Strategic management between ideal and reality

When it comes about formulating the organisation vision, mission, goals and strategic objectives or the roles and responsibilities of the management team, we must bear in mind that a thorough analysis of the organisational contexts, of its internal and external environment, as well as of its existing or potential resources is necessary, this involving the identification and use of specific methods and techniques. Too often, managers ignore the huge difference between fiction and reality. We must always relate our decisions to the characteristics of reality and to the sometimes surprising circumstances that the economic environment might generate.

A serious analysis and a clear understanding of the internal and external environment of the organisation provide us with various pieces of information regarding the direct and indirect competitors, the arising products and services or the strengths and weaknesses of the same, but, obviously, a sound knowledge of the external environment is not enough, self-knowledge being also essential.

Many times, being concerned about the seemingly major problems, we forget about identifying small dangers that can lay the basis for crisis situations. Starting with a well defined idea regarding the trajectory of the organisation (its future evolution), we should make a clear delimitation between the organisational desires and its real capacities to materialise such desires.

The realistic approach of the organisational potential must take into account the opportunities and threats identified while analysing its external environment, as well as the strengths and weaknesses captured during the study of its internal environment. Given that reality often exceeds fiction, it is urgently necessary for the management team to propose an adequate strategy to increase / maintain / decrease the activity carried out by the organisation, depending on the realities of the economic environment and on the wishes of the shareholders, having as a reference point its innovation capacity in terms of both production output and organisational processes. The quality of the strategies is influenced by the capacity of becoming acquainted with the right knowledge about the current status of the organisation, as well as about the contexts where the activity of the organisation is carried out. Many times, managers are influenced by the organisational "stiffening condition", failing in detaching themselves from that "reality", so as to truly see its real problems.

In fact, the highest danger resides in getting used to the idea that if the organisation performs properly at present, it will perform optimally in the future as well. That is why we must make the distinction between desire and reality. A plan has virtues insofar as it succeeds in materialising starting from real data, not just from hypotheses.

Prof. Ph.D. Paul Marinescu