

Strategic Management in Modern Organizations

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Abstract: The defining marks of the thesis regard the creation of new scientific premises, that should structure the approached issue – strategic management in modern organizational structures – related to its implementation stages. The suggested approach has the purpose of establishing the elements which characterize modern organizations and management, inclusively from the perspective of inducing strategic changes in an organizational structure, related to the dynamics of the environment, in order to achieve the objectives. In the effort of organizing such a scientifically background, we have tried to realize clear, concise delimitations, by the research method – the study and analysis of the organizations and management activities (components, functionality, specificities, implementing stages). Initially, we have pointed out the constitutive elements of the modern organizational structures, characteristic processes and their functionality, as well as a series of important factors and their consequences regarding knowledge foundation. Subsequently, we have disclosed the coordinates of the management activity, its functions, as well as the strategic management implementation stages.

Keywords: knowledge; management; strategy

1. Introduction

In order to satisfy needs, human beings have built organizations – formalized and hierarchic human ensembles that ensure the cooperation and coordination of their members, with the purpose of deliberately contributing by specialized means to the satisfaction of the needs (corresponding to social commands), and the capacity to perpetuate and modify under the pressure of organized or disorganized processes. The management is the ensemble of organizing and administering of resources techniques, of predicting and modernizing organizational structures, destined to the materialization of suggested objectives, its defining elements being delimited on three coordinates which are interchangeably completing (process, decisional act and science).

The sequence of managerial practices generations show that organizations have evolved towards an increase in their degree of knowledge foundation. This,

through its elements (data, information, knowledge, expertise, rationality), condition the functionality of organizational structures, the determinant fact being the degree to which the members are aware of the relations between purposes, means and results, as well as the relations between the organizations and their environment, but also the means by which they communicate in order to interact coordinately and to elaborate conducts that should be reported to common norms and values.

Strategic management is the leading process through which the organization vision and mission are defined, its internal and external environment are analyzed, strategies are elaborated and implemented with the purpose of obtaining a sustainable competitive advantage. This determines long term evolution and organizational performances by detailed formulation, accurate implementation and continuous evaluation of strategies.

2. Organizations – Formalized Expression of Human Organizations

2.1. Organizations. Preliminary Definitions

The system is the ensemble of interconnected elements that are constituted as an organized whole (ensemble), by whose interactions are carried out the functions of a process that can belong to any field (physical, social etc.), the dynamics induced to component entities having as purpose the fulfillment of objectives.

System analysis represents a set of complex methodologies oriented to analysis or projection, in order to improve/ streamline the performances of the organized ensembles. The object of system analysis is the study of the micro and macro entities, with the purpose of projecting or reprojecting high-performance systems.

The informational-decision maker system comprises the organized ensemble of specialized people, technical means, programmes and work procedures that lead to collecting, conducting, adapting and preserving information, structured in a complex system that ensures elaborating decisions for the display of leading processes and coordination of hierarchical echelons actions. (Gheorghe & Lusting, 1975, pp. 37-58) The info-decisional flow characterizes the transmission of data between the system components, an action which is independent of the carrier nature and of the procedures applied to the information (adaptation, communication, storage etc.), which have as defining coordinates direction, orientation, volume, source address and destination.

Organizations are formalized and hierarched human ensembles that ensure cooperation and coordination of its members in order to accomplish given goals, corresponding to social command. (David, 2005, pp. 175-178)

The organizational frame is determined by the organization aim, environment influences, activity peculiarity, as well as the concrete conditions of accomplishing essential processes: production (achieving intermediate/ final products), support (ensuring input and output variables), preserving (ensuring internal functionality), adapting (feed-back) and leadership.

Organizational aim represents the reason for organization existence, within the meaning of ensuring the possibility and scaffolding the frame, necessary to achieving the general aim, including individual ones, with a greater efficiency than by personal / isolated actions, from the perspective of the ability to satisfy fundamental human needs. The materialization of the organizational aims is facilitated by:

- the existence of some common significant components in individual interests and ambitions;
- active participation of the members in redefining the general organizational goal – condition of preserving and convergence of individual interests along the evolution of the organization;
- achieving correspondence between general and individual aims by formulating the former in accessible shapes for all the members, an intercession that should facilitate the constitution of individual interests in motivational frames destined to conscious and responsible assuming of organizational objectives.

Organizational analysis is destined to acknowledging and efficiently achieving specific activities by studying all the components both from the perspective of the ability to integrate system variables with human factors, and from that of adequate reactions to the influences of external environment.

The organization is a hierarchies system in which a strict division of processes functions. Its subsystems are characterized by specific processes resulting from input variables (influences from the external environment that affect the organization as a whole or its components).

From the point of view of its functionality an organization is made up of more subsystems that can be generically classified into:

- production subsystems – in which available resources are analyzed;

- support subsystems – ensure the necessary resources, realize the organization's connections with external environment;
- sustenance subsystems – create / implement the conditions necessary for the achievement of activities (recruiting mechanisms and workforce instruction, respecting and motivating according to organization norms, applying sanctions for achieving organizational aims etc.);
- adaptation subsystems – elaborate correction / adaptation measures in the context of external environment perturbation or non-compliant results;
- leadership subsystems – responsible for adopting well-timed decisions regarding the coordination and management of all the other subsystems.

The background functioning of an organization are human interactions and the relationship between resources and its structure. In the context in which acquiring member state and assuming the organizational aim do not guarantee the accomplishment of goals, the nature of inter-human reports is also very important in case they are shaped towards cooperation. Organizational structure decisively influences the nature of human interactions by increasing the organization, the number of hierarchical levels (vertical differentiation), the number of departments, of sub functional sub unities (horizontal differentiation) and the complexity of the activity (work division, specialization etc.).

The constituent elements of the organization, namely the hierarchic social system and human resources, can be reduced to individual, group or leaders. The entire structure and all the organizational processes resulting from their relating are constituted into subsystems generalized at the level of the entire organization, namely for individual, group and leadership levels. (Băcanu, 1997, pp. 20-22)

The processes which are characteristic to the individual subsystem are:

- motivation – the nature of interests and the intensity of organization membership, correlated with the activities carried out;
- development – professional and human evolution;
- adaptation – the capacity to face new situations, including acting in unfavorable/challenging situations.

Particular to the group subsystem are the processes that deploy on the inside, outside and at group level, the characteristic activities consisting of:

- interaction and socialization between members (intra-group);
- competition and cooperation (extra and intergroup).

Leadership subsystem implies the following types of processes:

- lobbying the members and the groups under the authority of the leading factor;
- adopting and coordinating performing of the decision (actual leadership);
- communication;
- optimal achievement of the leading act both in normal, stable conditions and in changing conditions (turbulent situations).

The organization is a dynamic system in that its evolution and viability are determined by internal variations – particular to the organizational frame, external – specific to the environment, and by their subsumed relationships / interdependencies. Therewith, they are constituted in a probable ensemble, with a relative stability in the view of the fact that they represent a reunion of articulated components subdued to the actions of some perturbing factors, capable of maintaining functionality within the boundaries that define its behavioral model.

Basically, the decrease of the turbulent factors actions or their abolition is due to the characteristics regarding the self adjustment and self organization of the system.

Self adjustment is carried out congruent with specific norms and values, being enabled by the freedom of choosing the means and ways of action, the methods they use in formulating the expected goals, the communication and information systems, the decision process models and their performances, as well as the flexibility, motivation and beliefs. Self organization expresses the ability to conduct and preserve the balance of organizational behavior in the context of disturbing factors emergence.

Considering the global plan of economical and social tendencies, within the organizational frame, five aims are imposed:

- managerial „good practices” globalization, having as results the decrease of costs and the increase of profits (exploiting the differences between regional costs and different expertise levels);
- varying human resources, whose characteristics (racial, cultural, individual etc.), generated by the changing population and work market, constitute innovative sources;

- flexibility of organizational systems, by diminishing bureaucracy, increasing autonomy and encouraging initiative with the purpose of achieving objectives (facilitated by the accentuated diversity and rhythm of technological changes);
- smoothing by decreasing management levels numbers, when the members of the organization are authorized with attributions regarding decisional process participation (leveling responsibility by decreasing the information control need and competition intensification, respectively reduction of costs need);
- streamlining communication processes by accomplishing them directly, among functional networks, creating interdepartmental structures, employing external consultants and reducing organizational dimensions, signing strategic alliances with the competitors inclusively.

2.2. Management Activities Coordinates

The notion, respectively its content and sphere, is disclosed by DEX according to which management consists of „1. The activity and art of leadership; 2. Organization, leading and management of enterprises; 3. Science and technique of organization and leading an enterprise”. (Explanatory dictionary of the Romanian language, 1996, p. 890)

Thus, the defining elements of management are delimited by three coordinates which complete each other, as follows:

- process – exploiting resources in order to achieve organizational aims;
- decisional act – exerting leadership roles and those invested by decisional authority from the competences perspective and responsibilities stated within the organization, in the sense of organizing, leading and managing resources to fulfill objectives;
- science – a structure ensemble of knowledge regarding organization and leadership techniques.

From a systemic perspective, the organization transforms input elements in their particular system (materials, human, financial, informational) and renders them under various shapes (outputs) to the external environment. An organization's leadership mission consists in satisfying at a minimum level all the entities involved (specific components and subsystems, other structures etc.).

Management is the ensemble of resource organization and management techniques, organizational structures prediction and update, destined to materialize suggested

objectives, respecting the conditioning regarding competitiveness, rules, restrictions of means, social exigencies and multiple needs of users.

In the evolution of the concept subject to analysis, one can distinguish three main steps, namely empiric leadership, beginnings of scientific coordination and scientific management.

Empiric leadership is characteristic to the period in which managerial function was carried out by the organization owner and was based on intuition and practice experience. The beginnings of scientific coordination are delimited by the emergence and consolidation of some general management concepts (determinate by using valuable and high standard equipment, modifying work force structure etc.). Scientific management is the current step in which progress in the theoretical and technological field impose exerting leadership act only on scientific grounds.

Management structure and theory systematic research has taken into consideration a series of perspectives, as it follows: classic, human relations (sociological), quantitative, systemic and contextual (situational).

Classic research refers to scientific management (improving efficiency by efficient production) and administrative management (adopting principles that provide maximal importance to administrative characteristics such as division, authority, leading unit, centralization, hierarchy etc.). The sociological perspective centers on inter-human relations complex, which characterizes the organizational climate (attitude, motivation, professional satisfaction, integration etc.). Quantitative approach emphasizes the use of methods such as statistical analysis, linear programming for resource assignation, programming techniques, etc. Systemic vision requires acknowledging the means in which the changes of each subsystem affect the other components and the organization as a whole. According to contextual or situational management theory, it is necessary to disclose the dominant circumstances ensemble while they influence managerial acts, foreseeing and evaluating the possible course of actions and their consequences. Contextual approach integrates classic principles, quantitative concepts and systemic vision, as well as psychosocial values in order to analyze and resolve management problems.

Basically, management is the conducting and orienting process of the organizational resources in order to achieve their own objectives, the manager being the person invested with decisional authority over using available means.

Management can be structured according to leading levels, as follows:

- top level management – is responsible for general leadership of the organization (strategy, operational politics, general objectives, representation in external environment relations etc.);
- middle level management – ensures strategy and operational politics implementation elaborated at a superior leading level;
- operational management – detains competences which circumscribe to activities of direct accomplishment of planned objectives.

The basic functions of the managerial act are (Nicolescu & Verboncu, 1999, pp. 26-30):

- predicting / planning – disclosing processes which are able to determine objective accomplishment, as well as necessary resources;
- organization – establishing and delimiting work processes, defining competences and responsibilities, respectively highlighting subordination and collaboration reports;
- motivation / training – influencing organization members in order to determine their participation to the establishment and realizing predicted objectives;
- coordination – ensuring continuity and concerted decisions with the actions related to them, considering assumed predictions and organizational system possibilities;
- evaluation / control – comparing results with initial objectives and integrating the observed deviations, positive or negative, as well as control activities, destined to ensure compliance between current and planned operations in order to highlight and adopt the measures necessary to abolish deficiencies.

2.3. Modern Organization Knowledge Foundation

Knowledge (through its elements – data, information, expertise, maximum reasoning) conditions the functioning of organizational structures (Mazilescu, 2006, pp. 125-133), the main reason being the extent to which its members are aware of the goals, means and results relationships, as well as those between the organization and its environment, and the way in which they communicate in order to coordinately interact and elaborate conducts that should be reported to common norms and values.

Modern organizations are based on knowledge in a deeper sense, extended to a macro scale, regarding the members, groups and ensembles. They sum up features

specific to technological and managerial perspective regarding the determination of models based on knowledge, operating solutions specific to each of them taking into account updated tendencies in the field (globalizing the leadership process, human resource diversification, system flexibility and leveling, improvement of communication processes).

Basically, managerial approach considers that the knowledge based model has among main features: components dominated by professionals, low number of middle level hierarchical leadership, coordination is achieved by non-authoritarian means (standards, norms, cooperation rules etc.). According to the technological perspective, knowledge based organization is a reunion of resources interconnected by computerized infrastructure, following a precise projecting and accomplishing intercession.

The evolution of organizations within the knowledge based meaning differs through triggering and articulation form of influence factors, as follows:

- emergent development – from the perspective of its own inevitable evolution.

In this case, the premises of hierarchical structures limitations (sometimes up to blockage) and their own functionality. As a reaction to the inefficiency of formal structure, through a self-organizational process, the organizations spontaneously activate configurationally pluralism (anarchy organization model).

As a result, there will be insular practices based on knowledge, adopted on the spot and difficult to maintain by integration, and the weak associations between cooperation compartments and those of confrontation of the organizational components negatively affect the viability of this model.

- strategic development – based on projects that deal with the ease of the necessary transformations adequate to the existing organizations by creating new ones.

The evolution specific to this model is towards non-hierarchical configurations, by a pattern represented by memory center organizational model. The consolidation effects of the organizational integration elements will prevail – a frame for partner and creative behaviors.

A common feature of the two types of evolution is the continuity of intermediate shapes, marked on inflexion points, which can intercede by gradually adopting the second configuration, with the intention of systematically continuing, based on projects, inertial evolution, compliant to the first one.

The typology of sequence for organizational configuration models emphasizes the substitution of inflexible pyramid structures, susceptible of predictable behaviors, with non-hierarchical structural forms, network like, in which components' conduct are of entrepreneurial nature, but which can sum up professional managerial tasks.

Thus, knowledge based models operation is a strategic pilot project of an organizational maturation project, promotion being the main transformational vector, on the principle of local incubation or generalized evolution, of characteristic practices, or the complementary solution – creating new organizations, especially conceived to fit the valences of such a society. The interventions will be coherently supported on more coordinates, like education, organizational culture, managerial interventions, methods and means. Currently, there is a varied range of technological and managerial solutions, sufficient to enable the operation of knowledge based organization concept in various fields, their application requiring discernment of choice and receptivity in apprehending and assimilating their advantages.

In modern organizations, knowledge can be:

- explicit (articulated) – represents a component of the institutional state that constitutes both the background of the specific activity and its result; it is formalized, accessible and easy to communicate according to norms;
- implicit (tacit) – subtle character, profoundly personalized, and scarcely present in organizational context.

Knowledge base possesses the features of an extended organizational memory within modern organizations, meant to cognitively support specific autonomous measures / projects and to jointly benefit from their results. Knowledge based foundation has as result the constitution of the knowledge base in the main organizational resource, decisive for performance (integrates both the personal dimension of knowledge – present in human carriers, and the artificial one - stocked). Besides, intellectual- intensive processes become not only predominant, but also important for the functioning of the organization towards materializing its objectives, based on strict delimitation of competences and responsibilities of members and organizational components (regarding knowledge management and the processes connected to it).

Knowledge exerts pressures on modern organizations behavior within the meaning of continuously extending the knowledge base (stimulating learning processes and

organizational innovation, capitalizing their results) and developing the ability to transform available knowledge in efficient actions in order to achieve the goals (simultaneously with managing / acknowledging the needs in the referential field).

The behaviors designed to knowledge engage the members of modern organizations in synergetically – articulated demeanors, namely co –elaboration (interactive generation of knowledge, by exploiting new sources of information and processing them), co-learning (reciprocal validation of cognitive acquisitions), co-management of capitalized management. They relate to organizational knowledge as a resource, but also as a process, requiring component situation on coordinates in which the dominant relationships are horizontal (implicitly, with a pronounced non-hierarchical character), the type of interaction between peers, causing systemic effects of their co-evolution at cognitive level. The inter-organizational component refers to the identification and mutual assessment, imitation, confrontation or collaboration for the creation and use of new ideas, beneficial aspects in terms of reporting to an extended range of possible development alternatives and learning from external sources, but also to the demanding and constantly evolving standards of performance.

3. Strategic Management

3.1. Organization Politics and Strategy

The politics of an organization reflects the motivational field which is in cohesion with its value system and characterizes / influences contextually major decisions. Thereby, politics directs the decisional process towards preserving the classic values of the organizations and less to generating new ones. An organization politics detains a significant role in accepting and promoting thinking patterns, and implicitly, in generating attitudes that should ensure motivational support, adequate to elaborating and implementing a strategy.

The semantic sphere of the politic concept integrates the one of the strategy notion.

In the traditional and military meaning, strategy is defined as the art of using the political economic, psychological and military forces, of a nation or group of nations, within the meaning of adapting / achieving with maximum efficiency the politics of peace and war. (Onișor, 1999, pp. 39-42)

Strategy consists in determining the organization's long term goals and objectives, as a direct result of adopting favorable politics and allotting the resources necessary to their materialization. Thus, strategies are complex decisional processes that take shape under the form of comprehensive documentary plans of the manner in which strategic objectives are achieved and the given mission is accomplished.

The characteristics of the concept of strategy by whose accumulation is highlighted the sphere of the notion, consist of five semantic levels (Băcanu, 1997, pp. 31-32), namely:

- action plan – aware orientation of the course of action in order to approach a situation;
- stratagem – obtaining an advantage over the opponent by determining their abandonment at attempting actions against the organization;
- demeanor model – adopting behavioral consistency in given situations;
- position – the localization manner of the organization in external environment;
- perspective – reflecting the environment external to the organization by its character.

Under conditions of uncertainty and threats, opportunities and failures, it is necessary to have strategic thinking and managerial training adequate to developing strategies which facilitate adopting major timely decisions and achieving the organization's goals and objectives.

In order to elaborate adequate strategies, top level management need to acknowledge exactly the organization's interior and exterior elements, the dynamics of specific forces, so that to attain a stable dynamic balance between internal and external factors.

It is necessary that the strategy predicted objective to be measurable, consistent, reasonable and clear, having two to five years to materialize. They provide the foundation for planning, organizing, motivating, coordinating and efficiently controlling management activities, in the view that they highlight directions and priorities, support the evaluation process, diminish uncertainties and minimize conflicts.

Implementing the strategy implies three distinctive stages, respectively:

- building / elaborating – generating more strategies that should be subject to analysis and evaluation;

- implementing – influenced by a series of financial and organizational factors, and especially by the mentality of the those who are subject to changes;
- evaluating – verifying the achieving degree of the advanced strategic objectives, as well as the specific costs.

Strategic actions are instances of strategies, concerted intercessions with continuity and interdependent character, which evolve in a predicted context.

Organizational politics is intrinsically bound to its culture, whereas strategy is coherent with strategic management.

Accepting change is much more difficult for the organizations having a strong institutional culture, based on static, linear thinking models. The rejection reaction is a practically natural one, which endorses any strategy meant to generate changes for the organization. At the opposite pole there are the organizations having a proactive institutional culture instead of a reactive one, with dynamic, random and creative thinking patterns, where implementing new strategies is accomplished with less resistance and more efficiency.

3.2. Strategic Management. Conceptual References

From the perspective of the references regarding the „management” and „strategy” terms, as well as those referring to „strategic”, which DEX defines as „1. Very important, essential from a strategic point of view; 2. appropriate, well-timed (in a given circumstance)”, (Explanatory dictionary of the Romanian language, 1996, p. 1024) strategic management can be defined as the managerial process through which strategies are formed and deployed, whose defining elements are focused on efficient leadership in a previewed context (temporal, spatial, situational, circumstantial etc.).

Essentially, strategic leadership ensures a dynamic balance between the force field from inside and outside the organization, in order to achieve a lasting competitive advantage unlike the opponents.

Strategic management is the process through which, according to the dynamics of the environment, the strategic changes of an organization are generated and controlled in order to achieve objectives.

The necessary and sufficient condition for the functioning of the strategic management consists in the existence and the operation of a strategic thinking

pattern, independent of the nature, dimension or functioning of the organization or the report between internal and external forces, respectively their dynamics.

For time evolving external conditions, characterized by random dynamics imposed by new and unpredictable elements, the only efficiently thinking pattern is the strategic one, which is based on intelligent and creative thinking. Intelligent thinking is dynamic, it ensures the generation of the best solutions which integrate previous experiences as well, whereas creative thinking takes into account the unpredictable or completely new elements which the organization faces and generates innovating options.

This type of management is conditioned by the existence of strategic thinking and an organizational culture favorable to change and performance in a competitive external environment. The static or linear thinking patterns can offer solutions, but only for an environment, which remains unchanged along time.

From the perspective of optimal use of resources in order to achieve objectives, strategic management emphasizes the importance of setting goals, identification of strong and weak points, opportunities and external threats. Thus, strategic management determines long term evolution and organizational performances by formulating at large accurate implementation and continuous assessment of the strategy.

The dimensions of strategic management are:

- dynamic balance – implies acknowledgement of external evolutions (external environment analysis) and the need for internal variation (internal environment analysis), evaluating internal and external change forces, as well as the internal variation decision;
- competitive – aims at achieving competitive advantage, in sustainable conditions;
- cognitive – from the perspective of strategic thinking being characterized by dynamism, nonlinearity, random / probability, intelligence, creativity and positivity;
- temporal – integrates short-term and long-term thinking, achieving the transformation of a desirable and probable future into a possible one.

The use of strategic management in organizational structures will lead to:

- adaptation to rapid environmental shifts, by anticipating or intentionally generating them;
- long term direction of the organizational activities;

- imposing the action unit (unitary frame) to all hierarchical leading levels;
- increase of managerial act quality (involvement, conception, attitude and action);
- correlating the activities in the organization;
- involving all decisional factors;
- building new identity and streamlining the organization.

Basically, a series of factors can contribute to the preservation of bureaucratic management, characterized by a static, linear and determinist perspective to the detriment of the strategic one, based on dynamic, nonlinear, random and creative thinking patterns, as follows:

- adverse gratification – records a high frequency, especially during and after achieving the objectives; from the perspective of a potential failure, the members of the organization prefer lack of initiative than being considered liable or sanctioned;
- waste of time – strategy planning is considered to be invalid from the point of view of the allotted time resources;
- high costs – has as result an organizational politics contrary to allotting own resources in order to plan and implement strategies;
- indolence – derived from limited perspective and lack of involvement of the human factors in order to elaborate a plan;
- success – the opinion based on false grounds according to which the achievement of goals at present, sequentially or totally guarantees the organization's future success;
- previous experience – determined by previous use of a totally inadequate strategic management;
- fear of the unknown – materialized by attitudes / actions of organizational resistance to the possible changes imposed by implementing strategic management, as a sequel of the fact that human resource does not possess the ability to assume new responsibilities;
- suspicion – characterized by the organizational members' lack of trust in the managers or managerial acts.

The environment contains a sum of continuously competing organizations, aspect which influences significantly their behavior and the operation of the management procedures. An organization obtains a competitive advantage when it implements a valuable, creative strategy, in their own interest, which the other cannot duplicate

or imitate in order to obtain the same benefits. When an organization is placed in an expedient context from their competitors, the competitive advantage projected in time confers strategic competitiveness. The importance of the competitive advantage depends on its time preservation, since the first reaction of the competitors is to imitate / duplicate the strategy. The lack of strategic strategy and intercessions on perfecting creative strategy will lead to the abolishment of the competitive advantage. By using strategic management, an organization attains strategic competitiveness and incomes above the average (benefit reported to the degree of risk).

3.3. Strategic Management Implementation

Strategic management is the leading process through which the vision and the mission of the organization are defined, its internal and external environments are analyzed, strategies are elaborated and implemented with the purpose of obtaining a sustainable competitive advantage. (Băcanu, 1997, p. 37) The molding of this strategy implementation is structured on the following stages: defining the vision and the mission of the organization, analyzing the internal and external environment, establishing the strategic objectives, elaborating and selecting strategies, implementing at the level of the entire organization and for each department, respectively measuring and performances assessment.

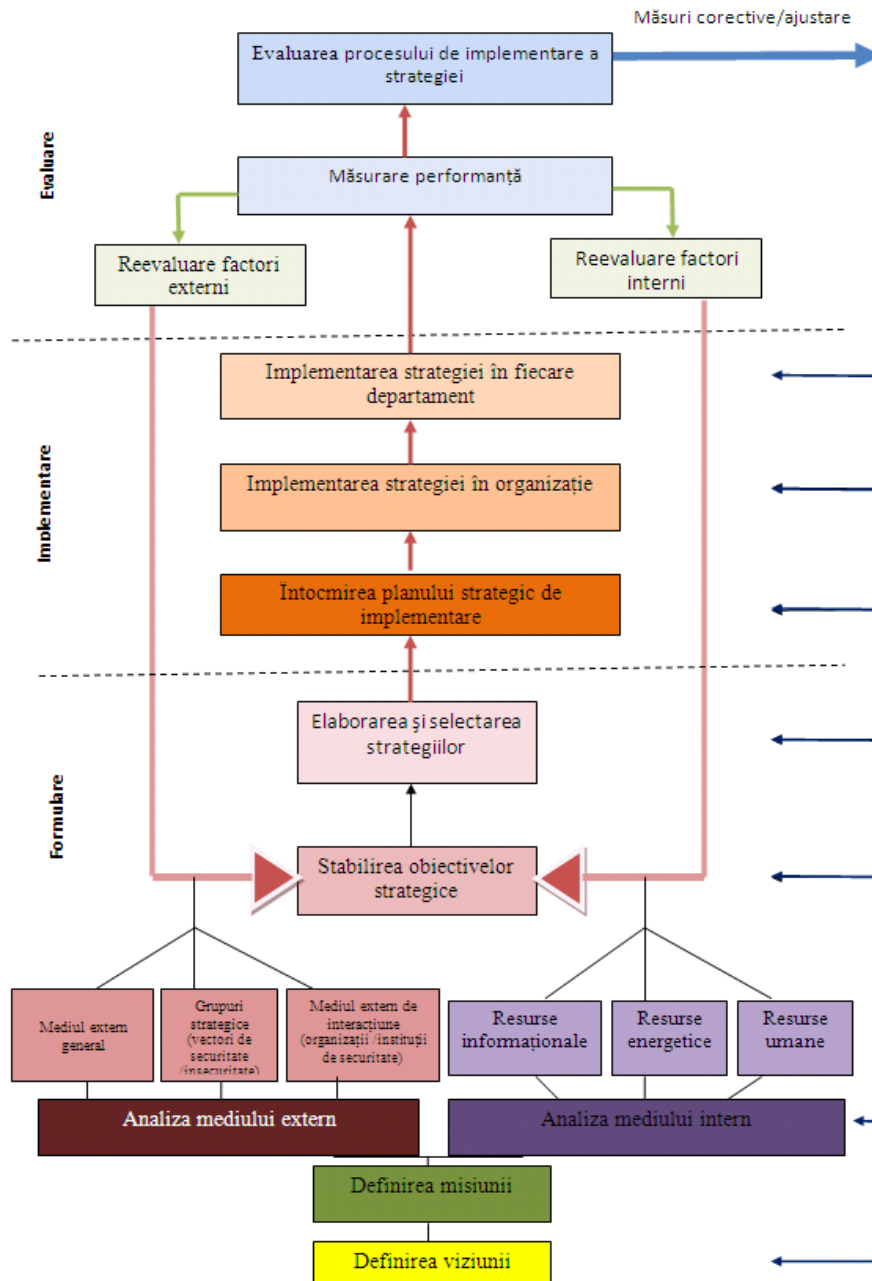


Figure 1. Strategic management implementation stages

Strategic management implementation takes place according to the steps as follows:

Defining the vision

- it represents temporal protection of the organization evolution towards its development;
- it is focalized on the internal organization's image and concentrates the top level management aspirations.

Defining the mission:

- it synthesizes the organization's existential law by transforming the vision into reality;
- it takes into account the external image of the organizational structure and the significant data for the managerial act;
- it contains a general expression of the vision, highlights the fundamental values assumed by top level management and the ensemble of strategic objectives;
- it reflects an attitude without forming into a series of specific details, and its elaboration will be made in general terms not to limit the organization's subsequent dynamics / development;
- it is oriented towards the beneficiaries and thus it constitutes into an efficient instrument of highlighting the social responsibilities of the organization (referring to the responsible way of leading the activity).

External environment analysis:

- it consists in monitoring current events and estimating their evolution, contributing to the improvement of the reports between the organization and the environment in which it functions, both in the present, but especially in the future;
- the external environment represents the sum of the external conditions and evolutions that can influence the organization directly or potentially;
- by turbulence, complexity and globalization, the external environment has become more and more a generator of potential opportunities and threats, a fact which determines a thorough analysis of the forces and their tendencies of action (different in intensity, exertion time, influential power over the dynamics and performances);

- by studying the external environment, the organizations identify what the course of action should be in a given the competitive context and in a favorable or adverse external environment;
- the purpose of this stage consists in elaborating a finite multitude of opportunities and threats, and particularly, in identifying the parameters through which the organization can act concretely;
- on the criteria of the an organization's influential ability, the external environment is structured into general external environment, external competition environment and strategic groups. The analysis of the general external environment is focalized on the future of the organization, the analysis of the competitive external environment aims at identifying the factors and conditions that influence the efficiency, and that of the strategic groups focuses on the evolution of the competitors' dynamics and on achieving strategic competitiveness. The combined analysis of the three structures of the external environment highlights the influence of the force field on the achievement of the strategic objectives and the development of the most efficient strategies.

Internal environment analysis:

- it discloses the resources that an organization has and its capacity to abide by the implementation of a strategy;
- the internal environment reunites the sum of elements over which the organization exerts total control by its influence potential;
- the internal analysis process necessitates the collection and assimilation of information regarding the functionality of the departments and the relationships system between them;
- by analyzing the internal environment, organizational structures determine what they can do effectively.

The corroboration of results of the internal and external environment analysis can decide the strategy that the organization should develop in order to ensure a stable strategic competitiveness. The most famous instrument of the strategic management analysis, as a result of the simultaneous action of the internal and external environment, is the SWOT analysis (Strengths, Weaknesses, Opportunities and Threats), which consists in approaching a strategy that should take into consideration the essential aspects of the environment.

Establishing strategic objectives:

- the strategic objectives take over the ideas and the fundamental determination from the vision and mission of the organization and define what needs to be achieved;
- it represents the final results of the strategies developed, respectively of the planned activities, and by materializing them the organizational mission for the considered time projection is also carried out;
- strategic objectives need to be perceived as being possible, by choosing appropriate strategies. They are thematically grouped, each being subsequently detailed within the strategic plan.

Elaborating and selecting strategies:

The process of strategy formulation has the following stages:

- defining the organization activity and its vision / mission;
- identifying opportunities and threats external to the organization;
- determining inner strong and weak points;
- establishing the organization's long term objectives (strategic objectives);
- elaborating alternative strategies and choosing the strategy to follow.

Concretely, formulating strategy can include a series of aspects such as: a new type of activity for the organization, resource allotting manner, expansion and diversification possibilities for the intercessions which are specific to the structure, as well as counterattacking the competitors' actions.

Implementation at the level of the entire organizational structure

Generally, planning constitutes a formal procedure through which an incorporated decisional system is realized (in intercession materialized by laying a scheme). Strategic planning integrates strategic objectives, their achievement strategies and the practical means of implementation (within the strategic plan). Thus, this stage implies:

- realizing a strategy implementation plan, which should contain its component elements on the organization ensemble (objectives, programmes, activities), the necessary resources, the implementation processing, timely programmes and activities projection, respectively defining the decision and control centers;

- introduction of flexible elements in the plan (elements which can be modified within certain limits);
- laying out an evaluation scheme of the implementation progress.

Strategy implementation is considered to be the action stage in strategic management, being the most difficult to accomplish. The success of this stage depends highly on the managers' ability to motivate the members or in the optimal allotment of resources in order to perform the formulated strategies (developing a culture, an efficient organizational structure, redirecting the efforts of the functional departments etc.).

Implementation at the level of each department

Subsidiary to the action of implementing the strategy at the level of the entire organization, intercessions will be carried out for each department of the organizational structure.

Measuring and assessing performances

The final stage in implementing the strategic management consists in measuring and evaluating the performances and it is carried out through periodic assessments of the strategy and use of feed-back. The fundamental activities characteristic to the assessment stage are: reevaluating the internal and external facts that constituted the background for the current strategy choice, measuring performances and actions of correction and adjustment. The assessment of the strategy implementing process refers to the establishment of its completeness and consistency degree, of deviations and processual adaptation degree. Moreover, the degree of strategic objective achievement, of costs, including the additional ones, of the performances of the new functional structure, the degree of involvement of those who are subject to change, as well as the remaining tensions will be taken into account.

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