Strategic Planning and Strategic Management

Strategic Planning and Strategic Management

Strategic planning and management is a process way ahead from the rules formation. It is the philosophical approach toward adopting changes in a business. The upper hierarchy in a business organization thinks strategically and then apply a thought process to achieve the targets. Strategic management is best applied when each person in the organization comprehends the strategy. The following assignment will shed light on the important steps of strategic planning and management.

# Primary components of Strategic Management

The primary concepts of strategic management id divided into five steps. These five steps assure the bricklaying for a major task, it starts from proper planning and from clarification of some certain pressing components (Steiss, 2019). The five primary components of strategic management include

Clarifying the goal in hand: at this stage, the goal in hand is considered and reconsidered. The stakeholders clarify the goals whether it tailors the approach of their over- all vision or not. At this stage, both short and long terms objectives are analyzed.

Gathering and analyzing information: For the task in hand, the information is gathered and analyzed. Each publication or report published before is brought into notice, and the company hierarchies, along with many co- workers analyze the suitability of the information. They first understand the needs of the business and then tailor the information considering their specific need (Steiss, 2019).

Formulating strategy: there may be many ways of achieving that task. At this stage, the company formulates the strategy to achieve the task. During the formulation of strategy, the company considers the vital resources in hand, the required resources to accomplish the task and finally, the amount of resources needed to borrow from external environment.

Implementing strategy: The implementation of the strategy is the critical phase. During the implementation phase, the stakeholders consider the responsibilities and duties assigned to many people involved.   
 Evaluating and control: The final stage involves evaluation and control. Evaluation is the critical and continuous assessment, whereas controlling is actually keeping the resources in hand.

# Internal and External Analysis

Comprehending the environment is the pressing component of strategic management and planning. It allows the stakeholders to analyze the threats and opportunities which are running hands in hands with the specific and ongoing task. In order to properly understand the nature of environment, one needs to understand both the external and the internal environment attached to the business. The external analysis in this regard is analyzing the factors which affect the business externally. These could be political, economic, social, technological, environmental, and legal factors. ‘PESTEL' is the appropriate term used to denote such kind of analysis (Taran, Boer, & Lindgren, 2015). Normally such factors remain out of the control of organizational leadership. Contrary to this, the internal factors affect the business from inside. These could be the resources, hierarchical management, organization's strength, or its weaknesses. The examination and timely analysis of each factor, both internal and external give the updated and complete picture of the plans in hand.

# Responsibilities and duties of the Strategic Manager

The strategic manager holds a very critical position in an organization. Beyond certain complex tasks in hand, he looks after the strengths and weaknesses of the organization and produces reports which reflect the progress of the company. He looks after the operational weaknesses and the opportunities in hand. A strategic manager's decision is dependent on the external and internal analysis of the business environment (Taran et al., 2015). He assures that the company might not end up sliding from the long-term vision or the strategic purpose. From time to time, the strategic manger is tasked for developing and re- modeling of the tasks in hand.

# Why companies need strategic management planning?

Companies need strategic planning and management since it provides a sense of the business. With time the domestic and international business environment has become so complex and inter- twinned that without proper management and execution of the tasks, the companies might end in achieving nothing other than losing resources. Companies need strategic management since it directs and outlines the measurable goals (Wolf & Floyd, 2017). The learned individuals at such positions help in keeping the resources intact and putting in front the achievable goals, which, as a result saves time and resources, which remains crucial for surviving in a competitive environment.

# References:

Steiss, A. W. (2019). *Strategic management for public and nonprofit organizations*. Routledge.

Taran, Y., Boer, H., & Lindgren, P. (2015). A business model innovation typology. *Decision Sciences*, *46*(2), 301–331.

Wolf, C., & Floyd, S. W. (2017). Strategic planning research: Toward a theory-driven agenda. *Journal of Management*, *43*(6), 1754–1788.