

The impact of the strategic planning on the development of the performance of tourism companies in Ta'if, Saudi Arabia

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Abstract: The research handles the impact of the strategic planning on the development of the performance of tourism companies in Ta'if, Saudi Arabia. The aim of this is to reflect the present status of tourism activity in Ta'if and to envisage the administration of tourism activities in Ta'if. The study is based on the premise that the absence of strategic plans that may lead to the deterioration of the performance of tourism companies in the long term. The analytical descriptive approach was adopted to represent and analyze the sample responses in companies involved in the field of tourism in the kingdom of Saudi Arabia, particularly in Ta'if Area. The researcher used the questionnaire to collect the initial information from research sample and the time limitation is in the period from 1427 - 1432 ah. The Research includes four chapters of the general framework and Chapter II is the theoretical framework. In chapter III, field study is conducted, and Chapter IV provides the results and recommendations. The research proved that there is absence of clear message within the company and exclusion of workers when forming objectives. The researcher recommends the integration of governmental role with business owners to create an integrated system of information and encourage investment in the tourism industry through internal laws and legislation regulating this matter.

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Introduction:

The tourism sector is one of the most vital sectors that contribute to the development of the economies of the countries in the great financial toll of foreign currencies that contribute to the trade balance of the states concerned.

Saudi Arabia is one of the largest Arab and Asian countries where there is much diversity of sources of tourist attractions, as well as to the existence of different Islamic sacred places, which has made the Kingdom of the world's most attractive to Muslims, especially in periods of Hajj and Umrah in the holy month of Ramadan. All this takes place in a country regarded as the largest one of the continent, which reflected on the prosperity of this important sector.

In spite of huge potentials, there is deficiency in this sector on the level of internal tourism. The majority of tourism companies are interested in providing services to travel abroad and confined to work as agents for travel only. This reflected negatively on tourism development and keeping pace with different countries of the world that are interested in this aspect, as there are many countries in the world which focused on the tourism industry, generates the activity as source abundant funds to boast their economy.

In the kingdom, if we excluded cities of Mecca and Medina, as those two cities have natural

attractions, represented in the two holy cities. The rest of the areas suffer from a lack of orientation to these partial supported by official statistics, which show the number of traveling abroad in various vacation seasons in the kingdom, despite the presence of some cities that feature lovely atmosphere like Ta'if, Abha and Albaha.

The group of this study tried to shed light on the nature of the problems that impede the tourism companies in the Kingdom of Saudi Arabia, especially the city of Ta'if. Ta'if possesses tourism factors of climate on the one hand and the interest of the State by establishing municipal parks and gardens, as well as the impact of the use of strategic planning in the development of their performance of the fact that it is essential to this important sector.

The problem

The introduction of the study elucidated the importance of the tourism sector during the study of the opportunities provided by funds from the work of the many sectors of the people in the different areas. The fundamental problem of this research emerged from is in continuous complaint from the clients who always compare between the level of service at home and abroad. There is also the complaint of the company's owners of the majority of Saudi families, which have high-income, prefer to spend a vacation outside the kingdom. The researchers believe that the main reason for this problem is the absence of

strategic planning for the sector by companies. All this is demonstrated by the following research question:

What is the expected impact of the use of the foundations of strategic planning on the performance of tourism companies in the city of Ta'if Saudi Arabia? Stair this question questions following subparagraph:

What is the expected impact of the use of foundations of strategic planning on the performance of tourism enterprises in the city of Ta'if? This question is branched out into the following subsidiary questions:

* What is the impact of the absence of long- and short-term objectives of tourism companies?

* What is the impact of the presence of apparent policies and programs on the work of the tourism companies?

* Do companies have a message and a vision to develop their performance?

* What is the effect of the culture and customs of society on the development of this sector?

The two researchers attempt to answer the previous questions in this research to contribute to the development of the performance of tourism companies in Ta'if because this sector plays a significant role in the economic growth development and in providing job opportunities for the unemployment in Saudi Arabia.

Hypotheses of the study:

This research was based on the following assumptions:

1. There is a positive relationship between the presence of strategic plans tourism companies and increasing profits of these companies.

2. There are significant statistical relationship between the presence of the objectives of the tourism companies and increase their development.

3. The absence of strategic plans that may lead to the deterioration of the performance of tourism companies in the long term.

The significance of research:

The significance of this research emerged from trying to shed light on one of the most important economic sectors in the Kingdom of Saudi Arabia. The research is significant due to the following:

1. Lack of studies and research in this area.

2. Highlights the shortcomings of the companies and discusses how to deal with them.

3. The research provides a vision of what should be the case in Saudi Arabia tourism companies to keep pace with their regional and international counterparts.

4. The achievement of one the goals of the University through attention to local community.

Research Methodology:

The two researchers adopted several methods to prepare this research. The first of these is the historical method to track tourism movement in the Kingdom of Saudi Arabia during previous periods. In addition, analytical descriptive method which studies and analyzes phenomenon or problem through the description and statistical analysis method, which is used to measure some variables that are linked to the problem of the research and represent the mechanism of the hypotheses assessment.

Research population

The population of the study includes companies working in the field of tourism in the Kingdom of Saudi Arabia by focusing on Ta'if city as the important cities on a map of Saudi tourism as well as workers in the bodies and relevant NGOs (nongovernmental organizations).

Sample of the study

The sample is a part of the companies operating in the field of tourism in the city of Ta'if.

Research instruments:

This research adopted questionnaire tool to communicate with tourist company's staff and workers in Ta'if City.

Limitations: This research is covered over the period (1427 - 1432 ah) (Arab calendar), a period that witnessed a qualitative leap in the number of national tourists who travel abroad, according to official statistics. Spatially covered operating tourist companies in the city of Ta'if.

Literature Review

The modern strategic planning in its broadest sense and characteristics goes back to the mid-1950s i.e. last century, when huge organizations in developed countries it began to adopt it to develop what were called the long-term planning systems. Since then, this development concept, which led to its adoption by many organizations depending on their size. This has become the important theme and renewable sources in management science (Taher and Wael, 2007).

The strategic planning and its long-term goals and objectives, followed by a short- and medium-term programs and policies of operational plans and actions are considered the foundation of business organizations. The Organizations analyzes the prevailing conditions locally and internationally, and study the changing needs and their implications for the work of the organizations. This may provide the opportunities or creates threats to the organization. Moreover, the organization diagnoses the internal capacities and potentials to recognize the strengths and weaknesses. After all the organization seek to maintain the continuity by doing its utmost to reach leadership position in all areas of its activities through the establishment of appropriate strategies to help

them adapt to the data through the use of opportunities and to overcome the threats (Khaled and Wael, 2009).

The strategic planning is the advanced stage of evolution and change the system of planning in general, in turn, represents the essence of the development of the system of administration.

The planning system has begun to focus on financial planning and budgeting, short-term planning and then later enhanced with the development of environmental conditions with medium-and long-term planning, and complex planning processes in large organizations, consisting of several units to show overall planning processes and with increased complexity and loss planning processes in many

details emerged strategic planning represents a huge leap in focus on the critical issues and important for organizations. Therefore, the strategic planning deals with problems that related to the totalitarian system where the problem is determined as follows:

It starts to examine the precise deep analysis.

It is based on practical interpreted facts into indicators of general or detailed.

Categorize, analyze the normative orientations and aspirations. (Khalid and Wael, 2009)

The researchers will reflect strategic planning which covers various theoretical frameworks through a number of tables and figures to illustrate the different dimensions of strategic planning.



Fig (1) strategic planning process

Source: Manage ware, "A practical guide to Managing for result Strategic Planning: Planning for result", (2004) P 6.

It is obvious that many of the definitions of strategic planning are consistent in the basis and vary in focus on this side or that. Despite these differences, however, the concept of strategic planning processes includes the following: (Khalid and Wael, 2009):

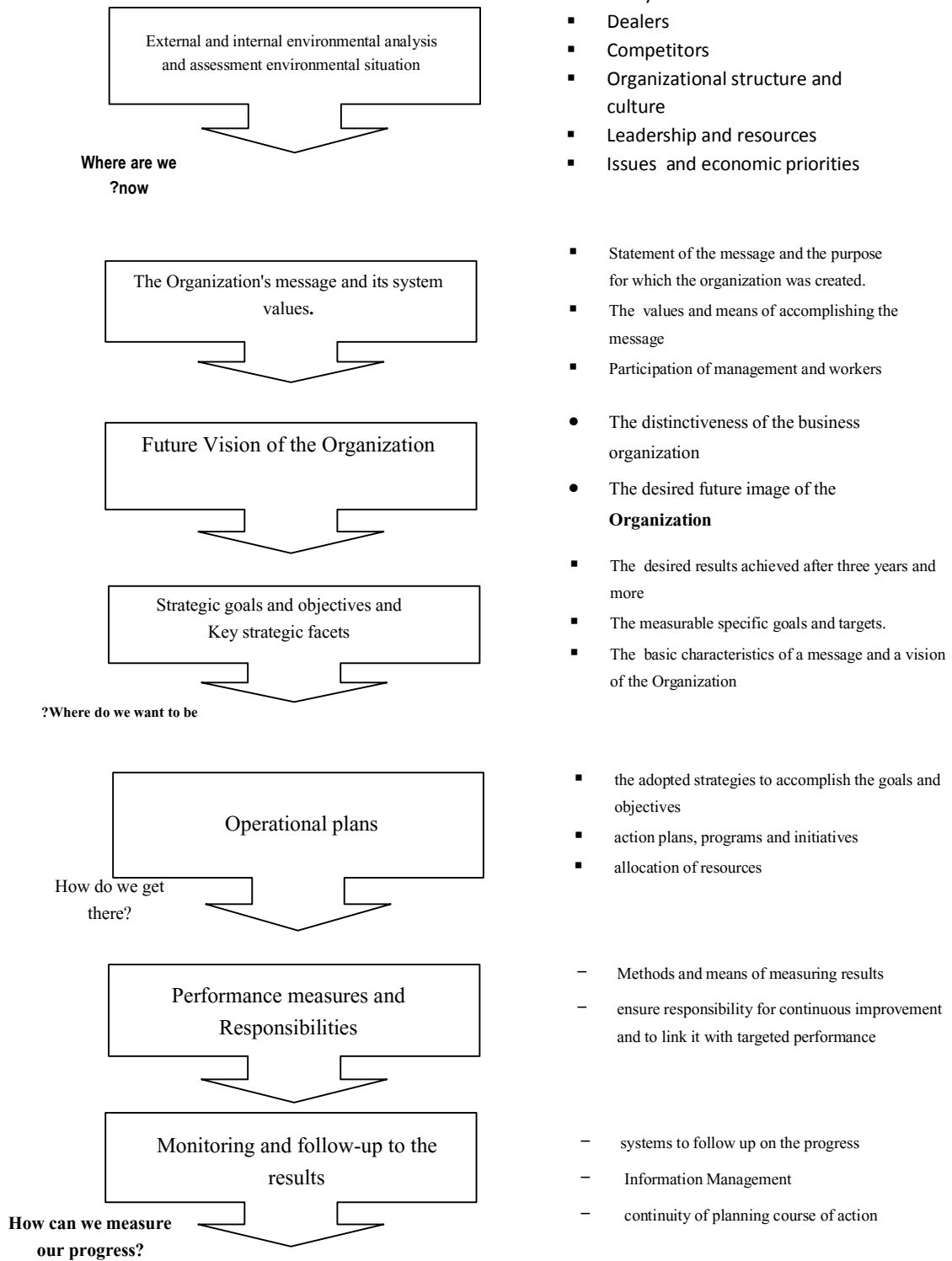
- Administrative and methodology processes to understand the prospects of future and its dimensions.
- Long-range goals reflect the comprehensive vision of the Organization in the future
- A group of options arising from compared to the capacity of the Organization and potential environmental factors.

- The process of converting the options into detailed work plans and follow-up of the implementation of this line.

The structure of the strategic planning process:

In the past, many of the organizations were not interested in developing strategies in spite of that, succeeded in its business depending on the efforts and ideas of directors or a particular manager led toward the realization of its objectives. However, with the large size of the organizations and the diversity of its rapid change in the business environment has necessitated all the structure of an arbitrator strategic planning process. This structure is based on a set of variables of the relationship and the importance of planning. The following table shows the structure of the strategic planning process:

Table (1/2) the structure of the strategic planning process



Source: Strategic Planning Guidelines, California State Department of Finance, 1980 P 10

The argument about strategic planning is long and complex theme therefore; the two researchers briefed it to concentrate more about the tourism. The researcher will focus on the most important tourism terminology.

Tourism terminology: (Al-Sisi 's, 2001M) defines:

Tourism is the social movement, which is optional and aims to entertain and enjoy mental, mental and physical development.

- **A tourist** is temporary resident in a country for any purposes other than do not exceed the duration of his stay for 12 months and not less than 24 hours that comes to visit or attend a festival or treatment. Migrants crossing, diplomatic missions, passengers and crew are not included.
- **Tourist Area** is the location where it will become a demand of tourists as they are tempted and attracted by the nature of the region. Moreover, trends, motives of tourism activities and facilities attract the tourists.
- **Tourism development** intended to develop natural and cultural tourism resources available within the group in the State.
- **Tourism Investment Project** is the project, which is dominated by investment in facilities or hotel units to serve the tourist in the first place. such facilities may be (hotel - Tourist Village - Apartment - chalets)
- **Domestic tourism** involves residents' visitation and movement by within the borders of their own country.

Field study

The field study includes the statistical methods used by the researcher to analyze the data given by respondents and demonstrates the research community as well as to analyze and discuss the answers of respondents in the survey forms through tables and statistical methods.

First: The Community Research:

The research team started listing the tour Operations companies.

. It was clear that they represent the branches of companies operating in various cities of the Kingdom. The number of the tour Operations companies of travel and tourism reached the 10 as well as the accommodation units, which have clear administrative entity, has totaled about 62 units including the hotels in the area. Accordingly, the research team distributed 72 the questionnaires to those in companies and accommodation units.

Table (1) Questionnaires Distribution

Total	Distributed Questionnaires	Received	Excluded	Analyzed	
				%	No.
72	72	65	2	87.5	63

Second: statistical methods:

A statistical data packet (SPSS) has been adopted to analyze forms.

(T. test): This method has been used in the context of the statistical measurement by Likert to make sure that the average real answers, not by statistical differences to avert bias of trends, which tend to the answers of respondents.

Alpha Cornbach: to measure the validity and reliability of the respondents' answers.

In the context of the use of software (SPSS) for statistical analysis was used averages and standard deviation of each to measure the relationships between the research variables.

Validity and reliability of the questionnaire:

Exploratory study was conducted on a sample of faculty members to measure the reliability

and validity of questions came questionnaire form for the value of alpha (80.3%), according to a measure (Reliability Coefficients) which is acceptable according to statistical standards.

Statistic discussion and prove the hypotheses:

The discussion started with a brief summary illustrates the basic data for the research community. Where the percentage of male 100% and this is an indication that all workers in this sector, whether corporate or accommodation units are of the male and the female element is completely absent.

The focus of the research community in the age group (35-20) by 38% while the percentage of the age group (36-50) of 33.5% and the category of less than 20 percentage of 18% and a class of more than 50 accounting for 10.5%. With regard to academic specialization, the number of specialists in tourism of 3% and 38% allocated administration and accounting 15.4% and 2% Computer and Public Relations 7.4%. The other disciplines have reached 34.2%. The fields of work of the company operating in the field of travel and tourism companies is estimated by 11%, while housing and accommodation has accounted for 89%.

Academic standard of bachelor degree holder was focus on by 55%, while high school graduates have accounted for 13.86% and diploma holders by .11.34percentage, while the percentage of graduate was 3.15%.

This is a summary of personal data representing the research community and noted that there is a difference when you collect some ratios, and this has happened due to some respondents not to answer some questions about the questionnaire (Missing System).

With regard to the respondents' answers about the variables associated with strategic planning in the table that follows shows the quintet trend of Likert scale and using the mean, standard deviation and the level of significance using analysis (T.Test) to determine the degree of statistical differences.

Table (2) strategic variables

No.	Statement	Mean	Standard Deviation	Sig. using (T-test)
1.	The company that I work for, has a clear message.	2.3	1.16	0.745
2.	There is a specific vision for the company where I work.	1.8	0.85	0.870
3.	There are long-and short-term goals for the organization where I work.	3.5	1.2	0.00
4.	There is a clear strategic plan for the organization.	3	1.1	0.232
5.	I have participated in the formulation of goals and the development of the plans of the organization.	1.4	0.74	0.925
6.	The company made a profit during the previous years	3.6	1.06	0.00
7.	In the company is in a state of significant development.	3.1	1.1	0.04
8.	There is permanent consideration for customs and traditions of the client	3.4	1.13	0.83
9.	There is great interest in meeting the desires and needs of customers and clients.	3.6	1.15	0.014
10.	There is interest for training of personnel in the organization	2.9	1.01	0.632
11.	There is fierce competition between companies that operate in the same work.	3.1	1.1	0.231
12.	Legislation and existing laws encourage work and prosperity of the organization .	2.8	1.18	0.726
13.	The organization uses advanced technological methods to provide services to its customers	2.7	1.16	0.730
14.	Culture, values and habits of Saudi society has a positive impact on the demand for tourism in the city of Ta'if	2.5	1.12	0.782
15.	There is a growing demand for travel abroad compared to the desire to spend vacation in the Kingdom	3.3	1.2	0.016
16.	The company is operating in accordance with clear programs and policies	2.9	1.16	0.721

From the table above, it has been observed from the analysis of the values of the means and the level of significance that variables have statistically significant differences from the fact that the significance level is less than 5% and that the degree of confidence at 95% and the variables are:

1. The achievement of the company's profits during the previous years.
2. There is great interest to meet the desires and needs of customers.

3. There is a growing demand for travel abroad compared to the desire to spend vacation in the Kingdom.

4. The existence of long-and short-term goals of the company.

5. The existence of the apparent development of the company significantly.

By analyzing the averages, it is noted that respondents tend to agree on the previous statements whereas they are totally disagree with the rest of the statements in the table. It is also noted that most of the statements that respondents agree on, are linked with the concepts of strategic planning. Failure to approve on their presence or work within their companies reflects the obvious weaknesses of the application of the foundations of strategic planning.

Research Hypotheses

- **There is a positive relationship between the presences of strategic plans for tourism companies and increases the profits of these companies.**

The hypothesis is logically correct due to the reality of general knowledge that good planning is the sign of success and therefore leads to success and success is to achieve the desired profits. While the reality of the field study indicated in table (2) to assure that the company's profits as showed by responses in the same table that, the companies surveyed do not apply the foundations of strategic planning. Thus, the hypothesis has been proved invalid. And profits probably associated lack of competition or the nature of the area in the summer season, which is one of the areas that are very attractive and a high incidence of tourist attractions and thus can be of these factors are the reason behind the achievement of corporate profits despite the lack of application of the principles of strategic planning.

- **There is a statistically significant relationship between the presence of the objectives of the tourism operating companies and its promotion.**

As Shown in Table (2) in paragraph (3) that the mean of the answers respondents estimated to (3.5) and the level of significance (0.00), which clearly indicates the presence of the long-and short-term goals of tour operating companies that employs the respondent and when we link this paragraph to paragraph (7), which talk about the existence of the development within the company through the mean of the answers of respondents, which estimated by (3.1) and the level of significance (0.04) and this clearly indicates the validity of the second hypothesis by referring the answer of respondents in the two preceding paragraphs.

- **The absence of strategic plans leads to the deterioration of the performance of tour operating companies in the long term.**

Address this hypothesis is subject to debate opinions writers and scientists in the field of management, who agreed unanimously on the importance of strategic planning for the success of any business, let alone planning for institutions and companies working in the field is characterized by intense competition by companies and institutions, local and international . Moreover, planning here depends on the formulation of goals, a realistic long- and short-term, also drawing programs, policies and clear rules, and drafting systems and procedures and regulations of all of these secreted plans strong and successful and thus leads to achieve the desired success. Thus, the absence of all this leads and no doubt to the long-term deterioration of the performance of tourism businesses.

Results and conclusions:

The research reached many the results that can be inferred and concluded the following:

1. The field study agreed with the respondents on the following issues:

- There is great interest to meet the desires and needs of clients.
- There is growing demand for traveling abroad compared to the desire to spend vacation within the kingdom.
- There are long- and short-term goals for tour operating company.
- The achievement of the company's profits during the previous years.
- The significant development in the tour operating company.
- Taking the customs and traditions of the clients into account.
- There is intense competition from companies that work in the same field.

2. The field study shows the following variables with respect to strategic planning:

- No clear message within the tour operating company.
- The absence of a specific vision within tour operating companies.
- There is no clear strategic plan within tour operating companies.
- Workers have not been involved in formulation of goals.
- Lack of personnel training.
- The influence of the values and customs of Saudi society on tourism activity in Ta'if.

3. Based on the above, it is clear that there is lack of interest in the development of corporate strategies, media planning, although it shows the opposite. However, this is actually demonstrated by the results of the study.

- 4.** Results of the study also illustrated the lack of specialists in the field of tourism and this undoubtedly produces reality that adversely affects this vital sector.
- 5.** It is also obvious that the tourism sector in the city of Ta'if is concentrated in shelters and housing with a few tour-operating companies of travel and tourism. This is probably due to the proximity of the city of Ta'if to the largest cities of Jeddah and Mecca and where there are many companies working in the area that offer the same services , which constitute the great pressure and intense competition on the local businesses in the city of Ta'if.

Recommendations:

Tour operating Companies should consider the following to achieve desired development and promotion:

1. To examine the current status of tourism and determine the operating strategy.
2. To carry out analysis for the company based on its current situation through:
 - Testing environmental threats and environmental opportunities available to the company.
 - Testing the organizational level appropriate for the analysis.
 - To identify units and business sectors, which will be subjected to analysis
 - To choose the dimensions of the matrix.
 - To do data collection and analysis.
 - To direct the analysis process.
3. Selecting the right strategy according to the following factors:
 - Competitive position of the company.
 - The goals set by the company that co-developed by employees.
 - Orientations of senior management.
 - Financial and human resources available to tourism companies in Ta'if.
4. From the above, the following points are reached. All these ideas can be considered as recommendations contribute to advance the process of strategic planning for tourism companies operating in Ta'if, which describes the impact of the use of strategic planning on the performance of these companies:
 - Strategic planning processes can be for companies operating in Ta'if to build an integrated work teams include all employees of the company in accordance with the specific regulation.
 - Good planning for tourism companies operating in the city of Ta'if gives a framework for the allocation of financial and human resources, information and knowledge.

- Creating a great working environment for everyone committed to achieving the goals.
 - Promoting good strategic planning and management processes of creativity, which is reflected on the quality of services provided to recipients of the service.
 - Strategic planning is the first step in the processes and stages of construction for the future development of tourism companies operating in the city of Ta'if.
 - Plan and its operations are considered a road map to achieve success and that by selecting the visibility of the work of the tourist and the total direction of the company.
 - Strategic planning assist the workers in companies to participate in the decision-making, which generates a sense of participation and achieve the degree of satisfaction, especially if we compare this with the answers of respondents that talk about non-participation in the formulation of objectives .
 - Good strategic planning helps companies to develop accurate measures for the control of performance and evaluation.
5. Providing additional services within the housing and accommodation and hotels include instruct guests to the most important tourist sites in Ta'if through brochures, posters, and provide the role of tour guide for tourists and hotel guests and lodgings.
 6. Integration of government represented by the development of tourism and municipalities with the owners of hotels, resorts, gaming cities entertainment to create an integrated system of information provision and contribute to overcome many of the difficulties faced by the tourist who wants to spend his vacation in the city of Ta'if.
 7. Exploitation of festivals in the city as it is the area of the charming nature especially in some seasons to promote the city better and provide even better to attract more tourists in the future.
 8. Encourage investment in the domestic tourism industry through the enactment of laws and regulations governing this matter and to shed light on aspects of attraction in the different regions inside the Kingdom and in particular the city of Ta'if.
 9. Giving domestic tourism the same degree of importance and attention enjoyed by international tourism in terms of the activation methods and advertising and the availability of modern tourism

statistics that contribute to the development of various tourist plans.

10. This sector should be the interest of every one because it creates job opportunities for unemployment, especially for youth through its attraction and providing them with chances to creativity and innovation.
11. We note that many of the neighboring countries have become an attractive tourist destination by providing aids to the tourist has returned to work by a lot of interest in this economic and social benefits. Therefore, these experiments must be considered for the great similarity of the conditions of the region to create economic alternatives to compensate for the dependence on the oil industry

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