

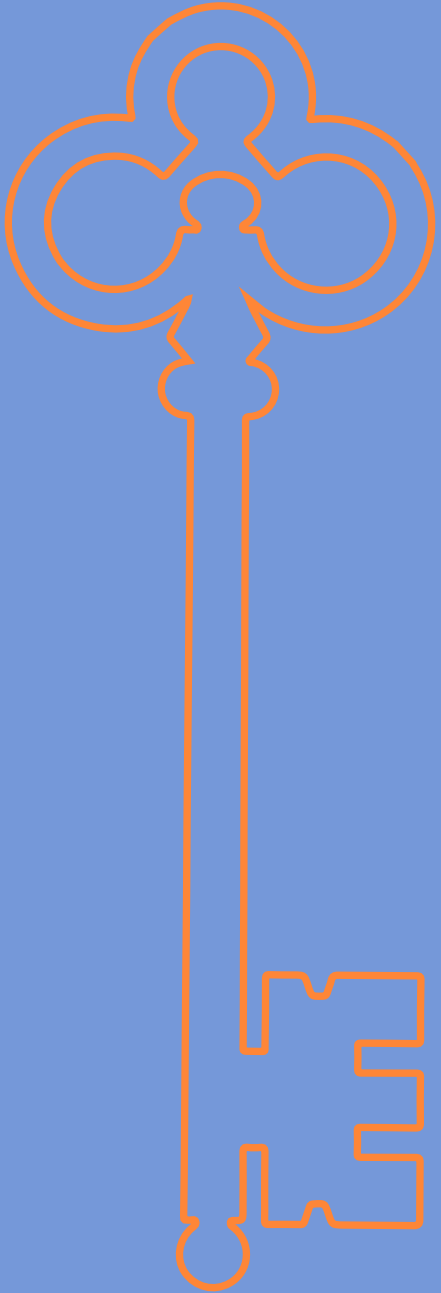
2.1 Key Issues of Social Enterprise Management



ReinFORCE SOCIAL Entrepreneurial Spirit through setting up Innovative Support Structures in the cross-border Territory “Social Forces”

4.9.2: Design and Development of the Training Material





Contents

- ❑ Basic Strategic Management Concepts
- ❑ Phases of Strategic Management

Basic Strategic Management Concepts

Strategic Management

Strategic Management is way in which a company's strategic decisions are taken, implemented and evaluated. These strategic decisions are defined by all executives operating at various levels in the enterprise, and are crucial about its course.

- It is an important management tool for **clarifying the situation** in the enterprise's **internal** and **external environment**.

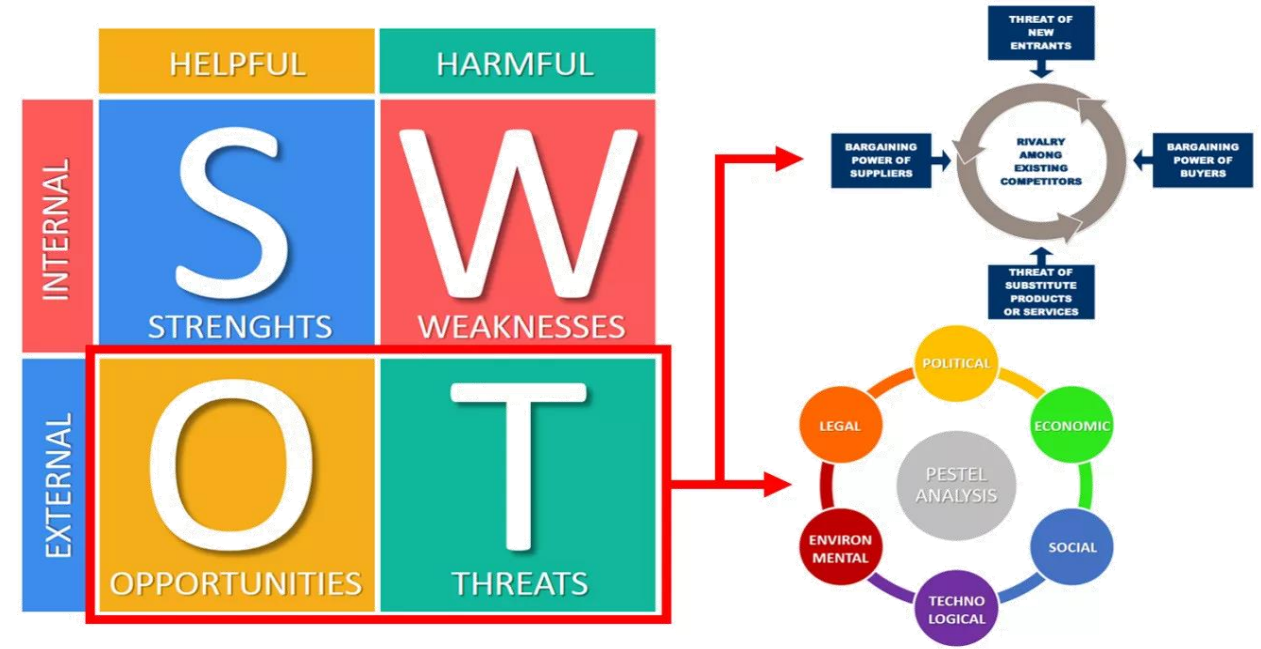


Phases of Strategic Management (1)

1. Analysis of the business environment

Purpose

- ☑ identifying the opportunities and risks of the external environment
- ☑ identifying the forces and weaknesses of the internal environment

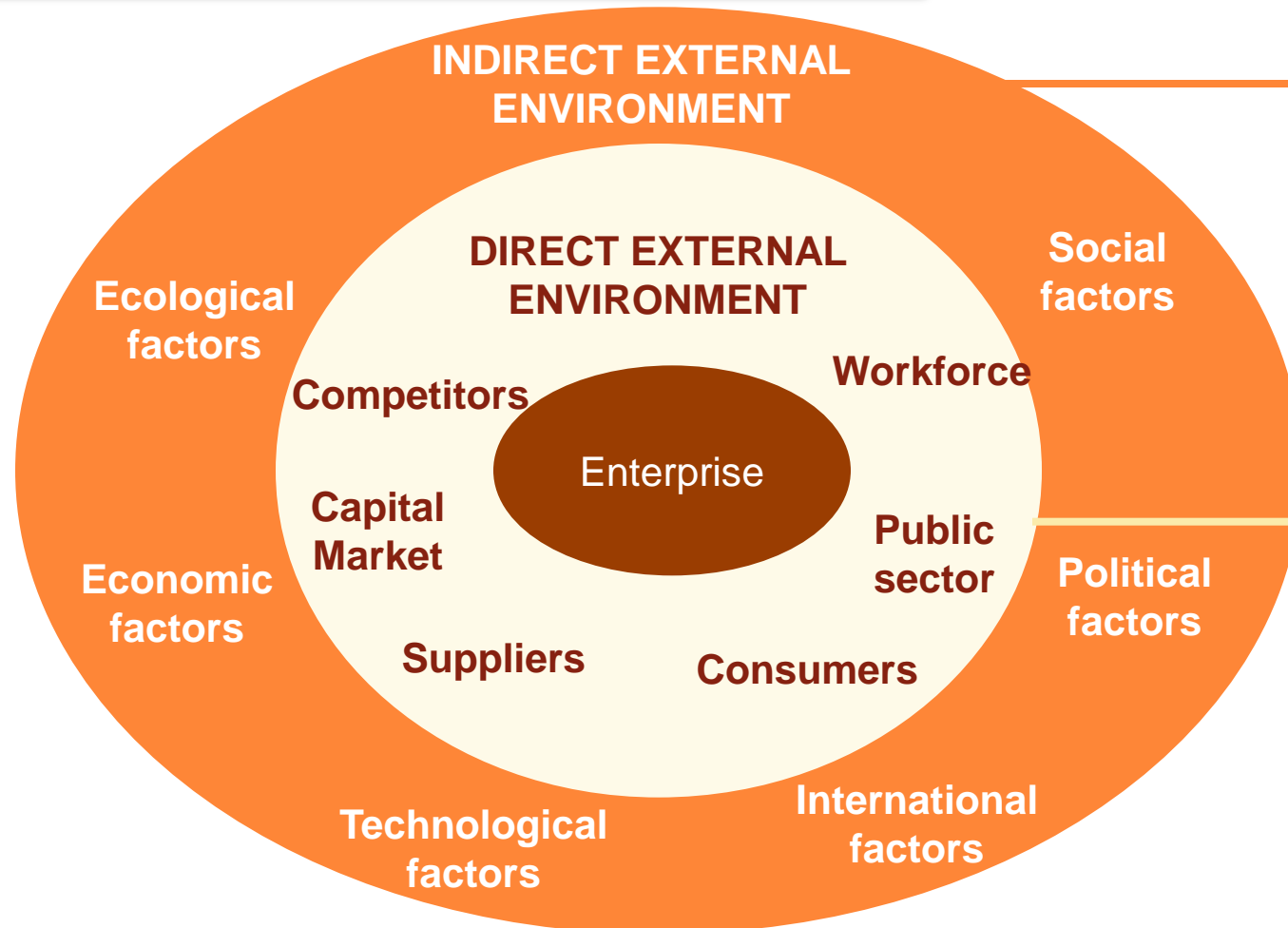


SWOT analysis (Strengths, Weaknesses, Opportunities, Threats), as a tool of strategic planning, is used to identify and describe the **strengths and weaknesses within an organization** as well as the **opportunities and threats** that exist in the **external environment** in which it operates.

Phases of Strategic Management (2)

Business environment (1)

External environment



Societal Environment
(data that **indirectly** affect the enterprise)

Task Environment or
(data that **directly** affect the enterprise)

Phases of Strategic Management (3)

Business environment (2)

Internal Environment

It consists of data that can contribute to its development.

1) Organizational Structure



2) Resources (physical, financial, human, immaterial)



Enterprise
Resource
Planning

Phases of Strategic Management (4)

Business environment (3)

Internal Environment

3) Culture



Phases of Strategic Management (5)

2. Formation of the enterprise's strategy

In this phase the following are defined:

1. **Mission**: the reason for the existence and operation of the enterprise
2. **Objectives**: the expected results of the planned activities to be achieved within the mission
3. **Strategies**: how to use the existing means to achieve the goals
4. **Policies**: guidelines resulting from the strategies and facilitate decision-making at all levels of the enterprise. They must be followed in order to achieve the strategies and link the formulation of a strategy with its implementation.

Phases of Strategic Management (6)

2. Formation of the enterprise's strategy

Business strategy is divided into **three levels**:

01

Corporate Strategy:
includes the
assessment of
individual business
units and identifies the
context of development

02

Business Strategy:
refers to the strategy
that each business
activity will follow to
gain a competitive
advantage

03

Functional Strategy:
aims to achieve the
objective of the
enterprise combined
with more efficient use
of available resources

Phases of Strategic Management (7)

3. Implementation of the Strategy

The process of implementing the strategies and policies of an enterprise through the development of specific programs, budgets and processes.



Programs

Reports that set out the necessary steps for implementing a strategic plan.



Budgets

Quantitative depiction of programs. They analyze financially the benefit and costs of a program.



Processes

Successive steps describing how to perform the tasks.

Phases of Strategic Management (8)

4. Evaluation & Strategy Review

- 📌 The results are evaluated
- 📌 Any corrective interventions are taken
- 📌 Useful conclusions are drawn for all phases of strategic planning

It includes the following **five (5) stages**:

