

Analysing the Importance of Strategic Management-An Overview

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Abstract

Strategic management is a critical aspect of organisational success, encompassing the formulation and implementation of strategies to achieve long-term goals and objectives. This comprehensive review provides an in-depth analysis of strategic management principles, processes and models. It explores key concepts such as strategic planning, competitive advantage, environmental analysis and strategy implementation. Many organisations fail to take strategic management seriously, leading to an inability to achieve organisational objectives, ineffective planning and a lack of evaluation of the organisational environment, including strengths, weaknesses, opportunities and threats, which can disrupt the vision and mission. By synthesizing current research and best practices, this review offers valuable insights for academics, practitioners and students seeking to enhance their understanding of strategic management in today's dynamic business environment. The article makes use of secondary data, referencing numerous textbooks, papers, magazines and several journals.

Keywords: Strategies • Strategic management • Model • Environment

Introduction

Strategic operations keep every organisation running without doubts. Strategic operations could be applicable to every organisation, it could be either government, public or private organisations, big or small in size, a profit or non-profit making and every other social establishments or religious organisation. Strategic operations cover the entire aspect of the any viable organisation and goes beyond the daily operational concerns of the organisational owners and focuses as well on the long-term prospects and development of the organisation in general. In essence, strategic management means deciding on strategy and planning on how the formulated strategy or strategies will be put to use effectively while putting into considerations the strategic analysis, the choice of the strategy, its implementation and possible strategy evaluation within the organisation. It lays down the basis on which organisation can attain success and prolong its very existence in the market [1]. Strategic management can be seen as that decision and actions taken by the management, which defines the long-term goals of the organisation while placing value on the organisation's mission, vision, employee and even the environments.

Strategic management can be regarded as an art or science of business management strategy that helps in formulating, implementing and evaluating some specific decisions that can prove critical in reaching organisational objectives [2]. It can be deduced from the definition that strategic management is that type of management that lean towards uniting management processes, finance, production, research and development, marketing and supply and technology to attain maximum success for the organisation. Strategic management is concerned with the over-all long-range direction of organisations and consequently provides a framework for operational management [3]. From the definition, strategic management means the operations of the organisation which can be traced to planning effectively and strategies formulation, implementation and evaluation of strategies in order to attain organisational objectives. It is the framework that enables the organisation remain relevant to compete in its environment after creating effective plans. Strategic management are those series of decisions that aligns the internal capabilities of the organisation with the possible opportunities and threats it faces in its environment [4].

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Organisation planning team must be strategic in nature, while planning for the organisation, the objectives of the organisation must be incorporated when planning. Planning means to forecast, to anticipate the future course of events and therefore bears an element of uncertainty in respect of its success and without effective planning within an organisation, the organisation will fail to accomplish its desired objectives and every organisation needs an effective operational management to help accomplish the set goals. With organisation objectives in focus, strategic management is equally important which makes it a continuous approach for organisational growth. With effective strategic and operational planning within the organisation, the organisation can work effectively and grow in a productive manner. Organisation in this regard is not just the structure but all the methods and procedure involved in coordinating human activity and material resources to achieve an objective. The structure of an organisation is the totality in which labor is divided into distinct tasks and assigned accordingly, then coordination and integration is achieved among those tasks [5]. Organisation is the procedure that deals with setting of goals or some objectives with the expectation to gather unlike individuals or group of unlike individuals, educating and helping those individuals by creating a cordial relationship between or among them so they can tailor their abilities, skills and efforts towards realizing the objectives that brought them together [6].

Despite how structured an organisation can be in series of their operations, some of these structured objectives have failed when it comes to realizing their potentials because of their ineffective planning, several organisation have failed in this regards throwing away their mission, vision and core values and there are persistent need to develop effective strategies to help contest against some unforeseen or potential problems while putting into consideration the internal and external environment of the organisation before making strategic planning. The environment of an organisation can have a positive or negative impact on its objectives because it has the power to influence the actions and inactions of the organisation as a whole, the employee's performance and even the leadership strategies [7].

Enabling strategies are very important in the organisation, strategy is the pattern of decisions in an any organisation either profit or non-profits, private or public that helps to determine and in revealing it objectives, purpose or goals, produces the principal policies and plans for accomplishing those goals, it also defines that range of business that organisation can pursue, the kind of economic and human organisation it intends to be and the nature of the economic and non-economic contribution it intend to make to its shareholders, employees, customers and communities [8]. This research will evaluate why strategic management is an integral part of an organisation and to show the extent of how proper strategic planning, implementation will impact the objectives of the organisation.

Literature Review

The concept of strategy

The word strategy from strategic management means a carefully devised or formulated plan of action to accomplish an objective or can be an art of developing or carrying out series of plans. Strategy can be considered as what matters and what aids the effectiveness of

the organisation, the external point of view, which emphasis the significance of the objectives against the environment, in terms of internal factors, it looks for means to balance communication between members of the organisation and can be considered as a readiness to contribute towards the actions and the attainment of common objectives [9]. A series of pattern or plan that integrates or unify the organisation's major goals or objectives organisation's policies and action sequences into a cohesive whole. A well formulated strategy that helps arrange and distribute organisation's resources into an exceptional and viable posture based on its relative internal competencies and limitations, anticipating the changes in the environment and every contingent move by intelligent opponents [10]. So technically, strategies help organisation gain competitive edge above their competitors with a focus on the long-term direction of the organisation and coordinating the pattern of corporate resources allocation. It can be regarded as a distinctive but viable way in which several organisation create value for themselves.

Strategy can be seen as a contributing factor of the basic long-term goals of an organisation and the adoption of progressive action and the distribution of available resources necessary for carrying out these organisation set goals [11]. Strategy as a rule for making decisions under conditions of partial ignorance whereas policy is a contingent decision [12]. Strategy is the basic goals and objectives of the organisation, the major programs of action chosen by the organisation in order to reach these goals and objectives and the major pattern of resource allocation used to relate the organisation to its environment either internal or external [13].

A strategy can be regarded as a framework or a directive path or route for accomplishing a particular or some specific goals and objectives. Strategy is the theory of the organisation on how to compete productively. The organisation's performance as a factor are influenced by strategy, as it can be considered that, for an organisation to compete successfully means they must have a satisfactory performance [14]. Strategy is when organisation formulate its missions, goals and objectives, polices, projects and programmes and creating a means to accomplish them, to make sure the strategies are well implemented and to attain organisation's ends, the series of methods must be adhered to Steiner and Miner. Strategy can be considered as that pattern of settlement in an organisation, it helps determine and reveals the objectives of an organisation, it purposes and goals to be attained, it also include the principal policies and plans to attain these targets and ascertains the scale of business that the organisation should get involved in or not get involved in, the type of economic and human organisation and the nature of the economic and non-economic benefits generated for the shareholders, the employees and the communities [15].

Strategy is that series of management planning or action of an organisation in accomplishing the set objectives. It is concerned with the process that determines and evaluate different alternative path on the already established objectives of the organisation and those processes involved in the selection of the best alternatives. The following can be considered as the features of strategy in an organisation.

- Strategy helps organisation in the simplification of all action that are involved in the accomplishment of set objectives while assessing the organisation major course of action that can be helpful in relating to the external environments.
- Strategy is the process that involves the unification of the internal and external factors of the organisation for the aim of reviewing the opportunities and threats provided by the external factors with consideration to the internal environment.
- Strategy can be considered as series of actions or inactions directed to meet some particular conditions, to help solve specific problems within the organisation. These series of actions are different for different situations.
- Strategy is essentially futuristic and the actions are required for new or future oriented situations which have not been encountered or an unforeseen situation.
- Strategy in any organisation needs an enabling effective systems, framework or norms for it to be efficiently adopted and implemented.
- Strategy provides organisation's general overview, plans for directing and regulating organisational thinking and action.

Strategy can be considered as a well-structured roadmap of the organisation because it defines the overall mission, vision and direction of the organisation. The objective of a strategy is to maximize an organisation's strengths and to minimize the strengths of the competitors, evaluate the weaknesses of the organisation with considerations to the opportunities and threats from the external environment (Table 1).

Table 1. 5 Ps for strategy.

Plan	Ploy
Strategy as a plan: It some sort of consciously intended course of action, a set of guidelines to help deal with situations. Strategies are made in advance of the actions to which they apply and they are developed consciously and with purpose.	Strategy as a ploy: It a specific maneuver intended to outwit an opponent or competitor. An organisation might threaten to expand or diversify its operations to discourage a competitor. The real strategy here is the threat not the expansion itself and as such is a ploy
Pattern	Position
Strategy as a pattern: Specifically, a pattern in a stream of actions. A strategy in this regard is consistency in behavior, whether or not intended.	Strategy as a position: Strategy becomes a mediating force or a match between organisation and the environment, that is, between the internal and external context. It is important to locate the position of the organisation in the environment
Perspective	
Strategy as a perspective: It's content consisting not just of a chosen position but of an entrenched way of observing the world. There are organisations that focuses more on marketing and build a whole ideology around that.	

The essence of strategy

Strategy involves a great deal of risk and resource assessment, the different ways to counter the risks and effective utilization of organisation resources in the process of achieving significant objectives for the organisation, the strategy can be categorized by four (4) important aspects.

- The long-term objectives
- Competitive advantage
- Vector
- Synergy

The long-term objectives

The importance of formulating strategies is on the basis of keeping in mind the long-term objectives of the organisation. It is so because it highlighted the long-term growth and development within the organisation. Strategy is future oriented and therefore concerned with the objectives which have a long-term perspective. The objectives give directions for implementing a strategy.

Competitive advantage

To have a competitive edge over rival organisation is the goal of every organisation and during the process of formulating strategy, managers need to bear in mind the competitors of the organisation. The internal and most importantly the external environment need to be constantly monitored for forming a realistic strategy. Strategy has to be made in a sense that the organisation may have competitive advantage over there rivals.

Vector

It is important to have list of alternatives course of action and the organisation must be able to choose from the range or list of alternatives which is best in line with the available resources of the organisation. Series of decisions need to be taken and must be in the direction of the mission and vision of the organisation. Strategy provides direction to the whole organisation, when the objective has been set, they bring about clarity to the whole organisation and most people performed better if they know what is expected of them.

Synergy

Strategies boost the prospects by providing synergy and after series of decision has been taken to accomplish set objectives and efforts been geared in the same direction, there will be synergy. It will aid effective collaboration and interaction within the organisation on the path of achieving the goals or the organisation.

Different levels of strategy

Corporate level strategy: The entire goal and reach of the organisation are addressed at this level of strategy. Strategic formulation at the corporate level complies with organisational policies. Compared to decisions made at any other level or unit of the organisation, these are less tangible, theoretical and value-oriented. This level is actively the directs executives' decisions about the resources the organisation will develop, the business the organisation will compete in and the group or team that will make it come to life [16]. The strategies in this level are mostly distinguished by greater risk, cost and profit potential as well as flexibility. They are also futuristic strategies, innovative and pervasive in nature and such decisions are made by the top management of the organisation like the directors and chief executive officers occupying the highest level of strategic decision making.

Business level strategy: This level of strategy is concerned with how the organisation can compete successfully, the series of strategies to be formulated by the organisation's strategic units or team to make the best use of its resources given the environment it faces. At this level, strategy is a comprehensive plan that outlines goals for key organisational units, distributes resources across functional divisions within the organisation and coordinates these

divisions in order to accomplish corporation level goals. Business strategy relates with the "how" in the organisation. Business level strategy classify the choice of products or services to be rendered by the organisation and the markets of individual businesses within the organisation. The concern in this level of strategy more often than not includes what level of quality and new product features are required to secure the market and maintain or increase market share and how to monitor the marketing mix for the best result.

Operational/functional level strategy: This level of strategy is focused with how the component unit within the organisation delivers effectively and efficiently the corporate and business level strategies in terms of the available resources, processes and the people involved [17]. This strategy relates to single functional operation and the activities involved within the organisation. Decisions taken at this level, which is the operational end of the organisation, are referred to as tactical. The strategies deal with how various departments or divisions inside the company, such as buying, production, marketing, finance and human resources, contribute to the overall strategy at different levels.

Personal level strategy: At the strategic level, personal strategy pertains to an individual's decision-making over how to advance their own goals while simultaneously committing to and contributing to the goals of their company. Among other things, it involves decisions about personal development, such as learning new skills and information, joining organisations for professionals and altering one's viewpoint and mentality (Table 2).

Table 2. Strategy making hierarchy.

Strategy level	Basic strategy and development responsibilities	The strategy making functions and areas of focus
Corporate level strategy	The CEO and other key executive make decisions at this level, decisions made at this level are naturally evaluated and approved by board of directors.	This include structuring and managing range of organisation units. (e.g making acquisition, disinvestment, strengthening and restructuring of the existing positions within the organisation).
Business Level strategy	The general manager/head of Business Unit of the organisation make the decision but this decision is reviewed and approvals are given by the senior Corporate Executive (CEO)	This include coordinating business level strategies, building business level competitive edge, the system of controlling the pattern of resources allocation and the process of what type of competitive selecting how and when to compete and advantage to build.
Operational/functional level strategy	The Department heads, unit heads, those that are lower line managers within functional areas make decisions but the decisions are frequently made after discussing with superiors in closely related areas and are reviewed and approved by operational or functional area heads	This includes directing and to control the pattern of allocating resource within the organisational unit, distributing the strategy as applied to those specific functional areas and creating specific action plans that will support the successful execution of the strategy. To develop and create action plans to carry out the daily requirements of functional area support strategies.

Strategic management

Strategic management is one of the prominent and relevant areas in the management field of modern times. It constitutes a set of management actions that enable organisations and their managers to keep it aligned with its environment and on the correct path of development, thereby bringing about the achievement of its objectives and its mission. Strategic management constitutes a systematic approach to the administration of changes and placing the organisation through strategy and planning, managing the problem

through strategic responses and the systematic management of resistance during the implementations of strategies. Strategic management of an organisation comprises of three ongoing processes which are; analysis, decisions and actions. Strategic management have to do with the analysis of strategic goals (vision, mission and strategic objectives) along with the analysis of the internal and external environment of the organisation [18]. In essence, strategic management is the course of actions through organisation's several analyses and decision-making processes to create and sustain competitive advantages and remain relevant.

Strategic management is like trying to embark on a journey with your family during the next summer holiday in Nigeria. The first thing to do is to decide on where to go, is it Abuja, Lagos or even cross river state. Then strategies will be developed on how to get there, different means of transportation will be assessed, is it by air or by land, which airline would you want to take, if it's by land, particularly bus, which bus or route to be taken. All these strategies will be influenced by resources available and the time frame. After carefully picking out the means of transportation, then you embark on the journey while monitoring and evaluating the course of the journey in order to see if the strategy adopted takes you to your destination, how the strategy worked and what could be improved on when next you decide to travel. Strategic management gives a sense of direction and means to keep moving forward with the framework. Strategic management is the decision and process that aligns the organisation's internal capability with the opportunities and threats it faces in its environment [19]. Strategic management is the process by which organisation examine the internal and external environments for the aim of formulating well suited strategies and the allocation of available resources where needed, to develop a competitive advantage in an industry that allows for the successful accomplishment of organisational goals [20].

Strategic management is a systematic approach to a major and the ever-increasing significant responsibility of the organisation's general management, to place and relate the firm to its environment in order for a continuous success. Strategic management is concerned with how organisation decides on an approach, planning how that approach can be effective via strategic analysis, strategic choice and strategic implementation. Strategic management emerged as a part of the strategic planning, which is now considered as one of its main instruments. It was incorporated into strategic management, which united planning in an organisation and management in the same process. It was also view as a form of cross processing in formulating, implementing and evaluating of decisions that can enable organisations define and accomplish its mission and ultimately to create value. In the fewest possible words, strategic management can be encapsulated and defined the art and science of formulating, implementing and evaluating the cross-functional decisions that allow an organisation to accomplish its objectives. It is essential to note that strategic management is not about predicting the future, it is about preparing for the future with the understanding of knowing the exact steps the organisation will have to take in implementing its strategic plans and accomplishing competitive advantage in its environment.

Strategic management process/model

Several organisations uses the Strategic Management Process (SMP) to make objective and also take logical systematic approaches in making decisions. Strategic management process attempts to organize the qualitative and quantitative information that allows decision making to be effective under several conditions of uncertainty or doubtfulness. Strategic Management Process (SMP) can be defined as the series of techniques strategists' uses to determine the corporate objectives and also to make strategic decisions concerning them. The strategic decisions are designed to attain organisation's objectives. The strategic management processes

The strategic management processes comprise of two sub process which are very important. They are; Strategic Planning (SP) and Strategic Implementation (SI). The Strategic Planning (SP) process is further divided into strategic analysis, strategic diagnosis and strategic choice, the Strategic Implementation (SI) process is also divided into strategic formulation, strategic implementation and strategic evaluation (Figure 1).

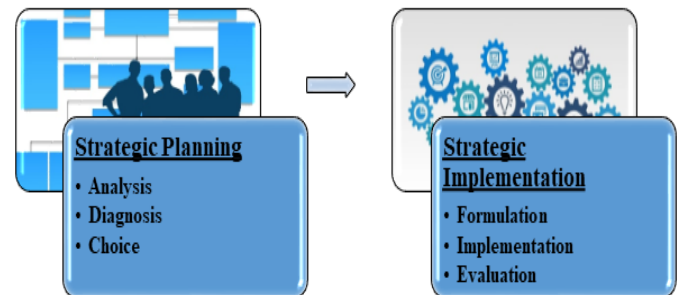


Figure 1. Adopted and extracted from Johnson and Scholes, exploring corporate strategy: Text and cases, (6th edition), Prentice Hall India (2002).

Strategic planning

It is very important that organisation needs to plan and strategic planning is quite different from organisation's yearly fiscal planning. Strategic planning pays serious attention to the external environment, the extent of qualitative information and initiative decisions regarding the resource available and integrating every effort within the organisation. Long-term planning lean towards internal analysis and qualitative models of resources deployment and it is controlled as a separate institutional function. Strategic planning has been described as the process of setting organisational goals or objectives based on identified strengths and weaknesses. Every organisational strategic planning are developed or deals with five (5) distinct task which are the followings:

- Every organisation needs to determine their long-term objectives and directions.
- They need to ascertain their available resources and other requirement.
- They need to create and constantly review the overall goals and strategies of the organisation.
- The organisation need to know and evaluate the competitive position of the organisation.

Strategic planning is significant and can be seen as the fundamental point for all planning and reporting in the modern day organisation. It can be directly linked to market analysis, capital spending, contingency planning and annual profit plan or budget of the organisation. In strategic planning process, basic questions like the following are asked;

- What is the present situation of the organisation?
- Where do we intend to take the organisation?
- How do we take the organisation there?

The above three basic questions must be sincerely and accurately answered for the strategic planning to accomplish the desire of the

organisation objectives. Specifically, organisation long-term and short-term strategies require effective planning. The followings are the essential guidelines offered by R.T Lenz as needed when planning strategically in an organisation.

- Strategic management must not become a self-perpetuating bureaucratic mechanism but rather a self-reflective learning process that familiarizes managers and employees in the organisation with key strategic issues and feasible alternatives for resolving those issues.
- The strategic management process must be simple and non-routine as possible, unnecessary programmes need to be avoided in order to avoid routinized behavior and to unify differences in tasks, effective team membership, good meeting formats and the planning calendar. The whole process should not be totally predictable and settings must be changed to stimulate creativity.
- Another essential parameter for effective strategic management is liberalism. There should be willingness, freedom and eagerness to deliberate on new information, new innovation, new ideas and new possibilities that are essential from different individuals and all organisational members must be ready to share a spirit of inquiry and learning because it can enhance their ability to think and come up with sustainable ideas.
- The organisation should not pursue too many strategies instantaneously. In the long run, this might lead to confusion and derail the organisation from initial direction. Loss of focus and direction might be as a result of pursuing too many strategies at once.
- Another indispensable guideline for successful strategic management in the organisation is that, strategic planning should not be controlled by technicians and it should be able to contest against the assumptions that inspire the current corporate strategy of the organisation.

Strategic analysis: The strategic analysis is a part of the whole management process, it is an attempt to comprehend the strategic position of the organisation, to put into considerations what is going on in the environment and to judge how series of activities can affect the organisation. Strategic analysis in point of fact helps to develop a clear picture of the factors that influences the organisation which can generally be inform of a strategic choice element of the overall strategic management process. Johnson and Scholes (1993) identify three (3) factors in strategic analysis, they include the following:

- Environment
- Values and objective
- Resources

The environment is where the organisation is located and the management must be conversant with their environment, they should fully understand how changes in the environment may affect organisation's available resources, strengths of the organisation and weaknesses. Here, the acceptable analysis of each stakeholder within the organisation maybe greatly influenced by values and objectives. The nature of available resources can influence the strategic choices of the internal and eventually the external environment.

Strategic diagnosis: The strategic diagnosis is the systematic approach that helps to determine the series of changes that have to be affected to an organization's strategy and the capability of the internal environment in order to assure the success in the organisation future environment.

Strategic choice: The choice element in the strategic management planning enables the organisation in choosing a strategy created on the foundations laid by strategic analysis. The nature, mission of the organisation must be fully considered when generating possible strategies and evaluation. The three issues of concern are risk factors, structure and culture of the organisation. Basically, choice in strategy are in three aspects:

- The identifying and formulation of strategic options for the organisation which goes beyond the most evident course of action.
- The evaluation of the different strategic alternatives which can be based in the utilization of the organisation's possible strengths or in overpowering its weakness.
- The selection of a favorable strategy from the array of alternatives that will enable the organisation take hold of every possible opportunity within the environment or to oppose or neutralize every possible threat from the competitors.

Strategic formulation

The formulation stage consists of the development of the vision and mission of the organisation while identifying and classifying the organisation's several external opportunities and putting into considerations the threats, defining the internal strengths as well as the weaknesses of the organisation, ascertaining and clarifying the organisation's long-term objectives, generating different alternative strategies and selecting particular strategies to pursue within the organisation. It is a vital stage for the organisation, discussion like what new businesses to venture into will be decided, what businesses to abandon, how to effectively allocate resources, whether to expand operations or the need for diversification, whether or not to penetrate into the international markets, whether or not to merge or form a joint venture and how, when to avoid a hostile takeover and how to have competitive edge over their rivals. Top management in the organisation should have the best perspective to understand fully the ramifications of formulating strategies and to make decisions; they have the authority to appropriately ascertain the resources necessary for implementation of the plans.

Strategic implementation

The implementation stage requires for an organisation to establish annual objectives needed to be accomplished, create policies, their employees' motivation and allocating of resources where needed so that the formulated strategies can be executed appropriately. Implementation of strategy includes developing a well define strategy-supportive way of life, the creation of helpful organisational structure, directing and redirecting the marketing efforts of the organisation, preparing the required budgets, developing and the utilization of information systems to help the organisation and creating a linkage between employee's compensation to the overall organisational

performance. This can be seen as the active phase of the strategic management. To implement strategy means marshalling the employees in the organisation and those in the management level to put every formulated strategy into action appropriately. This stage is often perhaps the most complex stage in strategic management, strategy implementation requires individuals' particular discipline, their commitment and series of sacrifice in the organisation. Strategies that are formulated but not effectively implemented serve no purpose because the success of every organisation strategies depend on the abilities of the management to judiciously motivate their employees.

Strategic evaluation

The evaluation stage in strategy is the last phase in strategic management. Evaluation means to assess or to examine, the management of the organisation need to know when strategies are not working effectively; strategic evaluation is the primary means for obtaining this information. It is very important to note that strategies are subject to future amendment or adjustment because external and internal factors are always changing. Formulated and implemented as well as the strategy evaluation are activities that occurs at three hierarchical levels in large organisation: at the corporate level, divisional or strategic business unit level and functional level. There is need for the organisation to promote effective communication and by fostering communication and interaction between the superior and the subordinates across hierarchical levels, strategic management assist the organisation to operate or perform as a competitive team and on a long run, there are need for constant re-evaluation. The strategic evaluation focus on three structural activities.

- Reviewing the organisation's external and internal factors which form the basis or starting point for the current strategies.
- Measuring and determining various levels of performances.
- Taking corrective actions where needed.

Understanding opportunities and threats while assessing the strength and weaknesses of the organisation environment.

The nature of organisation environment is dynamic, could stable and unstable which often help in selecting of the appropriate strategies needed by the organisation. The organisation environment comprises of both the external and internal environment, which are multifaceted and are constantly changing over time. To determine and sustain the organisation objectives and also have competitive advantage, those planning the strategies must understand fully well the environment through detailed and objective analysis using some specific benchmark. The environment where an organisation is sited is the pattern of all external conditions and the influences that effect the life and development of the organisation. There are some relevant environmental factors which include the totality of the organisation community, the city or town, the entire country and the world at large. In some cases, there are also technological, economical, physical, social and political factors that can also influence the environment where the organisation is situated.

The organisation and their strategist or the strategic planning unit must be aware of the environment's characteristics. The dynamic and fast changes in business environment in which most businesses operate has made business environment to have significant impact on organisational survival and their overall performances. Change is continuous and differs from one particular environment to another and the environment where an organisation is located needs frequent and continuous monitoring. When the environment is well monitored, threats from the external environment can be determined easily. Business/organisation environment can be generally classified into the internal and the external environment with the internal embracing every variable within the authority and control power of the firm to accomplish the set objectives while the external embraces variables that are outside the authority and the control power of the organisation.

The external environment analysis

Some of the factors that occurs in the external environment can overpower the organisation, the organisations external environments are composed of series of conditions that are broad rather than having a direct influence on the organisation. Wendy Robson gave the following external conditions:

The socio-cultural forces: They include different changes in life-style, the career expectations of the employee, rate of family formation, consumer activities, population growth rate, age distribution, regional shifts, urban-rural migration, birth rates and life expectancies. It is essential for strategist to take note of this social developments in the environment which may include the increasing rate of crime, demands by women for recognition, equality and other opportunities.

Economic forces: The economic factors such as the Gross National Product (GNP) tendencies, the rates from interest, general money supply, rates of inflation, the levels of unemployment in the society, the price control system, devaluation and the revaluation of money, the cost and availability of energy. Due to the evolving world, there are consistent need to examine the magnitude of these economic features and tendencies.

Technological forces: Series of advancement and development of technologies are unfolding and every organisation must be well informed about the advancement in technologies.

Legal forces: This include several legislations like the antitrust regulations, environmental protection laws, laws on taxes, special incentives, foreign trade regulations and the attitudes towards foreign companies, laws on hiring and promoting, stability of government.

Government: The government of a country also influences the organisation and serves as external factors. Several government policies, taxation and legislative device are important in environmental analysis. Other external factors also include natural factors, political forces, demand and the market structure.

The internal environment analysis

The organisation's environment internal analysis is the method by which the strategic unit of the organisation critically examine the market situation, the means production and distribution through various inquires and development, the operations and culture, the human and corporate resources of the organisation and personnel finance and the accounting function of the organisation to determine where the organisation and firm has significant competencies so that it can most effectively exploit and the utilize the opportunities and also meet the threats to the organisation weaknesses which would need to be minimized, if not eradicate, in order to achieve the organisation corporate objectives. Strategy should necessarily begin with a clear understanding of the organisation's internal environment because an undertaking of the strategy is to fit the organisations to its environment.

SWOT analysis

The opportunities and the threats deal with the external environment of the organisation while the strengths and weaknesses deal with the internal circumstances of an organisation. SWOT (Strength, weakness, opportunities and threats) analysis is a structure used to evaluate organisation's competitive edge and to make advancement through strategic planning. It evaluates the external and internal environment factors alongside the present and future potential of the organisation. The organisation strategies or business plans need to be formulated to handle the respective outcomes of the SWOT analysis and this must be done sincerely and appropriately. SWOT Analysis is a simple but prevailing tool for evaluating organisation's resource capabilities and inadequacy, the opportunities that may arise and the external threats to the organisation's future". It is important to note that SWOT analysis indicates and defines the relationship between the internal and external appraisal in strategic analysis, with considerations to the identification and analysis of the environment of an organisation. The classification and the evaluation of the strengths and weaknesses of organisation and in understanding the possible opportunities and threats that may arise in the organisation's functional unit is very critical to the strategic management activities. Organisations do their utmost in pursuing different strategies that capitalize on internal strengths while trying to eliminate the internal weaknesses.

Opportunities and threats in organisation environment

Opportunities: Organizations can gain a competitive edge by capitalizing on viable opportunities in their environment. These opportunities can arise from various factors such as the economy, market forces, technology, government policies and changing demands. They represent advantageous external factors that can provide the organization with a competitive advantage. Effectively seizing these opportunities requires careful planning and the ability to recognize and exploit them can significantly enhance the organization's ability to compete and lead in the market. It is crucial for organizations to identify their position relative to competitors to leverage these opportunities effectively.

Threats: Threat as its names implies danger, menace and intimidation. They are factors that have the potential of causing harm to the organisation and its objectives. Several threats may arise when some conditions in the external environment endanger the realization of the organisation's objectives. These threats are sometimes uncontrollable and can manifest as new technologies that surpass those of the organisation, overcapacity in industries leading to increased price competition and legislative changes causing operational challenges and heightened market price competition. These external factors can negatively impact the organisation, making it essential to anticipate and address them effectively. It is crucial to analyze each obstacle thoroughly and devise appropriate solutions (Figure 2).



Figure 2. Extracted from strategies management: Concepts and Cases (13th edition) by Fred R, David. Pearson education limited.

Strengths and weaknesses in organisation environment

Strengths: Formulating strategies should certainly begin with a well-defined understanding of the organisation's strengths and weaknesses. When the management understand the capabilities of the organisation, it will be easier to formulate how best to develop and maintain the organisation's interest. Strengths are the qualities that support the accomplishment of the organisation's mission and vision. It helps maintain and sustain the organisation's objectives. The strength of an organisation separates it from various competition and distinguish the organisation from its competitors. They include human competencies, series of exceptional employer and employee communication, employee's motivation, process capabilities, financial resources, quality products and services, good customer relationship, goodwill of the organisation and other forms of loyalties. They are the advantages an organisation have over others, the strength is a value that drives an organisation and it's an integral part of the organisation.

Weaknesses: They are those qualities that prevent us from accomplishing our mission and achieving our full potential. Weaknesses encountered in the organisation includes the old manufacturing and office facilities, out-of-date information systems of the organisation, the cash flow difficulties, limited supply of some raw materials, poor decision-making processes limited management in-dept. This can deteriorate the influence of the organisation by limiting

its success and growth, weakness can be controlled, minimized and completely eliminated. The organisation's weaknesses may also be as a result of the weaknesses in its functional areas, different strategies will be required for the different observed and identified weaknesses of the organisation because it can limit the organisation from performing at its optimum level, the organisation needs to improve in order to remain relevant.

The requirements for developing effective strategies

Developing effective strategies in an organisation, series of alternatives will be derived from the organisation's mission, objectives or vision, external and internal audits. It is essential to have effective strategic planning, the strategic planning improves the organisational performance in two ways: Strategic planning reduce the uncertainty of organisation's operation; and it also improve coordination within the organisation organisation's communication and control activities in the organisation. Development of new strategies are built with or upon the past strategies of the organisation, the following can be considered as some of the methods for developing effective strategies:

Routine method: IT is very important to look effectively at what the organisation has been doing in the past, evaluating the organisations past operations and activities. Nonetheless, the organisation must exercise caution when adopting any of the techniques since the new challenge maybe a breakaway from the past.

Creative thinking: A phenomenon that allows our good imaginative ability to be put to use in developing new and original ideas. The organisation's strategic unit must always attempt to conceptualize the circumstances in developing effective strategy.

Brainstorming: The act of generating creative ideas, most especially a problem-solving idea in a spontaneous manner. Mostly an intensive group discussion that does not give luxury of time for reflection. To develop strategies may also requires putting together group of experts who can think effectively and quickly.

Holistic approach: Because of the extensive or vast perspectives and knowledge of the organisations executives, strategic planning should be initiated by the top executives because strategic process works from general to specific which called for strict adherence.

Tactical approach: For strategic management processes to be effective and successful, it must be tactful and filled with initiative in accordance to the organisation's resources and must be driven and shaped by the organisation best practices. It must be a people process, through the involvement of people, the management and the employee become committed to supporting the organisations objectives.

Dialogue: It is a formal discussion within the organisation and between different unit or department and personnel. A conversational exchange within the organisation and participation is important methods.

Employees: It is equally important to share ideas with the organisation employees, informing and discussion with them the several objectives of the organisation, the series of processes that are involved in achieving them, the present and future operations, projects and competitors.

Consultant services: Some organisation also employ the services of consultant (specialist, adviser) on behalf of the organisation to develop effective strategies and give professional advice when needed.

Global factor: Organisation must evaluate series of global factors when developing effective strategies. Factors like technologies, price system quality of products and services, government policies must have analyzed. In accordance with the past experience, assumption and feelings, awareness is essential in making good strategic decisions. The general awareness must be well integrated with analysis in decision making.

Results and Discussion

Organisation fails to plan strategically which leaves the organisation vulnerable, strategic management should be a continuous approach for organisational growth but lack of cross departmental and cross functional feedback or responses within the organisation can lead to ineffective strategies, some organisation also fails to communicate their plans not knowing that effective communication and collaboration is a critical part of strategic management planning. Strategic management helps the organisation in making decisions on the range of forecasting or predicting future events. When predictions, calculations are made effectively, it helps the organisation in analyzing and combating different levels of threats that may arise now or in the future with the ever-changing business operations of the 21st century. When organisation engage in strategic management planning, they can have control over the future and sustain themselves.

Strategic management planning in organisation help the organisation in dealing and coping with new trends in the environment such as technological advancement and to meet competitive demands in an effective means, it also makes the organisation management more flexible to meet some of the unanticipated changes that may probably occur. The effectiveness and efficiency of the organisation management planning, the formulation and implementation can lead to several financial benefits for the organisation which might stimulate increase in profits (profit maximization). Strategic management helps the organisation and also helps the management team with the habit of creative thinking and thus making proactive and in becoming more intentional of their environment for potential threats and opportunities while assessing the strengths and weaknesses of the organisation.

Strategic management planning provides the much-needed motivation to the organisation employees as it can pave way for them to shape their work and operations in the context of shared corporate goals and eventually working towards the achievement of their set goals. Strategic management forms a fundamental part of the organisation which gives opportunities to the business organisation to involve the different stages of the process involves in management and it improves corporate communication within the organisation, coordination and allocation of resources effectively. Through strategic management, problem identification and problem prevention capabilities of the organisation can be better enhanced. Strategic management helps organisation remain relevant and giving them

competitive advantage as they look to adopt new processes and manage their operations effectively.

Conclusion

Organisations must prioritize effective strategic planning as it is essential, especially when considering SWOT analysis (the strengths, weaknesses, opportunities and threats faced by the organisation). Familiarity with the internal and external environment of the organisation aids in effective planning. With effective strategic management operations, planning becomes successful, strategies are well formulated and implemented accordingly and the strategies are evaluated to determine if the set goals and objectives were achieved.

Every organisation requires planning and the strategic planning team must incorporate the organisation's objectives (mission, vision, values) into their plans without sidelining or disregarding them. Planning involves forecasting or anticipating future events with an element of uncertainty. This underscores the importance of effective planning within an organisation; without it, the organisation may fail to achieve its desired objectives. Operational management that is effective is necessary to help attain set goals and objectives. Strategic management is a relevant field for contemporary organisations as it focuses on the overall framework and direction of the organisation, considering internal and external environmental factors.

Organisations must develop and simplify their strategies while considering their resources, conducting analysis with generated data, collaborating, effectively communicating with all departments and evaluating the processes. It's crucial for organisations to continuously review and adapt their strategies in response to changing internal and external factors. This flexibility allows them to remain competitive and responsive to market dynamics. Furthermore, strategic management should not be viewed as a one-time process but rather as an ongoing effort to ensure organisational success and sustainability.

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