**MBIYDZENYUY YVONNE FOLA**

**ID: UM75019BAC84196**

**MASTERS IN ACCOUNTING**

COURSE NAME:

**(strategic Management)**

Assignment Title:

**(Strategic Management Methodologies,Tools,Elements and Importance)**

ATLANTIC INTERNATIONAL UNIVERSITY

**March/2022**

**CONTENTS**

**Introduction…………………………………………………..Page 1**

**Strategic Management Phase, Elements and Models….......Page 2-6**

**Conlusion……………………………………………………...........Page 7**

**Bibliography………………………………………………………..Page 8**

**Introduction**

Every organization requires a proper strategic management plan to align the duties and responsibilities of members with the goals and objectives set within the firm. It is a collection of strategies that managers use to direct and manage every functionality in the organization. It is a set-up for better performance and sets up the organization to be competitive. Strategic management provides a way to track an organization's performance and set policies and standards to achieve set objectives (Ansoff et al., 2018). It also plays a crucial role in improving employee satisfaction and loyalty. There are different ways to carry out strategic management practices with technology contributing to massive improvement and better outcomes.

Organizations can access, identify, and make plans to address their issues with the practices. These writings explain in-depth strategic management for a successful business, including significant methodologies and tools.Strategic Management consist of the analysis,decision and actions taken by an Organisation to sustain competitive advantages over lengthy period of time. Future leaders must make strategic decisions that will address which companies they compete with and how they compete with the said companies, thus need for necessary action to be taken to implement those startegies. Resources will therefore needs to be allocated to the right departments and make sure there are used efficiently.

**Strategic management phases**

The phases included in strategic management are but a collection of best practices to help an organization achieve its set objectives. It is a philosophical approach that requires the right people to perform critical thinking and apply their ideas to the plans and practices of the company (Ansoff et al., 2018). Effective strategic management begins with setting the desired goals of management. Goals will clarify what the organizations expect from its members and outline the short- and long-term goals. After identifying the short and long-term goals, duties and responsibilities are assigned after declaring a proper process to meet the goals. This phase is essential and kick-starts the whole strategic management process.

The next phase is the analysis phase which includes critical studies on the process implemented to meet business goals. The analysis includes identifying vulnerabilities in processes and areas of improvement. At this phase, an organization should set up a proper plan to study the company's internal and external factors (Dyer et al., 2017). Threats and opportunities are also identified to promote sustainability. After analysis, the third phase is formulating the strategy. Information gathered in the analysis process is then used to identify needed resources and areas of allocation. At this strategic management phase, issues at an organization are prioritized effectively to serve important ones first. After carefully formulating the strategy, properly implementing it is crucial for better outcomes. Implementing occurs after effectively sharing resources and

setting up required finances and personnel. The last stage includes evaluating success and managing the strategy for sustainable outcomes.

**Elements of strategic management**

Strategic management includes several elements, with the main ones being strategic planning and strategic control. Strategic control allows an organization to adequately prepare itself and align its resources to adapt to change (Dyer et al., 2017). Control manages and ensures set plans are carried out as per the plan set. Other key elements

include environmental scanning, vision and mission statements, action plans, change management etc.

**Strategic management models**

There are several models included in strategic management. The Glueck model developed by William Glueck is a strategic management model based on critical thinking and decision-making processes (Lynch, 2018). The model comprises five significant phases: strategic management elements, analysis and diagnosis, choice, implementation, and evaluation. Glueck, in his model, focused on two main elements, enterprise strategist and objectives. The Schendel and Hofer model is based on strategic management's planning and control elements. The strategy is based on six major phases, goal formulation, environmental analysis, strategy formulation, implementation, evaluation and control. Schendel and Hofer, in their model, claim strategic management must include at least three subprocesses. They include resource analysis, environmental analysis and value analysis.

Schematic is another effective model developed to improve management practices and outcomes. It consists of five major stages, including analyzing the environmental opportunities and threats, analyzing the organization's internal strengths and weaknesses, setting up goals, formulating then implementing a strategy and finally, control (Jay & Hesterly, 2015). Finally, the Thompson and Strickland model focus on the importance of actions and decisions made in management. It includes five major phases:

creating a vision and business concept, converting goals into performance objectives, crafting a strategy, and finally implementing it.

**Strategic management tools and practices**

There are different ways an organization can carry out effective strategic management. Extensive research over the years led to the development of several tools to perform effective management. These tools include SWOT (Strenghths, Weaknesses, Opportunities and Threats) and PESTEL(Political, Economic, Socio-Cultural, Technical and Environmental) The strategy canvas, Porter's five forces, McKinsey 7s etc. SWOT analysis is a tool that allows an organization to access its strengths, weaknesses, opportunities and threats to prepare effectively (Jay & Hesterly, 2015). It is among the most used tools in enabling issue prioritizing and proper resource allocation. It is also a tool that fosters firm growth by gauging and tapping into the best opportunities. It is usually beneficial at the early stages of implementing strategic management and gives insight into areas that can be improved.

PESTEL is a similar tool to SWOT but mainly focuses on the external factors in the environment that affect a business. PESTEL is a tool used in strategic management to analyze the political, economic, cultural and technological impact on the organization and its health. Environmental and legal factors are also considered in the tool, and it can be used together with SWOT to analyze all elements of the business critically. Contrary to SWOT and PESTEL analysis, Porter's five forces address five major forces that affect business practices and success (Jay & Hesterly, 2015). They include the threat of entry, threat of substitute products, bargaining power of customers and suppliers and the competing rivalry among firms. According to the model, the pressure from these forces can draw patterns to predict future outcomes.

The McKinsey model adapts seven main factors that affect the business outcome. The seven factors include strategy, system, structure, style, staff, skill and shared values. They are then grouped into two with system, structure and strategy falling under hardware and style, staff, skill and shared values as software factors of the business. A strategy canvas is a tool used in strategic management to access and analyze competitors and their practices. It provides patterns and how competitors attract and keep customers

learning and improving (Lynch, 2018). It is a proper tool for accessing and managing customer preferences and creating processes to meet demand and become better competitor. Another critical tool is gap analysis, which aims to take an organization where it wants to be. The tool aligns the organization's current state with its needs. This way, the best practices to improve the organization can be easily identified.

**Pros of effective strategic management**

Strategic management is essential in every firm as it makes the organization sustainable through easy adaptability to change which might be as a result of the change in Market demands, new technolody or regulations. The importance of strategic management is evident as it provides an overall plan to direct and manage a business. Through creating plans and procedures, everyone gets their duties and responsibilities, increasing operational efficiency (Lynch, 2018). It creates a sense of direction and provides a roadmap to achieving set goals and objectives.

It helps an organization meet its short-term and long-term goals giving it a competitive edge over other firms. By clearly laying down the goals and missions, resource allocation and prioritizing happen with ease, bettering outcomes significantly (Lynch, 2018). Proper management also renews the confidence those involved have in the strategy. It helps address multiple problems simultaneously while maintaining a comprehensive approach. It also sets up an organization to plan for the future and set up sustainability plans.

It improves overall critical thinking and decision-making practices. It promotes sustainable and long-term success within the organization. Effective Management will increase productiveness and facilitates within side the identity of pinnacle performers for this reason motivating them to work harder. Having a great Performance Management software also can make certain their targets and dreams coordinate with hiring and worker improvement plan.

**Conclusion**

In conclusion, strategic management is a critical process in every business. It sets up a business to be sustainable for a lenghthy period and deal with emerging issues. With technology improving by the day, more effective tools for strategic management are sure to be developed. Incorporating the best strategic management tools is key to getting the best outcomes. For an organization to have the ability to manage all business aspects from customers, employees to marketing practices, they must implement a strategic management model that matches their goals and objectives. If an organization is looking to maximize the outcome of management tools and models, employing the right person with the right skillsets is critical for success.

In end strategic making plans may be very critical for any company to acquire its quick and long time goals. Especially, with the growth and busts of the worldwide economies withinside the previous couple of decades, it has grow to be even extra critical for agencies to execute their techniques carefully. Avery critical a part of the method is to get geared up for any destiny adjustments and to be properly positioned to stand the demanding situations introduced via way of means of those adjustments. This is why; method have to be able to minimizing the threats and maximizing the possibilities which might be introduced via way of means of the change.

**Bibliography**

Ansoff, H. I., Kipley, D., Lewis, A. O., Helm-Stevens, R., & Ansoff, R. (2018). Implanting strategic management. Springer.

Dyer, J. H., Godfrey, P., Jensen, R., & Bryce, D. (2017). Strategic Management: concepts and cases. John Wiley & Sons.

Jay, B., & Hesterly, W. S. (2015). Strategic management and competitive advantage: Concepts and cases.

Lynch, R. (2018). Strategic management. Pearson UK.