

Role of Strategic Management and New Trends in Strategic Thinking in Current Scenario



Deepa Sharma, C.Vankateswaran

Abstract: Today era every person needs to be fame, profit and success. To fulfill own dreams to meet the competitions in competitive world. Every person to fulfill his dreams to makes some strategies. Because strategy help us to achieved the organizational and individual goals. A Strategy is concerned with the direction in which human and physical resources to be use to maximize the chances of achieving organizational objectives. It means of putting a policy in to effect within certain time limits. Strategies main focuses on objectives, in other words you can say that strategies are means to an end. The main purpose of Strategy is to be solving the business problems, help to managers to improve his managerial powers, and optimum utilization of scares resources etc. Managers also play a vital role in the companies because they can guide to their subordinates through decisions taken in accordance with the strategies from time to time even through subordinates are operating at different places. In any further situation should be controlled by managers through the strategy employee's activities on the workplace. Strategies guide to individuals of different areas of operations are properly guided so as to reduce respective actions leading thereby to have perfect cooperation. All managerial actions are taken as per strategies framed such as the policies specify routes towards anticipated goals. Strategy is a integrated, complete and included plan designed to assure that the basic objectives of the undertaking are achieved.

Keywords: Strategic Management, Business Strategy and Strategic Planning.

I. INTRODUCTION

Every company should be established to achieve the organizational goals and objectives. Purpose is that term what an association is and why it exists. Organizations share their subsistence to fulfilling a particular need of the society. They do this in terms of their mission. Strategy makes to fully concerned only on that reason for the organization's existence. Strategy makes by the management that management called the Strategic Management. Strategic Management is related to internal or external atmosphere who affected the organization production process. Strategic Management is the system of analytically analyzing a choice of opportunities and threats in comparison with

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organizational strengths and weakness, Formulating and incoming at strategic choices through significantly estimate of alternatives and implementing them to accomplish the set of objectives of the organization. Strategic Management takes the all decisions in favor of organizations which lead to the development of an effective strategy or strategies to help achieve corporate purposes. Strategy is a systematic way to which will assure its continued success and make it secure from surprises. Strategic Management makes the strategy as shown in Figure 1.1

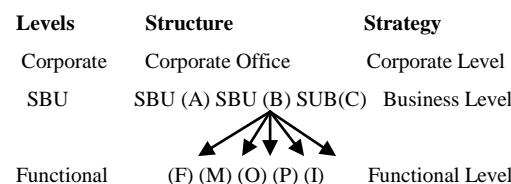


Figure 1.1 Hierarchy of Strategy

Here, F-represent-Finance,
M-Marketing, O-Operation, P-personnel, I-Information

Corporate Level Strategies:- That strategy designed as corporate level is called Corporate Strategy. It is the top management's plan to direct and guide the whole organization. Top level management timely check the performance of the employees.

Business Level Strategies: That strategy made by the managerial level plan for directing and controlling the whole business unit. The Strategic Business Unit is to identify the independent product/market segments served by an organization.

Functional Level Strategies:- Functional Strategy is the plan to manage a principle subordinates activities done within business to be fulfilled of the firm's objectives.

Role of Strategic Management Process to achieve Organizational goals and objectives:-

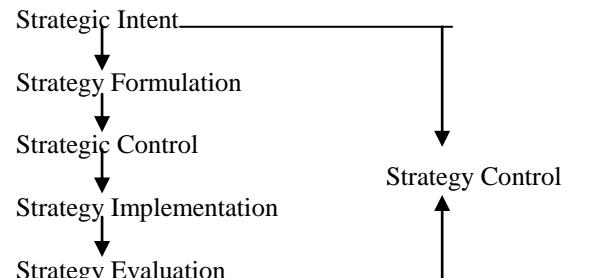


Figure 1.2 Comprehensive model of Strategic Management

Strategic Intent-: In the strategic intent included the company's goals, mission, purposes and objectives because every company should be established to achieve organizational goals and objectives. Strategy should be followed by company managers as result easily achieved the organizational goals.

Strategy Formulation-: In the strategy formulation analysis the environmental factors, also identify the company's strength and weakness and caught the opportunities in favor of companies. Choose the appropriate strategy or strategies in the light of environmental opportunities.

Strategy Implementation-: Strategy implementation is the conversion of special strategy in to organizational achievement so as to achieve strategic goals and objectives. Implementation means to do action on the strategy makes by managers.

Strategy Evaluation-: The further step is to evaluate the strategy. According to strategy to check the strategy properly implement or not.

Strategy Control-: The last phase of this process to be controls the all above functions. The feedback from strategic evaluation is meant to strategic control over the strategic management process.

II. TYPES OF STRATEGIES IN STRATEGIC MANAGEMENT

Every business need to success and fulfill the Individual and organizational goals and objectives. So companies make the different types strategies. These strategies formulate by the strategic management. Now below we discuss all the strategies one by one.

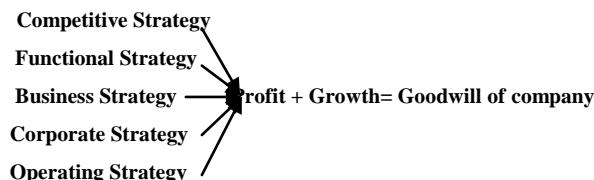


Figure no.1.3- Strategies adopt by an organization

Competitive Strategy-: Competitive strategy makes by the top level of management. This strategy makes, reason behind this to meet the competition .Because today era is a competitive world. To maintain the market share and maintain the profit rate, it's important to meet the competitions, competitive strategy made by Top level management.

Corporate Strategy-: In this strategy should be describe the all companies strategies .these types of strategies should be make by company for long term objectives.

Business Strategy-: The business strategy mostly focuses on product sales .Sales enhanced through the product innovation, product modification and product development etc.

Functional Strategy-: In this strategy company divide the business functions like Production function, Distribution function, marketing function and Advertising function etc.

Operating Strategy-: In these sections all strategies related to operating functions. Fully concentrate on operating functions.

III. FACTORS INFLUENCING THE STRATEGIC MANAGEMENT

Every businessman wants to his business based on Going Concern Concept. Any business may be its Small scale business or large scale business, wish to be business run more and more. But some factors influencing the strategic management shown in Figure 1.4 below

- Changes in Executive Management
- Competition from Other Businesses
- Social and Cultural Factors \Rightarrow Influences Strategic Management
- Laws and Regulations
- Technological Forces in Strategic Management
- Transformations in Organizational Structure

Figure no 1.4 Factors influence Strategic Management

Changes in Executive Management-:

Changes in the work of art of the board of directors or exit of chief executive officers also influence by strategy. The external members of the management team may search for to evaluation the accessible strategies with the view of inject new ideas to take the business to the next height.

Transformations in Organizational Structure-:

Structural transformation, such as mergers acquisition and development to global markets, demand strategic realignment. Such transformations alter the management, assets, possession and market structure of your organization, making changes in strategic management predictable. Your company must adjust obtainable strategies and develop new ones to reconcile and realign the missions and objectives of the organization.

Competition from Other business

Increasing competition in target markets trigger vital reviews of strategies in efforts to enhance competitive advantage. When competition too much tuff for businessman to handle, in hurry never make the effective strategy for company's beneficial.

Social and Cultural Factors-:

The social and cultural profile of your target markets may prompt changes in strategic management. The strategic management includes the social, welfare and cultural features in market segments.

Technological Forces in Strategic Management-: Technological factors also influence the strategic management role. Time to time new technologies invent how to be use that technology and also provide the training to employees about technology enhance the company expenses. Employees also deny and not interested to adopt the changes in organizations.

Laws and Regulation-:

Like an organization structure rules and regulation and laws changes as a result strategic management makes the strategy in favor of companies also affected.



IV. CURRENT CHANGES TRENDS IN STRATEGIC MANAGEMENT

Strategic management plays a very vital role in organization. Strategic Management responds to the situation on hand or mounting at that time. The early 21th century was characterized by the increased use of science and technology. This was reflecting in better structure of management and strategy. Today era strategic management will face many challenges in the coming decades. This changes create a big problem to the Managers because how to adopt the new technologies should be guide to the subordinates. What challenging faced by the Strategic management in current scenario shown in figure 1.5 below.

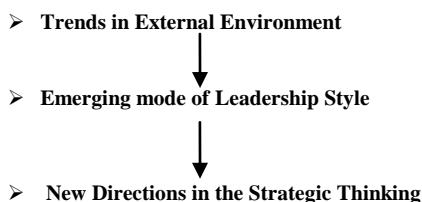


Figure no. 1.5 – Current trends in Strategic Management

Trends in External Environment :-

An alternative to adaptation to the demands of society and government is for firms to retreat in to the greater anonymity provided by private ownership. Thus, while the challenges for the any organization to be facing the social and environmental pressures.

New Directions in the Strategic Thinking:-

Strategic thinking involves robust imagination valuing one's experience and expertise while seeking insight through observing new trends, pursuing diverse possibilities and challenging one's assumption.

Emerging Modes of Leadership Style:-

Five modern leadership styles in the changing world include charisma, transformational, visionary, and transactional and servant leadership styles. All such leaders entice their follower's commitment to fulfill difficult missions mandated by a dynamic and fluid environment marked with fast changes. So we see too much current changes affected the strategic management. As a result every firm takes the unique decisions in beneficial or favor in own companies. While every firm is unique, management choices tend to converge to a limited numbers of configurations. Some current changes faced by strategic management shown in figure 1.6 below

Changes Strategic Management Priorities 2018-2019 (These singles together show a switch from simple expansion ...to structural growth)

➤ Sector	➤ Development in %
Growth	40%
Corporate	33%
IT Related	31%
Workforce	28%

Customer	23%
Financial	15%
Product Improvements	15%
Management	13%
Sales	10%
Cost Management	9%

Figure no. 1.6 – Source

METHODOLOGY:-

The way toward gathering and breaking down data so as to build the comprehension of the any marvels is known as Research. Research begins with an inquiry or issue. Research requires assortment and understanding of information. Great research requires degree and impediments of the work to be unmistakably characterized. For this examination, the accompanying strategy is proposed – Research Design: Exploratory research – is regularly led in light of the fact that an issue has not been plainly characterized so far, or its genuine extension is so far vague. Data collection would be by Primary and Secondary information. Essential information through meetings and surveys while Secondary information through magazines, papers, Journals and so on.

V. FINDING

Procedures give the system to plans by directing working choices and frequently predicing them. In the event that procedures are grown cautiously and saw appropriately by supervisors, they give increasingly predictable system to operational arranging. In the event that this consistency exists and applied, there would be arrangement of authoritative assets in those zones where they discover better use. Methodologies characterize the business zone both as far as clients and geological territories served. Better the meaning of these regions better will be the organization of assets. For instance, if an association has set that it will present new items in the market; it will designate more assets to innovative work exercises, which is reflected in spending planning.

VI. CONCLUSION

. A Strategy is concerned with the direction in which human and physical resources to be use to maximize the chances of achieving organizational objectives. It means of putting a policy in to effect within certain time limits. Strategies main focuses on objectives, in other words you can say that strategies are means to an end. The main purpose of Strategy is to be solving the business problems, help to managers to improve his managerial powers, and optimum utilization of scares resources etc. Managers also play a vital role in the companies because they can guide to their subordinates through decisions taken in accordance with the strategies from time to time even through subordinates are operating at different places. In any further situation should be controlled by managers through the strategy employee's activities on the workplace.



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AUTHORS PROFILE



Deepa Sharma, is a Research Scholar, Pursuing Ph.D. from MMDU. She has 4 years work experience, as Assistant professor in Management. She has interested areas are Human Resource Management and Marketing.



Dr. C. Venkateswaran, has good academic experience about work. He is guiding 3 Ph.D research scholars presently. Now he is working as assistant professor in, MMIM, Maharishi Markandeshwar (Deemed to be University). He has 11 years work experience in Human Resource field and Marketing.