

Importance of strategic planning and management paper

[Business](#), [Management](#)



Importance of Strategic Planning and Management in the Business Paper

Artim Toska Bus 475 March 29, 2010 Introduction This paper will describe a

small business I may want to start, define strategic management and planning, and explain why a strategic plan would be important to the success of this business. Also, it will explain the four functions of management relative to creating and implementing a strategic plan. Strategic management & Planning In a competitive business world, it is important to have your business prosper for it to overcome the challenges it may encounter.

The direction (and future) of a small business has extreme challenges in an economy that lags, but can be overcome with the right strategic management ideas and planning. A small business that I would like to start would be a financial business that would provide short-term capital to small working and expanding companies. I believe this business would provide profits in an economy that has been ailing small businesses. Small businesses would welcome my services since they can not (or find it difficult) to finance their business when banks are not giving them the capital they need to remodel or have their business survive.

Strategic management is planning your business at the highest possible level. This would be the duty of the company's leader (or leaders) to focus on building a solid structure to that business (All business, 2010). This "structure" will be "hinged" on the effort of each employee that is hired. Also, strategic management helps answer what are the objectives of the business, the best procedure in achieving these objectives, and what are the resources

that are needed to make that happen (All business, 2010). Strategic planning determines the direction that an organization will be headed over the next year or more, and how it will arrive there (McNamara, 2010). Usually, the process is throughout the organization and focuses on a major function as division, department, or other important functions. A strategic plan includes several levels (or steps) in the process (the order of these levels can be orientated towards the satisfactory of the organization for success). One can view strategic planning as strategic analysis. This would include a review of the organizations environment (economical, social, technical...).

Also, establishing a strategic direction is a major activity in strategic planning. Organizers would conclude what the company needs to do with the issues and opportunities that are facing the organization (McNamara, 2010). This would include what "strategic goals" the company needs to achieve, and "methods" to achieve accomplishments. Also, action planning can be looked as strategic planning. Action planning helps view how strategic goals will be attained, and includes specifying objective results with each strategic goal (McNamara, 2010).

Strategic Plan & Success A strategic plan would be important to the success of my business because it would form the company's strategy and communicate it through the organization for implementation. This implementation would help provide the company's mission and reason for being (this would be expressed through a mission statement). This would help the company's image with customers. Also, it would help shape the company brand and how to distribute that successfully to consumers.

Also, a strategic plan would help the company adapt an “earnings growth” that will be monitored for sustainability in growth (it would help to establish what businesses to target). Also, the plan would help in the success of the business by establishing a marketing scheme. This would help explain to potential customers how the business would provide financial aid to their business that is in need of our service, with their economical and social environment (it would entail us as a “life line” for a business that is struggling and in need of help). Four Functions of Management

The four functions of management are important in creating and implementing a successful strategic plan. The four functions of management are planning, organizing, leading, and controlling (Rothbauer-Wanish, 2009). Planning helps create in a strategic plan what are the organizations goals, and how those goals can be achieved (developing objectives for the goal and monitoring on the execution of the plan are essential in the planning). Also, organizing helps implement a successful strategic plan by helping me know the amount of employees needed to provide the success of the business (Rothbauer-Wanish, 2009).

Leading helps implement a strategic plan by my motivation to employees that will help in their performance. Also, controlling helps implement a successful strategic plan by monitoring company’s goals the organization want to achieve. Conclusion This paper defined strategic management and planning, explained why a strategic plan would be important to the success of this business, and explained the four functions of management relative to creating and implementing a strategic plan.

Resources All Business, (2010). What is Strategic Management? Retrieved March 29, 2010, from <http://www.allbusiness.com/management/2975129-1.html> McNamara, C. (2010). Basic Descriptions of Strategic Planning. Retrieved March 29, 2010, from http://managementhelp.org/plan_dec/str_plan/basics.htm Rothbauer-Wanish, H. (2009). Four Functions of Management. Retrieved March 29, 2010, from http://businessmanagement.suite101.com/article.cfm/four_functions_of_management