

Sun tzu strategic management

Business, Management



Sun Assignment 2. Strategic Management . School of Strategy. According to Synder and Neil H. (1982) in their journal called ' Strategic Management Journal' , The school of strategy definition of strategic planning that are offered by Henry Mintzberg in 1981 concludes that strategic planning is a process involving all components of planning that integrated decision making, structured procedure with articulate results, and specific tactical objectives that should be seen as a whole process. In the school of strategy, there are 10 school of thought, it is divided into two parts which are prescriptive and descriptive.

The details of the strategy are shown below. Prescriptive schools : consist of 3 schools which are Design, Planning and Positioning. Descriptive schools : consist of 7 schools which are Entrepreneurial, Cognitive, Learning, Power, Cultural, Environmental and Configuration. Also, Written in article called " An Overview of Strategy Development Models and the Ward-Rlvani Model' by Dr. David Ward (2005). In year 1977 another guy came along which a set of strategy alongside Mitzberg that called Whittington.

He claimed that there are four criteria that will determine a strategy success which are Deterministic or Emergent, Single Goal or Pluralistic, Strategy Style, and Influences. The Link between Prescriptive schools and Descriptive schools. From what i understand from both of this schools, prescriptive schools are the first step of strategy that needed to be done If we would like to do something. For example, If you want to open your own business, the first step would be the prescriptive school where you need to design what kind of business you would like to do, plan how to do your business (business plan) nd also how you position your business(where do you want your

business to be). In the other hand , Descriptive schools of strategies are the strategies and skills that are needed to bring forward you prescriptive schools . Where all components of this strategy can effect your business. For example, any successful business need to have a leader who can lead the organization forward where what has been designed, plan , and positioned and to be a leader, strategy as entrepreneurship is essential. The Differences between Prescriptive schools and Descriptive schools.

In Prescriptive schools, design and planning are the aim of a company “ to fit organizational capability with environmental ability and to best allocate resources to achieve any chosengoalswithin a specific timeframe” and to make the aim a success, a proper positioning strategy needed to be done. All of theses examples often using strategies such as environmental analysis such as SWOT analysis (design), forecasting (planning), Market segment & five forces (positioning). Therefore, we would understand here that prescriptive schools are used to understand more about the market.

For instance, in strategic management, prescriptive schools are often used to determine who is your target market, understanding your competitors, defining your opportunities, and also what kind of strategy that our company would like to execute properly to gain competitive advantage especially if you are doing business globally or growing your business internationally. In the other hand, Descriptive Schools are more of all the things that needed to be in order within a company or organisation to execute the strategy that has been choose.

For example, even with a proper planning but without a proper team to execute it, it will be hard for any business to sustain even in the early stage

while making business. Its consist of leader needed, networking we have, culturereflects , economic cycle, environmental circumtances, ethics , and also cognitivepsychology. Which means that, in descriptive schools , it is all the components that a company or firm need to have in order to execute any strategy perfectly. How to Profeciently Execute any strategy when we already understand about the schools of strategy?

In the world business nowadays, understanding the theoretical area of a strategy such as schools of strategy would not be enough to execute a perfect strategy. As had been stated by Gamble and Arthur (2009) in their book called ' Essentials of Strategic Management' , They have stated that there are three elements that needed to be have in order to execute any strategy. The elements are shown below : Human Capital - Intangible assets such as skills, knowledge, and values that are required by the strategy. . Information Capital - Intangible assets such as the systems, databases, and networks that support the strategy. 3. Organizational Capital - Strategy supportive intangible assets such as leadership, alignment of goals, and teamwork. Whittington's Classification of Strategic Perspective. According to Whittington(2002), in his book called ' What is Strategy and Does it Matter' , increasing profits is the highest goal of business and rational planning needed if we want to attain it.

Meanwhile, the strategic aim in business would be earning a return on capital, and if in any particular case the return in the long run is not enough, the deficiency should be corrected or the activity should be abandoned. To sum up the idea of whittington : Classical Approach of strategy. - a classical approach to any strategy requires that the manager must be ready and

capable of adopting profit maximizing strategies through long term planning. Besides that there are three more example of approach that are shown below : Evolutionaty Approach of strategy. oes not rely on top management skill to plan and act rationally. Instead, it will all depend on the markets which will determine the profit maximization. Also, in evolutionary perspective, the best selected strategy will determine the performance of the company. Processual Approach to strategy. Organizations and markets are wrought with confusion and mess. Therefore, the best Processual method is not strive for the ideal, instead, it needed to work with the reality offers where micro-political view has implied that firms are not united towards a single goal such as profit.

Besides that, it will be up on the number of individuals with different interest and bring them to the organization. The main strategy for this approach is to simplify all the complex processes. Systemic Approach on Strategy. - The theorist for this approach believe that the organization is capable of planning and acting effectively. All the social factors such asfamily, state, and religion influences the means and ends of a systemic approach and will define what is the suitable behavior for each of their members.

In this approach, the organization are not just made up by an individuals but of social groups with interests. For instance, class and professions, nations and states, families and gender can be determine as the systemic variables. Hence, the strategy will depends on the socialenvironmentof the firm. Based on four approach on strategy by Whittington, these four theories of action in business will offer us an insight into themotivationbehind any companies

vision and what are the strategies that the companies would like to implement in order to gain competitive advantage in their market.

Reference List : Ward, . (2005). An Overview of Strategy Development Models and the Ward-Rivani Model . . 1 (1), pg12-16. Gamble, Arthur,. (2009). Superior Strategy Execution - Another path of competitive advantage. In: Griffin, L. Essential of Strategic Management. America, New York: McGraw-Hill. pg116-136. Synder, Neil H.. (1982). Research Notes and Communications.. Strategic Management Journa. 3 (3), p265-267. Whittington, Richard (2002). What is Strategy- and Does it Matter?. UK: Thomson Learning. pg29-57.