ENVIRONMENTAL SCANNING AND ORGANISATIONAL PERFORMANCE IN UNILEVER NIGERIA PLC.

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Abstract

The objective of the study is to evaluate the effect of environmental scanning on organisational performance in Unilever Nigeria plc Ikeja, Lagos. This paper extends previous studies on effect of environmental scanning to organisational performance by measuring non-financial performance of Unilever Nigeria plc, Lagos in a single integrative construct. However data were collected from both primary and secondary sources. The study adopts a survey research design and data were collected through a structured questionnaire from a sample size of 227 and also from the company’s annual report from the period of 2012 to 2016. The demographic data collected were analysed using frequency distribution and percentages. The findings revealed that internal environmental analyses affects consumer satisfaction and hence have a positive correlation as shown by the regression co-efficient (r) = .493, also it revealed that internal environmental analysis have significant impact on product quality and a positive correlation or relationship exist as it is revealed by the regression co-efficient (r) = .612 and the last hypothesis also revealed that relationship exist between external environmental analysis and profitability as shown by the regression co-efficient (r) = 0.914782. Based on this, the study concludes that environmental scanning has impact on non-financial organisational performance and however, it is recommended that organisation should continuously, periodically scan and monitor the trends and changes in consumer satisfaction and incorporate changes in taste and preferences of consumers to reflect product quality as it may constitute opportunity and threats to the organisation.

Keywords: Organisational Performance, Environmental scanning, Business environment

A. Introduction

It is evident that every business organisations do not and cannot exist in splendid isolation; they operate and interact with the inter-related and interdependent forces which exist in such environment. Businesses today are perturbed as they are facing several challenges and hence making it very difficult to survive in the turbulent environment. The symbiotic relationship, which exists between business entities and their environment, is no more a subject of controversy. It is axiomatic. Consequently, there is need for managers across the various business organisations to continually scan the environment so as to keep tab of development thereof as a means of survival (Onodugo & Ewurum, 2013). Environmental scanning or audit has assumed a heightened dimension lately. This is as a result of increased spate of environmental changes which has become so frequent that it is so fatal to ignore. This has exacerbated the need and demand for updated information for decision making (Popoola, 2000). The increased complexity of business milieu has exposed firms to hypercompetitive or high-velocity environment (D’Aveni, 1994; Brown & Eisenhardt, 1997). Globalization is one of the factors that have altered tremendously the texture of global business environment. In particular, it has sharpened competition and factors driving it. These factors are falling trade barriers, fast paced technological advances, declining communications and transport costs, international migration and highly mobile investment (Badrinath & Wignaraja, 2004). The implication is that the world has turned into a global village and nations are now benchmarked in the light of international standard and global indices. Multinational corporations and venture capitalists move investment to the regions where resource inputs are cheaper and where the business environment is more genial (Onodugo & Ewurum, 2013).

In contemporary Nigerian business environment, performance of Nigerian companies is predicated on factors such as low-sales, high cost of production, low capital utilization, lack of foreign exchange to source needed inputs, poor power supply, and low quality of goods and services, among others. These issues have led to lack of proper integration and coordination of various corporate subsystems in Nigerian organisations, resulting in the failure to achieve the
stated goals and objectives. However, several companies couldn’t withstand the changes in the environmental forces simply because of changes in the business environment could make them fail where responds is not quickly and appropriate but by actively detecting environmental signals and immediately grasping opportunities or countering threats, it can lead firms to success and prosperity. The modern business manager must understand that they operate in a more dynamic environment. The changes in the environment are described as rapid and unpredictable. For instance, the economic variables have been complex both in form and impact on the practice of business in Nigeria. Consumers and clients have been showing complex behaviors both in local and international markets. However, the most dramatic change has been that exhibited by competitive pressures. Competitors have been applying one strategy or the other to adapt to the dynamic and unpredictable nature of the business environment. Enterprises are subsumed in the environment with which they interact by importing inputs and exporting outputs. Thus, the vagaries and the extremities of the environment affect the fortunes of organisations (Kennerly & Nelly, 2003). Considering that performance is crucial objective of an organisation, it is generally accepted that the structure and decision making in an organisation is influenced by environmental complexity and volatility (Miles & Snow, 1978; May, Stewart, & Sweo, 2000).

B. Statement of the Problem

Despite the results of researchers on environmental scanning, there seems much to be explored regarding the extent of the relationship between environmental scanning and the organisational performance. Prior studies on business environmental scanning and performance had focus basically on the problem of what variables should be used to measure scanning activities and also on the aspect of financial performance (quantitative contribution) such as increase in profitability, return on capital and net profit margin etc, but less of the researchers have taken cognizance of the qualitative performance of the business such as consumers and customer satisfaction or loyalty, operation efficiency, employees turnover, perceived quality, organisational growth and also on the product market performance such as sales and market share. As a result, there is a need to develop a refined model presenting a clearly defined environmental scanning process, paying equal attention to all its steps while investigating the impact of environmental uncertainty, and showing the indirect contribution of environmental scanning on qualitative organisational performance. This area of qualitative or non financial business performance tends to be the most critical and sensitive area of business because it plays a significant role in determining the survival of an organisation. The above mentioned or stated problems have provided the rationale for conducting this research on the impact of strategic environmental scanning on organisational performance in the Nigerian business environment.

Objectives of the Study

The broad objective of the study is to evaluate the effect of environmental scanning on organisational performance in Unilever Nigeria plc Ikeja, Lagos. The specific objectives of this study are to:

i. Identify and explain the various environmental scanning in the study area.
ii. examine the effect of internal environmental analysis on consumers satisfaction.
iii. describe the significant impact of internal environmental analysis on product quality.
iv. determine the effect of external environmental analysis on profitability.

Research Hypotheses

The following hypotheses were formulated and tested in the null form.

Ho1: Internal environmental analysis does not affect consumers’ satisfaction.
Ho2: Internal environmental analysis does not have impact on product quality.
Ho3: External environmental analysis does not affect organisational profitability.

C. Literature Review

Concept of Strategic Environmental Scanning
Effective discussion of the conceptual issues in strategic environmental scanning can only proceed by first looking at the meaning of the key concepts used in this Paper. The two key operative words are: Environment and Scanning. We shall define each concept and merge them by way of synthesis. Environment in the literature is a term used to capture certain factors or forces which are outside the control of an organisation, but which such an organisation must react and respond to if it must survive and realize goals it has set for itself (Koontz, O'Donnell, & Weihrich, 1980; Onodugo, 2000). Scanning, which is the next operative word simply means careful examination of an area with a view to seeking out a person or a thing in that area. Put together, Environmental scanning is the process of monitoring and analyzing the business environment of a company. Environmental scanning simply means a careful examination of the environment with a view to identifying opportunities to maximize and minimizing threats along the lines dictated by missions and goals of a particular business. Wheelen and Hunger (2000) define scanning as the monitoring, evaluating and dissemination of information from the external environment to key people within the corporation. It is important to reiterate that this exercise must be done on continual basis so as to keep track of changes in the environment. Environmental scanning is the monitoring, evaluating, and disseminating of information from the external and internal environment to key people within the corporation or organisation (Kazmi, 2008). Environmental scanning also is the process of gathering, analyzing, and dispensing information for tactical or strategic purposes. The environmental scanning process entails obtaining both factual and subjective information on the business environments in which a company is operating or considering entering.

Environment creates both problems and opportunities for organisation. Organisation depends on the environment for scarce and valued resources, and organisation often must cope with unstable and unpredictable external and internal events. The environment itself perhaps, more than any other factor, affect organisational structure, internal processes and managerial decision making. From an information processing perspective, the environment is important because it create uncertainty for manager. Environmental uncertainty increases information processing within organisation because managers must identify opportunities, detect threats, interpret problem areas and implement strategic or structural adaptation (Hambrick, 1982). One means of competing for policy and the decision maker is to acquire superior information about the environment opportunities and threats which depend on management’s perception of signal that other organisations missed Dulton & freeman (as cited in Ojo, 2008).

Concept of Business Environment

Every business organisation operates in an environment that transcends its official boundaries. Organisation’s environment can be defined as all the forces and conditions within and outside the organisation that affect the organisation in it day-to-day activities.

Meanwhile, the environment of a business is a highly dynamic, complex and competitive one. The forces a business is to contend with are varied as they are continually changing. Thus managers must take into account the influence of the environmental forces that can affect the performance of their organisations. They must have sufficient knowledge to be able to identify, evaluate and cope with environmental forces that may affect the operations of their organisations. A thorough understanding and analysis of the business environment by managers will enable the business to cope with the changing forces within the environment.

To adequately understand organisational environment, we must borrow some concepts from “System Theory”. One of the basic assumptions of the system theory is that organisations are neither self-sufficient nor self-contained. Rather, they exchange resources with and are depended upon the external environment, which is defined as all elements outside an organisation that are relevant to the physical operations (some of the elements connect the organisation to the physical world) (Stoner, Freeman & Gilbert, 2004).

Organisation take ‘input’ i.e. raw materials, money, labour and energy from the external environment, transform them into products and / or services and then send them back as ‘outputs’ to the external environment.
The Internal Environment

The internal environment refers to all the factors within an organization which imparts strengths or cause weaknesses of a strategic nature. The environment in which an organisation exists can, therefore, be described in terms of the opportunities and threats operating in the external environment apart from the strength and weaknesses existing in the internal environment. There are a number of internal factors which influence the strategy and other decisions.

The External Environment

The external environment refers to all relevant forces and conditions outside the organisation’s boundaries that affect it activities. The external environment has both direct-action and indirect-action elements, also called shareholder including shareholders union, suppliers and many others who directly influence an organisation. Indirect action elements; such as the technology, economy, and politics of a society, affects the climate in which an organisation operate and have potential to become direct element.

Political Factors

These refer to government policy such as the degree of intervention in the economy. What goods and services does a government want to provide? To what extent does it believe in subsidizing firms? What are its priorities in terms of business support? Political decisions can impact on many vital areas for business such as the education of the workforce, the health of the nation and the quality of the infrastructure of the economy such as the road and rail system.

Political system is made up of an interacting set of laws, government agencies, and pressure group that constrain and influence the conduct of business. In Nigeria, the basic political model is that of liberal democracy. The political atmosphere in an unstable government like that of Nigeria will adversely affect business because their sanction as it relate to business cannot be predicted. Also the type of government is influenced by the number of parties forming it. Is it one party, two party, multi-party, military regimes that is ruled by decree and dictatorial? They always virtually affect the laws that are made which will in turn affect business laws (Ilesanmi, 2012).

Economic Environment

The survival and success of each and every business enterprise depend fully on its economic environment. The main factors that affect the economic environment are:

(a) Economic Conditions: The economic conditions of a nation refer to a set of economic factors that have great influence on business organisations and their operations. These include gross domestic product, per capital income, markets for goods and services, availability of capital, foreign exchange reserve, growth of foreign trade, strength of capital market etc. All these help in improving the pace of economic growth.

(b) Economic Policies: All business activities and operations are directly influenced by the economic policies framed by the government from time to time. Some of the important economic policies are:

Socio-cultural

Socio-cultural environment of a business enterprise presents both opportunities and obstacles. For example, large population means more consumers, workers, and increased population, revolutionized retail selling, economic boom in terms of housing and construction industry (Ilesanmi, 2012). Social cultural factors include the cultural aspects and include health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety. Trends in social factors affect the demand for a company’s products and how that company operates. For example, an aging population may imply a smaller and less-willing workforce (thus increasing the cost of labor). Furthermore, companies may change various management strategies to adapt to these social trends (such as recruiting older workers). Socio-cultural Environment has to do with the totality of the prevailing values, norms, attitudes, mores, beliefs, etc, in a society. These impact heavily on businesses, nay all the organisations
that operate in such society.

**Technological Factors**

Technological factors include technological aspects such as R&D activity, automation, technology incentives and the rate of technological change, methods, techniques and approaches adopted for production of goods and services and its distribution. They can determine barriers to entry, minimum efficient production level and influence outsourcing decisions. Furthermore, technological shifts can affect costs, quality, and lead to innovation. The way business is carried out has witnessed a lot of transformations. New techniques come to replace the old ones, and give a new flavor to service delivery. In fact, competitions in most industries develop along the lines of technological advancement and innovation. Any business that is slow to adapt to technological changes is courting problems, not in the least but extinction.

**Demographic Environment**

This refers to the size, density, distribution and growth rate of population. All these factors have a direct bearing on the demand for various goods and services. For example a country where population rate is high and children constitute a large section of population, then, there is more demand for baby products. Similarly the demand of the people of cities and towns are different than the people of rural areas. The high rise of population indicates the easy availability of labour. These encourage the business enterprises to use labour intensive techniques of production. Moreover, availability of skill labour in certain areas motivates the firms to set up their units in such area. For example, the business units from America, Canada, Australia, Germany, UK, are coming to India due to easy availability of skilled manpower. Thus, a firm that keeps a watch on the changes on the demographic front and reads them accurately will find opportunities knocking at its doorsteps.

**Legal Environment**

This refers to set of laws, regulations, which influence the business organisations and their operations. Every business organisation has to obey, and work within the framework of the law.

These are related to the legal environment in which firms operate. In recent years, there have been many significant legal changes that have affected firms' behaviour. The introduction of age discrimination and disability discrimination legislation, an increase in the minimum wage and greater requirements for firms to recycle are examples of relatively recent laws that affect an organisation's actions. Legal changes can affect a firm's costs (e.g. if new systems and procedures have to be developed) and demand (e.g. if the law affects the likelihood of customers buying the good or using the service). Different categories of law include: consumer laws; these are designed to protect customers against unfair practices such as misleading descriptions of the product, competition laws; these are aimed at protecting small firms against bullying by larger firms and ensuring customers are not exploited by firms with monopoly power, employment laws; these cover areas such as redundancy, dismissal, working hours and minimum wages. They aim to protect employees against the abuse of power by managers, health and safety legislation; these laws are aimed at ensuring the workplace is as safe as is reasonably practical. They cover issues such as training, reporting accidents and the appropriate provision of safety equipment.

**Methods**

**Research Design and Population of the study**

This study adopts a survey research design, which focuses on the consumers of Unilever Nigeria Plc, manufacturer of household and personal care products. According to Osuala (1987) survey research studies both large and small population by selecting and studying samples chosen from the population to discover the relative incidence, distribution and interrelations of sociological, economic, psychological, political, geographical and business variables.

The population of the study are the consumers of Unilever Nigeria plc, Lagos. But in this
study, the total number of consumers that make up the study population is large and undeterminable; this therefore necessitates the sampling techniques and sample determination used below.

**Sampling Technique and Sample Size**

It is not possible to study the entire population of consumers of Unilever Nigeria Plc as a result of the undeterminable size of the population. However, the simple random sampling was adopted and the researcher therefore determine the sample size used from the population of consumers which is not known. However, the Godden (2004) formula was used to calculate the sample size as shown below:

\[
n = \frac{Z^2 \times P \times (1-P)}{M^2}
\]

Where \(n\) = sample size for infinite population

\(Z\) = desired confidence interval 90% (1.645)

\(P\) = population proportion (expressed as decimal) (assumed to be 0.3 (30%))

\(M\) = Margin of Error at 5% (0.05)

Where \(n\) =?

\(P\) = 0.3 = 30%

\(Z\) = 1.645 = 0.9 or 90%

\(M\) = 0.05

\[n = \frac{(1.645)^2 \times 0.3 \times 0.7}{0.05^2}\]

\[n = \frac{2.7060 \times 0.21}{0.0025}\]

\[n = \frac{0.56826}{0.0025} = 227.304\]

\[n = 227\]

**Method of Data Collection and Research Instrument**

This study obtains information through the primary and secondary source. The questionnaire was used as an instrument of data collection. And also data was obtained from the annual report of Unilever Nigeria Plc (2012 – 2016)

**Model Specification**

\(Y = a + bx + u\)

\(Y = \) (Dependent variable) = Organisation performance

\(a\) = constant

\(bx\) = (independent Variable) = Environmental scanning

\(u\) = statistic Error Term

Hence

\(Y = (y_1, y_2, y_3)\)

\(bx = (x_1, x_2)\)

Where:

\(y_1 = \) Consumer satisfaction

\(y_2 = \) Product quality

\(y_3 = \) Profit after tax

\(x_1 = \) Internal environmental analysis
DATA PRESENTATION AND ANALYSIS

STRATEGIC ENVIRONMENTAL SCANNING AND ORGANIZATIONAL PERFORMANCE INDICATOR ANALYSIS

Table 1: Secondary Data Presentation and Variables

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TAX</th>
<th>PAT</th>
<th>% CHANGE IN TAX</th>
<th>% CHANGE IN PAT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₦</td>
<td>₦</td>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td>2012</td>
<td>2588374000</td>
<td>5597613000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>2069186000</td>
<td>4724429000</td>
<td>-</td>
<td>19</td>
</tr>
<tr>
<td>2014</td>
<td>460892000</td>
<td>2412343000</td>
<td>-</td>
<td>78</td>
</tr>
<tr>
<td>2015</td>
<td>578697000</td>
<td>1192366000</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>2016</td>
<td>1034537000</td>
<td>3071885000</td>
<td>79</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Unilever Annual report for the various years

TAXATION

Tax is a variable captured for external environmental analysis, however the base year of this is 2012 in which ₦2588374000 was paid out to government as tax. However in the year 2013 and 2014 taxation decreases by 19% and 78% respectively and also ₦460892000 was paid to the government for the consecutive years of 2013 and 2014 as well. Although the decrease is said to have followed the reduction in the level of profitability of the company for the respective years. On the other hand taxation increases in year 2015 and 2016 with 26% and 79% respectively in which ₦578697000 and ₦1034537000 was paid in the respective years. However, this increase is probably because of the changes in the level of profitability.

PROFIT AFTER TAX

PAT is a good organisational performance indicator. In the same vein PAT according to this research is an indicator of organisational performance. For year 2012 which is actually the base year of this research, the profit after tax stood at ₦5597613000 but however the Profit after tax witnessed a decrease from the year 2013 to 2015 with a percentage of 14, 49 and 51 but on the other hand it witnessed a tremendous increase in year 2016 with a percentage of 158. The changes in the following years were as a result of changes in the economy as at the period. This implied that from year 2013 to 2015 the economy was in recession and thereafter recover gradually and witnessed economic boom to some extent in year 2016.

Table 2: Descriptive Analysis of Variables

<table>
<thead>
<tr>
<th></th>
<th>PAT</th>
<th>TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>3416222800</td>
<td>1353406800</td>
</tr>
<tr>
<td>Median</td>
<td>3071885000</td>
<td>1034537000</td>
</tr>
<tr>
<td>Maximum</td>
<td>5597613000</td>
<td>2588374000</td>
</tr>
<tr>
<td>Minimum</td>
<td>1192366000</td>
<td>4608920000</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>1786361384.84412</td>
<td>947070740.1565629</td>
</tr>
<tr>
<td>Skewness</td>
<td>0.049963</td>
<td>0.361594</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>1.591844</td>
<td>1.417588</td>
</tr>
<tr>
<td>Jarque-Bera</td>
<td>0.415185</td>
<td>0.630631</td>
</tr>
<tr>
<td>Probability</td>
<td>0.812538</td>
<td>0.729559</td>
</tr>
<tr>
<td>Sum</td>
<td>17081114000</td>
<td>6767034000</td>
</tr>
<tr>
<td>Sum Sq. Dev.</td>
<td>1.27643479890488e+19</td>
<td>3.587771947442799e+18</td>
</tr>
<tr>
<td>Observations</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Authors computation using E views

TREND OF PROFIT AFTER TAX

From table 2, it is observable that the mean value for profit after tax of the study is N3416222800. The interpretation of this values portends that the profit after tax is said to be good if the sampled data is above the industry’s average profit, it was discovered that profit after tax recorded in 2012-2013 was above the average which is N3416222800, although profit after tax experienced a decrease in 2014 to 2016 this implies that the economic condition as at
this period is unfavorable to the citizen of the country, this portends that an average citizen in the country cannot afford to buy Unilever product conveniently based on the level of their income. The value of the standard deviation of N1786361384.84412 was obtained for profit after tax however, indicate the degree of variability existing in the level of profit after tax, the value of standard deviation obtainable for profit after tax portends that the values recorded for profit after tax for the period under study are farther away from the mean or average, the implies that profit after tax in the company has experienced an unstable growth in values over the years. Decrease in the total profit of the industry might be responsible for this.

For the minimum and maximum values, table 2 reveals that minimum profit after tax of N192366000 was recorded in 2015, this portends that there is a slow growth in the economy during the period, however, maximum profit after tax of N5597613000 was recorded in 2012, this portends that the economy was buoyant at that period.

**Trend of Taxation**

From table 2, it is observable that the mean value for taxation of the study is N1353406800. The interpretation of this values portends that the taxation is said to be good if the sampled data is below the industry’s average taxation, it was discovered that taxation recorded in 2012-2013 was above the average which is N1353406800, although taxation experienced a decrease in 2014 to 2016 this implies that the economic condition as at this period is unfavorable to the company and however this is as a result of decline in profit of the company, this portends that the company profit as been consistently low and it has result to decline in the tax payment of the company. The value of the standard deviation of N947070740.1565629 was obtained from taxation however, indicate the degree of variability existing in the level of taxation, the value of standard deviation obtainable for taxation portends that the values recorded for taxation for the period under study are farther away from the mean or average, the implies that taxation in the company has experienced an unstable growth in values over the years. Decrease in the total profit of the company might be responsible for this.

For the minimum and maximum values, table 2 reveals that minimum taxation of N460892000 was recorded in 2014, this portends that there is a slow growth in the company profit during the period, however, maximum taxation of N2588374000 was recorded in 2012, this portends that the economy was buoyant at that period and the company make more profit at the period.

**Test of Hypotheses**

**Research Hypothesis One:** Internal environmental analysis does not have impact on consumers’ satisfaction.

In other to empirically test the above hypothesis, the model below was formulated to depict the relationship that exists between the independent and the dependent variable of the study.

\[
CSS = \beta_0 + \beta_1IEA1 + \beta_2IEA2 + \beta_3IEA3 + \beta_4IEA4 + \beta_5IEA5 + \beta_6IEA6 + \beta_7IEA7 + \beta_8IEA8 + \beta_9IEA9 + \beta_{10}IEA10 + \beta_{11}IEA11 + \varepsilon
\]

Where; CSS = Consumer Satisfaction

**IEA = Internal Environmental Analysis**

IEA1 = Environmental scanning is responsible for effective organisation performance.

IEA2 = Internal environmental analysis contributes positively to consumers’ satisfaction.

IEA3 = The firm prices and cost does have an appealing consumer value propositions.

IEA4 = Competitive pressure and industry driving forces does not outwit the organisation.

IEA5 = Rating the firm among others, the firm is said to have the best brand name coupled with good image and reputation.

IEA6 = The firm is competitively stronger than its key rival in terms of product quality.

IEA7 = The firm prices and cost are competitively good when compared with that of key rivals.

IEA8 = The firm should introduce innovative reward system.

IEA9 = Being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry.

IEA10 = The firm should introduce participative problem solving.
IEA11 = Trends in the economic part of the society can have an obvious impact on business activity.

Table 3: A Summary of the Multiple Regression Analysis of the Interactive Relationship between Internal Environmental Analysis and Consumer Satisfaction

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.493*</td>
<td>.243</td>
<td>.204</td>
<td>.67496</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), IEA11, IEA2, IEA5, IEA4, IEA9, IEA7, IEA1, IEA3, IEA10, IEA8, IEA6

b. Dependent Variable: CSS

The model summary table reveals a correlation co-efficient which is denoted by R = 0.493 and this indicate a positive linear relationship between the dependent variable and the independent variable, the R² value = (0.243) value from the table is the coefficient of determination which is used in explaining percentage of variation in the dependent variable that is explain by the independent variable. This shows that internal environmental analysis variables have very weak impact on consumer satisfaction. Thus this model is predicting 24.3% of the variance in consumer satisfaction pooling all predictors together simultaneously; meaning that 24.3% of the variance in consumer satisfaction can be predicted by the internal environmental analysis variables captured in the model from the selected organisation while the remaining 75.5% are accounted for by other variables that are not included in the model.

Table 4: Multiple Regression Analysis Showing Significance of Predictors on consumers satisfaction

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>31.443</td>
<td>11</td>
<td>2.858</td>
<td>6.274</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>97.949</td>
<td>215</td>
<td>.456</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Total</td>
<td>129.392</td>
<td>226</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: CSS

b. Predictors: (Constant), IEA11, IEA2, IEA5, IEA4, IEA9, IEA7, IEA1, IEA3, IEA10, IEA8, IEA6

Table above shows that internal environmental analysis variables used in the selected organisation significantly predicted the level of consumers satisfaction, F (11, 215) = 6.274, p < 0.05. F –Statistics indicates that the overall regression model is highly statistically significant in terms of its goodness of fit since the value of F_{tab} (11, 215) > F_{cal} (6.274).

Table 5: Contributions of each Predictors on Consumer Satisfaction

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant) 1.151</td>
<td>.360</td>
<td></td>
<td>.67496</td>
</tr>
<tr>
<td></td>
<td>IEA1 .123</td>
<td>.060</td>
<td>.143</td>
<td>2.056</td>
</tr>
<tr>
<td></td>
<td>IEA2 .096</td>
<td>.056</td>
<td>.115</td>
<td>1.708</td>
</tr>
<tr>
<td></td>
<td>IEA3 .023</td>
<td>.061</td>
<td>.026</td>
<td>.378</td>
</tr>
<tr>
<td></td>
<td>IEA4 .037</td>
<td>.052</td>
<td>.048</td>
<td>.714</td>
</tr>
<tr>
<td></td>
<td>IEA5 .012</td>
<td>.061</td>
<td>.013</td>
<td>.194</td>
</tr>
<tr>
<td></td>
<td>IEA6 .040</td>
<td>.054</td>
<td>.054</td>
<td>.739</td>
</tr>
<tr>
<td></td>
<td>IEA7 .093</td>
<td>.054</td>
<td>.123</td>
<td>1.715</td>
</tr>
<tr>
<td></td>
<td>IEA8 .037</td>
<td>.058</td>
<td>.045</td>
<td>.630</td>
</tr>
<tr>
<td></td>
<td>IEA9 .029</td>
<td>.056</td>
<td>.036</td>
<td>.528</td>
</tr>
<tr>
<td></td>
<td>IEA10 .068</td>
<td>.054</td>
<td>.090</td>
<td>1.271</td>
</tr>
<tr>
<td></td>
<td>IEA11 .100</td>
<td>.052</td>
<td>.130</td>
<td>1.908</td>
</tr>
</tbody>
</table>
a. Dependent Variable: CSS
Source: Author’s Computation using SPSS 20.0, (2017)

The table above shows the contribution of each of the predictors. In this case, the constant intercept of 1.151 explains that when all the independent variables are zero, the dependent variable, consumer satisfaction (CSS) will increase by the value 1.151. Environmental scanning is responsible for effective organisation performance (IEA1) has the highest positive contribution with Beta = .143, p < .05 and t-value = 2.056. Internal environmental analysis contributes positively to consumers’ satisfaction (IEA2) has a positive impact with Beta = .115, p > .05 and t-value = 1.708. The firm prices and cost does have an appealing consumer value propositions (IEA3) has a positive impact with Beta = .026, p > .05 and t-value = .378. Competitive pressure and industry driving forces does not outwit the organisation (IEA4) has a positive impact with Beta = .048, p > .05 and t-value = .714.Rating the firm among others, the firm is said to have the best brand name coupled with good image and reputation (IEA5) has a positive impact with Beta = .013, p > .05 and t-value = .194.The firm is competitively stronger than its key rival in terms of product quality (IEA6) has a positive impact with Beta = .054, p > .05 and t-value = .739.The firm prices and cost are competitively good when compared with that of key rivals (IEA7) has a positive impact with Beta = .123, p > .05 and t-value = 1.715. The firm should introduce innovative reward system (IEA8) has a positive impact with Beta = .045, p > .05 and t-value = .630. Being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry (IEA9) has a positive impact with Beta = .036, p > .05 and t-value = .528. The firm should introduce participative problem solving (IEA10) has a positive impact with Beta = .090, p > .05 and t-value = 1.271.

Trends in the economic part of the society can have an obvious impact on business activity (IEA11) has a positive impact with Beta = .130, p > .05 and t-value = 1.908. From the p values, Environmental scanning is responsible for effective organisation performance (IEA1) and the constant intercept all have significant impact on the dependent variable (consumer satisfaction) because their respective p values are lesser than 0.05 while Internal environmental analysis contributes positively to consumers’ satisfaction (IEA2), the firm prices and cost does have an appealing consumer value propositions (IEA3), competitive pressure and industry driving forces does not outwit the organisation, rating the firm among others(IEA4), the firm is said to have the best brand name coupled with good image and reputation(IEA5), the firm is competitively stronger than its key rival in terms of product quality(IEA6), the firm prices and cost are competitively good when compared with that of key rivals(IEA7), the firm should introduce innovative reward system(IEA8), being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry(IEA9), the firm should introduce participative problem solving(IEA10), trends in the economic part of the society can have an obvious impact on business activity (IEA11) all have an insignificant impact on the dependent variable( consumer satisfaction) because their respective p values are greater than 0.05.

The resulting prediction equation was CSS = β_{01.511} + β_{1.123} + β_{2.096} + β_{3.023} + β_{4.037} + β_{5.012} + β_{6.040} + β_{7.093} + β_{8.037} + β_{9.029} + β_{10.068} + β_{11.100} + ε

**Decision Rule**

Based on the above results, since alpha –value (0.05) is greater than P-value (0.000) the null hypothesis is rejected and the study concludes that internal environmental analysis does have a significant impact consumer satisfaction in the selected organisation.

The finding of this study revealed a significant relationship between internal environmental analysis and consumer satisfaction; this is in line with the findings of **Kumar, Subramanian and Strandholm, (2001)** who asked participants for the assessment of their organisation’s performance on various measures. Similarly, it is in line with the study of **Garg, Walters, and Priem,(2003)** that required the CEOs to report their best subjective estimates of performance compared to similar firms in their industry on a 5-point scale for after tax return on total sales/assets, sales growth and overall performance/success. This however, indicates that environmental scanning affect organisational performance.
Research Hypothesis Two: Internal environmental analysis does not have impact on product quality.

In order to empirically test the above hypothesis, the model below was formulated to depict the relationship that exists between the independent and the dependent variable of the study.

\[
PQS = \beta_0 + \beta_1IEA1 + \beta_2IEA2 + \beta_3IEA3 + \beta_4IEA4 + \beta_5IEA5 + \beta_6IEA6 + \beta_7IEA7 + \beta_8IEA8 + \beta_9IEA9 + \beta_{10}IEA10 + \beta_{11}IEA11 + \varepsilon
\]

Where; PQS = Product Quality

IEA = Internal Environmental Analysis

IEA1 = Environmental scanning is responsible for effective organisation performance.

IEA2 = Internal environmental analysis contributes positively to consumers’ satisfaction.

IEA3 = The firm prices and cost does have an appealing consumer value propositions.

IEA4 = Competitive pressure and industry driving forces does not outwit the organisation.

IEA5 = Rating the firm among others, the firm is said to have the best brand name coupled with good image and reputation

IEA6 = The firm is competitively stronger than its key rival in terms of product quality.

IEA7 = The firm prices and cost are competitively good when compared with that of key rivals.

IEA8 = The firm should introduce innovative reward system.

IEA9 = Being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry.

IEA10 = The firm should introduce participative problem solving.

IEA11 = Trends in the economic part of the society can have an obvious impact on business activity.

Table 6: A Summary of the Multiple Regression Analysis of the Interactive Relationship between Internal Environmental Analysis and Product Quality

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.612*</td>
<td>.374</td>
<td>.342</td>
<td>.49385</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), IEA11, IEA2, IEA5, IEA4, IEA9, IEA7, IEA1, IEA3, IEA10, IEA8, IEA6

The model summary table reveals a correlation co-efficient which is denoted by \( R = 0.612 \) however this indicates a positive linear relationship between the dependent variable (product quality) and the independent variable (internal environmental analysis), the \( R^2 \) value = (0.374) which is the co-efficient of determination which is used in explaining percentage of variation in the variable that is explained by the independent variable. This shows that internal environmental analysis variables have weak impact on consumer satisfaction. Thus this model is predicting 37.4% of the variance in product quality pooling all predictors together simultaneously; meaning that 37.4% of the variance in product quality can be predicted by the internal environmental analysis variables captured in the model from the selected organisation while the remaining 62.6% are accounted for by other variables that are not included in the model. Also, the \( R^2 \) value after adjustment was 0.342 which explains that the model is not highly fit.

Table 7: Multiple Regression Analysis Showing Significance of Predictors on Product Quality

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares of Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression Residual Total</td>
<td>31.367 52.435 83.803</td>
<td>11 215 226</td>
<td>2.852 .244</td>
<td>11.692 .000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PQS
b. Predictors: (Constant), IEA11, IEA2, IEA5, IEA4, IEA9, IEA7, IEA1, IEA3, IEA10, IEA8, IEA6

Above table shows that internal environmental analysis variables used in the selected organisation significantly predicted the level of product quality, \( F (11, 215) = 11.692, p < 0.05 \)
F-statistical indicates that the overall regression model is highly statistically significant in terms of its goodness of fit since the value of $F_{cal}$ (11, 215) > $F_{tab}$ (11.692).

**Table 8: Contributions of each Predictors on Product Quality**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.517</td>
<td>.264</td>
<td>5.758</td>
<td>.000</td>
</tr>
<tr>
<td>IEA1</td>
<td>.076</td>
<td>.044</td>
<td>1.731</td>
<td>.085</td>
</tr>
<tr>
<td>IEA2</td>
<td>.048</td>
<td>.041</td>
<td>1.157</td>
<td>.249</td>
</tr>
<tr>
<td>IEA3</td>
<td>.016</td>
<td>.045</td>
<td>.364</td>
<td>.716</td>
</tr>
<tr>
<td>IEA4</td>
<td>.089</td>
<td>.038</td>
<td>2.340</td>
<td>.020</td>
</tr>
<tr>
<td>IEA5</td>
<td>.027</td>
<td>.045</td>
<td>.610</td>
<td>.543</td>
</tr>
<tr>
<td>IEA6</td>
<td>.079</td>
<td>.040</td>
<td>1.977</td>
<td>.049</td>
</tr>
<tr>
<td>IEA7</td>
<td>.069</td>
<td>.039</td>
<td>1.749</td>
<td>.082</td>
</tr>
<tr>
<td>IEA8</td>
<td>.068</td>
<td>.042</td>
<td>1.602</td>
<td>.111</td>
</tr>
<tr>
<td>IEA9</td>
<td>-.012</td>
<td>.041</td>
<td>-.302</td>
<td>.763</td>
</tr>
<tr>
<td>IEA10</td>
<td>.127</td>
<td>.039</td>
<td>3.244</td>
<td>.001</td>
</tr>
<tr>
<td>IEA11</td>
<td>.053</td>
<td>.038</td>
<td>1.384</td>
<td>.168</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PQS

The table above shows the contribution of each of the predictors. In this case, the constant intercept of 1.517 explains that when all the independent variables are zero, the dependent variable, product quality (PQS) will increase by the value 1.517. The firm should introduce participative problem solving (IEA10) has the highest positive contribution with Beta = .208, $p < .05$ and t-value = 2.340. Being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry (IEA9) has a negative contribution with Beta = -.019, $p > .05$ and t-value = -.302.

Environmental scanning is responsible for effective organisation performance (IEA1) has a positive impact with Beta = .110, $p > .05$ and t-value = 1.731. Internal environmental analysis contributes positively to consumers’ satisfaction. (IEA2) has a positive impact with Beta = .071, $p > .05$ and t-value = 1.157. The firm prices and cost does have an appealing consumer value propositions (IEA3) has a positive impact with Beta = .023, $p > .05$ and t-value = .364. Competitive pressure and industry driving forces does not outwit the organisation (IEA4) has a positive impact with Beta = .144, $p > .05$ and t-value = 2.340. Rating the firm among others, the firm is said to have the best brand name coupled with good image and reputation (IEA5) has a positive impact with Beta = .037, $p > .05$ and t-value = .610. The firm is competitively stronger than its key rival in terms of product quality (IEA6) has a positive impact with Beta = .132, $p < .05$ and t-value = 1.977. The firm prices and cost are competitively good when compared with that of key rivals (IEA7) has a positive impact with Beta = .114, $p > .05$ and t-value = 1.749. The firm should introduce innovative reward system (IEA8) has a positive impact with Beta = .105, $p > .05$ and t-value = 1.602. Trends in the economic part of the society can have an obvious impact on business activity (IEA11) has a positive impact with Beta = .086, $p > .05$ and t-value = 1.384. From the p values, we deduced that Competitive pressure and industry driving forces does not outwit the organisation (IEA4), The firm is competitively stronger than its key rival in terms of product quality (IEA6), The firm should introduce participative problem solving (IEA10) and the constant intercept all have significant impact on the dependent variable (Product Quality) because their respective P values are less than 0.05 while Environmental scanning is responsible for effective organisation performance (IEA1), Internal environmental analysis contributes positively to consumers’ satisfaction. (IEA2), The firm prices and cost does have an appealing consumer value propositions (IEA3), Rating the firm among others, the firm is said to have the best brand name coupled with good image and reputation (IEA5), The firm prices and cost are competitively good when compared with that of key rivals (IEA7), The firm should introduce innovative reward system (IEA8), Being able to identify and manage various internal factors in the environment has given your organisation a competitive edge in the industry (IEA9) and Trends in the economic part of the society can have an obvious impact on business act.
Activity (IEA11) all have insignificant impact on the dependent variable (product quality) because their respective P values are greater than 0.05.

The resulting prediction equation was \( PQS = \beta_0 + \beta_1.076 + \beta_2.048 + \beta_3.016 + \beta_4.089 + \beta_5.027 + \beta_6.079 + \beta_7.069 + \beta_8.068 - \beta_9.012 + \beta_{10}.127 + \beta_{11}.053 + \varepsilon \)

Based on the above results, since alpha value (0.05) is greater than P-value (0.000) the null hypothesis is rejected and the study concludes that internal environmental analysis does have a significant impact on product quality in the selected organisation.

This study borders on investigating the effect of environmental scanning on organisation performance of Unilever Nigeria Plc, Lagos. The finding of this study revealed a significant relationship between internal environmental analysis and product quality; this is in line with the findings of Strandholm and Kumar (2003) which included efficiency (per employee/patient expenditure) and effectiveness (capacity utilization of hospital facilities) as performance measures while investigating hospitals’ environmental scanning activities. Also it is in line with the study of Ngamkroeckjoti and Speece (2008) that used customer acceptance as one factor to evaluate new product performance. This however, indicates that environmental scanning affects organisational performance.

**Research Hypothesis Three:** External environmental analysis does not affect organisation profit after tax

**Table 9:** Regression analysis for effect of external environmental analysis on profit after tax

<table>
<thead>
<tr>
<th>Dependent Variable: PAT</th>
<th>Method: Least Squares</th>
<th>Date: 09/17/17</th>
<th>Time: 17:20</th>
<th>Sample: 2012-2016</th>
<th>Included observations: 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
<td>Coefficient</td>
<td>Std. Error</td>
<td>t-Statistic</td>
<td>Prob.</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>1.22E+09</td>
<td>1.42E+09</td>
<td>0.858617</td>
<td>0.4810</td>
<td></td>
</tr>
<tr>
<td>TAX</td>
<td>1.782932</td>
<td>0.403086</td>
<td>4.423206</td>
<td>0.0475</td>
<td></td>
</tr>
</tbody>
</table>

\[ PAT = \beta_0 + \beta_1 \text{TAX} + \varepsilon \]

\[ \text{PAT Error} = (1220000000) + 1.782932 \text{TAX} \]

\[ \text{t-Statistic} = (0.858617) (4.423206) (-0.188035) \]

\[ \text{Prob} = (0.4810) (0.0475) (0.8682) \]

From the above, the interpretation of the result as regard the coefficient of various regressors is stated as follows: The value of the intercept at 1220000000 shows that Unilever Nigeria Plc will experience a 1220000000 increase in Profit after tax (PAT) when all the independent variables are zero. The coefficient of the variables in the estimated model shows that there is a positive effect between Profit after tax (PAT) and taxation (TAX). The estimate coefficients which are 1.782932 (TAX) shows that a unit change in taxation (TAX) (1% increase in taxation) will cause a 1.782932 increase in Profit after tax (PAT). Also note that taxation (TAX) has significant effects on profit after tax (PAT) because its probability value is less than 0.05 while that of the constant intercept have insignificant effects on profit after tax (PAT) as it probability values is less than 0.05.
Coefficient of Multiple Determinants ($R^2$)

The R-squared of 91.4782% shows that the model has a very high coefficient of determination. The R-squared reports that the independent variables, Taxation(TAX) can explain about 91.4782% of total variation in Profit after tax(PAT), the remaining 8.5218% variation in Profit after tax are not accounted for in the model or rather accounted for by other variables outside the model. The fitness of every regression result is based on its R-squared. The adjusted R-squared shows that asymptotically, the variables can explain approximately 82.9564% of total variation. The implication of this is that the model is of good fit.

The test for the presence of autocorrelation as represented by the Durbin Watson statistics was found to be outside the normal bound at 3.164595 which is greater than 2, which is an indication of the presence of negative autocorrelation. Hence, the null hypothesis is accepted and the study concludes that there is significant impact of external environmental analysis on profitability of the selected organisation. This is in line the study of Wheelen and Hunger (2000) which asserts that a positive relationship exists between environmental scanning and profitability.

D. Discussion of Findings

This study investigates the impact of strategic environmental scanning on organisational performance in Unilever Nigeria Plc, Lagos in Nigeria. The result of the hypotheses tested show that there is significant relationship between strategic environmental scanning and organisational performance in Nigeria. This implied that strategic environmental scanning and organisational performance of Unilever Nigeria Plc are significantly related. The objective of the first research question is to identify the various strategic environmental scanning in the study area. This research question reveal that Unilever Nigeria Plc, a fast moving consumer goods (FMCG) company in Nigeria has involve themselves in the activities of scanning their business environment. However, it clearly makes us understand that environmental scanning could provide early warning signals for organisations, emerging from environmental uncertainties, risks, threats and opportunities.

The discussion of the first research question support the studies by Popoola (2000) and that of Babatunde and Adebisi (2012) which support the claim that environmental scanning is vital to organisational survival.

Further result on the hypothesis tested shows that Unilever Nigeria plc involved themselves in various or different environmental scanning activities. The interpretation is that consumers of Unilever Nigeria plc, however agrees that environmental scanning is a crucial activity that the company engage in.

The result of the first tested hypothesis says that there is a significant relationship between internal environmental analysis and consumer satisfaction. This hypothesis revealed a slight but significant impact of internal environmental analysis on consumer satisfaction. It conforms to several researches that identified significant relationship environmental scanning and organisational performance, Kumar et al (2001) who asked participants for the assessment of their organisation’s performance on various measures. the study of Garg,et al (2003) who required the CEOs to report their best subjective estimates of performance compared to similar firms in their industry on a 5-point scale for after tax return on total sales/assets, sales growth and overall performance/success. This however, indicates that environmental scanning affect organisational performance.

The result of the second hypothesis tested shows that internal environmental analysis does have impact on product quality. Although it doesn’t reveal a high impact but it is however significant. This is in tandem with previous work of Kumar et al (2001) and Garget et al. (2003). Conclusively, internal environmental analysis shows a weak but positive impact on product quality. However because of it level of significance organisation should continue to scan its internal environment.

The result of the last hypothesis tested show that external environmental analysis does affect profitability (PAT). The null hypothesis was rejected and hence it concludes that taxation being an external environment factor affect organisational profitability. However, result of the hypothesis tested is in tandem the study of Wheelen and Hunger (2000) which asserts that a positive relationship exists between environmental scanning and profitability.

In this research
study, descriptive statistics (frequency) and regression test was employed to analyze the data. Conclusively, All the null hypotheses were rejected 0.05 level of significance.

**Summary of Findings**

From the results of the data collected through primary and secondary sources, various tests were carried out in order to ascertain the efficiency of the empirical results including the test of the hypothesis; the following were deduced from this study with respect to the analyses carried out to examine impact of environmental scanning on organisational performance (a case study of Unilever Nigeria Plc). From the analysis, three hypotheses were tested in relation to the corresponding research objectives from which we can deduce that there is significant relationship between environmental scanning and organisational performance. First objective was analysed using descriptive statistics; it shows that the respondents agreed to the various scanning activities of the company. First Hypothesis reveals that, \( R^2 \) value = (0.243) and this shows that internal environmental analysis variables have very weak impact on consumer satisfaction \( (R^2=24.3\% \text{ sig}=0.000) \). Second Hypothesis shows that, \( R^2 \) value = (0.374). This shows that internal environmental analysis variables have weak impact on product quality \( (R^2=37.4.3\% \text{ sig}=0.000) \). Finally, test of hypothesis three depict that there is an insignificant relationship between external environmental analysis and profitability shown by \( (R^2=91.5\% f-\text{stat} =0.085218) \). Although the significance test shows that taxation has significant effect on the dependent variable (profit after tax). Furthermore, the tests shows that all the variables (consumer satisfaction, product quality, and profit after tax) used in carrying out this research work were stationed at 5 percent level of significance. The analysis established the facts that relationship exists between the dependent and the independent variables.

**E. Conclusion**

The organisation’s effective and efficient growth depends on the kind of environment in which it operates either directly or indirectly. Having sampled the opinion of various consumers of the company as far as this research is concerned, it should be noted that the environment should be flexible and directed towards the organisational achievement of goals and organisation objectives. It should be more than a target, against which performance is routinely assessed, in viable and vibrant plan for success of the organisation. Conclusively, management needs to take into cognizance the environmental dynamism and uncertainty in adopting strategy. However, the study concludes that strategic environmental scanning does have impact on organisational performance as revealed by the various results of hypotheses tested. The individual findings of the various tested hypotheses are as follows. Research Objective 1revealed all the various scanning activities of the company as opined by the consumers of the company reflecting on their satisfaction and by assessing the product quality. That is, strategic environmental scanning to some extent affects the level of consumer satisfaction and product quality. Hypothesis 1revealed that there exists an impact of the independent variable (internal environmental analysis) on the dependent variable (consumer satisfaction), it shows this at sig = .000, which implied that there is relationship between internal environmental analysis and consumer satisfaction. Hypothesis 2revealed that there exists an impact of the independent variable (internal environmental analysis) on the dependent variable (product quality), it shows this at sig = .000, which implied that there exist an impact internal environmental analysis on product quality. Hypothesis 3revealed that external environmental analysis does not have impact on profitability, it shows this at f stat = 0.085218.

The management needs to thoroughly and strategically scan the environment at which it operates before commencement of operation and also periodically scan the environment when the operation has begun. In view of this, the researcher can rightly conclude that, provided organisation can strategically, periodically, and always involve in strategic environmental scanning and pay strong attention to the threats (so as to avoid) and opportunities (so as to seize) in the environment, the level of such organisation’s performance will be very high and good in all ramification.

**Recommendations**

This research work aims at proffering lasting solutions to the generated problems most
especially from within and outside the environment of business. However the researcher recommends that:
The organisation should endeavor to orientate it stakeholders on the usefulness of the scanning activities so they can divulge useful information that can further lead to more satisfaction and development of quality product. Since the environment is an indispensable tool in management, it should not be taken with kids’ glove as it can influence the organisation in achieving its stipulated objectives from time to time. Manager must be abreast of the development in trends and changes in the level of consumers’ satisfaction. The level of technology and development must be monitored to reflect improvement in product quality. Information gathered from the scanning activities should be properly communicated to reflect a viable strategy that can assist them to achieve their stated objectives. The scanning activities should be periodically done and organisation must consider the aspect of consumer and or customer satisfaction a paramount area for scanning.

References


