

**Participatory Strategic Planning and Organizational
Performance: The mediating role of employees' commitment**
Case Study: Textile Sector in Egypt

Submitted by:

Abdallah Hussein Sayed Yassin

**This Paper is submitted to AASTMT in Partial Fulfillment of the Requirements of
Doctorate of Business Administration (DBA)**

Supervision by:

Prof. Dr. Mohamed Saad

Professor of Organizational Studies

University of London

European Universities in Egypt

Abstract

Participative strategic planning significantly enhances organizational performance by fostering employee commitment to strategy implementation. This study, using data from 224 textile industry employees in Egypt, demonstrates that involving employees in the planning process improves their understanding, buy-in, and alignment with organizational goals. Such engagement creates a sense of ownership and accountability, leading to successful strategy execution and better performance outcomes. The research underscores the importance of participative planning as a tool for aligning employee efforts with strategic objectives, promoting collaboration, and ensuring effective implementation of organizational strategies.

Keywords

Participatory strategic planning, Employee commitment to strategy implementation, Employee involvement, Organizational Performance, Company performance, Strategic Planning, Egypt, Textile, Participative planning.

الملخص:

يعزز التخطيط الاستراتيجي التشاركي أداء المؤسسات من خلال تعزيز التزام الموظفين بتنفيذ الاستراتيجيات. تُظهر الدراسة التي استندت إلى بيانات ٢٢٤ موظفًا في قطاع النسيج بمصر أن إشراك الموظفين في عملية التخطيط يُسهم في تحسين فهمهم للأهداف المؤسسية وزيادة تقبلهم لها. كما يؤدي إلى مواءمة جهودهم مع الخطط الاستراتيجية، مما يعزز شعورهم بالملكية والمساءلة. هذه المشاركة تُعزز من نجاح تنفيذ الاستراتيجيات وتحقيق نتائج أفضل على مستوى الأداء المؤسسي. تؤكد الدراسة أن التخطيط التشاركي يُعد أداة فعّالة لزيادة انخراط الموظفين، تعزيز التعاون، وضمان التنفيذ السليم للاستراتيجيات المؤسسية بما يدعم تحقيق الأهداف المرجوة.

الكلمات متاحة :

التخطيط الاستراتيجي التشاركي، التزام الموظفين بتنفيذ الاستراتيجية، مشاركة الموظفين، الأداء التنظيمي، أداء الشركات، التخطيط الاستراتيجي، مصر، صناعة النسيج، التخطيط التشاركي.

Purpose

This study examines how participatory strategic planning impacts organizational performance through employee commitment. It explores employees' understanding of strategic planning, their roles in execution, and organizational adherence to plans.

Findings

This study in Egypt's textile industry shows that participative strategic planning boosts employee commitment to strategy implementation, indirectly enhancing organizational performance. While PSP lacks a direct effect on performance metrics, its influence is fully mediated through heightened employee commitment to strategic goals.

Limitations

The study's cross-sectional design limits causal inferences, and its focus on Egypt's textile industry may restrict generalizability.

Practical Implications

The study highlights key implications for managers and organizations, especially in Egypt's textile industry. Adopting participatory strategic planning (PSP) can enhance employee commitment and organizational performance. Practical approaches include creating cross-functional teams, integrating employee feedback into planning, and aligning rewards with strategic goals. Organizations should adapt PSP to cultural and

structural specifics, involve HR in planning, and monitor employee commitment. Leadership training in participative styles and efficient participation processes can further enhance PSP's effectiveness without compromising decision-making speed. These strategies underscore the value of aligning HR practices with strategic initiatives.

Value

The paper emphasizes that participative strategic planning enhances employee commitment to strategy execution, leading to improved organizational performance.

1. Introduction

In today's dynamic and competitive business environment, strategic planning is a fundamental practice that organizations rely on to set long-term goals, allocate resources, and adapt to changes in the market. Traditionally, it has been a top-down process dominated by senior management, but this approach often faces implementation challenges due to low employee ownership and commitment. Participatory Strategic Planning (PSP) addresses this issue by involving employees at all levels, fostering ownership, dedication, and alignment with organizational goals, which are vital for successful strategy execution (Bryson, 2018).

The textile industry is a key employer in Egypt, providing jobs across sub-sectors such as spinning, weaving, knitting, dyeing and finishing, garment manufacturing, and technical textiles. With approximately 4,500 textile and garment companies, including both large enterprises and small to medium-sized businesses, the industry holds a prominent position in Egypt's economy (EGYCTI and Federation of Egyptian Industries, 2019).

Employing over one million people directly, the sector offers opportunities in factories, production facilities, and related operations. It also creates numerous indirect jobs in areas like retail, transportation, and logistics, further expanding its contribution to employment.

The industry's extensive workforce underscores its critical economic role and potential for participatory strategic planning. Involving this diverse group in decision-making processes could enhance engagement, productivity, and organizational performance, demonstrating the importance of strategic initiatives in such a significant sector.

Organizational performance is a multi-dimensional concept, encompassing a range of outcomes such as financial performance, customer satisfaction, and operational efficiency (Richard, Devinney, Yip, & Johnson, 2009). Research has shown that effective strategy implementation is closely linked to

improved organizational performance (David, David, & David, 2017). However, the mediating role of employee commitment in the relationship between PSP and performance has not been sufficiently explored. Employee commitment, defined as the psychological attachment and involvement of employees in their organization (Meyer & Allen, 1990), is essential for translating strategic plans into practical, successful outcomes.

The concept of strategy has its roots in the Greek word "**Strathgia**," meaning generalship or the art of planning and executing military campaigns. This historical context underscores the importance of strategic expertise in leadership, which became especially valued in the business world during a period when military background was seen as an asset for managers (Masilamony, 2010). Over time, the field of strategic planning evolved. In the 1960s, it gained prominence, contributing to the growth of the management consulting industry. However, by the late 1980s, strategic planning fell out of favor and only began to regain traction in the mid-1990s as organizations recognized the need for strategic adaptability (Barrows, 2009).

Throughout these changes, various analytical tools have emerged to aid strategic planning. Models such as Porter's Five Forces, SWOT analysis, and the GE/McKinsey matrix, along with scenario planning and mission-vision statements, have become integral to shaping strategic initiatives (Porter, 2008; Harttera & Ryanb, 2010). These tools help organizations analyze their

competitive environment, identify strengths and weaknesses, and make informed strategic decisions.

Modern strategic planning must be dynamic to remain effective. It must consider unforeseen events and interdependencies that can lead to unexpected outcomes, especially when employees are dealing with non-routine situations. Mulay (2011) notes that planning should be adaptive, incorporating real-time feedback and continuously improving based on past cycle performance. This approach helps organizations remain agile and responsive.

Strategic planning can be approached in different ways. Goal-based planning starts from the organization's mission and vision, focusing on long-term aspirations, while issue-based planning prioritizes identifying and addressing specific organizational challenges. Brabham (2006) distinguished between top-down and bottom-up strategic planning. In top-down methods, senior management formulates strategies, setting goals and parameters that filter down the hierarchy. Bottom-up planning, on the other hand, involves gathering input and ideas from lower organizational levels, enabling employees to contribute practical, reality-based suggestions and fostering greater buy-in.

Despite the theoretical advantages of PSP, empirical research on its direct impact on organizational performance is still limited, particularly regarding the mediating role of employee commitment. Further exploration of these relationships is

essential for organizations seeking to refine their strategic planning practices and enhance performance outcomes.

In this paper, we intend to study the following research question using a structural equation model to analyze 224 Textile companies operating in Egypt:

To what extent do employee commitment to strategy implementation mediate the relationship between participatory strategic planning and the business performance of an organization?

2. Literature Review

2.1 Participatory Strategic Planning (PSP)

Participative Strategic Planning (PSP) has garnered considerable attention for its impact on organizational performance, decision-making, and stakeholder involvement. This collaborative method, which integrates various stakeholders into the decision-making process, has numerous advantages but also presents challenges that require careful evaluation. Participation and involvement, though closely related, encompass a broad range of activities where employee input is sought and considered by managers who retain final decision-making authority (Wilkinson & Gollan, 2018).

One of the main benefits of PSP is its inclusivity. By involving employees, suppliers, and community members in strategic

decisions, PSP brings diverse perspectives, fostering innovation and improving decision-making (Bryson, 2018; Epstein & Buhovac, 2014). This approach helps organizations identify potential risks and opportunities that might be missed in top-down strategies, addressing biases typical of hierarchical systems (Ojha & Sridharan, 2020). However, including a wide array of participants can slow down decision-making and pose logistical difficulties, especially when coordinating large and varied groups (Bryson & George, 2020).

PSP's iterative and adaptive nature is another advantage. The continuous cycle of planning, feedback, and refinement enables organizations to remain responsive and flexible in dynamic environments (Mintzberg, Ahlstrand, & Lampel, 2009). This adaptability is especially important in the face of complex external factors such as the COVID-19 pandemic (Stovba & Kolonskih, 2020). Nonetheless, this iterative approach demands significant time and resources, which may not be feasible for all organizations, particularly those with shorter planning cycles typical of the private sector (Ackermann & Eden, 2011).

From the perspective of stakeholder engagement, PSP fosters a sense of ownership and accountability, boosting participants' motivation and commitment to implementing strategies (Bryson, 2018). This improved sense of ownership can lead to better strategy execution and overall organizational success (Epstein & Buhovac, 2014). However, if inclusivity is emphasized over

strategic competence, the quality of decision-making may suffer, as not all stakeholders possess the same level of expertise (Chaib Lababidi et al., 2020).

Technological advancements have significantly enhanced PSP, particularly for global organizations, by enabling real-time collaboration across different locations (Paucar-Caceres & Belderrain, 2020). These tools facilitate greater inclusivity and efficiency, making it possible for a wider range of stakeholders to engage in strategic planning. However, effective technological use requires sufficient training and organizational readiness, which can be challenging for less digitally mature organizations (Paucar-Caceres & Belderrain, 2020).

Diversity and inclusion are also strengthened through PSP, aligning organizational strategies with broader diversity objectives and fostering an inclusive workplace (Burt & Nair, 2020). Engaging employees from varied backgrounds can enhance satisfaction and improve the organization's ability to tackle complex societal challenges (Burt & Nair, 2020). However, an overemphasis on building consensus may delay decision-making and lead to diluted strategies (Bryson & George, 2020).

In summary, while PSP provides valuable benefits like inclusivity, innovation, and adaptability, it comes with challenges related to time, resource allocation, and potential compromises in

decision quality. Organizations must strike a balance between fostering broad participation and maintaining the strategic expertise needed for effective decision-making and implementation.

2.2 Employee commitment to strategy implementation

Employee commitment to strategy implementation refers to the extent to which employees are dedicated, motivated, and engaged in carrying out an organization's strategic plans. This commitment is essential as the successful execution of strategies relies on employees' willingness and ability to act on leadership's strategic initiatives.

Employee commitment can be divided into three main dimensions: affective, normative, and continuance commitment (Meyer & Allen, 1990; Klein et al., 2012). Affective commitment relates to an emotional bond with the organization, identifying with its goals, and a deep involvement in strategy execution. Employees with strong affective commitment are motivated to contribute extra effort, showing enthusiasm and dedication to making the strategy work (Allen & Meyer, 1996). Normative commitment, on the other hand, is driven by a sense of duty; employees feel they should support and implement strategies because it aligns with their perception of what is right for the organization. Lastly, continuance commitment pertains to employees' awareness of the potential costs of not supporting the

strategy. They understand that their continued presence and advancement within the organization depend on the strategy's success, motivating their participation.

Several factors interact to shape employee commitment, including organizational culture, communication, psychological contracts, employee engagement, leadership, and training (Siddique & Sahar, 2019). Research over the past decade has shown that fostering employee commitment requires a comprehensive approach that takes all these elements into account. Organizations that invest in transformational leadership, build a supportive culture, ensure effective communication, actively engage employees, maintain strong psychological contracts, and provide relevant training are more likely to achieve successful strategy implementation. This comprehensive strategy not only enhances commitment but also contributes to competitive advantage and improved organizational performance.

2.3 Organizational Performance

Organizational performance refers to the extent to which an organization achieves its strategic objectives and fulfills its mission in comparison to predetermined goals and benchmarks. It encompasses various dimensions, including financial performance, operational efficiency, customer satisfaction, innovation, employee engagement, and social responsibility (Bourne et al., 2013).

Achieving high performance is crucial for sustainable growth, competitiveness, and meeting stakeholder expectations. Strong performance drives profitability, market share, and shareholder value, enabling investments and expansion (Kaplan & Norton, 1996). It also strengthens adaptability, helping organizations respond to market changes, technological advancements, or regulatory shifts (Slack et al., 2010). Furthermore, excellent performance builds reputation, attracting customers, investors, and talent, while fostering stakeholder trust (Anderson et al., 2006). It enhances employee satisfaction, promotes retention, and cultivates a culture of continuous improvement and innovation (Macey & Schneider, 2008; Tidd & Bessant, 2012). Organizations prioritizing social responsibility and sustainability gain credibility, reduce risks, and create long-term value (Carroll, 1999). Effective organizational performance integrates these dimensions to ensure strategic success and societal impact (Neely, Gregory, & Platts, 2020).

2.3.1 Characteristics of Organizational Performance

Organizational performance is a multidimensional concept that evaluates an organization's ability to achieve its strategic objectives and maintain long-term success. Key characteristics define this performance, each playing a pivotal role in assessing an organization's health and sustainability.

Financial Performance: A core element, financial performance gauges an organization's profitability and economic viability through metrics like net income, ROI, ROA, and EBITDA. These indicators reveal financial health, operational efficiency, and shareholder value creation, critical for sustaining growth (Kaplan & Norton, 1996).

Operational Efficiency: This measures how effectively resources are utilized to deliver goods or services. Metrics such as production costs, cycle times, and inventory turnover reflect process optimization and resource management, which are vital for competitiveness and cost leadership (Slack, Brandon-Jones, & Johnston, 2013).

Customer Satisfaction: An essential aspect, it evaluates how well an organization meets customer expectations. Metrics like net promoter scores (NPS), retention rates, and feedback highlight the strength of customer relationships and brand loyalty, crucial for business longevity (Kotler & Keller, 2016).

Innovation: Innovation reflects an organization's capacity for growth through R&D, product development, and patents. Organizations emphasizing innovation are better equipped to adapt and compete in dynamic markets (Tidd & Bessant, 2018).

Employee Engagement: High employee engagement correlates with productivity, retention, and job satisfaction. Measured via

surveys and performance appraisals, engaged employees drive organizational success (Macey & Schneider, 2008).

Social Responsibility: Emphasizing ethics, sustainability, and community engagement, social responsibility enhances stakeholder trust and organizational reputation. CSR initiatives and sustainability reports are key indicators of this characteristic (Carroll & Buchholtz, 2015).

Flexibility and Adaptability: Organizations capable of responding to market changes and uncertainties demonstrate agility and resilience, essential for enduring growth and competitiveness (Dyer & Shafer, 2014).

These characteristics collectively assess organizational effectiveness, ensuring competitiveness and long-term sustainability.

3. Conceptual Model

3.1 Theoretical Framework

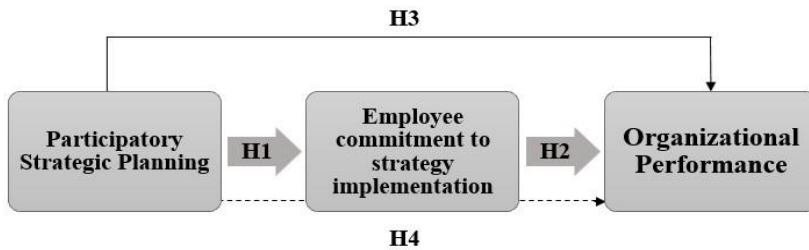


Figure 1: Theoretical Framework

3.2 Research Hypotheses

The primary objective of the research is to test the following hypotheses:

H.1 : Participatory strategic planning will have a positive impact on employee commitment to strategy implementation.

H.2 : The commitment of employee to strategy implementation will have a positive impact on company performance.

H.3 : Participatory strategic planning will have a direct impact on company performance.

H.4 : Employee commitment to strategy implementation mediates the relationship between participative strategic planning and company performance.

4. Research Methodology

4.1.Data

Individual-level data on participatory strategic planning, strategy execution commitment, and organizational performance were collected using a self-administered web-based questionnaire (Kohtamaki & Kraus, 2012). Before administering the survey, phone calls were made to 50 randomly selected participants to discuss the survey's objectives. Participants received a pre-notice email two business days prior to the invitation email containing a hyperlink to the questionnaire, followed by a reminder email one week later, in line with recommendations to boost response rates (Dillman, 2007; Cook et al., 2000).

SurveyMonkey.com hosted the questionnaire to ensure confidentiality and anonymity, employing robust internet security measures. Participants provided consent by clicking the hyperlink in the email invitation, and all responses remained private and anonymous.

For the inclusion criteria, employees in the field of the textile industry sector were included, those at the top managerial level, middle managerial level and supervisory level. While participants

from sectors outside the textile industry and workers were excluded.

The study sample should be $(n) = 210$. However, in order to prevent any invalid or incomplete responses, the survey was distributed to 250 people, of whom 238 responded. Of these, it was discovered that 14 of the 238 incomplete responses were considered invalid. Thus, 224 surveys were examined in all.

4.2. Instrumentation

The study measured three constructs—participatory strategic planning, employee commitment to strategy implementation, and organizational performance—using a five-point Likert scale. The scales were adapted from prior research to align with the study's objectives.

The survey consisted of four sections: demographics (gender, age, education, job title, experience, organizational age and size, and ownership type), participatory strategic planning (nine questions), employee commitment to strategy implementation (four questions), and organizational performance (five questions). These domains provided comprehensive data to evaluate the relationships between the constructs and their impact on organizational outcomes.

Participatory strategic planning items:

Variables (all measured on a five-point Likert scale)	Mean
Our strategy is planned at a detailed level.	.81
We define precisely how we are going to achieve our strategic objectives.	.76
Our strategy has been presented in a detailed plan.	.63
We analyze multiple alternatives before choosing a strategy.	.66
We analyze potential strategic options in relation to our strategic targets.	.76
We have precisely defined strategic objectives.	.93
We involve our employees in strategic planning.	.09
We use strategy tools to support planning.	.66
Our strategy is updated on a continuous basis.	.75

Employee commitment to strategy implementation items:

Variables (all measured on a five-point Likert scale)	Mean
Our strategy guides our daily decision-making.	.86
Our employees prioritize their tasks based on our strategy.	.68
Our employees commit to implementing our strategy.	.67
Our company executes the planned strategy precisely.	.66

Organizational performance items:

Variables (all measured on a five-point Likert scale)	Mean
When compared to its competitors, the organization is extremely profitable.	.60
Our organization is doing a good job in keeping its customers satisfied	1.02
The business has grown rapidly compared to its competitors	.90
The performance of our business is superior to that of its rivals.	.62
The owners of the business are satisfied with its performance	.68

4.3.Results:

4.3.1.Descriptive statistics of the domains of the survey.

Domain	Minimum	Maximum	Mean	Std. Deviation	Relative weight	Relative importance
Participative Strategic Planning	1.11	5	3.67	.91	73.4%	3
Employee's Commitment	1.25	5	3.72	.96	74.4%	2
Organization Performance	1.60	5	3.76	.81	75.2%	1

4.3.2. Reliability Analysis

Summary of the reliability analysis of the survey.

Domain	No. of items	Cronbach alpha	Reliability accepted?
Participative Strategic Planning	9	.922	Yes
Employee's Commitment to Strategic Implementation	4	.869	Yes
Organization Performance	5	.790	Yes
The whole Survey	18	.938	Yes

4.3.3. Correlation analysis

Correlation analysis of the study domains.

Domain	Parameter	PSP	Employee's Commitment	Organizational Performance
Participatory Strategic Planning	Correlation Coefficient	--		
	<i>P</i>	.		
Employee's Commitment	Correlation Coefficient	.794**	--	
	<i>P</i>	<0.001	.	
Organizational Performance	Correlation Coefficient	.569**	.647**	--
	<i>P</i>	<0.001	<0.001	.

**Correlation is significant at 0.01 level.
P-values were calculated using the Spearman correlation test.

4.3.4. Regression analysis

Estimates of the univariate regression model predicting the employee's commitment to strategy implementation based on participative strategic planning.

Parameter	Unstandardized Coefficients		Standardized Coefficients	t	P
	B	Std. Error	Beta		
Intercept	.68	.17		4.09	<0.001 (significant)
Participative Strategic planning	.83	.04	.78	18.67	<0.001 (significant)

4.3.5. Structural equation modeling

Regression estimates of the structural equation model.

Model			Estimate	S.E.	C.R.	P
Employee	<---	Strategic planning	.827	.044	18.714	***
Performance	<---	Employee	.454	.070	6.520	***
Performance	<---	Strategic planning	.119	.074	1.622	.105

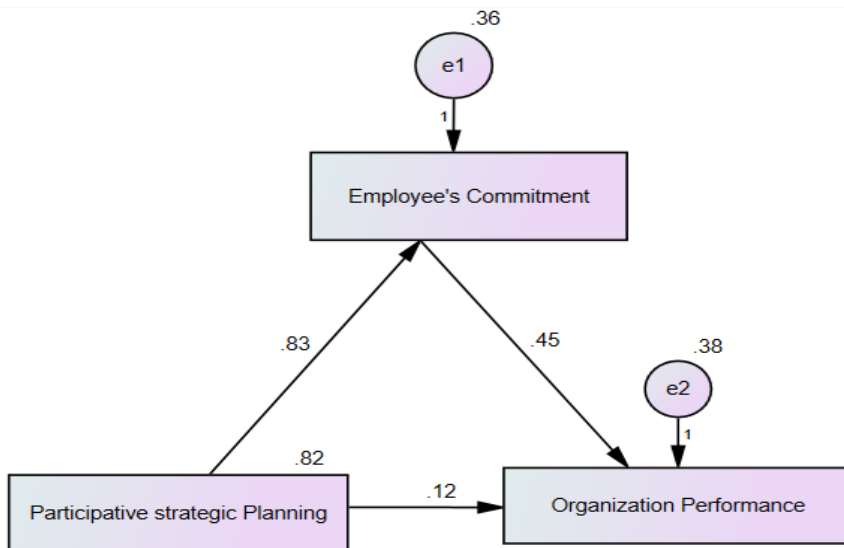


Figure 2: Structural equation model (SEM) of the model variables.

4.3.6. Executive summary of the results of the hypothesis testing of the current study (N=244)

Hypothesis	Description	Accepted/Rejected
H1	Participatory strategic planning will have a positive impact on employee commitment to strategy implementation.	Accepted
H2	The commitment of employee to strategy implementation will have a positive impact on company performance.	Accepted
H3	Participatory strategic planning will have an impact on company performance.	Accepted
H4	Employee commitment to strategy implementation mediates the relationship between participative strategic planning and company performance.	Accepted

5. Discussion and Conclusion

This study explored the influence of participatory strategic planning (PSP) on organizational performance within the Egyptian textile industry, emphasizing the mediating role of employee commitment to strategy implementation. A cross-sectional, survey-based approach was used to gather data from textile companies employing 50–200 people. Results revealed a positive relationship between PSP and organizational performance, with employee commitment acting as a full mediator.

Hypothesis 1: PSP and Employee Commitment

The findings supported the hypothesis that PSP positively impacts employee commitment to strategy implementation. PSP enhances employee ownership of organizational goals by involving them in strategic discussions and decisions, fostering a sense of value and respect. This alignment with organizational objectives leads to improved job satisfaction and emotional attachment, strengthening commitment. Previous research corroborates this, showing PSP's role in enhancing commitment across industries, including IT companies (Kohtamäki et al., 2012) and manufacturing sectors (Alsughayir, 2016). Moreover, participatory approaches align with studies linking strategic planning to job satisfaction and improved employee performance (Makori & Otero, 2017; Xia et al., 2016).

Hypothesis 2: Employee Commitment and Organizational Performance

The results also validated a positive link between employee commitment and organizational performance. Committed employees demonstrate higher productivity, collaboration, and retention, directly contributing to achieving strategic objectives. This aligns with theories suggesting that employee commitment facilitates better coordination and reduces turnover costs, thus enhancing performance (Stackhouse et al., 2022; Baritule & Enwin, 2021). Studies in diverse contexts, such as Swedish

textile companies, have similarly reported significant correlations between commitment and performance metrics.

Hypothesis 3: PSP and Organizational Performance

PSP's impact on organizational performance was found to be indirect, fully mediated by employee commitment. The analysis emphasized PSP's role in fostering inclusivity, alignment, and motivation, ultimately improving outcomes. These findings are consistent with prior research linking participatory management to enhanced internal processes and overall performance (Namada et al., 2017; Arasa & K'obonyo, 2012). In the textile industry context, PSP strengthens employee alignment with organizational goals, driving performance improvements.

Hypothesis 4: Mediating Role of Employee Commitment

The study confirmed that employee commitment mediates the relationship between PSP and organizational performance. PSP facilitates better communication and alignment, enabling employees to internalize strategic goals and invest effort in their achievement. The mediation effect aligns with earlier findings showing that participatory approaches drive outcomes through improved employee engagement and motivation (Farooq et al., 2019; Marić et al., 2021). For example, studies have highlighted the role of affective, normative, and continuance commitment in influencing job satisfaction, motivation, and performance (Okongo et al., 2024).

6. Limitations and Future Research Directions

It is important to acknowledge that the current study has several limitations. The study's cross-sectional nature limits our ability to establish causal relationships definitively. Future research could employ longitudinal designs with different time-point evaluations to better characterize the change in the relation between PSP, employee commitment, and organizational performance. The study's focus on the Egyptian textile industry may limit the generalizability of its findings. Future research could examine these relationships across multiple industries or in different geographical areas to assess the robustness of the findings. The reliance on self-reported measures may introduce common method bias. Future studies could address this limitation by incorporating objective performance measures or multi-source data. The study focused on employee commitment as a mediator, however, other factors may also play important roles in the relationship between PSP and organizational performance. Future research could examine additional mediating variables (e.g., strategic consensus, organizational learning) or potential moderators (e.g., organizational culture, leadership style).

7. Recommendations

Based on the study findings, the following recommendations are proposed for enhancing organizational performance through participatory strategic planning (PSP):

- **Implement PSP:** Involve employees at all levels in strategic planning to foster ownership and understanding of goals, boosting commitment and performance.
- **Enhance Commitment:** Communicate strategic objectives transparently and provide incentives aligned with goals to motivate employees.
- **Develop Leadership:** Train leaders in participative leadership and strategic communication to effectively engage employees and disseminate goals.
- **Integrate HR:** Include HR professionals in PSP initiatives to align strategies with human resource practices, enhancing employee commitment.
- **Cultural Alignment:** Adapt participatory approaches to the organization's cultural and hierarchical context for greater effectiveness.
- **Monitor Commitment:** Regularly assess and adjust practices based on feedback to address gaps and improve engagement.
- **Balance Participation:** Manage the trade-off between broad employee involvement and efficient decision-making to ensure agility in strategy implementation.

These recommendations aim to leverage PSP's potential to enhance commitment and organizational performance while maintaining efficiency and alignment with cultural contexts.

8. Conclusion

In conclusion, the current study in the Egyptian textile industry demonstrated that participative strategic planning (PSP) significantly enhances employee commitment to strategy implementation, which in turn positively influences organizational performance. Although PSP did not have a direct effect on performance metrics, its impact is fully mediated through the increased commitment of employees to strategic goals. These findings confirm employee commitment's critical role as a basis for participatory planning to translate into improved organizational outcomes. Companies can enhance commitment levels and, consequently, their overall performance by actively involving employees in strategic planning and promoting a sense of ownership and alignment with organizational objectives. The results also suggest that organizations, particularly in similar industries, should focus on integrating participatory approaches and investing in strategies that enhance employee commitment to realize the full benefits of strategic initiatives.

References

- Ackermann, F., & Eden, C. (2011). "Strategic Management of Stakeholders, Theory and Practice". *Long Range Planning*, 46(3), 357–366.2
- Allen, N. J., & Meyer, J. P. (1990). "The Measurement and Antecedents of Affective, Continuance, and Normative Commitment to the Organization", *Journal of Occupational Psychology*, 63(1), 1-18.
- Allen, N. J., & Meyer, J. P. (1996). "Affective, continuance, and normative commitment to the organization: An examination of construct validity", *Journal of Vocational Behavior*, 49(3), 252-276.
- Alsughayir, Abdulrahman. 2016. "Employee Participation in Decision-Making (PDM) and Firm Performance". *International Business Research* 9 (7): 64–70.
- Baritule, Nyone Clifford, and Vinazor James Enwin. (2021). "Employee Commitment and Organizational Performance". *The International Journal of Business & Management*, 9 (6).
- Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2013). "Digital business strategy: Toward a next-generation of insights", *MIS Quarterly*, 37(2), 471-482.
- Bryson, J. M. (2018). "Strategic Planning for Public and Nonprofit Organizations", *A Guide to Strengthening and Sustaining Organizational Achievement*". John Wiley & Sons.
- Bryson, J., George, B. (2020). "Strategic Management in Public Administration". *The Oxford Encyclopedia of Public Administration*.
- Burt, G., & Nair, A. K. (2020). "Rigidities of imagination in scenario planning: Strategic foresight through 'Unlearning'". *Technological Forecasting and Social Change*, 153.

- Carroll, A. B., & Buchholtz, A. K. (2015). "Business and Society: Ethics, Sustainability, and Stakeholder Management", Cengage Learning.
- Chaib Lababidi, H., Lababidi, R., Colak, M., & Dayan, M. (2020). "Contingency effects of firm structure and environmental uncertainty on strategic planning process and firm performance: Evidence from UAE enterprises". *Strategic Change*, 29(2), 241-252.
- David, F. R., David, F. R., & David, M. E. (2017). "Strategic Management: A Competitive Advantage Approach, Concepts". Pearson Education Limited.
- Dyer, L., & Shafer, R. A. (2014). "Dynamic organizations: Achieving marketplace and organizational agility with people". *Journal of Human Resource Management*, 12(1), 59-75.
- Epstein, M. J., & Buhovac, A. R. (2014). "Making Sustainability Work 2nd Edition, Best Practices in Managing and Measuring Corporate Social, Environmental, and Economic Impacts". Routledge.
- Farooq, Omer, Mariam Farooq, and Emmanuelle Reynaud. (2019). "Does Employees' Participation in Decision Making Increase the Level of Corporate Social and Environmental Sustainability? An Investigation in South Asia". *Sustainability* 2019, Vol. 11, Page 511 11 (2): 511.
- Kaplan, R. S., & Norton, D. P. (1996). "The Balanced Scorecard: Translating Strategy into Action". Harvard Business Review Press.
- Klein, H. J., Molloy, J. C., & Brinsfield, C. T. (2012). "Reconceptualizing workplace commitment to redress a stretched construct: Revisiting assumptions and removing confounds", *Academy of Management Review*, 37(1), 130-151.

- Kohtamaki, M., Kraus, S., Makela, M. and Ronkko, M. (2012) "The role of personnel commitment to strategy implementation and organisational learning within the relationship between strategic planning and company performance", *International Journal of Entrepreneurial Behaviour & Research*, Vol. 18, No. 2, pp.159–178.
- Macey, W. H., & Schneider, B. & Barbera K. M & Young S. A. (2012). "The Meaning of Employee Engagement", *Industrial Relations Research Association*, 20(3), 1-24.
- Meyer, J. P., & Allen, N. J. (1993). "A three-component conceptualization of organizational commitment". *Human Resource Management Review*, 1(1), 61-89.
- Mintzberg, H., Ahlstrand, B., & Lampel, J. (2009). *Strategy Safari: "A Guided tourthrough the Wilds of Strategic Management"*.
- Namada, Juliana Mulaa, Vincent Bagire, Evans Aosa, Zachary B. Awino (2017). "Strategic Planning Systems and Firm Performance in the Export Processing Zones". *American Journal of Industrial and Business Management* 7 (4): 487–500.
- Neely, A., Gregory, M., & Platts, K. (2020). "Performance measurement system design: A literature review and research agenda". *International Journal of Operations & Production Management*, 40(8), 1205-1226.
- Ojha, D., Patel, P. C., & Sridharan, S. V. (2020). "Dynamic strategic planning and firm competitive performance: A conceptualization and an empirical test". *International Journal of Production Economics*.
- OKONGO, John Nsor, ELE Augustine, and Sunday Isaac ENEH. (2024). "Employees' commitment and organizational performance: a study of university of cross riverstate, Nigeria". *Nigerian Journal of Management Sciences*, no. 25 (June), 27–40.

- Paucar-Caceres, A., Ribeiro dos Santos, P., Wright, G., & Belderrain, M. C. N. (2020). "Soft situational strategic planning (SSSP): A method and case study of its application in a Brazilian municipality". *Journal of the Operational Research Society*, 71(3), 363-380.
- Porter, M. E. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press.
- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). "Measuring organizational performance: Towards methodological best practice". *Journal of Management*, 35(3), 718-804.
- Sahar, N. and Siddiqui, D. A. (2019). *The Impact of Training & Development and Communication on Employee Engagement – A Study of Banking Sector*. *Business Management and Strategy*, 10(1), 23-40
- Slack, N., Brandon-Jones, A., & Johnston, R. (2013). "Operations Management", 7th Edition. Pearson Education.
- Stovba, E., Lukyanova, M., Stovba, A., & Kolonskih, N. (2020). "Foreign experience in the development of strategic planning theory and practice of sustainable development in rural areas on the foresight technologies basis". Paper presented at the IOP Conference Series: Materials Science and Engineering, , 753(7).
- Tidd, J and J Bessant (2018). "Managing Innovation: Integrating Technological, Market and Organizational Change", Sixth Edition.
- Wilkinson, A., Gollan, P. J., Kalfa, S., & Xu, Y. (2018). "Voices unheard: Employee participation and engagement in times of crisis". *Human Resource Management Journal*, 31(4), 829-849.