

21) Describe the Strategic management process in detail.

Introduction

The strategic management process defines the strategy of an organization according to its organizational goals and aims. The components of the strategic management process explain the current standing of an organization and where it wants to be in the future. The process of strategic management has four steps: environmental scanning, strategy formulation, implementation and monitoring. There are also five stages of the strategic management process, they include goal setting, strategic analysis, strategy formation, implementation and monitoring.

Strategic Management Process

1) Environmental Scanning

Environmental scanning refers as the method of collecting, analyzing and managing information, which is necessary for the formulation of a strategy. This also includes the gathering of data from internal as well as from external sources and this data is used for the formulation of strategy.

2) Strategy Formulation

When the data is gathered and analyzed properly through environmental scanning, the next step comes to formulate the strategy. The strategy that is formulated is formulated according to the current and future goals of an organization.

3) Strategy Implementation

When different strategies are formulated according to the objectives of the organization, the next step is to implement the strategy that is formulated. The strategy that is to be implemented, is implemented according to the selection of the strategy.

4) Strategy Evaluation

The strategy that has been implemented by the management also needs to be evaluated to check ~~(the)~~ ~~(see)~~ the efficiency of it. Evaluation is necessary in order to determine the goals are in line with aims and objectives of the organization. Also, if the strategy that is implemented is evaluated and it shows it needs to be improved is improved with in line keeping the goals of the organization.

Stages of the Strategic Management Process

1) Goal Setting

Goals are set with the goals related to the aims of the organization. The goals can be of short term and as well as long term. The goals that are set should include everyone in the organization so that every member of the organization is aware of the goals and also collectively contribute to them.

2) Strategic Analysis

In this stage, it is important to gather as much information that is possible. This information is integral to creating the strategy to reach your goals. This stage involves becoming aware of any existing issues of the organization and understand the needs of the organization.

3) Strategy Formation

In this step, you will use all the intelligence and data you have gathered to formulate the strategy that you will use to reach your goal. In this step the existing resources are identified and are used to formulate an efficient strategy.

4) Strategy Implementation

The strategy that has been formulated in the above stage is implemented. As planning without action contribute to no progress. The strategy that is selected by the management is implemented to reach short term or long term goals of the organization. At this point every team member is aware of their goal and know how their role is important in the implementation of the strategy.

5) Strategy Monitoring

The strategy that is implemented needs to be monitored. The monitoring is a process in which the effectiveness of the strategy is determined and once the effectiveness is determined the strategy can be continued. However if there are any corrections to

be made are made in this stage.

Components of Strategic Management Process

Strategic management is an ongoing process. Process of planning, managing, and analyzing to reach organizational goals. Each component interacts with each other and this interaction often happens in chorus. Strategic management helps to create a strategy that helps to get closer to the goals. However, the strategies that are implemented do not reach their goals as the strategies that are implemented are not according to the budget and most of the strategies do not reach their goals.

Conclusion

The strategic management process plays an integral part in achieving the goals of the organization. It determines the current position of the organization and where it wants to go in the future and once the goals are identified a strategy is formulated and implemented after to achieve those goals.