

# Strategic Management Overview: A Key to Success in the Corporate Sector

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***Abstract---** It is very important to understand the current situation and the types of challenges the business will encounter from the existing environment to assess the mission and the priorities of an organization. The company will carry out its mission and goals by effective use of strategies. The companies should therefore be aware of strategic management and planning. Strategic planning, that requires much strategic thought, is one of the most important management instruments that helps managers identify priorities and identify key actions needed to accomplish the organization's tasks and goals. In the present day's complex business environment, strategic management is one of the main topics in organizational management. This paper incorporates the principles of policy, strategic planning, strategic thinking and strategic management. It's very important to understand the current situation and the types of challenges that the business will encounter from the existing environment in order to assess the purpose and goals of an organisation. The organization can achieve its task and goals by successfully deploying strategies. The organizations should therefore be mindful of financial and strategic planning. Long term planning, one of the most effective management tools, requires a lot of strategic thinking, which allows managers to define goals and determine the major actions required to achieve the organization's objectives and tasks. Strategic management has now become one of the main topics of corporate management due to the complex business environment. The paper addresses strategic principles, action planning, strategic analysis, strategic management as well as the importance of strategic management. The comparison between Eastern and Western corporations also helped to understand the role of culture and environment in the development of the corporate strategy.*

**Keywords---** learning vision, company orientation, policy

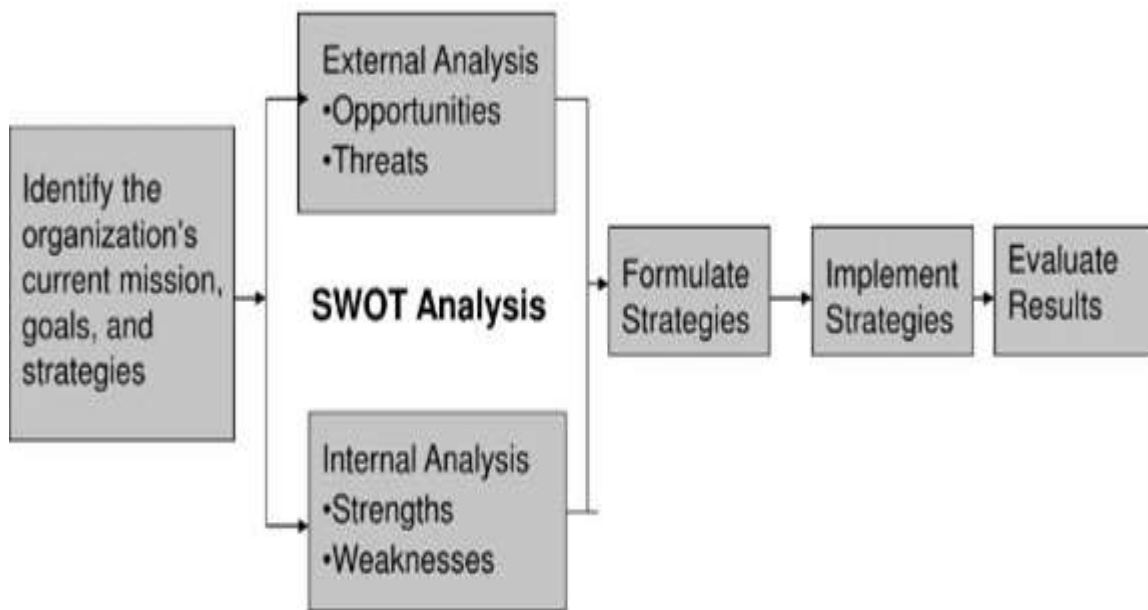
## I. INTRODUCTION

It is very important to understand the current situation and the types of challenges the business will encounter from the existing environment to assess the mission and the priorities of an organization. The company will carry out its mission and goals by effective use of strategies. The companies should therefore be aware of strategic management and planning. Strategic planning, that requires much strategic thought, is one of the most important management instruments that helps managers identify priorities and identify key actions needed to accomplish the organization's tasks and goals. In the present day's complex business environment, strategic management is one of the main topics in organizational management. This paper incorporates the principles of policy, strategic planning, strategic thinking and strategic management. It's very important to understand the current situation and the types of challenges that the business will encounter from the existing environment in order to assess the purpose and goals of an organisation.[1] The organization can achieve its task and

goals by successfully deploying strategies. The organizations should therefore be mindful of financial and strategic planning. Long term planning, one of the most effective management tools, requires a lot of strategic thinking, which allows managers to define goals and determine the major actions required to achieve the organization's objectives and tasks. Strategic management has now become one of the main topics of corporate management due to the complex business environment. The paper addresses strategic principles, action planning, strategic analysis, strategic management as well as the importance of strategic management. The comparison between Western and Eastern corporations also helped to understand the role of culture and environment in the development of the corporate strategy. Shown in fig.1[2]

The concept of strategic management became primarily associated with the military strategy. The experience of the attacks and counter-offensive strategic strategy has paved the way to decisive victories. It began after the end of the Second World War in the corporate sector. The rapid development of world economies such as the US, China and Japan gave large multinational corporations a favorable environment, which required development of the strategy and reflection process. In addition, the competitive environment made maintaining the success graph difficult for companies without meeting the changing business needs and adopting a plan to address them.

Strategic management is a systematic approach that uses management concepts and processes in order to identify an enterprise's target or mission. It sets the right goal to accomplish the objective, define current environmental opportunities and limitations, and devise a way to achieve the goal. The implementation of strategies is a theoretical corrective approach to a company's dilemma, where the realistic solution to the problem is successful execution. The action planning strategies that have been developed allow any type of organization to cope with recent drastic environmental change. Private and government organizations are both designed to produce value through the use of capital and expertise for shareholders. Both organizations need to work in changing environments, which restrict their ability to organize their operations according to clear strategic goals, thereby requiring a highly adaptable strategic management strategy.[3]



**Fig. 1: Process of Strategic Management**

## **II. LITERATURE REVIEW**

As in the journal of the business strategy the strategic management is described as a phase during which a company establishes its plans, which starts out from the priorities and objectives made visible as firm-wide goals and artifacts. The organizations improve the efficiency of businesses and the effectiveness of its planning. The more adverse environmental conditions are, the more creative and complex approaches to address these challenges will be required. The organizations are extremely helpful in monitoring the evolving dynamics of the corporate sector through all the environmental scanning models established by the strategists over the years. The contrast between the Eastern and western corporate sector has also shown a strong impact on the nature of the strategic management system through environmental and economic factors. Some studies have shown that China has been in western culture in the early days because of the lack of awareness of the climate, while Australian companies worry more about changes in the environment.[4]

The review of the literature has also shown that the development of the strategy is an important step, and the troubled business must hire imaginative and courageous strategists to formulate innovative, courageous strategies. The theoretical approach to the solution of the organization's problems lies in these methods, but the practical solution to them is the success of their execution. The test results show that strategic planning success is also correlated with the global uncertainty, complexity and organizational scale of the enterprise. This means that organisationally excellent outcomes can not be obtained either by formulating or applying correct approaches.

The literature has also well established the value of all three layers of strategic management. Increasing organizational output is driven by various levels of strategies such as corporate strategy, business strategy, and functional strategy. The business plan increases the potential of the enterprise, by improving its culture, internal productivity and then customer support and at last increasing its financial performance by enhancing its competitiveness, profits and reduced risks and costs.[5], [6]

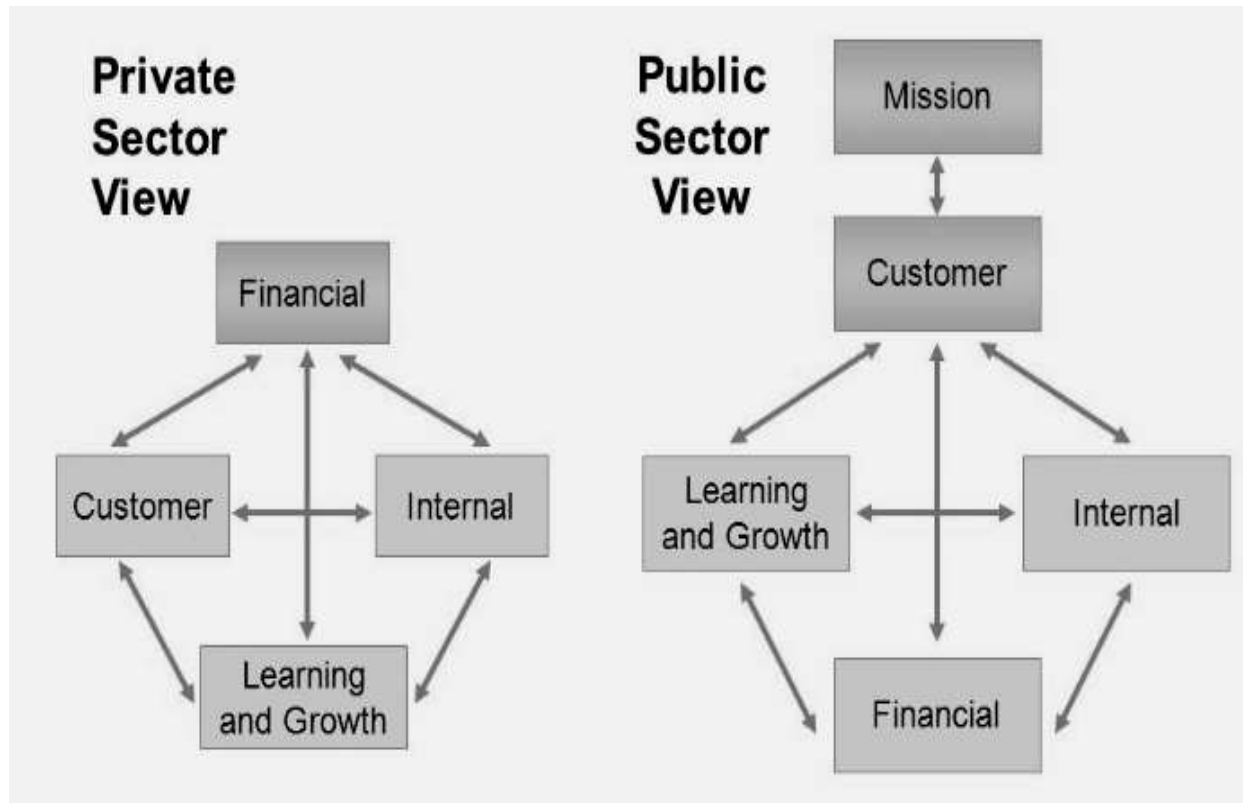
In the changing environment, the capacity of the company to adapt in response to economic changes has also become critical success factor. The organizations continue to try to adjust their tactics according to the situation in a competitive environment, if the company is resilient then it will not achieve a significant advantage and will lose market share. In this changing environment, corporate governance, social responsibility and business ethics must also be combined when designing marketing strategies.

## **III. PUBLIC STRATEGIC MANAGEMENT**

"Strategic planning means a focused effort to produce fundamental decisions that form the essence and purpose in constitutional bonding of government activities" Strategic management is urgently needed in the public sector because of increased public transparency demand and increased performance. Strategic management has become a traditional means of creating value and organization for the representative of the government by increasing the complexity of social issues, growing consumer demand, and by maximizing quality, quantity, and driving changes in society. Strategic management is an integral part of businesses in the public sector. The public sector has two important factors to address, namely environmental and transactional factors, which are crucial for strategic management.[6], [7]

Political influence and limits on legal mandates are environmental factors. Coherence, which is much wider than in a private company, is one of the transaction considerations. All social ideals such as justice, equality, integrity and inclusion

are handled by public companies. The balanced scorecard of public strategic management as shown in fig2



**Fig. 2: Pvt. Vs Public Blanced scored**

#### **IV. PRIVATE STRATEGIC MANAGEMENT**

Strategic management as well as planning is an ongoing process for evaluating and tracking organizations and industries involving a company Strategic management focus primarily on centralized management, advertising, accounting and development.

The overall business performance and its progression toward corporate achievement are often measured using a balanced score card. The central and key position of strategic management is the integration and well alignment of various functional fields in multinational organizations. Another strategic management role is to keep an eye on the company's mission and vision. One of the main and important roles of strategic management is to integrate and work together in a number of functional fields for multinational organisations.[8]

The mission and vision of the organization should be continually monitored as a strategic management function. The balanced scorecard of private strategic management as shown in fig2

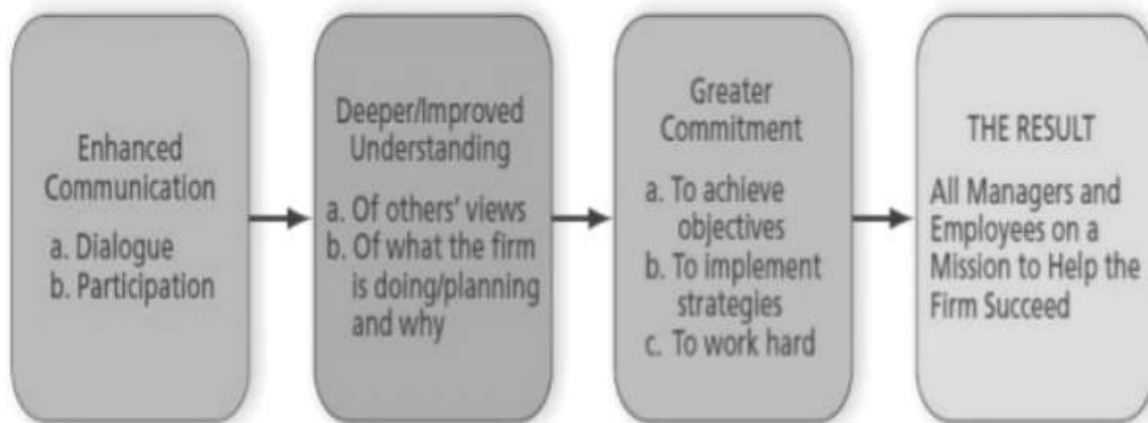
#### **V. BENEFITS OF STRATEGIC MANAGEMENT**

Strategic organization makes a company increasingly proactive than reactive in implementing and controlling actions to govern itself to form its future. Many companies now have the advantages of strategic management understood and accomplished.

Back in history, the main advantage of strategic management was to formulate sound policies using a systematic, logical and rational approach to strategic choice.[9]

Fig.3 shows how the value of involvement in strategic planning and management can be achieved. While cooperation is strengthened through dialogue, the company can be assisted by managers and employees by dialogue. All organizations must be assisted by personnel to assess the task successfully.[10]

Strategic management motivates all managers and staff to work for the organization. First of all, contact should be established within the organization. It helps workers to realize what the company does, how the goals can be accomplished, and to devote themselves more to the company's achievement. Then managers and staff can appreciate one another and become more and more innovative. The company will achieve greater efficiency with the cooperation of all employees.



**Fig. 3: Benefits of Strategic Management**

## VI. CONCLUSION

Strategy has many forms and is a very useful concept for an organization. "A strategy is an action plan that one uses to formulate goals, objectives and means to achieve the targets and aims." Strategic planning is a roadmap for a business that helps manage the company, particularly if it can successfully implement the strategic plan throughout the company. The key aspects of senior management responsibility are strategic planning and strategic management. Leadership style, organisation, maturity structure and social values all affect how a company approaches its strategic management efforts. In any method, however, the most important thing is the execution and continuous review of the strategy. Such factors help to measure the effectiveness of a strategy and to ensure the success and growth of the business.

“Only a plan, that is, good intentions, is the best plan unless it turns into work. The distinguishing feature of a program that can produce results is the dedication to certain activities of key people. The measure of a strategy is whether managers are contributing resources to activities that will lead to future performance. There are only commitments and dreams, but no strategy, unless such a commitment is made.”

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