STRATEGIC MANAGEMENT: A COMPREHENSIVE REVIEW PAPER

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ARTICLE INFO

Article history:
Received: December, 02nd 2023
Accepted: February, 28th 2024

Keywords:
Strategic Theories;
Strategic Tools and Techniques;
Strategic Management Process;
Applications of Strategic Management.

ABSTRACT

Purpose: This paper aims to shed light on the evolution of strategic management over time, including definitions, supporting theories, tools, importance, and application in various business settings, and highlight the challenges and future trends of strategic management.

Theoretical Framework: In the available studies, various researchers examine SM utilization. Others have established tools and techniques, while others have contributed to their definition and classification, or investigated which SMs are in use. However, academics and practitioners seldom debate strategic management literature in depth. Gunn and Williams (2007) noted that there is a dearth of papers concerning strategic management. More must be realized about Strategic management.

Design/Methodology/Approach: This paper employs a systematic review design, also known as an overview, which is a comprehensive synthesis of primary research studies. These approaches are utilized to identify, compile, critically, and synthesize all pertinent issues about the subject (Cipriani & Geddes, 2003).

Findings: Companies that aim to achieve success and remain competitive over the long term must utilize strategic management, which provides organizations with a framework for making decisions, maintaining consistency and cohesion, boosting productivity and flexibility, and promoting teamwork. Therefore, strategists should have a comprehensive understanding of the evolution of strategic management, including the concepts, theories, and tools that could help achieve strategic goals.

Research, Practical & Social Implications: This paper contributes to additional evidence for those interested in strategic management scholars or managers to pay more attention to the tools and theories, that could be improving their organizations. In addition, this study complements the systematic literature review documents related to the content of SM. Moreover, Future research could be extended or discriminate between various types of tools and theories that could apply to strategic management. It could also investigate additional on the changing that facing strategic management.

Originality/Value: This study contributes to filling the gap in the dearth of studies in the strategic management field. The study also provides insights into the definitions, supporting theories, tools, importance, and application in various business settings, and highlights the challenges and future trends of strategic management.

Doi: https://doi.org/10.26668/businessreview/2024.v9i3.4373

RESUMO

Objetivo: Este artigo tem como objetivo esclarecer a evolução da gestão estratégica ao longo do tempo, incluindo definições, teorias de apoio, ferramentas, importância e aplicação em vários ambientes de negócios, além de destacar os desafios e as tendências futuras da gestão estratégica.

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**Estrutura Teórica:** Nos estudios disponibles, varios pesquisadores examinam a utilización da SM. Outros estabeleceram ferramentas e técnicas, e no entanto outros contribuíram para a sua definição e classificação, ou investigaram quais SMs estão em uso. Entretanto, académicos e profissionais raramente debatem a literatura de gestão estratégica em profundidade. Gunn e Williams (2007) observaram que há uma escassez de artigos sobre gestão estratégica. É preciso que se saiba mais sobre a gestão estratégica.

**Projeto/Metodología/Abordagem:** Este artigo emprega um projeto de revisión sistemática, também conocido como visión geral, que é uma síntese abrangente de estudos de pesquisa primária. Essas abordagens são utilizadas para identificar, compilar, criticar e sintetizar todas as questões pertinentes sobre o assunto (Cipriani & Geddes, 2003).

**Conclusões:** As empresas que pretendem alcanzar o sucesso e permanecer competitivas no longo prazo devem utilizar a gestão estratégica, que fornece às organizações uma estrutura para tomar decisões, manter a consistência e a coesão, aumentar a produtividade e a flexibilidade e promover o trabalho em equipe. Portanto, os estrategistas devem ter uma compreensão abrangente da evolução da administração estratégica, incluindo os conceptos, as teorias e as ferramentas que podem ajudar a atingir as metas estratégicas.

**Implicações Sociais, Práticas e de Pesquisa:** Este artigo contribui com evidências adicionais para que os interessados em gestão estratégica, académicos ou gerentes, prestem mais atenção às ferramentas e teorias que poderiam melhorar suas organizações. Além disso, este estudo complementa os documentos de revisión sistemática da literatura relacionados ao conteúdo da SM. Além disso, pesquisas futuras poderiam ser ampliadas ou discriminadas entre vários tipos de ferramentas e teorias que poderiam ser aplicadas à gestão estratégica. Também poderia investigar mais sobre as mudanças que a administração estratégica enfrenta.

**Originalidade/Valor:** Este estudo contribui para preencher a lacuna na escassez de estudos no campo da administração estratégica. O estudo também fornece insights sobre as definições, teorias de apoio, ferramentas, importância e aplicação em vários cenários de negócios, além de destacar os desafios e as tendências futuras da administração estratégica.

**Palavras-chave:** Teorías Estratégicas, Ferramentas e Técnicas Estratégicas, Processo de Administração Estratégica, Aplicações da Administração Estratégica.

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**DIRECCIÓN ESTRATÉGICA: DOCUMENTO DE REVISIÓN EXHAUSTIVA**

**Resumen**

**Objetivo:** Este artículo pretende arrojar luz sobre la evolución de la gestión estratégica a lo largo del tiempo, incluyendo definiciones, teorías de apoyo, herramientas, importancia y aplicación en diversos entornos empresariales, así como destacar los retos y las tendencias futuras de la gestión estratégica.

**Marco Teórico:** En los estudios disponibles, diversos investigadores examinan el uso de la gestión estratégica. Otros han establecido herramientas y técnicas, mientras que otros han contribuido a su definición y clasificación, o han investigado qué SM se utilizan. Sin embargo, académicos y profesionales rara vez se ven obligados a profundizar la literatura sobre gestión estratégica. Gunn y Williams (2007) observaron que escasean los artículos sobre gestión estratégica. Es necesario aprender más sobre gestión estratégica.

** Diseño/Metodología/Enfoque:** Este artículo emplea un diseño de revisión sistemática, también conocido como visión de conjunto, que es una síntesis exhaustiva de estudios de investigación primaria. Estos enfoques se utilizan para identificar, recopilar, criticar y sintetizar todas las cuestiones pertinentes sobre el tema (Cipriani & Geddes, 2003).

**Conclusiones:** Las empresas que quieran alcanzar el éxito y seguir siendo competitivas a largo plazo deben recurrir a la gestión estratégica, que proporciona a las organizaciones un marco para tomar decisiones, mantener la coherencia y la cohesión, aumentar la productividad y la flexibilidad y fomentar el trabajo en equipo. Por lo tanto, los estrategas deben conocer a fondo la evolución de la gestión estratégica, incluidos los conceptos, las teorías y las herramientas que pueden ayudar a alcanzar los objetivos estratégicos.

**Implicaciones Sociales, Prácticas y de Investigación:** Este artículo aporta pruebas adicionales para que los interesados en la gestión estratégica, ya sean académicos o directivos, presten más atención a las herramientas y teorías que podrían mejorar sus organizaciones. Además, este estudio complementa los documentos de revisión sistemática de la literatura relacionados con el contenido de la gestión estratégica. Por otra parte, futuras investigaciones podrían ampliar o discriminar los distintos tipos de herramientas y teorías que podrían aplicarse a la gestión estratégica. También podría investigar más a fondo los cambios a los que se enfrenta la gestión estratégica.

**Originalidad/Valor:** Este estudio contribuye a llenar el vacío de la escasez de estudios en el campo de la gestión estratégica. El estudio también aporta información sobre las definiciones, las teorías de apoyo, las herramientas, la importancia y la aplicación en diversos escenarios empresariales, además de destacar los retos y las tendencias futuras de la gestión estratégica.
1 INTRODUCTION

Strategic management is the process by which a company's or organization’s top management formulates and implements its major goals and initiatives on behalf of its owners while considering resources and assessing the internal and external environments in which the organization competes (David, David, & David, 2020). Therefore, within organizations, strategic management plays a crucial role in facilitating the formulation and implementation of strategies aimed at achieving the organization's goals and implementing tactics to reach those goals.

The central focus of strategic management is identifying and describing the strategies managers can employ to achieve higher productivity and a competitive advantage for their firm. While top management bears the maximum responsibility for a company's strategy, it is frequently influenced by the efforts of middle managers and employees. (Schneller, Abdulsalam, Conway, & Eckler, 2023). Therefore, a strategy could have multiple people in charge of it in addition to the chief executive officer. The implementation of strategic management aids a company's ability to overcome the challenges of the business world, achieve its objectives, and sustain its level of success over time. By learning the components of strategic management, businesses may increase their ability to make decisions, respond to shifts in the market, and stay ahead of the competition in today's dynamic business environment since it improves the company’s readiness for unforeseen internal or potential competition demands. Additionally, business leaders who analyze the external environment and draw lessons from past strategies can effectively shape the company's future and direct the actions of their staff to foster organizational success (Benzaghta, Elwalda, Mousa, Erkan, & Rahman, 2021). This paper seeks to review strategic management through an analysis of its historical origins, core concepts, theoretical foundations, as well as the tools and frameworks employed in its practice. Additionally, it will explore the significance of strategic management and its applicability in addressing diverse corporate situations, problems, and emerging threats.
2 METHODOLOGY

A systematic review of empirical research on the definitions, supporting theories, tools, importance, and application in various business settings, and highlighting the challenges and future trends forms the basis of this study. Systematic reviews, also known as overviews, are comprehensive syntheses of primary research studies. They employ methodological approaches that are explicit, specific, and thus reproducible. These approaches are utilized to identify, compile, and synthesize all pertinent issues pertaining to a particular subject (Cipriani & Geddes, 2003).

Synthesizing empirical research was primarily accomplished through textual narrative synthesis. By employing this approach, it is possible to integrate extensive insights derived from diverse methodologies and strategies (Bélanger, Rodríguez, & Groleau, 2011). Predominantly employing text and words to summarize and elucidate the results of the synthesis is the methodology outlined in this work (Popay, et al. 2007).

In order to facilitate the narrative synthesis process, it is customary to categorize the included studies into categories (Popay, et al. 2007). The research is broadly categorized into periods (1930–2023). Following the process of article selection, the pertinent data from these studies was extracted. Furthermore, a restricted inquiry was conducted to detect any recently published studies subsequent to the initial review. As a result, the contextual information are presented in a tabular format and texts, facilitating the comparison of similarities, and differences in knowledge of the evolution of strategic management over time.

3 RESULTS AND DISCUSSION

In general, scholarly investigations pertaining specifically to the application of strategic management are scarce. In the available studies, various researchers examine SM utilization. Others have established tools and techniques, while others have contributed to their definition and classification, or investigated which SMs are in use.

The studies of SMs, however, is not sufficiently discussed by academics and practitioners. Clark (1997) and Gunn and Williams (2007) underscored the dearth of papers concerning strategic management. Aldehayyat and Anchor (2008) noted that the study of SM utilization has received little attention from strategy scholars.

The following summarizes the main points of the observed researches:

b) The strategic management main theories used (Fiedler, 1964; Rumelt, 1974; Jensen & Meckling, 1976; Porter, 1980; Nelson & Winter, 1982; Freeman, 1984; Barney, 1995; Teece et al., 1997; Raible, 2013);

c) The strategic management classification researches on tools and techniques (Helms & Nixon, 2010; Aguilar, 1967; Drucker, 1974; Daniel, 1961; Camp, 1989; Theiss, 1937; Barra et al., 2020; Juglar, 1862; Tse & Wilton, 1985; Rizzi, 2009).

4 HISTORICAL EVOLUTION OF STRATEGIC MANAGEMENT

Scholars like Frederick Taylor in management recognized the need for a systematic method to guide enterprises in the early 20th century, laying the groundwork for what is now known as strategic management (Bolland, 2020). However, it was in the 1950s and 1960s that strategic management became a distinct study area. During this period, scholars like Peter Drucker (1974) and Alfred Chandler (1962) dedicated their efforts to researching the pivotal roles played by top-level executives in establishing strategic direction and formulating long-term plans (Fuertes et al., 2020). Drucker introduced the concept of management by objectives by emphasizing the indispensability of comprehending external factors in decision-making processes. On the other hand, Chandler conducted extensive research into large corporations, revealing senior managers' importance in making strategic decisions.

The concept of strategy has emerged as a prominent focus in the modern era (Carter, 2013), supplanting traditional management activities such as "administration" or "planification". The term "strategy" has its roots in the military and is derived from the Greek word "strategos" (Mackay & Zundel, 2017). Several authors have addressed the idea of strategy across time. One of them is Chandler (Chandler, 1962), who claims that strategy is defining a company's long-term goals and objectives, adopting actions, and allocating essential resources to attain the objectives. Also, Iverson and Andrews (Iverson & Andrews, 1987), mention that a strategy refers to a conceptual framework encompassing the objectives, policies, purposes, goals, and plans of the organization, that are designed to determine the specific industry or sector in which the company operates or intends to operate.
In the 1970s and 1980s, strategic management experienced a profound revolution driven by scholars like Michael Porter. According to Porter (1985), the strategy consists of deciding what activities a company should focus on and how they should be performed to establish a sustainable difference in the market. Differentiation occurs as a result of what activities are chosen, and how those activities are performed. Porter's revolutionary work on competitive strategy created awareness about how industry analysis, competitive advantage pursuit, and differentiation contribute directly to achieving organizational success. Due to his frameworks' rigorous approach to formulating strategies, such as the Five Forces model and generic strategies, businesses accepted them widely (Griffin, 2021). However, the approach to strategic management underwent a significant change in the 1990s, with scholars such as (Hamel & Prahalad, 1994) the significance of core skills, innovation, and flexibility in attaining a competitive edge (Smith, 2020). They argued in favor of a strategic strategy that encouraged ongoing learning and adaptation in reaction to changes in the business environment. The driving forces behind this shift were globalization and technical development in the late 20th and early 21st centuries, which posed new difficulties for strategic management. As businesses tried to succeed in a business landscape that was getting more complicated and constantly changing, the focus shifted to strategic agility, sustainability, and managing disruptive technologies. At this point, the focus turned to business ecosystems, open innovation, and digital transformation. Due to new trends like data analytics, artificial intelligence, and social responsibility, strategic management is still constantly evolving in contemporary times, with strategic managers recognizing the value of scenario preparation, agility, and strategic foresight in handling uncertain situations (Schneller et al., 2023). Additionally, more companies are adopting a more internationally focused perspective when designing strategies due to the expanding interconnection of international markets (Met, Uysal, Özkaya, & Orç, 2020).

5 DEFINITION OF STRATEGIC MANAGEMENT

This study has shown multiple definitions of strategic management as documented in the existing literature. This phenomenon has arisen due to organizational stakeholders' varying perceptions of strategies. Therefore, the current body of literature substantiates the role of top management in establishing organizational objectives and formulating analytical frameworks.

In a comprehensive literature review study that explores strategic management holistically, scholars investigate different definitions of strategic management and endeavor to
integrate key elements from each definition to formulate a more comprehensive depiction of the concept (Qehaja, Kutllovci, & Pula, 2017). The multivariate definition of strategic management encompasses the process of formulating and executing plans aimed at attaining an organization's long-term objectives. This process entails the identification of the organization's internal strengths and weaknesses, as well as the external opportunities and threats present in its environment. Additionally, strategic management involves the development of a future-oriented vision for the organization and the formulation of a corresponding plan to realize this vision. The provided definition of strategic management is notably comprehensive and encompasses various facets relevant to the field of strategy. Strategic management can be characterized as a comprehensive improvement of an organization's behaviors that result in advantageous outcomes for the organization.

Drucker (1954) posits that strategy entails a comprehensive assessment of the current circumstances and subsequent adaptation as required, encompassing the evaluation of available resources and the determination of optimal resource allocation. Furthermore, according to Chandler (1962), strategy can be defined as the process of identifying the fundamental long-term objectives of a business, selecting the appropriate courses of action, and allocating the required resources to achieve these objectives. Furthermore, Andrews (1972) describes strategic management as aligning the company's business, values, and mission with its strategic objectives, policies, and plans. Also, Johnson et al. (Johnson, Whittington, Scholes, Angwin, & Regnér, 2008) reveal that strategic management is a less complicated approach that views strategy as a design process to balance an organization's internal distinctive capability and external threats and opportunities. Formulating a strategy ought to be a deliberate, unstructured, and carefully managed exercise. In addition, Strategic management refers to managers' collective decisions and actions to determine a company’s performance (Wheelen & Hunger, 2008). It includes analyzing the internal and external business environment, developing a strategic plan, implementing it, and evaluating its effectiveness. Thus, strategic management is a broad term that can be defined as the process of establishing the mission and objectives of an organization, taking into account both the external and internal factors that influence its operations (Ferreira, Raposo, & Mainardes, 2014). Based on Barney and Hesterly (2019), an organization’s strategy is its theory on how to acquire competitive advantages. In addition, plans contain a lot of assumptions and hypotheses that need to be proven correct in order to reap the benefits of competition.
According to Bryson and George (2020), strategic management is the process of directing an organization's efforts so that they produce the desired results. This process involves analyzing the external environment to determine the opportunities and risks, assessing the organization's internal resources and skills, developing a distinct vision and mission statement to create a sense of purpose and direction, establishing objectives and goals, and reviewing them alongside several alternative courses of action until the strategic management team selects a suitable strategic plan (Fergnani, 2022). Following the selection of the plan, the management implements it by allocating resources, coordinating efforts, and maintaining open lines of communication. In addition, the management team puts in place evaluation and control procedures to ensure that progress is made to attain the set objectives while making the necessary adjustments.

Strategic management is widely recognized as a crucial tool for improving competitiveness and organizational performance (Alkhodary, 2023). Therefore, Strategic management is the optimal use of the organization's resources by regularly assessing internal and external environmental elements, determining strengths, weaknesses, opportunities, and threats, for creating its vision and mission to attain competitiveness and sustainability. Conclusively speaking, various definitions of strategic management exist in reported studies. However, it is prudent to note that they all refer to it as a process that analyses organizational situations, which when operated correctly can serve to change the organization positively. Table (1) provides a comprehensive overview of the diverse definitions associated with the field of strategic management.

Table 1  
Various of Strategic Management Definitions Prepared by the author (2024)

<table>
<thead>
<tr>
<th>Authors</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drucker (1955)</td>
<td>Strategy is analyzing the current situation and modifying it as required.</td>
</tr>
<tr>
<td>Chandler (1962)</td>
<td>Strategy determines the essential long-term objectives of an organization, as well as the methods of action and resource allocation required to achieve these objectives.</td>
</tr>
<tr>
<td>Cannon (1968)</td>
<td>Strategies are the directional action decisions required by the company's mission to attain competitive advantage.</td>
</tr>
<tr>
<td>Uyterhoeven et al. (1977)</td>
<td>Strategy provides both guidance and cohesion to the corporation and is composed of several strategic steps: profile, resource audit, prediction, alternatives analyzed, tests for consistency, and choice.</td>
</tr>
<tr>
<td>Ansoff (1979)</td>
<td>Strategic management is a set of principles for making decisions under conditions of incomplete knowledge.</td>
</tr>
<tr>
<td>Porter (1980)</td>
<td>Strategic management is the company's selection of crucial decision variables such as price, promotion, volume, and quality.</td>
</tr>
</tbody>
</table>
Alharbi, I. B. (2024)
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<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fahey (1989)</td>
<td>Strategic management describes how a company will use its resources and capabilities to create and maintain competitive advantages that positively influence the purchasing decisions of customers.</td>
</tr>
<tr>
<td>Teece (1990)</td>
<td>Strategic management is the formulation, implementation, and evaluation of managerial actions that increase the value of an organization.</td>
</tr>
<tr>
<td>Montgomery and Porter (1991)</td>
<td>Strategic management is the deliberate pursuit of an action plan to develop and alter its competitive advantage.</td>
</tr>
<tr>
<td>Miller and Dess (1996)</td>
<td>Strategic management is a set of strategies or decisions made to assist organizations in reaching their goals.</td>
</tr>
<tr>
<td>Johnson and Scholes (2002)</td>
<td>Strategic management is the direction and scope of an organization over the long-term: which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations.</td>
</tr>
<tr>
<td>(Nag et al. (2007)</td>
<td>Strategic management refers to the process of developing and enhancing a firm's capabilities to generate value for shareholders, customers, and society within the context of competitive markets.</td>
</tr>
<tr>
<td>Omalaja et al. (2011)</td>
<td>Strategic management is the process and approach of defining an organization's goals, creating policies, programs, paradigms, and plans to achieve these goals, and allocating resources to implement the policies, programs, paradigms, and plans.</td>
</tr>
<tr>
<td>Ferreira et al. (2014)</td>
<td>Strategic management is a comprehensive term that encompasses determining the organization's mission and objective in light of its external and internal environments.</td>
</tr>
<tr>
<td>Wheelen et al. (2017)</td>
<td>Strategic management is the process of creating and executing long-term plans that enable an organization to reach its objectives.</td>
</tr>
<tr>
<td>Wheelen et al. (2018)</td>
<td>Strategic management is a collection of managerial decisions and actions that help determine an organization's long-term performance, that consists of environmental assessment, strategy formulation, strategy implementation, as well as evaluation and control.</td>
</tr>
<tr>
<td>Susanti et al. (2023)</td>
<td>Strategy management is the art and action of how to win the competition, by developing core capabilities (tangible and intangible resources) in the organization.</td>
</tr>
</tbody>
</table>

**6 THEORIES IN STRATEGIC MANAGEMENT**

According to Chandler (1962), business strategy entails the identification and establishment of fundamental, enduring objectives for an organization, as well as the formulation of appropriate action plans and resource allocation to effectively pursue these objectives. Numerous theories have been developed in recent decades with the aim of providing utility to organizations across various contexts and circumstances. This article adopts nine theories, as discussed by (Barney, Della Corte, Sciarelli, & Arikan, 2012; David, 2005; Hashim, 2005), these strategic management theories are commonly recognized and relevant to contemporary industrial and governmental organizations, which are; the profit-maximizing and competition-based theory, resource-based theory, survival-based theory, agency theory, contingency theory, industrial organization (IO) theory, evolutionary theory (ET), dynamic capabilities theory, and stakeholder theory. Table (2) presents a comprehensive overview of the various theories pertaining to strategic management.
6.1 PROFIT-MAXIMIZING, AND COMPETITION-BASED THEORY

According to Porter (1980), the theory of profit maximization and competition has been based on the idea that one of the most important goals of business organizations is to maximize their long-term profitability and to achieve a competitive edge that will last better than their competitors. Barney (1995) posits that the primary objective of any organization is to endeavor to maximize its long-term profits, in order to achieve a highly competitive position relative to its competitors and to achieve a high level of success through its operations. Thus, it can conclude that the profit-maximizing and competition-based theory holds contemporary significance given the fact that businesses are engaging in both internal and external competition both within and across various sectors of the economy (Vroom & McCann, 2011).

6.2 RESOURCE-BASED THEORY (RBT)

According to Ainuddin et al. (2007), the resource-based theory (RBT) is predicated on the supposition that in order for a company to gain a competitive edge, it must first and foremost cultivate its own internal resources before it can focus on its position in the market. That is, rather than merely analyzing the possibilities and risks posed by the environment in the course of doing business, a firm's competitive advantage is dependent on the distinctive resources and competencies it has (Barney, 1991). In addition to this, it is predicated on a SWOT analysis, which pits an organization's internal strengths and weaknesses against its external opportunities and threats. However, this idea is essential in the context of the current situation since the distinctive assets of a company might constitute a significant part of a company's source of competitive advantage (Chetty, 2019). Therefore, maintaining a competitive advantage will require companies to make sure that they have and utilize valuable, rare, difficult-to-duplicate, and non-substitutable resources as part of their business strategy (Ployhart, 2021). Hence, it can be argued that resource-based theory plays a crucial role in the formulation and implementation of strategic plans (Chetty, 2019).

6.3 SURVIVAL-BASED THEORY

According to Rumelt (1974), the survival-based theory is predicated on the idea that in order for businesses to survive and flourish in their respective competitive environments, they
must continually adapt. According to Otungu et al. (2011), the survival-based theory posits that in order for businesses to thrive in today's fast-paced and cutthroat business environment, they need to be able to continuously improvise. The survival-based view of strategic management emphasizes the assumption that in order for organizations to survive, they need to deploy strategies that should be focused on running very efficient operations and can respond rapidly to the changing competitive environment (Hashim, 2005). According to the survival-based view, the one that survives is the one that is the fittest and most able to adapt to the environment (Abdullah, 2010). Thus, this hypothesis is necessary, particularly in the context of the global recession scenario, and in order to forestall a slowdown in growth (Chetty, 2019).

6.4 AGENCY THEORY

The concept of agency theory can be defined as a contractual relationship in which one or more individuals, referred to as the "principal", engage the services of another individual, known as the "agent", to carry out certain tasks on their behalf, by giving the agent granted a certain degree of decision-making authority (Jensen & Meckling, 1976). Agency theory is widely recognized as a prominent framework for understanding managerial behavior, emphasizing the importance of establishing effective collaboration between management and stakeholders to collectively pursue shared objectives (Otungu et al., 2011). Furthermore, the objective of agency theory is to provide a comprehensive explanation of organizational behaviors, with a particular focus on the relationship between the manager, acting as the agent of the company, and the shareholder, who assumes the role of the principal (Zogning, 2017). The agency theory is a management framework in which an individual, referred to as the agent, acts on behalf of another individual, known as the principal, with the objective of advancing the principal's goals (Laffont & Martimort, 2009).

6.5 CONTINGENCY THEORY

Contingency theory is a group of behavioral theories engaged in contingency theory, which posits that there is no universally optimal or singular approach to organizational management (Fiedler, 1964). Instead, organizations should formulate suitable managerial strategies by considering the specific circumstances and conditions they encounter (Omalaja et al., 2011). While there is consensus that there is no universally optimal approach to
organizational management (Galbraith, 1973; Ginsberg & Venkatraman, 1985), certain scholars have underscored the significance of the alignment between an organization and its external and internal surroundings (Chandler, 1962; Peteraf & Reed, 2007). Hence, according to contingency theory, it is inferred that there is no singular approach to effectively managing businesses. Instead, organizational managers should possess adaptability and formulate strategies that are contingent upon the prevailing circumstances and anticipated internal and external factors (Raduan, Jegak, Haslinda, & Alimin, 2009).

6.6 INDUSTRIAL ORGANIZATION THEORY

The Industrial Organization theory focuses on how the market structure influences a company's decision-making and strategy (Raible, 2013). The emergence of the industrial organization theory can be attributed to businesses' inherent drive to maintain competitiveness (Conner, 1991). The focus of the industrial organization theory was on the strategic positioning of firms' products within markets, with consideration given to the impact of competitive market forces on firms' performance (Porter, 1980). The market concentration is determined by various factors including the number of participants, the size of the dominant players, the relative cost structures, and the differentiation of products. These elements collectively form the "structure" of the market (Bikker & Haaf, 2002). Hence, the contemporary perspective of industrial organization theory posits that organizations possess the capacity to exert influence on the external environment, thereby affecting performance outcomes through strategic actions (Miller, 1988).

6.7 EVOLUTIONARY THEORY

The evolutionary theory is all regular and predictable behavioral patterns of organizations (R. Nelson & Winter, 1982). Therefore, the organization's performance is a result of its evolution over time, in a context of uncertain anticipations (Barney et al., 2012). According to the evolutionary theory, local and global changes are demanding, need fresh viewpoints, and have nearly immediate repercussions on specific sectors throughout the economy (da Silva, Guevara, João, de Oliveira, & Fernandes, 2017). Ideally, a discussion of the relationship between organizational forms should be grounded in an environment of certainty while taking into account a changing environment (Hodgson, 2009; R. R. Nelson &
Consoli, 2010; Ring, 1997). Hence, the evolutionary theory posits a longitudinal examination grounded in the concept of path dependence, which enables the identification of developing capabilities within organizational structures and routines (Cecere, Corrocher, Gossart, & Ozman, 2014; Dobusch & Kapeller, 2009; Heine & Rindfleisch, 2013).

6.8 DYNAMIC CAPABILITIES THEORY

The Dynamic Capabilities (DC) theory emerged as a viable alternative to address certain limitations of the Resource-Based View (RBV) theory (Galvin, Rice, & Liao, 2014). The concept of dynamic capabilities (DC) theory posits that firms are able to effectively respond to dynamic and evolving environments by strategically managing their resources and capabilities, this involves the process of constructing, integrating, and reconfiguring their portfolio of resources and capabilities (Teece, Pisano, & Shuen, 1997). Therefore, the dynamic capability theory is based on a firm's capacity for learning and evolution (Lei, Hitt, & Bettis, 1996). Moreover, the concept of dynamic capabilities theory extends beyond the notion that a firm's sustainable competitive advantage is contingent upon its possession of valuable, rare, inimitable, and non-substitutable resources. Dynamic capabilities play a crucial role in facilitating the integration, mobilization, and reconfiguration of an organization's resources and capabilities, thereby enabling it to effectively respond and adapt to swiftly evolving environments (Bready, Hafiez Ali, & Balal Ibrahim, 2018).

6.9 STAKEHOLDER THEORY

Stakeholder theory emphasizes the significance of recognizing and addressing the interests and expectations of various stakeholders (Kretschmer, Leiponen, Schilling, & Vasudeva, 2022). This theory was developed by Edward (Freeman, 1984). Stakeholders can be individuals or groups directly or indirectly impacted by an organization's actions, such as customers, employees, suppliers, communities, and shareholders. According to the stakeholder theory, organizations are responsible for considering all stakeholders' needs, concerns, and rights by understanding their expectations, engaging them in dialogue, and incorporating their perspectives into decision-making processes. The theory argues that sustainable success and value creation can be achieved by actively managing and balancing the interests of all stakeholders instead of solely focusing on maximizing shareholder value (Whittington, Regnér,
Angwin, Johnson, & Scholes, 2020). The impact of stakeholder orientation extends to both the strategic context and the practice of strategic management, playing a pivotal role in the decision-making process (Harrison, Barney, Freeman, & Phillips, 2019).

Table 2

Main of Theories in Strategic Management Prepared by the author (2024)

<table>
<thead>
<tr>
<th>Theory</th>
<th>Main Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit-maximizing and competition-based theory</td>
<td>The profit-maximizing and competition-based theory states that a company's</td>
</tr>
<tr>
<td>(Porter, 1980)</td>
<td>principal goal is to maximize long-term profit and gain a sustainable</td>
</tr>
<tr>
<td></td>
<td>advantage over competitors.</td>
</tr>
<tr>
<td>Resource-based theory</td>
<td>The resource-based theory expresses the internal unique resources and</td>
</tr>
<tr>
<td>(Barney, 1995)</td>
<td>capabilities that an organization owns.</td>
</tr>
<tr>
<td>Survival-based theory</td>
<td>The survival-based theory is predicated on the notion that organizations</td>
</tr>
<tr>
<td>(Rumelt, 1974)</td>
<td>must incessantly adapt to their competitive environment in order to endure.</td>
</tr>
<tr>
<td>Agency theory (Jensen &amp; Meckling, 1976)</td>
<td>The agency theory emphasizes the important link between owners (organization</td>
</tr>
<tr>
<td></td>
<td>owners) and agents (organization managers) with a degree of decision-making</td>
</tr>
<tr>
<td></td>
<td>authority to ensure the organization's success.</td>
</tr>
<tr>
<td>Contingency theory (Fiedler, 1964)</td>
<td>The contingency theory illustrates that there is no optimal way to manage an</td>
</tr>
<tr>
<td></td>
<td>organization and that organizations should develop managerial strategies</td>
</tr>
<tr>
<td></td>
<td>based on the conditions and situations they are facing.</td>
</tr>
<tr>
<td>Industrial organization theory (Raible, 2013)</td>
<td>Industrial organization theory concerns how the structure of a market affects</td>
</tr>
<tr>
<td></td>
<td>an organization's strategy and decision-making.</td>
</tr>
<tr>
<td>Evolutionary theory (R. Nelson &amp; Winter, 1982)</td>
<td>The evolutionary theory, is an organization's predictable and routine</td>
</tr>
<tr>
<td></td>
<td>behavioral patterns have developed through time as a consequence of their</td>
</tr>
<tr>
<td></td>
<td>development within a setting of uncertain expectations.</td>
</tr>
<tr>
<td>Dynamic capabilities theory (Teece et al., 1997)</td>
<td>Dynamic capabilities theory is a firms' capacity to integrate, develop, and</td>
</tr>
<tr>
<td></td>
<td>restructure internal and external resources and competencies in response to</td>
</tr>
<tr>
<td></td>
<td>a changing business environment.</td>
</tr>
<tr>
<td>Stakeholder theory (Freeman, 1984)</td>
<td>The stakeholder theory centers on the interplay between the company and its</td>
</tr>
<tr>
<td></td>
<td>beneficiaries, such as clients, workers, suppliers, communities ...etc.</td>
</tr>
</tbody>
</table>

7 STRATEGIC MANAGEMENT TOOLS AND TECHNIQUES

There is no doubt that strategic management tools and techniques (henceforth abbreviated as SMTTs) are essential components to the strategic management process. The term "strategy tool" is a broad term that encompasses various methods, models, techniques, tools, technologies, frameworks, methodologies, or approaches that are employed to aid in the execution of strategic tasks (Stenfors, Tanner, Syrjänen, Seppälä, & Haapalinna, 2007). Numerous authors (Clark, 1997; Clark & Scott, 1999; Frost, 2003) identified a wide range of techniques, tools, methods, models, frameworks, approaches, and methodologies that can be
utilized to facilitate decision-making in the context of strategic management. According to Gunn and Williams (2007), strategy tools are conceptual frameworks that aid strategic managers in the process of decision-making. According to Clark (1997), it is possible to incorporate SMTTs at various stages of the strategic management process, including situation assessment, strategic analysis of options, and strategic implementation. In order for organizations to derive significant benefits from strategic management tools and techniques, it is imperative that managers possess a comprehensive understanding and awareness of the various tools and techniques available (Afonina & Chalupský, 2013). Several authors have proposed a range of tools for strategic analysis, delineating them as a framework to assist managers. This paper, in particular, has presented the ten most frequently utilized Social Media Technologies Tools (SMTTs) based on findings from a comprehensive analysis of 25 distinct empirical studies (Qehaja et al., 2017). These tools are named: SWOT analysis, PEST analysis, Vision and Mission statements, key success factors analysis, Benchmarking, Budgeting, Financial forecasting, Economic forecasting, Customer satisfaction, and “What if” analysis. Table (3) presents a summary of the various Tools and Techniques pertaining to strategic management.

7.1 SWOT ANALYSIS

The SWOT tool (strengths, weaknesses, opportunities, and threats) was established by Albert Humphrey in the 1960s, and it has evolved as a major technique for tackling complex strategic issues by decreasing the amount of information to better decision-making (Helms & Nixon, 2010). The SWOT analysis involves identifying the critical forces determining the capability of fulfilling organizational purposes (Benzaghta et al., 2021). The strengths are the organization’s core competencies, such as a competent workforce, and technology. Weaknesses are internal limitations or gaps that hinder performance, such as outdated infrastructure and fiscal constraints. Opportunities refer to favorable situations or trends external to an organization, such as emerging markets and technological advancements. Threats are external influences, such as increased competition, and economic downturn.
7.2 PEST ANALYSIS

PEST analysis is the main tool for assessing the macro-environment's impact on economic organizations' strategic and operational management (Ivan, Draško, & Aleksandar, 2012). The PEST analysis, developed by Francis Aguilar (1967), examines political, economic, social, and technical variables (Vasileva, 2018). PEST is important for analyzing market developments, corporate situations, and future operations (Kotler, 1997). PEST analysis helps firms assess external issues that may affect their operations and strategies (Cox, 2021). According to Thompson (2001), the PEST includes the P - political and institutional environment, which involves analyzing the influence of political and legal parameters controlling particular activities that might strongly affect economic operations. While the E-economic environment includes analysis and forecasts of basic macroeconomic indicators and parameters (taxes, exchange rates, interest rates, employment and unemployment trends), business conditions and economic policy can affect business conditions and economic performance. The S-socio-cultural environment involves understanding, analyzing, and forecasting basic socio-cultural indicators like customs, beliefs, attitudes, culture, and lifestyle, as well as strategic demographic indicators. The T-Technology section analyzes, predicts, and develops innovative industrial, information, and material technologies.

7.3 VISION, AND MISSION TOOL

The utilization of vision and mission statements is crucial for organizations in order to establish their purpose, enhance their understanding of the organization's contents and components, and foster a strong connection with employees in the pursuit of organizational objectives (Taiwo, Lawal, & Agwu, 2016). Peter Drucker, a widely recognized figure in the field of modern management, advocated for the implementation of formally recorded vision and mission statements within organizations (David et al., 2020). In his seminal work published in 1974, Drucker (1974) put forth the proposition that organizations ought to pose three fundamental questions prior to embarking on strategic endeavors or any other formal facets of planning: 1). To where we are going? 2). In which industry does our organization operate? 3). What is the method by which we will arrive at our goal?. Question 1 pertains to the concept of "what do we aspire to become", commonly referred to as the vision statement. Question 2 concerns the universally acknowledged definition of mission. Lastly, question 3, as posited by
(Drucker, 1974), delves into the strategy and tactics necessary for the attainment of both the vision and mission statements.

**7.4 KEY SUCCESS FACTOR (KSF)**

The concept of "success factors," introduced by Ronald Daniel (1961), gives rise to the notion of a key success factor (KSF). The Key Success Factors (KSF) encompass the essential components that foster customer loyalty and enable an organization to effectively compete in the market. The concept of a key success factor is based on a causal relationship, by represents the connection between a business's competitive advantage in a market, which is determined by perceived value and relative costs, and the factors that contribute to that advantage, such as specific skills and resources (Grunert, 1992). Moreover, a comprehensive analysis of consumer preferences and the underlying factors driving industry competition, an organization can identify the key success factors specific to its industry. Furthermore, it is imperative for the organization to evaluate the resources and capabilities that have contributed to its success, thereby gaining insights into the elements that have played a pivotal role in its achievements.

What was the significance of its internal structure and organizational culture in shaping its role? What are the key determinants of competition within this industry? (Henry, 2021). This implies that the Key Success Factors (KSFs) can encompass both internal and external factors that necessitate consideration. Therefore, it is imperative to ascertain the primary elements that contribute to the achievement of success in corporate strategic management (Berisso, 2020).

**7.5 BENCHMARKING TECHNIQUE**

The term "Benchmarking technique" was coined by the Xerox, an American Corporation, during his tenure from 1982 to 1990. Camp (1989) defined benchmarking as the ongoing practice of evaluating products, services, and practices in comparison to the most formidable competitors or companies acknowledged as leaders in the industry. According to Codling (1996), benchmarking is a continuous procedure that involves the evaluation and enhancement of products, services, and practices in comparison to the most exemplary standards identified on a global scale. Xerox holds the distinction of being the initial organization in the United States to employ benchmarking in its business practices. However, it is noteworthy that Japanese firms, over a span of more than twenty years, extensively utilized
benchmarking as a strategic tool to swiftly bridge the gap and reach the level of performance exhibited by the world's leading firms (Ohinata, 1994). According to Anand and Kodali (2008), Benchmarking is a systematic and ongoing evaluation of an organization's strategies, functions, processes, products/services, and performances. The purpose of this evaluation is to assess the organization's current standards and subsequently implement changes in order to surpass or meet these standards, thereby achieving self-improvement. According to Warnecke et al. (2019), the optimal utilization of benchmarking occurs when it is seamlessly integrated into the ongoing process of continuous improvement and strategic development, as opposed to being employed as a singular performance evaluation.

7.6 BUDGETING TECHNIQUE

According to Theiss (1937), the method of budgeting was first used in England during the eighteenth century in the government part of the country that was primarily concerned with monetary expenses. However, in comparison to how it was conceived in prior decades, the idea had evolved substantially. In the nineteenth century, when statisticians and economists began doing study in the field of business cycles (Flesher & Flesher, 1979), the practice of budgeting began to flourish and grow in popularity. Budgeting entails establishing strategic goals and objectives and forecasting revenues, costs, production, and cash flows (Bierman, 2010). By developing a financing and investment strategy, those responsible for financing the company will be able to determine what investments can be made and how they will be financed (Raghunandan, Fyfe, Kistow, Allaham, & Raghunandan Students, 2012). According to the opinions of Horngren et al. (2012), a budget is a help to coordination and execution in addition to being a numeric description of a plan of action. According to Lambe Isaac (2014), the budget is an action plan, and it is framed into quantitative terms for the purpose of facilitating efficient and successful execution as well as decision-making about long-term strategic planning.

7.7 FINANCIAL FORECASTING

The inception of the financial forecasting tool occurred around the late 1980s to early 1990s. This tool is designed to forecast a company's financial views by analyzing key financial performance indicators, including sales, revenue, expenses, and cash flow (Barra, Carta, Corriga, Podda, & Recupero, 2020). During the latter decade of the 20th century, there was a
significant advancement in financial analysis, prompting scholars to dedicate substantial efforts towards forecasting future financial conditions (Shang, 2021). Financial forecasting involves the assessment of a company's historical performance and the current trends in the market in order to anticipate its forthcoming financial performance (Madhuri, 2023). According to Davidson (2018), the utilization of forecasting can facilitate comprehension of the various manners in which a decision can be interconnected with the financial circumstances of an organization.

7.8 ECONOMIC FORECASTING

The economic forecasting tool known as "discovery" has had a notable impact on the advancement of business cycle forecasting (Künzel, Fritsche, Köster, & Lenel, 2020). During the 1860s, Clément Juglar (1862), a French physician and economist, conducted a study on time series of economic data, leading to the identification of cycles with a duration of approximately ten years (Juglar, 1862). According to Friedman (2013), the proliferation of forecasting services in the United States can be attributed to the economic crisis of 1907. During the late 19th and early 20th centuries, scholars and economists were motivated to investigate economic forecasting due to the occurrence of periodic economic fluctuations. The concept of economic forecasting refers to the process of attempting to predict the state of the economy in the future using economic indicators such as industrial production, worker productivity, retail sales, inflation, interest rates, consumer confidence, and unemployment rates, usually with the objective of determining the future rate of gross domestic product growth rate (Daniel, 2020).

7.9 CUSTOMER SATISFACTION

The concept of customer satisfaction analysis originated in the 60s century, with the objective of comprehending human behavior (Tse & Wilton, 1985). The significance of satisfaction within the consumption processes following a consumer's purchase activity was acknowledged in the traditional consumer behavior models, such as (Nicosia, 1966) and, (Flaschner & Hansen, 1973). Several seminal studies on satisfaction have been conducted in this particular context. The concept of satisfaction was initially defined as experience-specific (Tse & Wilton, 1988), influenced by emotion-loaded (Oliver, 1981; Westbrook, 1982), that arose after comparing the perceived performance of a product with pre-established performance
standards (Cardozo, 1965). Hence, the significance of customer satisfaction as a key distinguishing factor and its growing prominence as a crucial component of business strategy has been acknowledged (Gitman, McDaniel, & Gitman, 2005). Customer satisfaction refers to the evaluative response of consumers towards the attributes of a product or service, resulting in a sense of gratification derived from the fulfillment of their needs (Qomariah, 2018). Furthermore, the notion of satisfaction became more evident and specific. The foremost objective of any company's strategic approach to sustaining its global or local business is to ensure customer satisfaction (Sudjatno, 2016). This aspect can serve as a foundational framework for the overall strategy of a company (Sridhar & Best, 2021).

7.10 “WHAT IF” TECHNIQUE

The "What if" technique refers to the utilization of a simulation that relies on extensive data to examine the behavior of an intricate system, such as an organization entity or a specific segment of it, based on predefined hypotheses known as scenarios (Rizzi, 2009). The scenario in question is commonly associated with Herman Kahn, a prominent figure in the 1940s, who pioneered a method of envisioning the future by engaging in a process of "thinking the unthinkable." This approach involves posing hypothetical questions such as "What if" to explore potential scenarios (Horwath, 2006). A strategic scenario, also referred to as a "what-if" analysis, comprises a collection of interconnected analyses that serve to enhance the organization's comprehension of the available options for adjustment or adaptation (Chamberlain, 2023). This analytical approach enables strategists to address hypothetical situations by leveraging the internal and external environmental data that has been collected (Alkhafaji, 2003).

Table 3

<table>
<thead>
<tr>
<th>Tools/Technique</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWOT analysis</td>
<td>SWOT analysis is a technique for estimating the strengths, weaknesses, opportunities, and threats of organizations.</td>
</tr>
<tr>
<td>PEST analysis</td>
<td>The PEST analysis is a tool for examining the political, economic, social, and technical variables of organizations.</td>
</tr>
<tr>
<td>Vision and Mission</td>
<td>The vision and mission statements are tools that enhance the understanding of the organization's purpose, contents, and components, and encourage</td>
</tr>
<tr>
<td>statements</td>
<td>the employees to achieve organizational goals, by clarifying three questions: 1. Where we are going?, 2. Which industry does our organization operate?, 3. How can we arrive at our goal?.</td>
</tr>
<tr>
<td>key success factors</td>
<td>A key success factor is a skill or resource that an organization can invest in to get a competitive advantage in the market.</td>
</tr>
<tr>
<td>analysis</td>
<td></td>
</tr>
</tbody>
</table>
### Benchmarking
The Benchmarking technique is a method for comparing a company's products, services, and practices to those of its most formidable competitors or industry leaders.

### Budgeting
Budgeting tool is an analysis tool for forecasting the revenues, costs, production, and cash flows of the company.

### Financial forecasting
Financial forecasting involves analyzing a company's past financial performance and current market trends in order to predict its future financial performance.

### Economic forecasting
The concept of economic forecasting refers to the endeavor to predict the future condition of the economy by employing economic indicators, typically with the aim of determining a future gross domestic product (GDP) growth rate.

### Customer satisfaction
Customer satisfaction is a tool that is used to describe how consumers rate the qualities of a good or service, leading to a sense of satisfaction that comes from meeting their needs.

### “What if” analysis
The "what if" tool is used to ask hypothetical questions that simulate the current situation, allowing us to explore potential scenarios.

### 8 STRATEGIC MANAGEMENT PROCESS

The strategic management process encompasses a series of activities and procedures that organizations engage in to establish and execute their strategies. The process entails a sequence of interconnected and iterative measures that assist organizations in discerning their objectives, evaluating their internal and external contexts, formulating their strategy, and allocating resources to attain their desired outcomes (Juneja, 2023). Hence, it can be argued that the strategic management process is characterized by its ongoing nature, as it adapts to the dynamic changes occurring in both the internal and external environments of the organization (Wheelen et al., 2017). This article employs five processes in the context of strategic management: environmental analysis, strategy formulation, strategy implementation, strategy execution, and strategy control.

#### 8.1 ENVIRONMENTAL ANALYSIS

The first step in strategic management is to conduct a thorough analysis of a firm's internal and external environments. This evaluation entails doing a comprehensive SWOT analysis to identify the organization's strengths, weaknesses, opportunities, and threats (Benzaghta et al., 2021). In addition, a PEST study is carried out to evaluate the many aspects of the political climate, economic conditions, socio-cultural features, technological advancements, environmental aspects, and legal concerns that can influence the organization's overall strategy.
8.2 STRATEGY FORMULATION

Establishing an organization's strategic goals and objectives typically follows the completion of an environmental analysis (Okumus, Altinay, Chathoth, & Köseoglu, 2019). This entails outlining the course of action that they want to take in order to accomplish those objectives on a map. During this stage, several potential approaches to strategy are carefully considered before being narrowed down to those thought to be the most appropriate. This includes determining the company's competitive stance, carefully defining the target markets, and establishing the exact efforts required to execute the strategies successfully (Singh, Lim, Jha, Kumar, & Ciasullo, 2023).

8.3 STRATEGY IMPLEMENTATION

Effective execution of a formulated strategy is crucial for its success. Strategy implementation entails converting the strategic plan into tangible actions by allocating resources appropriately (Mio, Panfilo, & Blundo, 2020). It encompasses crafting detailed action plans, assigning responsibilities, and constructing a conducive organizational framework. To ensure success in strategy implementation, managers must ensure clear communication and coordination across various departments and organizational levels.

8.4 STRATEGY EXECUTION

Carrying out action plans and initiatives which were defined in the implementation stage, is the essence of strategy execution. Strategy execution demands competent leadership, robust project management abilities, and the capacity to navigate change (Ferreira de Araújo Lima, Crema, & Verbano, 2020). Its primary goal is to effectively execute operational activities by monitoring progress, addressing challenges, and making adjustments to the strategy when necessary.

8.5 EVALUATION AND CONTROL

Assessing the effectiveness of an implemented strategy while making required adjustments is imperative during this final stage of the strategic management process. The
strategic management team utilizes key performance indicators (KPIs) and suitable metrics to gauge organizational performance against its stated objectives (Yerimpasheva & Balgabayeva, 2020). This encompasses reliable monitoring techniques such as tracking financial results, customer satisfaction levels, operational efficiencies, and other pertinent measures contributing to accurate evaluation. Additionally, continuous monitoring through regular reviews and immediate mechanisms for feedback can ensure requisite control and strategic alignment to ensure long-term objectives (Singh et al., 2023).

9 IMPORTANCE OF STRATEGIC MANAGEMENT

Strategy is a crucial aspect of management that is closely linked to the concept of sustainable development (Thi et al., 2023). Therefore, strategic management is important for any organization as it helps in achieving long-term success. According to Dobbs (2014), strategic management provides a framework for aligning the organization's resources with its goals and objectives. It helps identify the organization's strengths and weaknesses and develop strategies that can help overcome the weaknesses and take advantage of the strengths. This article uses five types of Strategic Management importance: Providing a Systematic Approach to Decision-making, Maintaining Alignment and Coherence, Improving Organizational Performance, Boosting Adaptability and Resilience, and Fostering a Culture of Collaboration and Strategic Thinking.

9.1 PROVIDING A SYSTEMATIC APPROACH TO DECISION-MAKING

Strategic management is a critical factor in the success and durability of organizations. It offers a systematic and proactive method for making informed decisions by helping organizations anticipate future challenges and potential opportunities (Eberhard, 2023). This helps them prepare effectively for the future instead of merely reacting in response to current circumstances, giving them an advantage in highly competitive environments. Organizations can achieve improved performance and long-term success by adopting a systematic approach since it helps minimize uncertainties and mitigate risks (Pambreni, Khatibi, Ferdous Azam, & Tham, 2019).
9.2 MAINTAINING ALIGNMENT AND COHERENCE

Strategic management is crucial in maintaining alignment and coherence within an organization since it provides a clear direction by establishing the company's purpose, vision, and strategic goals (Samimi, Cortes, Anderson, & Herrmann, 2022). Employees, supervisors, and owners feel more united and committed to their work when they know they contribute to a common goal. Strategic management also helps businesses adapt to the ever-shifting demands of the marketplace and meet their customers' varying wants and expectations. Companies can learn more about their strengths and areas that they need to improve by carefully analyzing their external environment and their internal processes (Daft, 2021). This insight facilitates the creation of strategies that capitalize on key competencies while filling market gaps or meeting unfulfilled client needs.

Strategic management also plays an important part in boosting the clarity and efficacy of decision-making by providing a structured method for evaluating a number of options and making decisions (Burgelman, 2002). Managers can rely on strategic management to assess how their decisions align with the organization’s strategic goals, available resources, and market conditions. This thoughtful evaluation leads them to choose strategies and initiatives that support the organization's overall direction. Consequently, this coherence in the decision-making process minimizes conflicts, fosters consistency, and mitigates the potential risks associated with pursuing conflicting or contradictory strategies (Kabeyi, 2019).

9.3 IMPROVING ORGANIZATIONAL PERFORMANCE

Strategic management plays an integral role in enriching organizational performance because it offers a comprehensive framework for gauging progress and identifying areas that require improvement (Bogers, Chesbrough, Heaton, & Teece, 2019). By incorporating well-defined key performance indicators and periodic assessments of overall performance aligned with the desired objectives, organizations attain an effective mechanism to consistently monitor their progress toward attaining their goals while detecting areas of improvement across various domains or inefficient practices within existing systems (Cescon, Costantini, & Grassetti, 2019). This constructive approach further empowers organizations to optimize their inherent strengths, tackle identified weaknesses, harness potential opportunities, and minimize unforeseen risks through informed decision-making.
9.4 BOOSTING ADAPTABILITY AND RESILIENCE

Within an increasingly volatile business environment marked by rapid changes across various fronts, such as market trends, technological advancements, and evolving customer needs, it becomes imperative for enterprises themselves to showcase flexibility and swiftly adapt according to these developments (Caputo, Pizzi, Pellegrini, & Dabić, 2021). Additionally, strategic management propels businesses to take a proactive stance by constantly monitoring the dynamic external environment and evaluating competitive forces to customize their strategies accordingly. Such agile decision-making processes empower companies to maintain their relevance, embrace innovation, and successfully navigate through uncertainties and disruptions (Bamford, Hoffman, Wheelen, & Hunger., 2023).

9.5 FOSTERING A CULTURE OF COLLABORATION AND STRATEGIC THINKING

Strategic management is instrumental in creating a culture that prioritizes collaboration and strategic thinking. This entails promoting cross-functional collaborations and establishing knowledge-sharing channels throughout different departments within the organization (Schermerhorn Jr, J. R., Bachrach, D. G., & Wright, 2020). Additionally, involving personnel from all levels when making decisions is critical to organizational strategy. By considering varied perspectives from individuals possessing diverse areas of expertise, organizations can effectively encourage creative problem-solving and foster important traits such as ownership and commitment among their workforces.

10 APPLICATIONS OF STRATEGIC MANAGEMENT IN DIFFERENT ORGANIZATIONAL CONTEXTS

The application of strategic management is relevant in diverse organizational contexts. The emergence of strategic concepts and practices initially originated in the private sector, which led to considerable debate when they were introduced to the public sector starting in the late 1970s. This debate centered around the suitability of these concepts and practices for the unique characteristics of government organizations (Alford & Greve, 2017). This paper aims to show the application of strategic management principles across various sectors, such as Profit
Organizations, Non-Profit Organizations, Government Organizations, Healthcare Organizations, and Startup Organizations.

10.1 FOR-PROFIT ORGANIZATIONS

Strategic management holds great importance in for-profit organizations to achieve sustainable competitive advantage and maximize shareholder value. This involves the development of corporate strategies that align with the organization's mission and goals, conducting thorough analyses of the industry and competitors, identifying potential areas for growth, and making strategic decisions related to product development, market entry, pricing, and resource allocation (Centobelli, Cerchione, Chiaroni, Del Vecchio, & Urbinati, 2020). Furthermore, it also includes monitoring financial performance, evaluating risks, and adjusting strategies accordingly to cater to changing market dynamics.

10.2 NON-PROFIT ORGANIZATIONS

Non-profit organizations utilize strategic management to help them successfully achieve their social or mission-oriented objectives. Within non-profit contexts, a comprehensive approach towards strategic management encompasses several important components, such as the creation of well-defined mission statements and clear vision statements, conducting diligent research regarding stakeholders, which helps organizations designate specific strategic priorities, establishing efficient resource allocation mechanisms, and performance metrics that accurately evaluate an organization's overall impact (Rauter & Lämmerer, 2021). Strategic management also helps non-profit organizations skillfully adapt within changing operating environments and forge robust partnerships to help maximize their influence and effectiveness.

10.3 GOVERNMENT ORGANIZATIONS

Strategic management is indispensable when it comes to government organizations, whether they are at the national, regional, or local levels. These agencies must establish their strategic priorities, ensure their activities are in line with public policy objectives, and effectively utilize public resources. Moore (2021) reveals that in the public sector, strategic management encompasses a range of tasks such as goal setting and performance measurement,
policy analysis, implementing strategies to tackle societal issues, and monitoring the outcomes of government initiatives.

10.4 HEALTHCARE ORGANIZATIONS

Healthcare organizations, including hospitals, clinics, and healthcare systems, benefit significantly from implementing strategic management practices because they enhance patient care, improve operational efficiency, and help organizations effectively adapt to changes in the healthcare industry (Figueroa, Harrison, Chauhan, & Meyer, 2019). The application of strategic management in healthcare entails developing patient-centric strategies and optimizing service delivery processes, aligning resources to meet patient needs, and exploring partnerships and collaborations to enhance healthcare outcomes. In order to provide quality care and ensure compliance with regulations, these organizations must stay updated with advances in medical technology and regulatory changes (Schneller et al., 2023).

10.5 STARTUP ORGANIZATIONS

To successfully navigate through the early phases of development and achieve sustainable growth, startups heavily rely on strategic management. Within this context, conducting comprehensive market research becomes indispensable in order for startups to identify gaps within the marketplace and formulate unique strategies that differentiate them from competitors (Rêgo, Jayantilal, Ferreira, & Carayannis, 2022). Strategic management also helps startups define their unique value proposition and establish concrete business models that cater to customer needs. Furthermore, it enables startups to make informed decisions regarding resource allocation, product development priorities, and effectively penetrating new markets. Furthermore, strategic management practices help entrepreneurs closely monitor key performance indicators for feedback or implement necessary adjustments based on vital information gathered directly from customers themselves.

11 CHALLENGES AND FUTURE TRENDS OF STRATEGIC MANAGEMENT

Strategic management is not without its challenges. One of the main challenges is the dynamic nature of the business environment and the understanding of the competitive
environment and the interpretation of the effects of the competition in a business (Cattani, Porac, & Thomas, 2017). According to Taouab and Issor (2019), the business environment is constantly changing, and organizations need to be able to adapt to the changes to remain competitive. However, the key challenge in the strategic management of organizations is how to adapt and exploit changes in their business environment in order to survive and grow (Henry, 2021). This article aims to reveal the challenges and future trends of Strategic Management, such as sustainability and Environmental Concerns, Globalization and Geopolitical Uncertainty, and Technological Disruption.

11.1 SUSTAINABILITY AND ENVIRONMENTAL CONCERNS

Strategic management acknowledges the importance of sustainability and environmental concerns by integrating environmental sustainability into organizational strategies and operations. Increased awareness surrounding environmental issues, including climate change, resource depletion, and pollution, has resulted in heightened stakeholder expectations and regulatory pressures (Brorström, 2023). Organizations can address these challenges by incorporating sustainability considerations throughout their strategic decision-making processes, which involves defining clear objectives such as reducing carbon emissions, embracing circular economy principles, emphasizing resource efficiency, and waste reduction. Strategic management further enhances decision-making processes by evaluating potential risks and opportunities related to climate change and sustainability, which can be incorporated into business planning and risk management procedures.

11.2 GLOBALIZATION AND GEOPOLITICAL UNCERTAINTY

Globalization has brought about significant changes in the business landscape, presenting organizations with new opportunities for growth and expansion. However, globalization also poses challenges due to increased competition and complications of operating in different countries. Hitt et al. (2019) argue that one of the major challenges of globalization is the cultural differences that organizations must navigate. In order to do this successfully, strategic management should incorporate cross-cultural competence and tailor market entry strategies that help companies understand and adapt to diverse consumer preferences, business practices, and communication styles. Additionally, regulatory
frameworks vary across different countries, which requires organizations to stay updated with regulatory changes and develop strategies that align with local laws and regulations (Butt, 2020). Moreover, geopolitical uncertainty adds further complexities, such as political instability, trade disputes, and changes in government policies. To manage these risks effectively, organizations must conduct risk assessments, engage in scenario planning, and develop contingency plans (Ketchen & Craighead, 2020).

11.3 TECHNOLOGICAL DISRUPTION

Industries and business models are undergoing significant transformations due to technological disruption at an unprecedented pace. Technologies such as artificial intelligence, robotics, big data analytics, and blockchain are driving this disruption by reshaping organizational operations and competition norms (Azeem, Ahmed, Haider, & Sajjad, 2021). In this context, strategic management plays a pivotal role in addressing challenges and seizing opportunities brought forth by these technologies. To navigate through the era of technological disruption effectively, organizations should establish digital transformation strategies encompassing aspects such as the reimagination of business processes with an emphasis on leveraging technology for operational efficiency augmentation, embracing innovative digital business models, assessing potential implications posed by emerging technologies within their industries, and designing strategies that enable seamless transitions into fully digitalized environments.

Data-driven decision-making is another crucial trend that is helping organizations gain invaluable insights and enhance informed decision-making capabilities. As such, strategic management should prioritize the development of data analytics capabilities, ensuring data quality and security, and utilizing analytics tools to derive actionable insights (Aslam, Aimin, Li, & Rehman, 2020). This approach enhances an organization's ability to make accurate predictions, identify trends, and adapt strategies accordingly. Furthermore, leveraging emerging technologies presents unique opportunities for achieving a competitive advantage. Artificial intelligence, robotics, and blockchain can be incorporated into organizational operations to enhance efficiency levels, improve customer experiences, and foster innovation endeavors.
12 CONCLUSION

The success of an organization is strongly influenced by strategic management, which is the methodical process of coming up with and putting into action various strategies to achieve corporate objectives and adjust to an ever-changing commercial environment. Strategic management entails analyzing the internal and external environment, establishing objectives, developing strategies, putting plans into action, and assessing performance. The historical development of strategic management has resulted in the field shifting its emphasis from a concentration on effectiveness and planning to the incorporation of differentiation, innovation, and flexibility. In the past, strategic management utilized a utilitarian approach, but now it takes a more holistic and integrative one, which considers both internal and external elements. Strategic management allows businesses to succeed in today's volatile markets, seize emerging opportunities, and provide long-term value for all stakeholders. Companies that aim to achieve success and remain competitive over the long term must utilize strategic management, which provides organizations with a framework for making decisions, maintaining consistency and cohesion, boosting productivity and flexibility, and promoting teamwork. Therefore, the strategy encompasses the establishment of a company's long-term goals and objectives, the implementation of appropriate actions, and the allocation of essential resources to attain said objectives (Chandler, 1962) (Chandler, 1962). From the above, it is clear that strategic management is essential for all businesses if they want to stay competitive in the twenty-first century and the strategists should have a comprehensive understanding of the evolution of strategic management, including the concepts, theories, and tools that could help achieve strategic goals. The purpose of this paper is to conduct an in-depth review of strategic management as depicted in the existing body of literature. Therefore, this paper possesses the potential to offer valuable insights to scholars as it serves as a foundational resource for future investigations in this field. This study unlocks the doors for several opportunities since an understanding of strength can strengthen competence. Therefore, without understanding strategic management the organizations could not be sustained and competed.

LIMITATIONS AND FUTURE RESEARCH

In general, it is challenging to address all areas of strategic management in a single review paper. Therefore, the recommendations for further study will be contained inside this review
research. Thus, it is suggested that future research attempts emphasize the exploration of alternative theories, tools, and processes relevant to strategic management, in addition to focusing intently on the impacts of strategic management on achieving higher levels of organizational competitiveness.

ACKNOWLEDGMENTS

The author expresses gratitude to the journal reviewers for their valuable suggestions aimed at enhancing the quality of the article and enhancing the opportunity to publish in this journal. Additionally, the author would like to extend special appreciation to the Applied College, Deanship of Scientific Research, Taibah University, Medina, Saudi Arabia for their consistent support.

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