

Strategic Planning Impact on Banks Employees' Performance: Palestine

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Abstract

This study aims to evaluate the impact of strategic planning on employees' performance in the banks operating in Palestine, and to assess the appropriateness of the strategic plans with the bank's vision and mission, also assess the appropriateness of resources with plans.

A cross sectional descriptive study was conducted to assess the perceptions of banks employees working in branches of banks operating in Palestine and specialized departments on the strategic plans development process. A sample of 407 Palestinian banks employees was targeted out of total population estimated of about 7001. Study data was collected using self-administered questionnaire. The total questionnaire distributed were (407), (320) were filled and sent back which made the response rate (78.6%).

The results showed that there is an existence of strategic planning in the targeted banks operating in Palestine, the various dimensions used for the assessment of strategic planning show a consistency of the factors in use throughout the bank, respondents were highly in agreement with most of the factors of the various dimensions indicating an efficient and effective operations of the strategic planning in the targeted banks operating in Palestine .

There is a high correlation between the strategic planning and employees' performance in banks. Where improved strategic planning and the existence of a clear vision and mission have the main effect in raising the quality of the performance of employees. The feedback of the employees working in the banks operating in Palestine who usually are the implementer of the developed strategic plans were not taken into consideration.

Efforts need to be made to allocate the available resources (Human & Financial) required in the process of the effective implementation for the strategic plans including reaching the agreed upon objectives in cost effective manner. Developing & improving the lines of communication between banks senior management and employees work in the banks in order to provide windows for the feedback of employees to be taken into the consideration of the bank's senior management especially when banks are developing marketing plans.

Keywords: Banks, Banking industry, Finance, Financial Institutions.

INTRODUCTION

In the Middle of the last century, in parallel with the development that followed the industrial revolutions, trade specialists and the philosophers of the economy started thinking of strategic plans for the continuity of existing companies and increasing their profits. On the other side, and due to World change and profit monopoly within group of people and capital, the demise of capitalism started to support companies and projects that are based on economic and social development, which guarantees for citizen a decent living and for companies the continuity of work and profits. Due to all these factors, long-term plans became a must to ensure continuity of economic projects (Geiss, 2003). Historically, the countries which participated and were affected by the destruction and homelessness resulted by the First and Second World Wars developed strategic plans to overcome after Wars crisis ((Neil Ritson, 2011).

To start with the strategic plans, the organization needs to re-structure itself again in order to harmonize with plan to achieve objectives and study the external and the internal environments of the organization and resources, especially the financial sources, which is called the budget, which must be compatible with the plan subject and with the available organization resources.

At the organizational level, the organizations need to make a strategic planning for projects that want to make in the future like plan for a new production line that will cost the organization, so it must make a good plan to success, or the bank wants to introduce a new service for the customers, the bank should make a plan to

know if market need this service or not and to know how to implement this service and then make a good advertising campaign, all of this are need planning. The study is based on knowledge of the impact of strategic planning on the performance of bank employees in Palestine?

The strategic planning is the planning that organization has to develop for the long-term project that need more than five years of implementation and to achieve organization main goals & sub-goals, and determine the direction of an organization over the long term. (David, 2013)

RESEARCH PROBLEM

The problem of the study is to diagnose the reality of strategic planning in the banks operating in Palestine from the perspective of their employees. This study is represented by answering the main following question: **What is the impact of strategic planning on employees' performance of the banks operating in Palestine?** The main question is branched into these sub-questions:

1. Are there any differences among the banks employee's responses regarding the strategic planning status in terms of the following variables: age, gender, work experience, academic qualification, or job title?
2. What is the reality of strategic planning in the banks operating in Palestine from their employees' point of view?
3. Does the implementation of strategic plans impact the performance of employees based employees' point of view?

RESEARCH OBJECTIVES

The main objective of the study is to evaluate the extent of the implementation of the strategic plans in the banks operating in Palestine and the extent of their impact on employees' performance in these banks. **The objectives:**

1. To know the Bank's commitment to its strategic plan
2. The appropriateness of strategic plan with the allocated budget
3. The relevance of implementation plan with the bank's vision and mission.
4. How to develop employee performance under strategic planning.
5. The extent of existing KPIs to measuring the employee's performance.

2. Research Theoretical Framework and Literature Review

Banking system in Palestine: The first bank established in Palestine was the ARAB BANK in the early Nineties of the last century , particularly in 1930 and played a large role in the Palestinian economy, which witnessed many events after that, such as the 1948 and 1967 wars that took place in the Palestinian territories after the British Mandate for Palestine, which led to the complete occupation of Palestine by a group of Jewish and the declaration of the State of Israel, all these events greatly affected the Palestinian economy.

In the beginning of the Nineteen Ninety, when the Palestinian Authority took the responsibility of main sectors in the Palestinian territories, in parallel with Oslo Agreement and the Paris Economic Agreement, having banks in Palestine became possible, in addition to the foreign banks which started to open their branches in the Palestinian territories. Local banks began to spread in Palestine like Bank of Palestine which is considered the first national bank in Palestine.

(Table 1): Bank's Types And Number Of Branches

#	Bank's name	Bank's type	Number of branches
1.	Arab Bank	Commercial	31
2.	Bank of Palestine	Commercial	71
3.	Cairo Amman Bank	Commercial	21
4.	Alquds Bank	Commercial	40
5.	The National Bank	Commercial	18
6.	Bank of Jordan	Commercial	17
7.	Jordan Commercial Bank	Commercial	5
8.	Jordan Ahli Bank	Commercial	6

#	Bank's name	Bank's type	Number of branches
9.	Egyptian Arab Land Bank	Commercial	8
10.	Housing Bank For Trade and Finance	Commercial	15
11.	Palestine Investment Bank	Commercial	18
12.	Safa Bank	Islamic	4
13.	Palestine Islamic Bank	Islamic	38
14.	Arab Islamic Bank	Islamic	10

- **(PMA, banks directory, 2018)**

The study titled (Strategic Planning and Efficiency of The Banking Sector: A Case of Kenya Commercial Bank Limited) which was presented in University of Nairobi, The study is based on determining the relation between strategic planning and the level of performance of the banking sector in Kenya. The qualitative primary data were collected by use of interviews with 7 senior staffs. The interview questions were open-ended to enable the researcher gather as much data as possible from the respondents. The most important findings were 1) factors that influence strategic planning in the banking industry, 2) factors that established relationship between strategic plans and level of efficiency in the Banking industry and 3) staff capacity building and achievement of management performance targets. The study further established that a well formulated, implemented and evaluated strategic plan facilitate efficiency in the banking sector and other industry. Findings further indicate how banks and other organizations can make any necessary changes to ensure harmony between its strategic plans and the level of efficiency (Saye, 2012).

The study titled (The Effect of Strategic Planning on The Performance and Operations of the Agricultural Development Bank). A thesis submitted to the Institute of Distance Learning, Kwame Nkrumah University of Science and Technology in partial fulfillment of the requirements for the degree of Commonwealth Executive Masters of Business Administration. The study was conducted on banks in Ghana and the case study was a (Agricultural Development Bank (ADB). The study used primary and secondary data. The secondary data was collected from reviewing books, publications, financial records and internal records of the bank. The primary data was collected by distributing a questionnaire to the bank staff. The sample consisted of 160 employees. The number of questionnaires for analysis and study was 140, equivalent to 87.35%. The results of the administered questionnaires showed a fairly high level of agreement for the features of the various dimensions of an effectively managed bank. However, this study showed that structures put in place for bottom-up information flow were not known to all employees. This study also showed that employees were either ignorant about program evaluation or there was a clear disregard for program evaluation at ADB. The researcher recommends that all factors of the various dimensions should be put into the right perspective so as to help the general workforce of the bank to understand the main objectives and strategic plans in place to achieve the objectives of ADB. (Poku, 2012).

A descriptive analytical method based study conducted at the University of Damascus entitled (The role of strategic planning in the quality of institutional performance), with special focus on the correlation between strategic planning and institutional performance in Palestinian universities. Where the population of the study consisted from the deans, directors, planning and quality committees at both the Islamic University and Al-Aqsa University, where 130 randomly selected to be the sample of the study, were distributed as following: 34 academics, 14 administrators from Al-Aqsa University, 44 academics and 38 administrators from the Islamic University. The above mentioned study pointed to no interest from Palestinian universities in linking strategic planning with the quality of institutional performance. The problem also lies in the fact that the strategic planning process is still being developed separately from the performance indicators and standards of quality. The researcher also noted that Palestinian higher education institutions develop their strategic plans then develop quality plans to improve performance, which indicates the weakness in understanding the importance of the strategic planning role and its integration with high quality performance. One of the most interesting results revealed during questionnaires analysis is the quality of strategic planning which was apparent but in varied proportion across the universities categories targeted by questionnaires ranging from 70% to 86% which could be explained by the relation between strategic planning and institutional performance

The study highly recommended the necessity to ensure a wider participation of the internal and external university community in the development of university strategies in addition to vision and mission. Also prioritizing goals that the university can achieve and providing all financial and human resources to achieve the goals and identifying the performance indicators for the goals and activities describing the final form to be reached from the target or activity. Other recommendations included development control plans and performing periodic review of the strategic plans, in addition to the development of a clear, documented and public policy guide including the various work fields, to ensure the standardization of the implementation of the work in accordance with a unified vision of the direction and policy of the universities. (Dijani, Iyad, 2011)

A recent Palestinian study conducted at 2016 to study the relation between the characteristics of senior management and strategic planning at commercial banks in Gaza, entitled "Relationship between the leading characteristics of senior management in commercial banks and strategic planning in the Gaza Strip". A study with high response rate (98%) as a well-developed questionnaire distributed to study participants was the tool of the study. The study finding revealed that around 82.93% of Gaza commercial banks in Gaza contained strategic planning, and the leading characteristics is available at a high level of 77.15%. Fares at his study recommended the importance of adoption and implementation of strategic planning in the practice of commercial banks. Also Commercial banks should pay attention to the leadership characteristics of the senior management due to their crucial impact on the career managers' performance and strengthening of strategic planning. Worthy recommendation encourages improving the leading characteristics of bank managers which would enhance the success of strategic plans. (Fares, Nadeen, 2016)

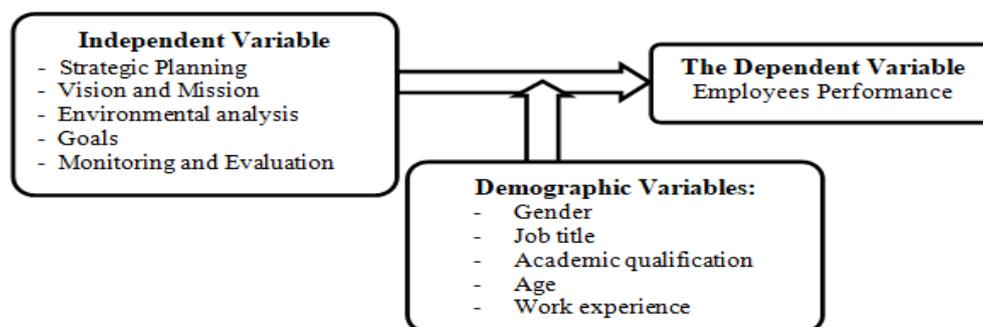
At 2009 Musleh conducted "The reality of strategic planning in the government ministries in the province of Qalqilya from the perspective of its employees" study, targeting 30% of the government employees in the city of Qalqilya, where 111 employees out of 370 were eligible to be randomly included in the study. A descriptive analytical method used to analyze the information gathered from the study's questionnaire which addressed the following six areas: Vision, Mission, Planning, Implementation, Control and Evaluation. The study results showed the intermediate level of ministries strategic planning indicated by the existence of vision, mission and objectives of the ministries, further more ministries implement and follow up the planning, but evaluation was weak.

Researcher concluded some recommendations advised to be taken into practice by ministries including awareness raising activities through lectures & leaflets to enhance the culture of strategic planning among employees, engaging all ministries levels in the strategic planning process and should not be exclusive for the senior level or main headquarters. In addition, providing the high management senior advanced courses on strategic planning specially for those who developing the ministries strategic plan is their main task, also visibility of ministries vision and mission for all staff is important to enable them to translate these concepts within their daily transactions were highly recommended. Last but not least, Musleh recommended that strategic plan need to be considered for evaluation but with the necessity of putting in place implementation and follow up mechanism to indicate any deviation from the original plan. (Musleh, Attieh, 2010)

3. RESEARCH METHODOLOGY

This chapter describes the research design, sampling methodology, ethical considerations, and study tools, validity and stability of the tools, data collection methods, statistical analysis, and the summary.

1.1. Study model



Study design

To achieve the objectives of the study; quantitative, cross-sectional descriptive design used to identify the perspective of employees working in the banks operating in Palestine towards the strategic planning and its effects on performance. The cross-sectional design involves the collection of data at one point of time. The study was conducted during the period between (September – November, 2018).

DATA COLLECTION TOOLS

Questionnaire

Primary data was gathered through the questionnaire and interviews. The questionnaire was designed based on the objective of the study, consists of two parts, the first part addressed the personal data of respondent includes age, gender, academic qualification, job title, and experience. They had choices either to agree or disagree with the statements made within the range. This was to ensure that the choice of answers directly addressed issues at stake and make collation and analysis of data simple.

Before distributing the questionnaire, the importance of the research was explained to the respondents and they were encouraged to be truthful and diligent with their responses to make the research worthwhile.

Population: The number of banks operating in Palestine up to 9/2018 was 14 banks and to determine the number of employees working in banks were interviewed with the Human Resources Department of banks operating in Palestine and the number of employees working in these banks is 7001 employees and to determine the sample. The study sample took 10% of the employees of the branches.

Sampling: A random sample consists of (407) respondents out of the entire population were selected for the research on convenience basis. The number was considered adequate, and representative enough to give informed answers to the research problem. The questionnaire was distributed to 407 employees representing 10% of the employees of the branches of banks operating in Palestine and 320 questionnaires were returned.

Statistical analysis: After collecting data, they were entered into the computer to be processed by the statistical program for social sciences (SPSS version 22). the following table shows the statistics used in each question:

Table (2): Statistical processing

#	Question	Statistics
1	Distribution of study sample	Frequencies -percentages
3	What is the status of strategic planning	Means - and Standard Deviations
4	The level of performance of employees in banks operating in the West Bank	Means - and standard deviations
5	Are there statistically significant differences in the effect of strategic planning on employees' performance in the banks operating in Palestine due to these variables (gender, bank, academic qualification, age, experience, job title).	(t) test, ANOVA test, (L.S.D to measure differences)

4. Research Results and Findings

This chapter presents the findings and results of the questionnaires. The first section discusses characteristics of the respondents' socio demographic data". Section two, presents the statistical results of the questionnaire including the following: Mean, Standard deviations, and percentages of positive responses toward the study domains

The third section presents a bivariate analysis of the dependent variables (the study domains) and participant's characteristics (the independent variables: gender, education, experience, etc.).

1.1. Results related to Socio demographic characteristics of the respondents

(82.5%) of the participants were from Commercial banks, and the remaining respondents were from Islamic banks (17.5 %). Most of the respondents were males (72.8%) compared to females (27.2 %). The majority of respondents were between the ages of 20-30 (66.3 %). As for education; (89.7%) have a bachelor's degree and less and (10.3%) have a master degree and above. About half of the respondents experience (47.5%) is located in the 1-5 years group, while (52.5%) were in the more than 5 years groups.

While the majority of respondents (69.1%) (221) were employees, (20.0%) (64) were heads of departments and (10.9%) (35) were managers. (Table 1)

Table (3): Socio demographic characteristics of the respondents

Type of Bank		
Type of Bank	Frequency	Percentage (%)
Commercial banks	264	82.50
Islamic banks	56	17.50
Total	320	100
Gender		
Male	233	72.8
Female	87	27.2
Total	320	100
Age (years)		
20-25	104	32.5
26-30	108	33.8
31-40	55	17.2
41-50	39	12.2
More than 50	14	4.4
Total	320	100
Education		
Bachelor and below	287	89.70
Master and above	33	10.3
Total	320	100
Years of experience		
1-5	152	47.5
6-10	68	21.3
11-15	35	10.9
More than 15 years	65	20.3
Total	320	100
Job title		
Employee	221	69.1
Heads of department	64	20.0
Manager	35	10.9
Total	320	100

1.2 Results related to question no. 1: What is the status of strategic planning from the perspective of employees working in banks operating in Palestine?

In order to interpret the results related to this section, the five-dimensional Likert scale was adopted as in Table (4):

Table (4): Classifications of satisfaction degree according to the Liker scale.

Degree of Satisfaction	Mean range
Very low	Less than 1.8
Low	From 1.8 to less than 2.6
Medium	From 2.6 to less than 3.4
High	From 3.4 to less than 4.2
Too high	From 4.2 to 5

1.1.1. Results related to strategic planning components:

1.1.1.1. Mission and vision

Table (5): Means and standard deviations of the responses related to Mission & Vision

#	Statements	Mean *	Standard deviation	Degree of Satisfaction level
1	The Bank has a clear mission and vision for employees	4.25	0.66	Too high
2	The bank's mission is clear and written	4.24	0.59	Too high
3	The Bank develop a clear and written vision	4.28	0.66	Too high
4	The philosophy and mission of the Bank match the needs of customers	4.23	0.66	Too high
5	The broad acceptance and understanding of the Bank's mission and objectives by the customers	4.22	0.60	Too high
6	The Bank uses its mission and objectives during planning of activities &Processes	4.27	0.56	Too high
7	The Bank continuously develops the mission and objectives based on feedback from the field	4.32	0.65	Too high
8	The Bank's mission and vision are formulated by specialized team in strategic planning	4.09	2.94	High
	Total score	4.24	0.53	Too high

*Maximum Mean for any statements (5)

The study findings show that the status of strategic planning in term of Mission & Vision according to the responses of bank employees in Palestine was very high on statements (1, 2, 3, 4, 5, 6, 7) as the Mean value was more than (4.2), and was high on statement (8), as the Mean was (4.09) according to the Likert scale, and the Mean on the total score was very high in terms of Mean (4.24) Table (5).

The researcher believes that the banks in Palestine are developing a clear vision and clarifying their objectives related to the bank's vision for employees. The bank's understanding of its vision and its mission to the customers helps build confidence between the customers and the banks. The results obtained by the researcher reinforce the researcher's view that there is a clear vision for banks and that the objectives of banks are understandable to employees.

1.1.1.2. Environmental analysis

Table (6): The means and standard deviations of the responses related to Environmental Analysis

#	Statements	Mean *	Standard deviation	Satisfaction level
9	The Bank performs customers need assessment	4.12	0.72	High
10	The Bank identifies his customers based on customers services analysis	4.24	0.68	Too high
11	The Bank studies the effect of services on the customers	4.09	0.63	High
12	The Bank sets its policies based on the social, cultural and environmental understanding.	4.08	0.71	High
13	The Bank specifies community resources and makes its plans based on these resources	4.07	0.76	High
14	The Bank identifies opportunities for provided services.	4.04	0.73	High
15	The Bank has a clear vision of potential threats at work	4.17	0.75	High
16	The Bank's administration understands the strengths and weaknesses during work	4.31	0.73	Too high
	Total score	4.14	0.47	High

***Maximum Mean for any statements (5)**

Table (6) shows that the status of strategic planning according to the responses of bank employees in Palestine based on the analysis of the environment dimension was too high on statements (10, 16) as the Mean was more than (4.2) according to the Likert scale, and was high on statements (9, 11, 12, 13, 14 and 15) as the Mean was between (3.4 - 4.2). Noting that the Mean on the total score was very high with Mean value (4.14).

Banks are studying the surrounding environment and the latest developments in the banking field. The banks' study of the experience of other banks leads to benefit from this experience in the banking field. This is confirmed by the statistical results that the banks study the surrounding environment and study the needs of the customers. The researcher sees that banks put products according to their approved categories and classify the customers to give them the appropriate banking facilities for their needs and the banking products that suit their needs.

1.1.1.3. Objectives

Table (7): The means and standard deviations of the responses related to Objectives

#	Statements	Mean *	Standard deviation	Satisfaction level
17	The bank develops applicable objectives	4.14	0.70	High
18	The Bank develops measurable objectives	4.03	0.59	High
19	The bank develops clear, specific and time bounded objectives.	4.18	0.64	High
20	The developed objectives are linked to the Bank's mission and vision	4.18	0.60	High
21	The bank set indicators for the developed objectives	4.17	0.65	High
22	The output of the Bank's objectives are clear and linked to the objectives	4.08	0.68	High
23	There are clear activities to achieve the objectives	4.16	0.64	High
	Total score	4.17	0.50	High

***Maximum Mean for any statements (5)**

Table (7) shows that the status of strategic planning according to the responses of bank employees in Palestine after analyzing the responses regarding the objectives- one of the strategic planning components- was high on all statements as the mean was between (3.4 - 4.2). The mean on the total score was high (4.17).

According to the researcher, banks are preparing annual goals and setting performance indicators to measure the performance of their employees. The senior management of the banks operating in Palestine set clear objectives for employees and are consistent with the Bank's vision and mission, as confirmed by the statistical results.

1.1.1.4. Summary of results related to strategic planning components

Table (8): Means and standard deviations of the responses related to Strategic Planning Components

Strategic Planning component	Mean *	Standard Deviation	Satisfaction level
Mission and Vision	4.24	0.53	<u>Too high</u>
Environmental Analysis	4.14	0.47	High
Objectives	4.17	0.50	High
Total score	4.18	0.40	High

***Maximum Mean for any statement is (5)**

Table (8) shows that the reality of strategic planning from employees' perspectives of banks in Palestine was **very high** on the Mission & Vision component as the mean was (4.2), while was high on both the environmental analysis and objectives components as the mean was between (3.4 - 4.2), consequently the mean on the total score was high with mean value (4.18)

1.1.2. Results related to monitoring and evaluation

Table (9): The means and standard deviations of the responses related to monitoring and evaluation

#	Statements	Mean *	Standard Deviation	Satisfaction level
24	A monitoring plan by the administration for the required tasks.	4.41	0.58	High
25	Data on performance indicators are collected and compared to actual results with objectives	4.33	0.56	Too high
26	Progress reports are provided to managers to alert them to problems at work	4.34	0.61	Too high
27	An internal monitoring process during the course of the work	4.29	0.75	Too high
28	External evaluations are performed by customers or third parties	4.10	0.78	High
29	There are clear criteria for assessing the performance of employees	4.16	0.77	High
30	Achievements are highlighted at the end of each year.	4.18	0.78	High
31	Recommendations on performance during work are provided	4.14	0.79	High
32	Recommendations are presented at the end of each year based on the results	4.27	0.83	Too high
33	There is a periodic monitoring system in the bank	4.37	0.74	Too high
34	The Bank follows a final evaluation system every year.	4.40	0.74	Too high
Total		4.27	0.53	Too high

***Maximum Mean for any statements is (5)**

Table (9) reveals that the status of strategic planning based on the responses of bank employees in Palestine on monitoring and evaluation was very high in statements (25, 26, 27, 32 and 41), as the mean was more than 4.2. (24, 28, 29, 30, 31, 33, 34), with mean value was 3.4 - 4.2. The percentage of responses to the total score was very high in terms of mean (4.27).

Banks in Palestine measure the performance of their employees according to KPIs set by the higher management and grant bonuses to high performance employees on an annual basis, according to the researcher's belief, where the banking departments study the performance of employees continuously and develop incentives for employees to raise and improve employees' performance.

1.2. Second: results related to the second question:

What is the level employees' performance in the banks operating in Palestine from their point of view?

In order to interpret the responses related to this question, the Mean and Standard Deviation used for each statement of each questionnaire dimension, results of analysis show in table (10)

Table (10): The means and standard deviations of the responses related to employees' performance

#	Statements	Mean *	Standard deviation	Satisfaction level
35	I carry out the tasks that entrusted to me in a timely manner	4.43	0.55	very high
36	I pay attention to the accuracy of work and avoid mistakes	4.47	0.61	very high
37	I perform my work with the required efficiency	4.45	0.62	very high
38	I Pay attention to provide services to customers correctly and from the first time	4.40	0.62	very high
39	The bank has systems that measure the duration of	4.11	0.86	High

#	Statements	Mean *	Standard deviation	Satisfaction level
	service delivery			
40	The bank has systems to ensure accuracy in work and prevent errors.	4.36	0.67	very high
41	I think the staff at the bank are very efficient	4.17	0.75	High
42	The banking knowledge of staff affects how staff can support / help the customers	4.28	0.73	very high
43	The credibility of printed information and published materials by Bank	4.38	0.63	very high
44	Compliance with obligations to customers no matter what the circumstances	4.29	0.63	very high
45	I have the ability to deal with the customers urgent problems objectively	4.36	0.54	very high
46	I have the willingness to take responsibility.	4.33	0.62	very high
47	I work to achieve the required marketing objectives timely	4.23	0.74	very high
48	Working on marketing the adopted banking services	4.23	0.73	very high
49	I maintain the confidentiality of the bank & customers information	4.45	0.68	very high
50	I have marketing skills to achieve the objectives set in the strategic plan	4.24	0.64	very high
51	I am aware of the Bank's marketing objectives	4.30	0.62	very high
52	I am aware of the banking policies and procedures	4.35	0.67	very high
53	I am aware of all the services provided by the bank	4.30	0.71	very high
	Total	4.32	0.38	very high

***Maximum Mean for any statements (5)**

Table (10) shows that the level of employees' performance in the banks operating in Palestine from their point of view was very high on statements (35, 36, 37, 38, 40, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53), as the mean was more than (4.2) according to the Likert scale and was high on statements (39 and 41) with mean value was 3.4-4.2. The percentage of response to the total score is very high with mean (4.303).

According to the researcher, the banks employ their competencies to provide better services and the employees achieve the goals set for them and set out in the bank's strategic plans with efficiency and high performance.

In order to increase the level of employees' performance, human resources management in banks conducts training sessions continuously for its employees to ensure that the employees know more about the products and objectives to be achieved and set in the strategic plans.

1.3. Summary of results related to all questionnaire dimensions (strategic planning, monitoring & evaluation, employees performance):

Table (11): The means, standard deviations of the all questionnaire dimensions

#	Dimensions	Mean *	Standard deviation	Satisfaction level
	1st dimension: Strategic planning components			
1	Mission and Vision	4.24	0.53	High
2	Environmental Analysis	4.14	0.47	High
3	Objectives	4.17	0.50	High
4	Total score of 1 st dimension	4.18	0.40	High
5	2 nd : dimension: Monitoring and evaluation	4.27	0.53	Too high
6	3 rd dimension: Employees Performance	4.32	0.38	Too high
	Total Score of the dimensions	4.26	0.37	Too high

***Maximum Mean for any statements (5)**

Table (11) shows that the effect of strategic planning on employees' performance in the banks operating in Palestine was very high on vision and mission, Monitoring & evaluation & Employees performance, as the mean was more than (4.2) according to the Likert scale. (4.18). the percentage of response to the total score was very high with mean value (4.26).

1.4. Third: the results related to the third question:

Is there any effect of strategic planning on employees' performance in the banks operating in Palestine?

The Spearman test was used to find the relationship between the dimensions of strategic planning and the performance of bank staff. Table (9) shows the results of the Spearman test.

Table (12): Spearman test results

Employees' performance	Strategic planning		Coefficient of correlation	Significant level	The result significant - non-significant
	Strategic plan components	Mission and Vision		0.425	0.000
Environmental Analysis			0.317	0.000	Significant
Objectives			0.435	0.000	Significant
Total score			0.489	0.000	Significant
	Monitoring and evaluation		0.569	0.000	Significant
	Overall score:		0.593	0.000	Significant

Table (12) shows that there was a significant correlation between strategic planning and employees' performance in the banks as the value of significant was less than ($\alpha=0.05$). The results show that the relation was positive and this indicates the effect of strategic planning on the performance of employees.

5. CONCLUSIONS AND RECOMMENDATIONS

Summary of the findings: The following main findings were obtained:

1. There is an existence of strategic planning in the targeted banks operating in Palestine, the various dimensions used for the assessment of strategic planning show a consistency of the factors in use throughout the bank, respondents were highly in agreement with most of the factors of the various dimensions indicating an efficient and effective operations of the strategic planning in the targeted banks operating in Palestine.

2. Various factors within the dimensions were found to be affecting the strategic planning at banks operating in Palestine either positively or negatively. This study shows that, all factors under the mission, and planning were consistent and cumulatively contribute positively to the strategic planning in the overall terms.

3. There is a high correlation between the strategic planning and the employees' performance in banks. Where improved strategic planning and the existence of a clear vision and mission have the main effect in raising the quality of employees' performance.

Generally, most of the studied individual factors of the employees work at banks operating in Palestine **do not interfere** with the effect of the strategic planning on employees' performance. However, **the only personal factor that might bring positive effect for the strategic planning on the performance of employees was the years of experience.**

Control and evaluation plans for the strategic plans are presented quarterly and annually. This is done by the specialized committee within the bank by setting the KPIs for each strategic plan set. It is the task of this committee to study the bank internal environment and the related risks.

5.1.1. **The feedbacks** of the employees working on the banks operating in Palestine who usually are the implementer of the developed strategic plans were not taken into consideration.

5.1.2. The **active involvement of certain departments** in the development of the strategic plans of the banks operating in Palestine played crucial role in allocating the necessary financial & human resources with the developed strategic plans. These departments included financial department, the treasury department, general manager of the bank and some of the regional management departments.

5.1.3. **Banks working in Palestine put keys performance indicator (KPI) to observe employees' performance toward the set objectives to be achieved during the year.** Some banks measure their employees quarterly, and that means a continuous observation on achieving the desired goals and that helps employees to improve their skills and to make up their weaknesses before the final evaluation by the end of the year.

5.1.4. There isn't 100% relevance between the available resources and the strategic plans in banks, so these banks have to suit between resources and the strategic plans.

There's a clear relation between interviews answers and the questionnaire answers for vision and mission clarity and the employees' values that help to achieve the desire goals in the strategic plan, there's also an agreement that there're regulators and follow-up plans in banks for implementing their strategic plans.

The most important plans are those that study the internal and external environment of the institution, and that what has been agreed upon between interviews answers and the questionnaire answers, the three banks report that the surrounding environment in the banks is studied while putting the strategic plans, and the questionnaire answers revealed that market's need for products and the Palestinian society's need, and the extend of accepting the product that is going to be produced are also studied.

The researcher thinks that the banks in Palestine are developing their strategic plans based on the market study. The higher management set the annual targets for the strategic plans and follow up these objectives related to the strategic plans by building the KPIs for employees, departments and sectors. Based on the results obtained by the senior management and departments concerned with monitoring the achievement of the strategic objectives, these departments set the annual goals to be achieved to reach the strategic objectives to be achieved.

The management of banks to develop strategic plans away from the opinions of employees in the branches who are the implementers of the strategic plans and existing in the market, and the researcher thinks that employees branch are the important link in achieving the goals and must take into account their views in the construction of strategic plans and the goals to be achieved.

The achievement of the objectives depends largely on the staff of the branches and the staff of the direct sales department. According to the researcher, the higher management should take care of this category of employees and give them incentives to encourage the objectives.

The researcher believes that one of the priorities of the higher management to achieve the strategic plans required working on increasing the knowledge staff and to clarify the importance of strategic planning and its relevance to the goals and achieve the desired goals, as shown by the researcher in the recommendations made by the researcher.

RECOMMENDATIONS

Based on the analysis discussed, the following recommendations are made as to help the bank to enhance its operations:

1. The management at banks should clarify the strategic plans for all employees and clarify the importance and the reflection of the appropriate implementation of strategic plans on the performance improvement for employees. Focusing on the crucial relation between the strategic planning and the process of objectives achievement.
2. Efforts need to be made to allocate the available resources (Human & Financial) required in the process of the effective implementation for the strategic plans including reaching the agreed upon objectives in cost effective manner.
3. Capacity building program regarding strategic planning process and tools are highly needed to further develop the knowledge and skills of staff who are involved in strategic planning process.

4. Developing & improving lines of communication between banks senior management and employees working in the banks in order to provide windows for the feedback of employees to be taken into consideration of the banks senior management especially when banks are developing marketing plans.

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