointed. I thank to the Near East University for giving me an opportunity to acquire information and providing me with a study friendly environment that I could achieve new information. I can confidently say that I am better than what I was before. I would like to thank to the jury members, Assoc. Prof. Dr. Erdal Güryay and Assist. Prof. Dr. Ahmet Ertugan for sharing their professional knowledge with me.

I would like to thank to the Companies Housing Sector (Managers and Project Engineers) who spent so much time to participate and fill the questionnaire. Furthermore, I would like to thank to all departments in Sulaimaniyah Governorate for helping me to get suitable information (Sulaimanyah Boarding Investment, Ministry of Justice Office of Sulaimaniyah, Sulaimaniyah Statistics office, Sulaimaniyah Municipality Statistic Department, General Directorate of Companies Registration of Sulaimaniyah, and Renter Defense Association).

I would like to thank Prof. Dr. Kawa Qardakhi, Dr.Muhamad, Mr. Ghareeb, Mr. Renas and Mr.Soran for their priceless support and useful suggestions.

Finally, I would like to express my deepest gratitude to my mother, father, wife, brothers, sisters and all other relatives, for their emotional support throughout my academic career and also for their love, patience and encouragement.

Hemin Ali Hama Nicosia.TRNC

Table	of	Conten	t
-------	----	--------	---

INTRODCUTION 1
CHAPTER 1: LITRUTURE OF STRATEGIC PLANINGP ROCESS
1.1. Strategic Planning
1.2. Nature of Strategic Planning
1.3. Strategic Planning Process
1.3.1. Formulation of the Mission10
1.3.2. Formulation of the Vision10
1.3.3.SWOT Analysis11
1.4. Strategic Marketing Planning11
1.5. Barriers to Strategic Planning
1.6. Benefits of Strategic Planning15
1.7. Three important questions to understanding the strategic planning process
1.7.1. What is the difference between strategic planning process and annual planning?16
1.7.2. When should an organization need to do strategic planning process?17
1.7.3. How long does it take for organization to complete a strategic planning process17

CHAPTER 2: COMPETITIVENESS STRATEGY

2.1 Definition of Competitive strategy	18
2.1.1 Competition comprises four dimensions	19
2.2. Competitive Strategy in construction sector	19
2.3. Major types of Competitive Strategies	20
2.3.1. Cost Leadership	21
2.3.2. Differentiation.	21
2.3.3. Focus	22
2.4. Competitive Strategy affected on concept of strategy planning process	22
2.4.1. Positioning strategy	23
2.4.1.1 Selecting Customer Targets	23
2.4.1.2 Selecting Competitor Targets	24

2.4.1.3 Defining Competitive Advantage	24
2.4.2. Human Capital	25
2.4.3. Hybrid Strategy	27
2.4.4. Organisational performance	29

CHAPTER 3: METHODOLOGY

3.1. Research design	31
3.2. Hypotheses	31
3.3. Problem of the study	32
3.4. Objective of the study	32
3.5. Sampling: Why focusing on Housing Sector	32
3.5. Data Collection	33
3.5.1. Secondary Data	33
3.5.2. Primary Data	33
3.5.2.1. Questionnaire Selection and Analysis	33
3.5.2.2. Questionnaire Validity and Reliability	34
3.6. Methods Employed on Data Analysis	35
3.7. Findings and Discourses	35
3.7.1. Strategic Planning and Positioning Strategy	36
3.7.1.1. Correlation Between Strategic Planning Process and Positioning Strategy	36
3.7.1.2 Regression for Strategic Planning and Positioning Strategy	37
3.7.2. Strategic Planning process and Human Capital	38
3.7.2.1. Correlation Between Strategic Planning and Human Capital	38
3.7.2.2 Regression for Strategic Planning and Human Capital	39
3.7.3. Strategic Planning and Hybrid Strategy	40
3.7.3.1. Correlation Between Strategic Planning and Hybrid Strategy	40
3.7.3.2 Regression for Strategic Planning and Hybrid Strategy	41
3.7.4. Strategic Planning and Organizational Performance	42
3.7.4.1. Correlation Between Strategic Planning and Organizational Performance	42
3.7.4.2 Regression for Strategic Planning and Organizational Performance	43

3.8. New Research Model	44
3.8.1 Strategic Planning process	44
3.8.2. Positioning Strategy	45
3.8.3Human Capital	46

CHAPTER 4: CONCLUSION AND RECOMMENDATION

Conclusion	
Recommendation	51

SIBLIOGRAPHY5	3

APPENDIX

Appendix 1. Questionnaire Form	64
Appendix 2. Level of Response Questionnaire	69
Appendix 3. List of Dependent, Independent and control variables	.70
Appendix 4. List of Companies' Work Experience	73
Appendix 5. List of Companies' numbers employees and labour	74
Appendix 6. List of Licensed projects in Sulaymaniyah Governorate	75
Appendix 7. Sulaimaniyah's Pictures	76

AUTOBIOGRAPHY77

List of Tables

3.1. Case processing Summery for Questionnaire	5
3.2. Questionnaire Reliability	5
3.3. Correlation Between Strategic Planning and Positioning Strategy3	6
3.4. Model Summary for Strategic Planning and Positioning Strategy	7
3.5. ANOVA ^b for Strategic Planning and Positioning Strategy	37
3.6. Coefficients ^a for Strategic Planning and Positioning Strategy	37
3.7. Correlation between Strategic planning and Human Capital	38
3.8. Model Summary for Strategic Planning and Human Capital	39
3.9. ANOVA ^b for Strategic Planning and Human Capital	39
3.10. Coefficients ^a for Strategic Planning and Human Capital	39
3.11. Correlation between Strategic planning and Hybrid Strategy	40
3.12. Model Summary for Strategic Planning and Hybrid Strategic	41
3.13. ANOVA ^b for Strategic Planning and Hybrid Strategic	41
3.14. Coefficients ^a for Strategic Planning and Hybrid Strategy	41
3.15.Correlation between Strategic planning and Organizational performance	42
3.16. Model Summary for Strategic Planning and Organizational Performance	43
3.17. ANOVA ^b for Strategic Planning and Organizational Performance	43
3.18. Coefficients ^a for Strategic Planning and Organizational Performance4	3

List of Figures

1.1. The Strategic Planning Process	13
3.1. New Research Model for Sulaymaniyah Governorate's companies	44