

An Outline of Strategic Management

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Introduction

Strategic management in the field of management entails the formulation and implementation of an organization's managers' major goals and initiatives on behalf of stakeholders, based on resource considerations and an assessment of the internal and external environments in which the organisation operates. Strategic management offers general direction to an enterprise and entails defining the organization's objectives, formulating policies and plans to attain those objectives, and assigning resources to put the plans into action [1]. Many models and frameworks have been established by academics and practising managers to aid in strategic decision-making in the setting of complex environments and competitive dynamics. Strategic management is not a static process; models frequently [quantify] feature a feedback loop to monitor implementation and guide the next round of planning. Corporate strategy entails resolving a basic portfolio question: "What business should we be in?" Answering the question, "How shall we compete in this business?" is part of corporate strategy. Strategic management and operational management are frequently distinguished in management theory and practise, with operational management primarily concerned with enhancing efficiency and reducing expenses within the parameters established by the organization's strategy.

Description

Strategy is defined as "the establishment of an enterprise's essential long-term goals, as well as the choosing of courses of action and the allocation of resources required to carry out these goals." Strategies are formed to give consistency or guidance in reaction to the environment, determine direction, focus effort, define or clarify the organisation, and provide consistency or guidance. Strategic management encompasses the concepts of strategic planning and strategic thinking, which are intertwined. Strategic planning is analytical in nature, and it refers to structured procedures for producing data and analyses that are utilised as inputs for strategic thinking, which synthesises the facts to develop the strategy [2]. Strategic planning may also refer to the control mechanisms used to put the strategy into action once it has been determined. In other words, strategic planning occurs in the context of strategic thinking or strategy formulation. Strategic management is frequently described as including two key processes: strategy formulation and strategy implementation. While the two processes are outlined sequentially below, in fact they are iterative, with each providing input to the other.

Implementation

The second main strategic management phase is implementation, which comprises decisions about how the organization's resources (people, processes, and IT systems) will be aligned and mobilised toward the objectives

[3]. Implementation includes, among other things, how the organization's resources are organised (such as by product or service or region), leadership arrangements, communication, incentives, and monitoring tools to measure progress toward objectives. Operating the firm on a day-to-day basis is sometimes referred to as "operations management," or particular words for essential departments or roles, such as "logistics management" or "marketing management," which take over once strategic management decisions are implemented [4]. Henry Mintzberg described the many varied definitions and viewpoints on strategy that can be found in both academic study and practise in 1988. He investigated the strategic process and discovered it to be far more fluid and unpredictable than previously imagined. As a result, he was unable to identify a single process that could be referred to as strategic planning. Mintzberg, on the other hand, thinks that there are five sorts of strategies:

- Strategy as a plan - a planned course of action to attain a specific set of goals; comparable to the concept of strategic planning.
- Strategy as a pattern - a consistent pattern of past conduct in which a strategy is achieved over time rather than planned or intended. He referred to the technique as emergent when the realised pattern differed from the aim.
- Strategy as position - positioning brands, goods, or companies in the market based on the conceptual framework of consumers or other stakeholders; a strategy driven mostly by variables outside the firm.

Mintzberg organised these five forms of management strategy into ten "schools of thought" and classified them into three groups in 1998. The first category is normative. It is made up of the informal design and conception, formal planning, and analytical positioning schools. The second group, made up of six schools, is more concerned with how strategic management is carried out in practise rather than prescribing optimal plans or positions. Entrepreneurial, visionary, cognitive, learning/adaptive/emergent, negotiation, corporate culture, and business environment are the six schools. The third and final category is made up of one school, the configuration or transformation school, which is a combination of the other schools and is divided into stages, organisational life cycles, or "episodes." Mintzberg organised these five forms of management strategy into ten "schools of thought" and classified them into three groups in 1998. The first category is normative [5]. It is made up of the informal design and conception, formal planning, and analytical positioning schools. The second group, made up of six schools, is more concerned with how strategic management is carried out in practise rather than prescribing optimal plans or positions.

Conclusion

Entrepreneurial, visionary, cognitive, learning/adaptive/emergent, negotiation, corporate culture, and business environment are the six schools. The third and final category is made up of one school, the configuration or transformation school, which is a combination of the other schools and is divided into stages, organisational life cycles, or "episodes." In 1980, Michael Porter defined strategy as the ". broad formula for how a business will compete, what its goals should be, and what policies will be required to carry out those goals," as well as the ".combination of the ends (goals) for which the firm is striving and the means (policies) by which it seeks to get there." "The essence of establishing competitive strategy is tying a company to its environment," he stated.

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Conflict of Interest

None.

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