



Mohamed Khider University of Biskra

Faculty of Economics, Business

and Management Sciences

first-year Master of strategic management



Strategic Management Concepts: Definitions and Dimensions

01.Strategic Management

definitions:

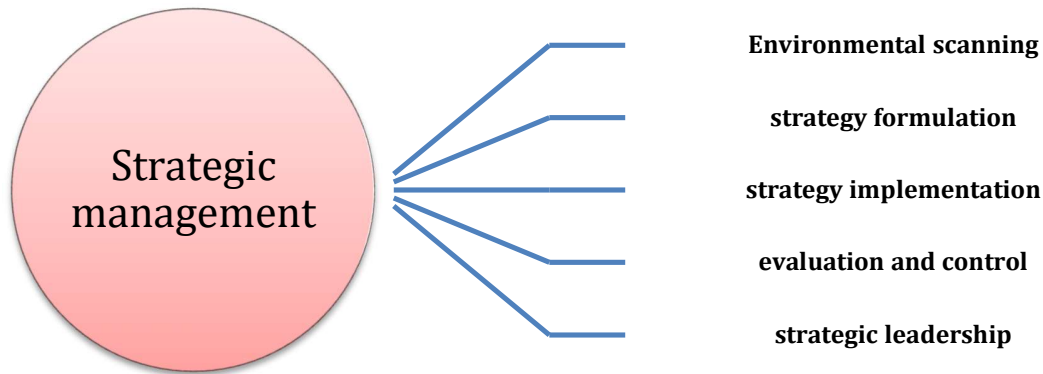
The process of formulating, implementing, and evaluating strategies to achieve organizational goals.

- Strategic management is a systematic process that businesses use to formulate, implement, and evaluate strategies to achieve their long-term goals. It involves analyzing both the internal and external environments to identify opportunities and threats, aligning resources, and making decisions that enhance a company's competitive advantage.

Strategic Management importance:

- Strategic Management is essential for guiding organizations toward long-term success. It involves setting clear goals, analyzing internal and external environments, and making informed decisions to achieve a competitive advantage. In today's rapidly changing business landscape, strategic management helps companies adapt, innovate, and align their resources effectively.
- It provides a framework for anticipating challenges, identifying opportunities, and ensuring that every part of the organization works toward a unified vision. Without strategic management, businesses risk losing direction, wasting resources, and falling behind competitors.

Terminology related (Dimensions):



02. Strategic Decision Making

definitions:

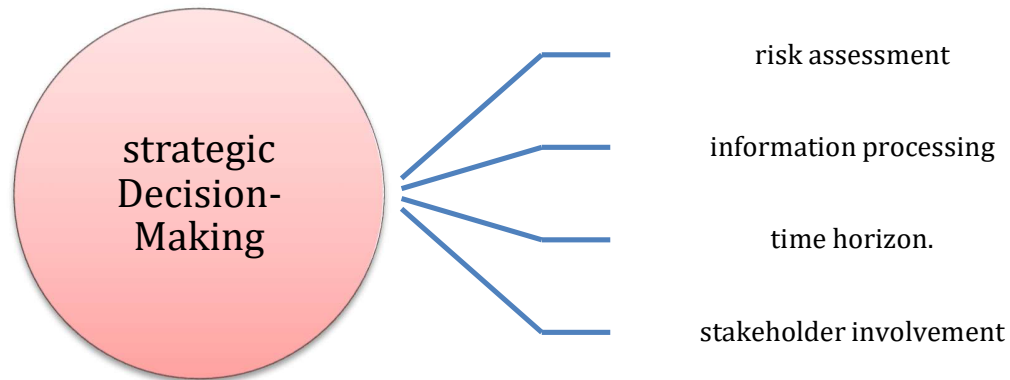
Choosing actions that shape the long-term direction of an organization.

Strategic decision making is the process of identifying and selecting the best strategic options from alternatives that influence an organization's long-term success.

strategic Decision-Making importance:

- Strategic decision making plays a critical role in the management of a company and therefore its success.
- A crucial part of the strategic planning process, strategic decisions are used to establish company goals and the allocation of sufficient resources needed to achieve them. Strategic decision making gives companies a competitive advantage and ensures the knowledge and skills necessary for a company's future are front and centre. This helps in resolving problems, thereby helping to achieve goals and improve company performance.
- The main objective of strategic decision making is to align both long-term and short-term goals with the mission and vision of a company.

Terminology related (Dimensions):



03.Strategic Planning

definitions:

A process to define strategy and allocate resources.

Strategic planning is a systematic process for envisioning a desired future and translating this vision into broadly defined goals and objectives.

Strategic Planning importance:

- Create One, Forward-Focused Vision

Strategy touches every employee and serves as an actionable way to reach your company's goals.

One significant benefit of strategic planning is that it creates a single, forward-focused vision that can align your company and its shareholders. By making everyone aware of your company's goals, how and why those goals were chosen, and what they can do to help reach them, you can create an increased sense of responsibility throughout your organization.

- Draw Attention to Biases and Flaws in Reasoning

The decisions you make come with inherent bias. Taking part in the strategic planning process forces you to examine and explain why you're making each decision and back it up with data, projections, or case studies, thus combatting your cognitive biases.

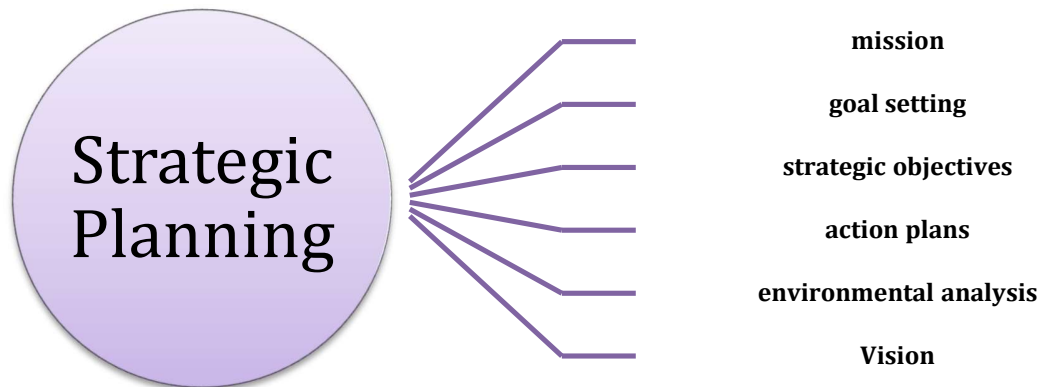
- Track Progress Based on Strategic Goals

Having a strategic plan in place can enable you to track progress toward goals. When each department and team understands your company's larger strategy, their progress can directly impact its success, creating a top-down approach to tracking key performance indicators (KPIs).

By planning your company's strategy and defining its goals, KPIs can be determined at the organizational level. These goals can then be extended to business units, departments, teams, and individuals. This ensures that every level of your organization is aligned and can positively impact your business's KPIs and performance.

It's important to remember that even though your strategy might be far-reaching and structured, it must remain agile. As Christensen asserts in *Disruptive Strategy*, a business's strategy needs to evolve with the challenges and opportunities it encounters. Be prepared to pivot your KPIs as goals shift and communicate the reasons for change to your organization.

Terminology related (Dimensions):



04.Strategic Analysis:

definitions:

Analyzing internal and external factors to inform strategy.

Strategic analysis is the process of researching and evaluating the business environment and organizational capabilities to formulate strategy.

Strategic Analysis importance:

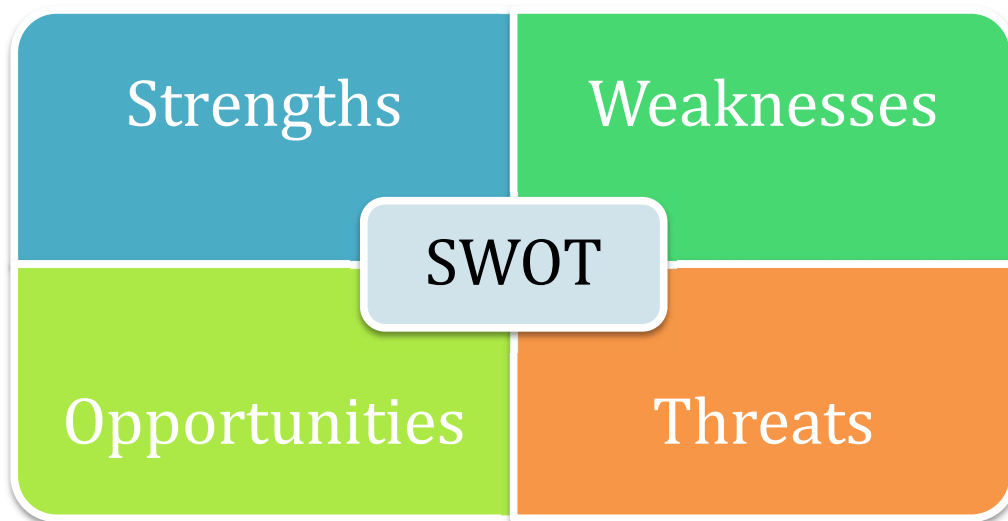
- **Informs Decision-Making:** Strategic analysis provides critical data and insights that support informed, rational business decisions.

- **Identifies Strengths and Weaknesses:** It helps organizations understand their internal capabilities and limitations.
- **Recognizes Opportunities and Threats:** By analyzing external environments, it uncovers market opportunities and potential risks.
- **Supports Goal Setting and Planning:** Strategic analysis lays the foundation for setting realistic goals and developing long-term strategies.
- **Enhances Competitive Advantage:** It helps businesses understand industry trends and competitor behavior, leading to stronger positioning.
- **Improves Resource Allocation:** Organizations can better allocate financial, human, and operational resources based on strategic priorities.
- **Increases Adaptability:** Regular strategic analysis prepares a business to adapt quickly to market or technological changes.
- **Guides Performance Measurement:** It establishes benchmarks and performance indicators aligned with strategic objectives.
- **Reduces Uncertainty:** Through thorough analysis, businesses can anticipate future scenarios and reduce risks.
- **Aligns Stakeholders:** Strategic analysis ensures all parts of the organization understand and support the strategic direction.

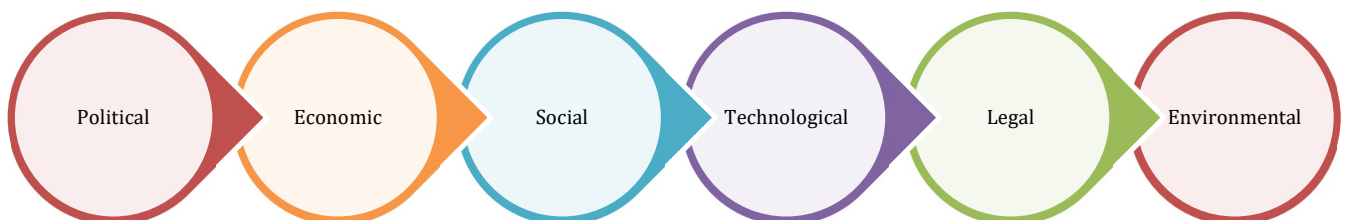
Strategic Analysis tools:

SWOT analysis:

SWOT analysis assesses an organization's Strengths, Weaknesses, Opportunities, and Threats. By examining internal strengths and weaknesses alongside external opportunities and threats, SWOT provides a comprehensive view of the organization's position. This tool helps leaders identify areas where they have competitive advantages and recognize challenges that require attention.

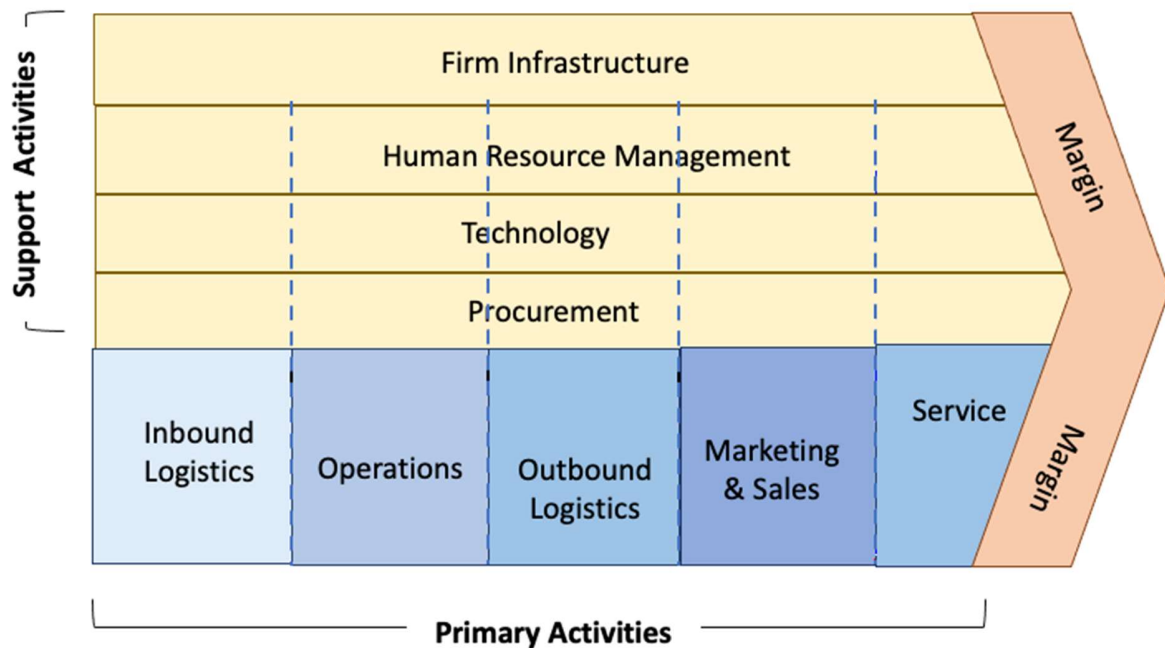


PESTLE analysis: examines external factors that could impact the organization: Political, Economic, Social, Technological, Legal, and Environmental aspects. By exploring these external influences, PESTLE helps organizations anticipate changes in the market, regulatory shifts, and broader social trends. This forward-looking analysis enables better preparation for external pressures and enhances strategic adaptability.



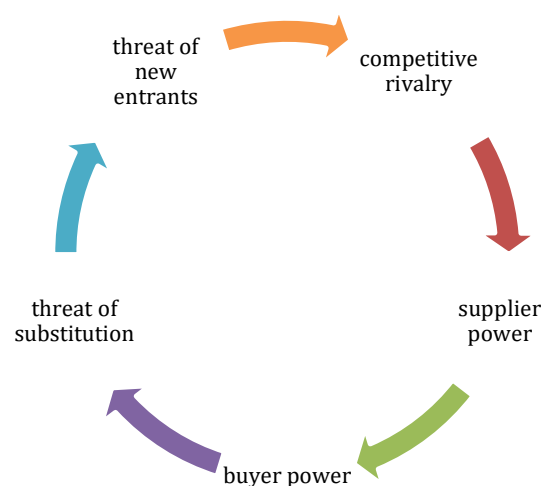
value chain analysis:

Value chain analysis evaluates the series of activities that contribute to delivering a product or service, from production to customer delivery. By assessing each step in the value chain, organizations can identify opportunities to improve efficiency, reduce costs, and increase customer value. This analysis provides insights into how each part of the business contributes to overall strategic goals, offering a pathway to strengthen operational effectiveness and customer satisfaction.



Five power of porter analysis:

porter's Five Forces framework analyzes the competitive environment by examining five critical factors: competitive rivalry, supplier power, buyer power, threat of substitution, and threat of new entrants. This analysis reveals the intensity of competition within the industry, helping organizations understand their market position and identify areas for competitive improvement.



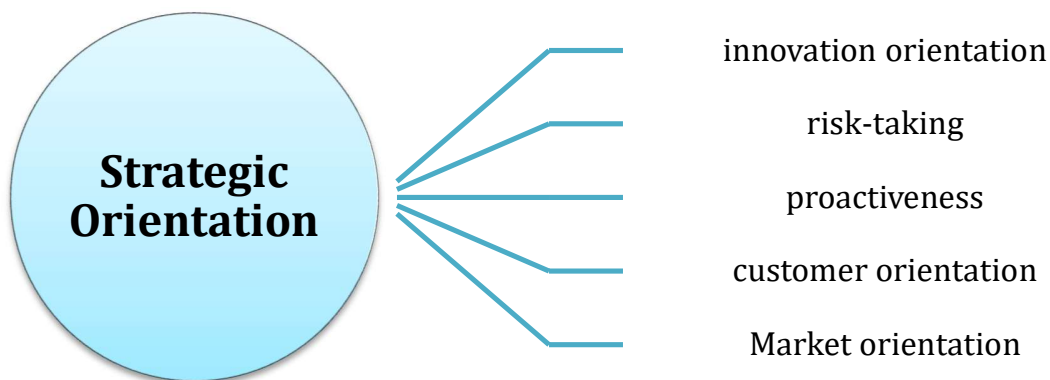
05.Strategic Orientation

definitions:

The organization's approach to aligning strategy with market and internal capabilities.

Strategic orientation refers to how an organization adapts and aligns its strategic direction with its environment, resources, and objectives.

Terminology related (Dimensions):



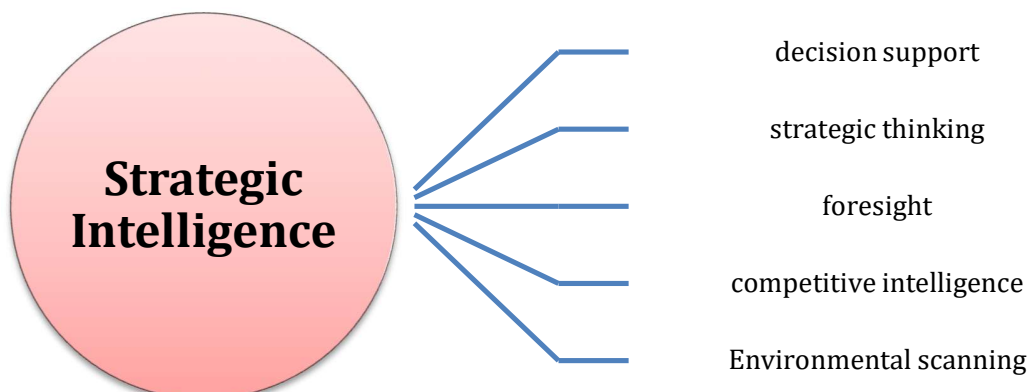
06. Strategic Intelligence

definitions:

The use of information to support strategic decisions.

Strategic intelligence is the collection, analysis, and use of information to support long-term planning and decision-making at the strategic level.

Terminology related (Dimensions):



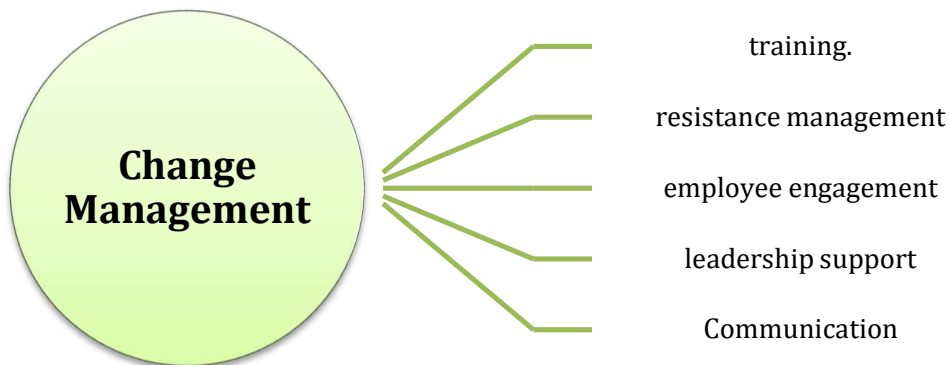
07. Change Management

definitions:

Managing the human and organizational side of change.

Change management is a structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state.

Terminology related (Dimensions):



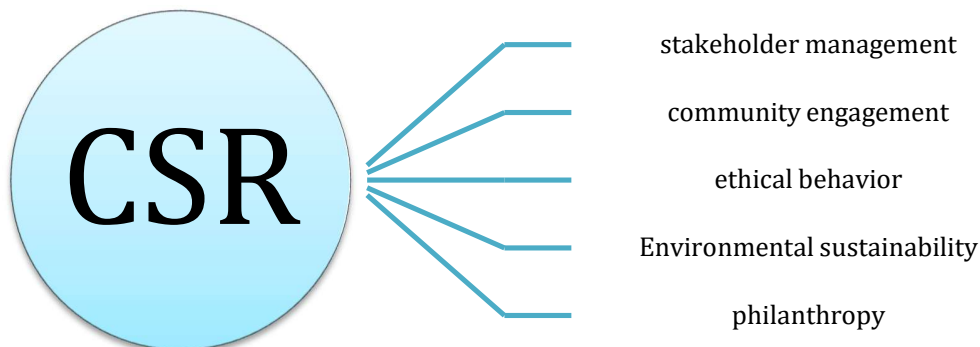
08. Corporate Social Responsibility (CSR)

definitions:

Organizational responsibility to society and environment.

CSR is a business model in which companies integrate social and environmental concerns into their operations and interactions with stakeholders.

Terminology related (Dimensions):



09.Total Quality Management (TQM)

definitions:

A management approach focused on long-term quality improvement.

TQM is a continuous improvement approach involving all employees and processes to enhance customer satisfaction and product/service quality.

Terminology related (Dimensions):



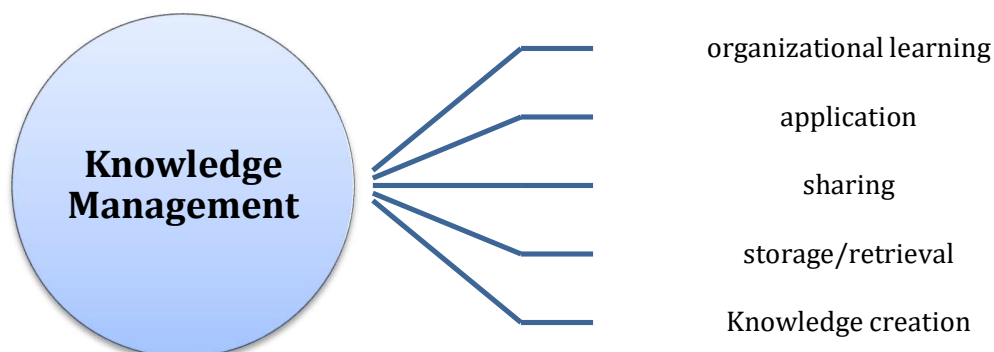
10.Knowledge Management

definitions:

Capturing and using organizational knowledge effectively.

Knowledge management is the process of creating, sharing, using, and managing the knowledge and information of an organization.

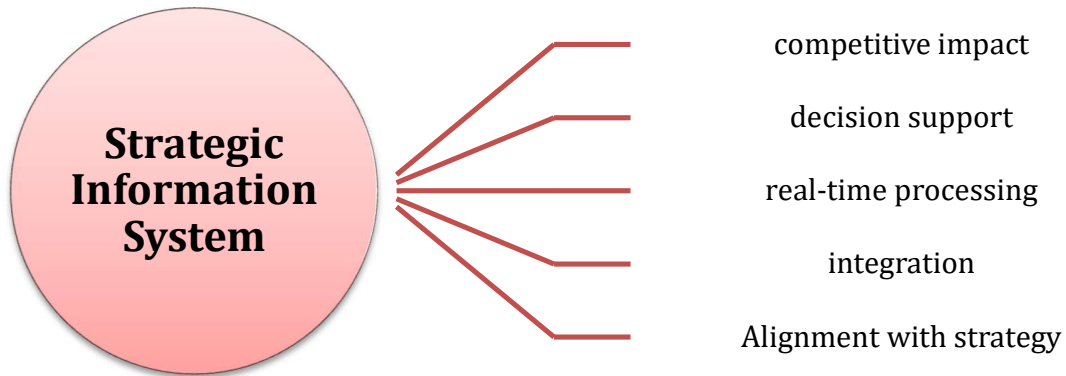
Terminology related (Dimensions):



definitions:

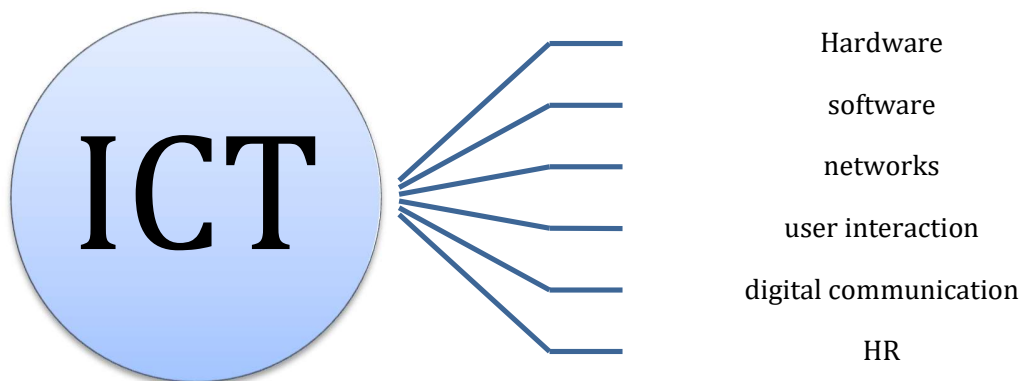
An information system that supports business strategy.

A strategic information system is designed to support and shape the competitive strategy of an organization through data and technology.

Terminology related (Dimensions):**12: Information and Communication Technology (ICT)****definitions:**

Technology used to manage and communicate information.

ICT includes all technologies used to handle telecommunications, broadcast media, smart building management systems, and audiovisual processing.

Terminology related (Dimensions):

13: Competitive Advantage

definitions:

A condition that allows a company to outperform rivals.

Competitive advantage is the attribute that allows an organization to outperform its competitors, typically by offering greater value through lower prices or superior benefits.

Terminology related (Dimensions):



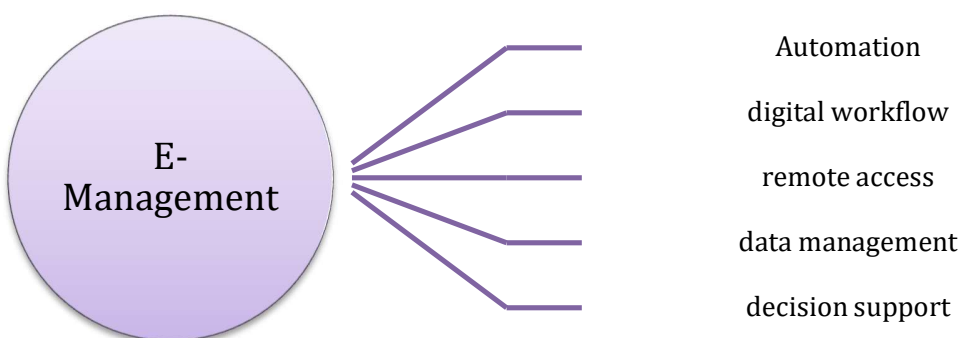
14: E-Management (Electronic Management)

definitions:

Managing organizational processes using digital technologies.

E-management refers to the use of digital tools and platforms to manage organizational functions, enhance productivity, and streamline communication and decision-making.

Terminology related (Dimensions):



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