

# Strategic management and executives

Business



Strategic Management and Executives According to Stead and Starik (2004, p. 122), “ successful strategy must be formulated to take advantage of environmental opportunities and minimize the impact of environmental threats.” They also claim that a strategy is also built on the organization’s core competencies that are pointed via the internal audit. From this assertion, one can deduce that organizations are obliged to have a strategic fit that lies between their internal and external environments so as to survive as well as be successful. In connection with this assertion, it is evident that the most crucial factor that determines the success of any company is “ the qualities of strategic decisions that top managers make in attempting to achieve this strategic fit” (Stead & Starik, 2004, p. 122). Some business owners, however, do not make the decisions solely by themselves; they hire professional consultants to aid them in making strategic decisions.

A process is often referred to as the flow of information via a given interrelated stages of analysis with the aim of achieving a specific aim. In regarding strategic management as a process, one is required to focus on the historical and current flow of information, as well as forecast data on not only operations, but also the environment of business. Considering strategic management as a process has diverse important implications. First, it is evident that a change in any component is likely to affect other components because the flow of information is always reciprocal. For instance, forces of the external environment often influence the company’s missions and the company also affect the external environment. A second advantage of viewing strategic management as a process is the fact that strategy formulation, as well as implementation, is sequential. This step is associated as well as followed by development of an organization’s profile in addition to <https://assignbuster.com/strategic-management-and-executives/>

the evaluation of the external environment. Then other aspects of management such as the strategic choice, definition of objectives, designing of strategies, as well as review and evaluation take place in order.

The strategic management process entails three sequential stages. Data-gathering phase is the first stage. It involves extensive research as well as analysis of not only the external environment, but also internal environment of an organization so as to provide sufficient as well as accurate inputs required for strategic decision-making process. The gathered data is then analyzed, and SWOT analysis identified. The second stage of strategic management process involves matching the external opportunities, as well as threats with the weaknesses and strengths. Most organizations achieve this by use of matrixes like TOWS and SWOT in developing strategic alternatives that link external factors and internal factors. The third stage of strategic management process is the strategic choice. Strategic choice is associated with evaluating the alternative strategies developed from TOWS and SWOT analysis and deciding which of the strategies the company will put into practice in order to meet its objectives and goals. It is at this stage that the strategic managers analyze the quantitative data that was generated. Apart from quantitative analysis, strategic choice is also influenced by mental processes like judgment and intuition (Stead & Starik, 2004).

In conclusion, strategic decisions are influenced by top managers who have the understanding of the success as well as failure of the past strategies. In tandem with this, strategic management is regarded as a process because of the reciprocals as well as sequential associated with factors that enhance the success of a business. There are three stages of strategic management

process; data gathering phase, s matching the external opportunities as well as threats with the weaknesses and strengths, and strategic choice.

#### Reference

Stead, W., Stead, J. & Starik, M. (2004). Sustainable Strategic Management. New York: M. E. Sharpe.