

The four components  
of strategic  
management and  
how they interact with  
each other...



In the business world of today companies face intense competition due to the high number of businesses that operate worldwide. Companies need to obtain an edge in order to stay ahead of competitors. One of the most important aspects of the work performed by managers is to implement strategic management. Strategic management involves taking steps to forecast the future and implement initiatives that positively impact the company in the present. The four components of strategic management are planning, organizing, controlling, and leading. This paper discusses these four functions and it provides an application of the components in the hospitality industry. The first component of strategic management is planning. Planning involves determining the organizational goals and how they are going to be achieved (Rothbauer-Vanish, 2009). Managers can utilize planning to forecast sales levels, inventory requirements, and labor necessities. The second component of strategic management is organizing. The managers of a company must organize all its resources in order to implement the course of action it determined in the planning process (Associatedcontent, 2011). Organizing helps companies in the implementation process of its plans. The third component of strategic management is controlling. Controlling is the process of establishing performance standards based on the firm's objectives, measuring and reporting actual performance, comparing the two, and taking corrective and preventive action (Erven). The final component of strategic management is leading. Leading involves motivating and helping workers achieve the organizational goals of the company. In the hospitality industry the four components of strategic management can be put to good use. Hotels have to plan how many resources such as labor are needed in order to comply <https://assignbuster.com/the-four-components-of-strategic-management-and-how-they-interact-with-each-other/>

with the demand of customers. For example there are more guests staying in hotels during summer season than in autumn. Managers have to set control standards to comply with the expectations of the employees. It is essential for managers to lead hotel employees in order to achieve maximum efficiency from the workers. References Associatedcontent. com (2011). The Four Functions of Management: Foundation for all Management Concepts. Retrieved March 8, 2011 from [http://www.associatedcontent.com/article/373994/the\\_four\\_functions\\_of\\_management\\_foundation.html?cat=3](http://www.associatedcontent.com/article/373994/the_four_functions_of_management_foundation.html?cat=3) Erven, B. The Five Functions of Management. Ohio State University. Retrieved March 8, 2011 from <http://www.ag.ohio-state.edu/~mgtexcel/Function.html> Rothbauer-Vanish, H. (2009). Four Functions of Management. Retrieved March 8, 2011 from <http://www.suite101.com/content/four-functions-of-management-a113463>