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## Searching for opportunities for development and innovations in the strategic management process

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### Abstract

The search for opportunities is generally associated with some factors – primarily the changes, creativity and innovations. So this is an ambiguous concept, but it can be assumed that it is of innovative character. Opportunities are developing dynamically and change along with the occurring changes, therefore in the approach to opportunities it is a challenge to take an active attitude. Hence, it seems that the key settlements concerning the strategic management process should appear to be helpful. The implementation of the strategic management process imposes the preparation for changes and initiates a search for new development opportunities. There are many questions relating to the practice of strategic management. When analysing the strategic management process, it is justified to indicate the need to deal with the challenge posed by the paradox of variability and durability.

The aim of the study is to analyse and identify the elements or areas of the strategy that are associated with the search for new fields of operation. The study indicated that the formalization of the strategy, the preparation of development plans in a long time horizon, the selection of ambitious development priorities, taking expansive measures or long-term cooperation with business partners were linked with the search of opportunities as an expression of the striving for innovations.

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*Keywords:* Strategy, Strategic management, Opportunities, Innovation, Entrepreneurship, Development, Vision, Strategy formalization, Cooperation,

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### 1. Introduction

Popularity of a strategy does not go hand in hand with finding a clear answer to the following question: What is a strategy? It is difficult to define this term universally, however there is no doubt that the preparation and implementation of the strategy are essential for harmonious development of an organization. The necessity to

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implement the planned strategy in a variable environment in a long time perspective constitutes a canon included in the strategic management procedure.

Despite the fact that various aspects associated with the implementation of the strategic management process are emphasized in many studies, the problem of integrating the sustainability and variability of the strategy in response to emerging opportunities is rarely raised. When confronting the uncertainty and risk, a particularly strong emphasis is put on avoiding or overcoming the threats. Much less attention is paid to searching for and using the opportunities for development in the strategic management process. Therefore, it is still a current issue to seek answers to the question about practical solutions in companies concerning the following issue: How to combine the creation and implementation of the development concept in a long time perspective with the use of opportunities and the necessity to revise the strategy.

## **2. Literature Review And Hypotheses**

### *2.1. Key assumptions of the strategy in the process of strategic management*

Certainly the strategy is among the terms, which are difficult to define explicitly. In the general meaning, the strategy is understood as a specific intention, a plan for achieving the goals. Therefore, when working on the strategy, it is advisable to define development priorities, the manner of achieving the goals or the necessary resources (Davies 2000). Among many definitions that particularize the understanding of this concept, from the viewpoint of the subject of the considerations it seems important to emphasize the use of new possibilities and opportunities under the assumptions concerning company's long-term future operations (Eisenhardt, Sull 2001; Markides 2004; Steensen 2014).

Not all assumptions of the strategy are of the same importance, but the problem of formulating the vision is raised particularly frequently. Organizations do not operate in an environment, the changes of which can be defined as rational and predictable. The dynamics and complexity of changes also characterize the inside of the company (MacIntosh, Beech 2011). Rapid changes that are uncertain and difficult to predict oblige or even force companies to modify the operations concept (Altiok 2011). In order to confront the changes, it is required to indicate a long-term vision of development. The vision relates to long-term objectives of the company and allows understanding its current and future situation. It must be emphasized that the vision allows planning for the future in a long time horizon. When emphasizing the idea of formulating the vision, it should be indicated that it is impossible to make changes without a vision, because the vision sets the direction for the company (Altiok 2011). This is certainly an important challenge for harmonious development of the company, which is reflected in the management method known as visionary management (Malaska, Holstius 1999). In this approach a special emphasis is put on the dynamics of visionary leadership (McLarney, Rhyno 1999).

Another dilemma that needs to be resolved is the degree of the strategy formalization. In the light of the research on the formalized strategic planning, the definition and implementation of strategic initiatives resulting from the choice of objectives and the degree of formalization of this process are of key importance (Jarzabkowski, Balogun 2009; Mintzberg, 1994; Schwenk, Schrader, 1993; Eisenhardt, Zbaracki 1992). In this case, it seems that importance should be attached not only to the issue of strategic planning but also to the flexibility of planning (Dibrell, Craig, Neubaum 2014; Titus 2011; Wiltbank 2006).

It is equally important to specify the activities in relation to other entities. Key settlements made in the strategy relate to the cooperation as well as to the creation of networks and alliances (Levitt 1983; Johnson 1999; Beverland, Bretherton 2001). Such relations should essentially be built based on a reduction of the uncertainty and risk. In a longer perspective, the cooperation contributes to expanding the possibility to use opportunities and innovations (Beverland, Bretherton 2001).

### *2.2. The strategic management process and the dilemma of variability and durability*

In order to address the need for the development in a long time horizon and the necessity to cope with the variability of the environment, organizations should implement the strategic management procedure. The practice of strategic management allows finding responses to the occurring changes and refreshing the ideas in order to develop as planned and adequately to the changes (Penbek, Zaptcioglu, Gunerergin 2011). The centre of attention is the strategy, the formulation and implementation of which provide the basis for the strategic management process. The differences

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