Strategic Management Process

As per the above discussion, we can interpret that the systematic flow of information from all the constituents of business (whether internal or external) will frame the base for success. The role of strategic management is to keep the organization on right track with proper alignment of the actives so as to achieve the stated aims and objectives. The above mentioned comprehensive strategic management model represents the fundamental process which is followed an organization in order to step up on the ladder of success.

According to Kazmi (2010) strategic management is the dynamic process of formulation, implementation, evaluation and control of strategies to realize the organizations’ strategic intent. Thus, strategic management is a dynamic process and it is not one-time and static process rather it is continual, evolving and iterative process. Strategic management process can be a rigid step wise collection of information and arranged in a sequential order. Rather, it a continuous evolving process which largely depends upon the available set of conditions prevailing at specific time. Broadly, strategic management process can be understood in four phases, which are as follows:

Figure: Strategic Management Process

Strategic Intent
As per the above diagram the first phase in strategic management process is establishing of strategic intent for an organization. Strategic intent is the term which is used to express the purpose of an organization. In broad terms strategic intent is vision and mission statement of the organization and to be more specific it is further integrated and interpreted as aims and objectives of business level. Vision and mission defines what business the company is presently in and conveys the essence of ‘who we are’, ‘what business we do’ and ‘current position of company’. Mission statement reflects the image of the company and it comprises with fundamental elements like customer needs, target customer groups, technologies and competencies. Moreover, setting objectives means converting the strategic vision and mission into specific target. Objectives pose challenges for managers to perform accordingly and strive to compliance with mission of the organization.

Formulation of Strategies
The second phase of strategic management process is formulation of strategies. This phase is concerned with devising the strategies on the basis understanding the operational environment of a company. Since an organization is a social system its environment consists of many factors which includes political, legal, cultural, Establishment of Strategic Intent Formulation of Strategies Implementation of Strategies Strategic Evaluation Strategic Control socio-economic etc. Here, organization must relate its strength with these factors so as to effectively penetrate the market. Apart from this, organization also evaluates its internal environment, which works as mirror; organization can identify their strengths and weaknesses. On the basis of organizational analysis various strategic alternatives can be identified in the light of strategic opportunities and threats and strength of the organization has to be in conformance with opportunities. Organization must strive to improve the areas where they are weak and convert weaknesses into strength in order to face the threats of market.

Implementation of Strategies
As per the above mentioned model the third phase is known as implementation of strategies. In this phase the strategic plans are put into action with the help of various administrative and managerial actions. These actions comprises with project implementation, process implementation, resources allocation, structural implementation, behaviour implementation and functional and operational implementation. In other words, all the activities like organization structure, effective leadership, allocation of resources are done so effectively that implementation become successful.
Strategic Evaluation
The last phase of strategic management process is strategic evaluation and control. At this phase all the strategies are constantly monitored. The implemented strategies are reviewed and assessed on the basis of their outcome. Here, the deviations are found and necessary and corrective actions are taken so as to keep the actual performance in conformance with desired performance of the resources. Thus, as per the discussion we can say that these four phases are considered to be interwoven to each other and each successive phase provides a feedback to the previous phase. To achieve the organizational objectives these feedback are deliberately reviewed, redefined, strategies and reformulated and again corrective actions are implemented.

Activity A:
1. Discuss the Strategic Management Process with the help of an imaginary case.