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STRATEGIC FORESIGHT AND PERFORMANCE OF SMES FIRMS IN RIVERS STATE

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ABSTRACT

This study assessed the interaction between strategic foresight and the performance of SMEs in Rivers State. What informed the investigation was the reluctance of SMEs in Rivers State to develop the ability that will carefully enable them to foresee the future development, explore new trends and take action against impending disruptions, weak signals and convert the weaknesses into strengths that will enable the development of effective strategies to meet their financial and non financial goals. In solving this problem through this research, four research questions and four hypotheses were asked and formulated. Strategic foresight was operationalised using environmental scanning and scenario planning, while firm performance was measured with operational performance and quality. The research adopted the cross-sectional survey, and the study's accessible population comprised of 445 owners and managers of the SMEs in Rivers State. A sample of 210 respondents was derived. The primary data was obtained using a well-structured questionnaire. Spearman's rank order correlation coefficient was used for the analysis. The findings revealed that both environmental scanning and scenario planning relate to firms' performance. The study concluded that strategic foresight correlates with the firm's performance of SMEs in Rivers State. The study therefore, recommends that management of SMEs in Rivers State should enhance environmental scanning and scenario planning in their organisations for the achievement of effective financial and non financial goals such as return on investment, growing revenue, market share and customer satisfaction.

KEYWORDS: Strategic Foresight, Environmental Scanning, Scenario Planning, Firms' Performance, Operationnal Performance, Quality.

1.0 INTRODUCTION

The role of small and medium companies (SMEs) in job creation, innovation, and social and economic growth is acknowledged as the most important foundation of a nation's national economy. They carried out both financial (profitability, growth) and non-financial roles (customer satisfaction, market share, sustainability) that enhance growth, survival and sustainability. Firm performance refers to the extent of achieving an organisation's strategic and operational goals. The performance of SMEs plays a crucial role in reducing the poverty rate and redistributing revenue. When outstanding performance is guaranteed, the organisation not only survives disruptive economic events but also takes advantage of opportunities to access new markets, grow their businesses, and invest in new ideas.It is therefore of high prerogative for SMEs to have an understanding of corporate strategy that advances economic progress. (Ojochide & Oluwaseyi, 2024; Taferner, 2023).Kowo et al., 2023) Financial success could be measured through profitability, return on investment, and sales growth, while non-financial performance is measured through satisfaction, productivity, innovation, and sustainability practices. Performance refers to the ability of an organisation to adapt, compete, and thrive in an unstable business environment.Organisations that strike a balance between innovation, financial returns, responsiveness to the market, and social responsibility are more likely to develop resilience and attain sustainable growth (Baah et al., 2022).

Some of the challenges faced by SMEs in Nigeria are high regulations and insufficient stable macroeconomic policy for the long-term success of the organisations.Innovativeness, risk-taking, and proactivity significantly enhance the performance of Nigerian SMEs. Most SMEs often encounter external and internal difficulties, such as regulatory burdens, inflation, infrastructure deficits, and limited financing, that can significantly stifle performance.In the Onakoya et al. (2024) study, it was revealed that inflation has a negative impact on SMEs' growth over the period 2001-2022; hence, making steady macroeconomic policy vital in SMEs' survival and sustainability. Entrepreneurial orientation in agro-processing is found to be correlated with SME performance despite internal and external constraints, such as risk-taking, proactiveness, innovativeness, and competitive aggressiveness (Eze, Nwankwo, & Kanyangale, 2022). This reveals that firm performance is not only an outcome but also a mechanism of building resilience in challenging business environments. Firm performance requires effective digital transformation and marketing.Most SMEs utilising digital and marketing tools have improved market performance (Ojochide & Oluwaseyi, 2024). Digital transformation makes operations more

efficient, lowers transaction costs, and enhances easier access to the market and customers. Furthermore, high firm performance has contributed to the SMEs' ability to secure human, financial, and technological resources, creating a positive feedback loop that fosters growth and long-term sustainability (Kumar & Singh, 2025).

In Nigeria, most firms are vulnerable to volatile, unpredictable, complex, and ambiguous (VUCA) business environments. SMEs could engage in scanning their environment for early signals of change in technological, market, customer and regulatory areas and interpret weak signals and trends to identify what might happen in the future. Furthermore, they have to prepare adaptational strategies unique enough to respond swiftly (Dörr, Schönhofer, & Schwarz, 2024; World Economic Forum, 2024). Research has shown that when SMEs utilise foresight activities, such as scope scanning, scenario planning, and weak-signal monitoring, it enhances effective decision-making quality, determines market opportunities and decreases exposure to turbulent risks. (Abdul Halim et al., 2024; Taferner, 2023). The advantageous influence of foresight on performance is enhanced by complementary potentials, such as artificial intelligence, data analytics, and knowledge-management systems. The use of these tools enables SMEs to transform foresight insights into strategic foresight, which can improve performance through sensing, seizing and transforming. There is a connection between these three variables.

Despite several studies on strategic foresight and firms' performance (Dörr et al., 2024; Cornelisse & van Klink, 2024), there is a dearth of empirical studies on the influence of strategic foresight on the performance of the SMEs in Rivers State. Most existing studies have concentrated on big firms in the developed economies, while giving little or no attention to SMEs in emerging markets such as Nigeria, where contextual realities such as resource constraints, institutional weaknesses, and market volatility may shape how foresight practices are adopted and linked to performance outcomes. This study thus seeks to bridge this gap in knowledge by empirically exploring the association between strategic foresight and firm performance among SMEs in Rivers State.

1.1 Statement of the Problem

These small and medium-sized businesses (SMEs) are acknowledged as the hub of jobs and creativity and the institution that carries out sustained improvement in the employees' well-being, gives employment opportunities to citizens, and improves the living standards through improved productivity, income and wealth generation, creating job opportunities and

reinvesting for a better quality of life. Generally they carry out structural transformation, scientific espousal and innovation of productive ideas and services.

Despite being the largest source of job creation and economic growth, small and medium-sized enterprises (SMEs) often perform poorly (PwC Nigeria, 2024; National Bureau of Statistics & SMEDAN, 2021), they are inflexible in adopting innovative strategies, and frequently lack digital literacy; their inability to effectively use digital tools has contributed to this poor performance, ultimately reducing the sector's output. However, if an organisation's performance stays low for a long time, it hurts productivity, social well-being, and supply chain output. It also makes it harder for companies to stay financially strong and reinvest, hire new people, diversify, and gain a competitive edge (World Bank, 2022).

Unfavourable performance by SMEs often results in fewer jobs being available, low wages, inadequate growth, poor innovation, and less development, as they often find it difficult to convert their weaknesses into strategic opportunities and make good use of their strengths for business development. When under-performance lingers for long, it stiffens the whole economy, lowering both micro- and macroeconomic livelihoods' development aspirations. This decline has led to lower industrial capacity (BusinessDay, 2025; sector reports, 2024). These changes have made informality a common phenomenon, reduced tax payment, and increased cost. For effective and efficient performance to take place, there is a need for reorientation, targeted interventions, effective efforts in capacity-building programs, credit windows, tax breaks, digitalisation drives, and institutional support from the policymaker.

Empirical studies (Dörr, Schönhofer, & Schwarz, 2024; Abdul Halim et al., 2024) show that localised successes in interventions are minimal, as challenges are still enormous. Amongst the challenges faced by the SMEs are weakened strategic planning skills, uneven access to finance, limited adoption of appropriate digital technologies, low managerial foresight, and continuous shutdown of many SMEs, not long after inauguration. The continuous performance disparity is an observed gap that this study aims to fill by investigating the influence of strategic foresight on SME performance in Rivers State.

1.2 Aim and Objectives of the Study

The specific objectives are to:

1. Examine the relationship between environmental scanning and operational performance.
2. Determine the relationship between environmental scanning and quality.
3. Examine the relationship between scenario planning and operational performance.

4. Determine the relationship between scenario planning and quality.

1.2 Research Questions

1. What is the relationship between environmental scanning and operational performance?
2. How does environmental scanning relate to the quality?
3. How does scenario planning relate to the operational performance?
4. What is the relationship between scenario planning and quality?

1.3 Research Hypotheses

H_{o1}: There is no significant relationship between environmental scanning and operational performance of the SMEs in Rivers State.

H_{o2}: There is no significant relationship between environmental scanning and qualityof the SMEs in Rivers State.

H_{o3}: There is no significant relationship between scenario planning and operational performance of the SMEs in Rivers State.

H_{o4}4: There is no significant relationship between scenario planning and qualityof the SMEs in Rivers State.

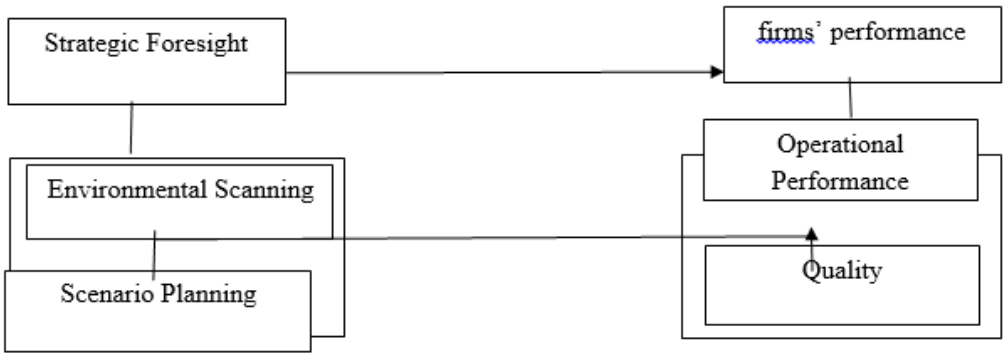

Figure 1: Conceptual framework.

Source: Adapted from Rohrbeck and Kum (2023) and Teece (2021).

Strategic Foresight

A business organisation that desires to achieve its goals and objectives requires strategic foresight, the ability to carefully foresee the future developments, explore new trends, take actions against impeding disruptions and weak signals, and convert these weaknesses into strengths by making long-term plans, wise decisions, and employing effective strategies. Foresight is not limited to making predictions but is about being forward-looking, creating insightful vision, making dynamic policy changes, and building effective strategy for

handling future occurrences. When an organisation engages in strategic foresight, they are better positioned to handle business activities, strong in turning weaknesses to strengths, and they provide outstanding assistance that limits future obstacles that may likely hinder the organisational performance (European Commission, 2025).

Strategic foresight uses an organised approach in manoeuvring uncertainty and resource constraints, identifying opportunities and threats, promoting innovation and intensifying strategic alignment (Datta et al., 2023). Strategic foresight is not just hypothetical but also practically beneficial in boosting performance in situations that are highly disruptive (Sotamaa et al., 2025). It is used to describe future trajectories and to align with changing regulatory rules, demographics, and economic conditions for the long-term sustainability of the firm. (Datta et al., 2023).

Environmental scanning

Environmental scanning is the ongoing process of monitoring an organisation's external environment. This external environment comprises regulatory, technological, customer, market, and competitive developments for assessing changes that could influence the organisation’s performance. Environmental scanning gathers information from the external environment, identifies weaknesses and future opportunities, and emphasises how to transform weaknesses into strengths while capitalising on new opportunities. Environmental scanning is often slowed down by insufficient availability of essential resources such as technology, finance, raw materials and skilled labour. But engaging in timely scanning could enhance strategic agility and competitive advantage (YahiaMarzouk & Jin, 2022; Sekere, 2023).Sekere (2023) presents strong evidence showing that environmental scanning is associated with competitive advantage, resulting in improved performance when effectively utilised.

Scenario planning

Scenario planning, a tool of foresight that enables an organisation to explore a range of future possibilities by thinking ahead, identifying prevailing trends, carrying out uncertainty mapping, and underlying drivers. The goal is not to predict likely future occurrences but to come up with plans that will work no matter what happens. Scenario planning helps businesses see how well their strategic options, resilience, and plan for risks can change their strategy proactively. Scenario planning assists businesses in doing better by helping them make better strategic decisions, lower their risks, and think about the long-term implications

of their decisions (Sotamaa et al., 2025). When an organisation engages in simulating alternative strategic phenomena, they often have superior competitive and financial advantages when compared to those who do not. (Datta et al.,2023). Scenario planning is especially important in changing contexts to deal with uncertainty, ensure adequacy of the right resources and avoid strategic shocks.

Firms' Performance

Firm performance refers to how a business meets its goals. These goals can be financial or non-financial in nature. Financial goals encapsulate profitability, return on investment, or growing revenue, while non-financial goals have to do with higher market share, customer satisfaction, creativity, being innovative, and being environmentally friendly. Performance is complex, and for SMEs, measures frequently incorporate growth, market share, profitability, and operational or non-operational variables. Performance of SMEs is driven by internal capabilities and external circumstances. The internal capabilities refer to innovation, management practices, and digital transformation, while the external circumstances refer to competition and the regulatory environment.Mastarida et al. (2025) suggest that competencies, or mindsets that directly support and drive business growth, innovation, and long-term sustainability, including strategic, technological, and human resources capabilities, substantially enhance company performance in Indonesia. These results invalidate that performance is influenced by structural, strategic, and environmental factors.

Operational performance

Operational performance is how efficiently and effectively a firm utilises its inputs to generate outputs. Inputs refers to materials, labour time, machinery while outputs are quality , speediness, low waste, and low prices . It only concentrates on internal operational metrics such as efficiency, process quality and lead time. It differs from financial performance measures. Operational performance is a critical determinant of long-term competitiveness, particularly for small and medium-sized enterprises (SMEs) that often operate with limited resources and within volatile business environments. A strong operational performance enable firms to reduce waste, respond to consumer needs more rapidly and improve processes to be more adaptable and resilient (Anifowose et al., 2022). Financial outcomes show the fruitful performance in the past, while operational success shows consistently in deliverimg value, increase productivity, and maintaining quality. SMEs operational performance successes are foundation for invention, satisfaction, and firm performance.

Quality

Quality is how well a company's goods or services meet the needs of customers, the regulatory requirements, and the company's internal standards. This comprises durability, reliability, compliance, satisfaction, and higher quality. It refers to process quality, service quality, and ensuring that operations produce minimal defects or errors (Anifowose et al. (2022). A high quality standards, continuous improvement, quality assurance, and process management could assist SMEs to become more efficient, lower their operating expenses, and stay competitive in the long run.

2.2 Theoretical Review

The Dynamic Capabilities Theory (Teece, 2018) suggests that “organisations must cultivate the capacity to integrate, grow, and reconfigure both internal and external resources in response to swiftly evolving surroundings.” DCT emphasises the need for continuous renewal and alteration of processes, including distinguishing opportunities, exploiting them, and changing the capacity of the structure (Teece, 2021). Strategic foresight foresees changes in the market, looks around them, and comes up with new plans that keep them competitive over time. This theory explains how strategic foresight can be utilised to solve performance problems that could eradicate disruptions, evolving market changes and changing rules and regulations.

2.3 Empirical Review

Borji et al. (2025) examine "strategic alignment and strategic foresight regarding competitive advantage, with the mediating role of human capital in the context of SMEs in the Sidama Regional State." The quantitative study utilised a standardised questionnaire.The sample comprises 282 respondents. The study uses exploratory factor analysis (EFA), Kaiser-Meyer-Olkin (KMO), and structural equation modelling (SEM) for data analysis. Strategic alignment, strategic foresight, corelates with competitive advantage.The results recommends incorporating human resource development into strategic management and fostering a cohesive, progressive culture.

Niguse et al. (2025) explore human capital in mediating strategic alignment, strategic foresight, and competitive advantage among Ethiopian medium and large manufacturing businesses. The population comprises 950 employees from 20 medium and large manufacturing companies. A sample of 282 respondents answered the structured questions . AMOS software was used to uncover the association between variables, evaluate the sample

size for component analysis, and look into direct and indirect effects. There was a strong bond between competitive advantage, strategic alignment, and strategic foresight. The study recommends developing human capital for strategic management a creating a culture that is both aligned and forward-thinking.

Briggs et al. (2025) investigate strategic entrepreneurship influences on the competitiveness of small businesses in South-South Nigeria. This study employs resource-based theory and entrepreneurial orientation concepts to elucidate how strategic entrepreneurial practices, including innovation, proactiveness, risk-taking, strategic renewal, and resource leveraging, can enhance market responsiveness, cultivate distinctive capabilities, and elevate the competitiveness of small-scale enterprises. The study outlines the contextual factors in South-South Nigeria that necessitate this approach and provides recommendations for business owners and policymakers to foster a more strategically entrepreneurial and competitive SME sector.

Roy and Onuoha (2023)examines strategic insight and corporate agility of small and medium-sized businesses (SMEs) in Abia State.The surveys study population comprises 1240 owners of small and medium-sized businesses . The Krejcie and Morgan 1970 table was used to detemine 291 sample from the population. Standardised questionnaire was used. The Spearman rank order correlation coefficient was employed to examine and evaluate the study data and hypotheses. The study demonstrated there positive association between the variables being studied. All strategic foresight dimensions were related to h the agility of SMEs in Abia State. The research encouraged small and medium-sized businesses (SMEs) to utilise strategic foresight to stay competitive and make money by adapting to change.

3.0 METHODOLOGY

The cross-sectional survey was used in this study. The accessible population comprise of 445 owners and managers of the SMEs in Rivers State. A sample of 210 respondents was derived using krejcie and Morgan (1970) table. The primary data was obtained using a well-structured questionnaire. Spearman rank order correlation coefficient statistical tool was used for the analysis.

4.0 RESULTS AND DISCUSSION

210 questionnaires were distributed, but only 195(92.9%) returned copies were valid questionnaire.

Table 1: Correlations Between Environmental Scanning and Dimensions of Firms' Performance

			Environmental Scanning	Operational-Performance	Quality
Spearman's Rho	Environmental Scanning	Correlation Coefficient	1.000	.885**	.875**
		Sig. (2-tailed)	.	.000	.000
		N	195	195	195
	Operational Performance	Correlation Coefficient	.885**	1.000	.850**
		Sig. (2-tailed)	.000	.	.000
		N	195	195	195
	Quality	Correlation Coefficient	.875**	.850**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	195	195	195

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Output, 2025.

Environmental Scanning and Operational-Performance : The Spearman's rho value is 0.885 (p = 0.000). Based on these findings, the null hypothesis (Ho_1) is rejected. This indicates a strong significant and positive relationship between environmental scanning and operational-performance .

Environmental Scanning and Quality: The Spearman's rho value is 0.875 (p = 0.000). Consequently, the null hypothesis (Ho_2) is rejected. This confirms a strong and positive relationship between environmental scanning and quality.

Table 2: Correlations Between Scenario Planning and The Dimension of Firms' Performance

			Scenario Planning	Operational Performance	Quality
Spearman's rho	Scenario Planning	Correlation Coefficient	1.000	.865**	.860**
		Sig. (2-tailed)	.	.000	.000
		N	195	195	195
	Operational Performance	Correlation Coefficient	.865**	1.000	.845**
		Sig. (2-tailed)	.000	.	.000
		N	195	195	195
	Quality	Correlation Coefficient	.860**	.845**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	195	195	195

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Output, 2025.

Scenario Planning and Operational-Performance :cT to Table 2, column 5, the Spearman's rho value is 0.865 (p = 0.000). Given this result, the null hypothesis (Ho_3) is rejected. This demonstrates a strong and significant positive relationship between scenario planning and operational-performance .

Scenario Planning and Quality: The Spearman's rho value is 0.860 (p = 0.000). Based on this evidence, the null hypothesis (Ho_4) is rejected. This suggests that there is a strong significant and positive relationship between scenario planning and quality.

4.0 RESULTS AND DISCUSSION

210 questionnaires were distributed, but only 195(92.9%) copies were returned, and this constitutes the valid questionnaire. The hypotheses test is undertaken at a 95.5% confidence interval, and the decision rule is stated below.

Where P < 0.05 = Reject the null hypotheses

Where P > 0.05 = Accept the null hypotheses

Table 1: Correlations Between Environmental Scanning and Dimensions of Firms' Performance

			Environmental Scanning	Operational-Performance	Quality
Spearman's Rho	Environmental Scanning	Correlation Coefficient	1.000	.885**	.875**
		Sig. (2-tailed)	.	.000	.000
		N	195	195	195
	Operational Performance	Correlation Coefficient	.885**	1.000	.850**
		Sig. (2-tailed)	.000	.	.000
		N	195	195	195
	Quality	Correlation Coefficient	.875**	.850**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	195	195	195

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2025.

Environmental Scanning and Operational-Performance : As shown in Table 1, the Spearman's rho value is 0.885 (p = 0.000), which is less than the significance threshold of 0.05. The coefficient of determination (r^2) is 0.783, implied that, 78.3% of the variation in operational performance can be explained by environmental scanning. Based on these findings, the null hypothesis (Ho_1) is rejected, and the alternative hypothesis (Ha_1) is accepted. This indicates a strong significant and positive relationship between environmental scanning and operational-performance .

Environmental Scanning and Quality: Table 1 , column 6 also reveals a Spearman's rho value of 0.875 (p = 0.000), which is below the alpha level of 0.05. The r^2 value of 0.766 suggests that 76.6% of the variance in quality is attributable to environmental scanning. Consequently, the null hypothesis (Ho_2) is rejected in favour of the alternative hypothesis. This confirms a strong and positive relationship between environmental scanning and quality.

Table 2: Correlations Between Scenario Planning and The Dimension of Firms' Performance

			Scenario Planning	Operational Performance	Quality
Spearman's rho	Scenario Planning	Correlation Coefficient	1.000	.865**	.860**
		Sig. (2-tailed)	.	.000	.000
		N	195	195	195
	Operational Performance	Correlation Coefficient	.865**	1.000	.845**
		Sig. (2-tailed)	.000	.	.000
		N	195	195	195
	Quality	Correlation Coefficient	.860**	.845**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	195	195	195

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2025.

Scenario Planning and Operational-Performance : According to Table 2, column 5, the Spearman's rho value is 0.865 (p = 0.000), which is below the significance level of 0.05. The coefficient of determination (r^2) is 0.748, indicating that 74.8% of the variation in operational performance is explained by scenario planning Given this result, the null hypothesis (Ho_3) is rejected, and the alternative hypothesis (Ha_3) is accepted. This demonstrates a strong and significant positive relationship between scenario planning and operational-performance .

Scenario Planning and Quality: As shown in table 2,column 6, the Spearman's rho value is 0.860 (p = 0.000), which is less than the 0.05 significance level. The r^2 value is 0.734 indicating that scenario planning accounts for 73.4% of the variation in quality. Based on this evidence, the null hypothesis (Ho_4) is rejected in favour of the alternative hypothesis. This suggests that there is a strong significant and positive relationship between scenario planning and quality.

DISCUSSION OF FINDINGS

The results of the study revealed that both environmental scanning and scenario planning have a significance positive association with organisations' performance as related to operational efficiency and quality. The Spearman's rho values indicates the strength of the associations, which are strong and positive. This shows that the dimensions of strategic foresight are crucial elements in forecasting an organisations performance.

The first result in Table 1 revealed that environmental scanning is strongly and positively associated with operational performance ($\rho = 0.885$, $p < 0.05$) and likewise, environmental scanning has a strong positive relationship with quality ($\rho = 0.875$, $p < 0.05$). This means that organisations that engages in regular scanning of their environment are better able to improve their efficiency, productivity, and quality standards. The coefficients of determination ($r^2 = 0.783$ for operational performance; $r^2 = 0.766$ for quality) demonstrate that environmental scanning explain a significant percentage of the variability in firms' performance. These aligned with with Adegbie and Adeniran (2022), whose findings revealed that proactive environmental scanning enhances prompt adaptation to market changes and better performance.

Scenario planning on the other hand possessed a robust and significant positive correlation with operational performance ($\rho = 0.865$, $p < 0.05$) and quality ($\rho = 0.860$, $p < 0.05$). The r^2 values (0.748 for operational performance and 0.734 for quality) show that scenario planning explains a large part of the differences in performance measures. This revealed that organisations that use scenario planning are better at dealing with uncertainty, strategic options, and enhancing quality and operational efficiency. This findings agrees with Glick et al. (2018) that scenario preparation improves resilience and adaptation, resulting in enhanced performance.

The findings revealed that both environmental scanning and scenario planning, as facets of strategic foresight, are essential for maintaining organisational performance. Firms that work in competitive areas, can improve their efficiency and keep their quality by engaging in environmental scanning and scenario analysis. These results suggest that organisations that ignore these practices may be reactive instead of proactive, which could make it harder for them to maintain good performance over time.

5.0 CONCLUSION

This research explore the association between strategic foresight(environmental scanning and scenario planning)and the performance (operational performance and quality) of SMEs in

Rivers State. The findings revealed that both environmental scanning and scenario planning display a significant positive relationship with the measures of organisational performance. Environmental scanning elucidated 78.3% of the variance in operational performance and 76.6% of the variance in quality, whereas scenario planning represented 74.8% of the variance in operational performance and 73.4% in quality.These findings concludes that strategic foresight relates with the performance of the SMEs in Rivers State. This shows that organisations that engage in environmental scanning and scenario planning are better able to improve efficiency keep quality high, stay competitive and improve their performance,. The study theoretically supports the Dynamic Capabilities Theory, which stress how information, flexibility, and strategic foresight may help organisations achieve better results over time. In conclusion, the study emphasises the significance of incorporating strategic foresight into managerial processes. Companies that actively scan the environment and plan for many scenarios can deal with uncertainty, enhance their operations, and produce consistent quality, which will help them survive and expand in the long run.

6.0 RECOMMENDATIONS

1. Companies should set up systematic ways to scan their external environment, including market intelligence units or competition intelligence systems, so they can always gather and analyse information.
2. Management should use environmental scanning to keep an eye on changes in client preferences, rules, and technology all the time.
3. Companies should do scenario analysis workshops with important managers and decision-makers on a regular basis. This will help them keep their operations running and respond to problems, which will improve their operational performance.
4. Scenario planning should be connected to strategies for improving quality so that Possible dangers can be seen to the quality of a product or service and make backup plans to keep quality standards high in different situations in the future.

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