

Strategic management: understanding the business environment

[Business](#)



The significance of the quote from the perspective of business and management, therefore, lies in its insight on the value of understanding the external environment and gaining constant information about how the market behaves. Only those organizations can survive which develop the ability to know about their competition and continue to learn and become a knowledge base. Knowledge-based organizations make it necessary for themselves to accumulate knowledge and opposite views while at the same time ensure that they continue to develop their own ability to function.

(Prusak)

It is therefore critical for such organizations to ensure that they adopt best practices however, also retain their original way of doing things. This also suggests that it is critical for firms to continue to develop their core competencies while at the same time continue to focus on acquiring new knowledge and ways of doing things. (Hitt, Ireland and Hoskisson)

This quote, therefore, is of significant importance in terms of ensuring that the organizations don't become complacent and continue to evolve themselves. This would require them to acquire new as well as opposing ideas while at the same time continue to retain their ability to function.