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# **Research Article**

## STRATEGIC MANAGEMENT AND PLANNING IN ORGANIZATION

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#### **ABSTRACT**

The article is focused on strategic management and planning and they are analysed as a fundamental and ongoing processes in organization for future successful development. Descriptions of processes are given and relationship between them like necessity for focusing on the efforts and make synergy organizational effect. Processes are important to both small as well as large organizations by formulating and implementing appropriate strategies they can attain to achieve competitive advantage. By use strategic management and planning managers could make better choice of a set of strategies for the organization that will enable to achieve evaluation of their priorities, better performance and engagement in forward looking planning the future. Some steps for overcoming the discrepancy between strategic management in worldwide and defense are given.

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## **INTRODUCTION**

There is a relationship between process of strategic management and strategic planning. Strategic management is a complex process which include everything connected with identification and description of the strategies that managers have to do to achieve better performance and a competitive advantage for organization (Wright et al, 1998). If the organization has higher profitability than the average one of other organizations, than it can be designated as such competitive advantage. Strategic management is the highest level of organization's management and can be defined as what kind of action manager decides to do for successful organization's performance. If the leader has good education and experience he is able to get right decision based on analyses of the general and competitive organization environment and best possible utilization of strengths and minimizing the weaknesses.

"Strategic management can be defined as the art and science of formulating, implementing and evaluating cross-functional decisions that enable an organization to achieve its objectives" (David, 2009). Strategic management process will not succeed without planning. Both processes are predictable as well as unfeasible contingencies. Strategic management is applicable not only for small but also for large organizations.

The smallest organization not only face competition but also has to formulate and implement appropriate strategies that can attain sustainable competitive advantage. It is an appropriate way in which strategists set the objectives and proceed to achieve them. It deals with making and implementing informed decisions about future development of an organization. It helps leaders to identify the current situation and to get the right direction in which an organization is going to move.

As was mentioned above strategic management is a continuous process that evaluates and controls the organizational successful development process and the areas in which an organization is deeply involved, evaluates its possibilities and sets strategies' main goals and tasks to meet all existing and potential competitors, make a deeper analyses and then reevaluates things that have been done on a regular basis to determine how it has been implemented and whether it was successful or does it needs some additional changes. Strategic management gives not only a clear manager's view for future development but also a broader perspective to the employees of an organization so that they have to do in near future for better understand and implement their job responsibilities and how they fits into the organizational succeed and co-related to other organizational members. It is an important strategic management characteristic and the art of the managing employees' process in a manner which maximizes the ability of

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achieving final organizational objectives. The employees become more trustworthy, more responsible and something which is very important for organization - more satisfied as they can co-relate themselves very well with each organizational task. They enhance their ability and can understand better the environment and relationships reaction of changes on the organization and the probable response of the organization with the help of strategic management. Thus the employees can realize the real situation and judge the impact of such important changes on their own job and can get the appropriate decisions in limit period of time to realize effectively face the changes. Strategic management need knowledgeable managers and employees with experience who can do appropriate things in appropriate manner. They need to be both effective as well as efficient to achieve with positive final results. The major role of strategic management is not only to incorporate various functional areas of the organization completely but also to ensure that functional areas harmonize and get work in an appropriate way together well. Another important role of strategic management is to keep an organizational balance condition and to keep continuouslyan eye on the goals and objectives of the organization.

During the process of defining the organization's strategy is necessary to ensure deeper analysing of current situation and future prediction with strategic management. Strategic management is also defined as the process by which managers can make a better choice of a set of strategies for the organization that will enable it to achieve successful performance. Strategic management is a comprehensive and continuous process that appraises the initial aims and final results in which the organization is involved. Strategic management process helps for analyse and appraise competitor's potential, meet and overtake it in future. There is no common understanding of the process and are many different frameworks and methodologies for strategic planning and management. Meanwhile the most followed are similar pattern and common attributes and there are no absolute rules regarding the right framework. Nevertheless strategic management process has followed four basic steps, as follow:

- Environmental scanning in process of analysing the internal and external organization's influence factors.
  Management evaluation and steps to improve;
- Strategy formulation and choosing the best action course to fulfil organization's objectives. Leaders formulate corporate, business and functional strategies;
- Strategy implementation puts the organization's strategy into action and designing the organization's structure, distributing resources, developing decision making process and human resource management;
- Strategy evaluation is the final step of strategic management process. The basic activities are: appraise internal and external present strategy's factors, measure performance and take corrective actions. The evaluation's key is cover between implementation and organizational objectives.

The chronological steps are for new strategic management plan. Present activities that have already created such kind of plan will revert to these steps when situation requires to making fundamental changes. Strategic management is ongoing process and it must be realized with component's interactions often happens in limited period of time.

Strategic management process is the highest organizational process which put methodological steps to organize and realize the strategic management planning. Planning is a complex decision making process, whether for policy, management or future development purposes (Rollinson and Young, 2010). It requires skills that assist us in processing complex information to provide clear understanding of current situation in the past and present, of mechanisms at work, and of likely, possible and desirable futures. Two fundamental kinds of skills that render the planning strategic are:

- Analytical brain ability and foresight skills, that enable planners to predict appropriate future states, select ones that respond to our needs, and shape them according to main aims and tasks of mission;
- Good implementation skills that give planners opportunity to seek and achieve consensus on aims and tasks, ability to find desirable ways of achieving them and some organizations' aims that are keys for future successful development.

Strategic planning is a high level of an organizational management activity that is used to set priorities, focus efforts and limited resources, strengthen operations, ensure the process in which leader and employees as a hole are working toward common goals, establish agreementaroundintended results, and assess and adjust the organization's direction in an appropriate way in accordance with a environment's changes. It is a closed coordinated effort that produces fundamental decisions and actions to that shape and guide what an organization is, with a focus on the future. Effective strategic planning includes detained information not only where an organization is going and the actions needed to make progress, but also how it will realize and know if it is successful (Jurevicius, 2013).

For successful realization the process of strategic planning leaders need specific knowledge, thinking, skills and experience. Strategic management is fundamental for this process. Strategic management is the comprehensive collection of ongoing activities and processes that organizations use to chronically and systematically coordinate and align priorities implementation with resources, actions with mission, vision and strategy throughout an organization and practical realization like a result from strategic planning. Strategic management activities and strategic planning transform the ideas into a chronological process which provides strategic performance feedback to decision making and enables the plan to evolve and grow as requirements and other circumstances change for future. Strategy execution is basically synonymous with final stage of strategy management and amounts to the systematic implementation of a strategy to fulfil the final aims.

Strategic planning is the basic process which is connected with formulating a direction for an organization, while strategic management is the process of determining how this direction can be achieved. Strategic planning isn't strategic thinking. The first one is connected with analysis, while the other is synthesis (Mintzberg, 1994). Strategic planning and management are two different processes which have been used together that they are often referred to just simply as "strategic management." But the differences are very important for an organization which has an

ambition to develop a reliable strategy. The main difference between strategic management and strategic planning is methodological steps to realize them. Strategic management can describe as a process which includes all about producing strategic results, new aims and tasks. Strategic planning is focused on making optimal strategic decisions and how to realize them.

Organizations in general usually complete some forms of strategic planning and have a series of business initiatives and a rough idea of their goals. But in this case the most of organizations falter in their strategic management. Organization activity needs to be periodically analyzed and fine-tuned so they are working to wards the initiatives and priorities that have been set by their strategic planning. That's why both strategic management and strategic planning need to be used together in order to be effective. Strategic planning is not a one-time or annual event, it's an on-going process, reviewed periodically, that affects the organization's initiatives, plans, and activities. When deeper and correct strategic planning process is done it is precondition for future success. The strategic planning process begins with organization's environmental assessment, targeted mission and tasks and at which point the organization decides upon its mission statement and objectives. The process of strategic planning is helped an organization to identify its major hurdles and prepare readiness how to avoid or determine and the best ways to take advantage of its resources and environmental excellence.

A strategic plan is the final document of strategic planning that establishes the direction of an organization for future implementation. It can be a simple or circumstantial with details, depending on the size and complexity of the strategy that have to be done. After such kind of serious work most leaders would benefit from having their own detailed strategic plan. The process of developing a plan gives opportunity to take time and think for future challenges in organization. It helps not only the leader but also the team to create a clear future vision for development. This document gives the team opportunity to step back and examine where they are, where they want to go, and how to get there. In case of the absence of a plan, working process is still done chaotically on a day-to-day basis, without future vision there is often lack a sense of purpose and priority.

Strategic planning is important activity for organization's future development and there are some benefits from it, as follow:

- It helps to define clearly the purpose of the organization and to establish realistic goals and objectives for future development;
- Communication between goals, tasks and ability to realize in time;
- Increase the knowledge about future organization development;
- Ensure the most effective use of limited resources by prioritization;
- Clear vision about where the organization is going;
- Gives opportunity to closer relationship between leader and employees in process of strategic plan development. Establish better contacts between staff and employees;

 Helps to increase future visibility and prevent major problems in the organization.

It has been shown in real life that organizations with strategic management and planning processes are more versatile with real situation oriented, profitable and successful than those that do not have the benefit of strategic planning and strategic management. When organizations and their leaders are engaged in forward looking planning and careful evaluation of their priorities, they have a clear future visibility and ability to control the situation over the future, which is absolutely necessary in the fast changing environment in nowadays. The leaders and organizations that do not engage themselves in meaningful strategic planning are not confident and comfortable with challenges and often bogged down by internal problems and lack of focus that leads to failure.

The key aspect of strategic management and strategic planning is that the future problems could be visual and organization has the necessary information in advance and can avoid or solve the challenge. Strategic management is essential as it helps leaders and organizations to actualize and optimize structure and communicate the need to change faster and better in conformity with its employees. Strategic management and planning gives opportunity to increase not only future visibility but also helps in bringing order and discipline to the activities of the organization in its both internal processes and external activities.

Fortunately in recent years modern organizations have realized the crucial importance of strategic management and planning. However, the key difference between those who have an organizational succeed and those who fail is leader's engagement and the way in which strategic management is done and strategic planning is carried out. These important points make the difference between organization's success and failure. Unfortunately there are still organizations that do not engage in strategic planning or where the planners do not receive the support from management and leaders. As soon as these organizations realize the benefits of strategic management and planning they can ensure their longer-term viability and success.

If we turn to history we can legalize that the earliest organization's management roots come from military. The history says that the corporate organizations leaders at the beginning built up their theories from military knowledge and the initial strategy were made by military leaders. After that certain techniques like deeper analysis were adopted by the organization's leaders during the latest decades. Gradually the worldwide leaders continuous work and develop its own management concepts and it is leading the world now. Unfortunately the military as the leaders in the beginning has been rather slow to continue development or to create its own new strategies and techniques. In the 21-st century knowledge, technology and basic equipment are developed tremendously, especially in defense aria. With the technologies leading in defense and the knowledge management to the fore, now is the time to evaluate current situation for adopting some of these to enhance strategic military management abilitythe leadership in defense. Using the latest successful corporate techniques of world will help the military in process of enhancement its leadership if systematically and logically applied (McDade,

1987). Some of these techniques are an important for leadership in defense. The most important behavioral characteristic for leadership in defense is to balance relationships and to have a positive attitude in difficult situations. Leadership must know subordinated individual characteristics, develop a creative initiatives and utilize the natural instincts of individuals to work as a natural requirement. The leaders have to bring the mission, vision, aims and objectives to their subordinates clearly and commit them for successful future realization. To overcome current discrepancy between strategic management processes in worldwide and defense and to have a successful and stability future leading, for leadership in defense is necessary to make a few basic steps:

- Develop the new concept of strategic military management for long period of time. That will give opportunity for optimization in process of utilization of the military and bring initiatives and quality guarantee at all levels;
- Leaders have to become more opened mind managers, learn the latest scientific research in strategic management and planning, use them and strategic thinking process in their daily responsibility;
- Increase personal responsibility and accountability at different levels and team as a hole and providing current support to activities;
- Make scientific research about organization's structure, relationships and processes in organization from top to down. Put efforts for significant enhance subordinates' knowledge and practical skills at different levels.

## CONCLUSION

Defense is an area which needs specific knowledge and ability to realize a fast decision making process. Every day leaderships have to work hard with their subordinated and to enhance their knowledge and ability for creative and innovative decisions. This can be very helpful and useful and one day leadership will certainly be surprised at the smart decisions of his subordinates which are allotted successful fulfil the independent tasks.

Strategic military management gives opportunity to better understanding of working conditions and ability to provide social cohesion, job security, speedy decision making process, individual autonomy and application of innovation and creativity (Ouchi, 1981). Such kind of management also gives not only individual's freedom but also encourages responsibility, accountability, innovation and creativity.

Something else strategic management encourage team work as a final result. In defense are executed complex and comprehensive tasks and they need proper work teams and hard work groups to be done. The team work and group system need to be further developed to take the load off from the top Additional administrative and professional leaderships. expertise are of great help in solving the problems not only at the high level but also at administrative and equipment level. management by walking around organization's responsibilities and duties at different levels gives relationship transparency and facilitates spot decisions and brings the great applicability in defense. The leadership have to involved their subordinated deeper in processes to ensure that the team with it leader are duly rewarded on successful completion of the tasks. Leaders need to have not only professional but also business knowledge to be able to manage organization, experience and ability to teach and lead subordinated in appropriate way and direction.

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