

Fundamentals of Strategic Planning

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Strategy concept

The strategy concept involves creating and implementing business strategies to achieve long-term organizational objectives. The significance of a strategic plan lies on:

- Assessing the strengths, weaknesses, challenges, and opportunities of the current situation
- Setting the enterprise's vision and objectives for the future based on assessing the current situation
- Developing well-planned and thorough future strategies instead of relying on improvised or superficial approaches

Collaborative decision-making is crucial for a successful strategic planning process. It impacts the teamwork and defines their roles. Both direct and indirect participation are necessary to include public opinions and establish achievable goals within a timeframe, even if not everyone needs to be directly involved.

The primary advantages of the company's strategic planning include:

- 01 ➤ Enhanced productivity and quality
- 02 ➤ Utilizing company advantages
- 03 ➤ Addressing or eliminating weaknesses
- 04 ➤ Seizing opportunities
- 05 ➤ Reducing future potential risks for the enterprise
- 06 ➤ Establishing performance metrics and improving decision-making
- 07 ➤ Defining employee tasks and methods

Strategic thinking principles

Strategic thinking involves considering various factors and variables to ensure long-term success in a competitive environment. It includes anticipating threats, seizing opportunities, and developing clear goals, plans, and ideas. Market forces, economic realities, and available resources are important considerations in this process.

Strategic thinking is important because:

- 01 It involves improving current data
- 02 Using it as a starting point for future planning

Elements for developing strategic thinking

To apply strategic management methodology, you need: Strategic thinking is important because:

- 01 Flexible policies to guide actions and decision-making
- 02 Systems for developing human resources capacity and functional relations guidance
- 03 A clear organizational structure that defines roles and tasks
- 04 Flexible supply chain management arrangements
- 05 Flexible operational procedures for achieving results
- 06 Appropriate techniques for future development
- 07 Specific objectives with follow-up
- 08 Clear job descriptions and accountability standards

Cultural strategic thinking

Spreading a culture of strategic thinking is important because it is essential for the successful implementation of the strategic plan. This culture guarantees the achievement of planning goals. To achieve desired results, the dissemination of a culture of strategic thinking requires the following certain principles:

01

Leadership commitment

- The entrepreneur, who occupies the highest position in the organizational hierarchy, having a strong belief in strategic thinking
- Providing full support for the sequential process of thinking, planning, and implementation

02

Strategic thinking

Strategic thinking is just a means, not an end strategic thinking is a tool used to achieve important goals through a series of predetermined steps.

03

Expanding participation

The third principle is to expand participation, which has two goals:

- Improving the quality of decisions
- Ensuring higher acceptance and successful implementation of the decisions

04

Flexibility

Strategic thinking is future-oriented and flexible, considering unexpected surprises and developments.

The process of fostering a cultural strategic thinking ensures better decision-making and implementation because:



Employees understand the reasons and concepts behind this decision



Employees are motivated to fulfill their tasks, knowing their essential role in the decision-making process

Strategic directions

The strategy is developed systematically to ensure its effectiveness, following these steps:

- Establishing strategic foundations (vision, mission, values)
- Conducting SWOT analysis
- Setting strategies (priorities/setting goals/achieving goals)
- Creating an action plan with specific activities aligned to the strategic objectives (structure/systems/human resources)

The main differences between the strategic plan and the operational plan are as follows:

Strategic plan:		Operational/executive plan:
Focuses on long-term development and lasting.		Focuses on operating issues.
Focusing on future resources.		Focusing on available resources/work environment.

What is meant by strategic directions

It is the overarching structure that outlines what the enterprise aims to accomplish through its strategic plan. It prioritizes desired outcomes and relies on SWOT analysis insights to establish measurable targets.

Examples of strategic directions:

- Maintain revenue growth from diverse channels
- Identify good investment channels
- Enhance staff loyalty to the institution
- Standing out and uniqueness

Concept of SWOT

The SWOT analysis is a tool used to assess future performance and bridge the gap between goals and actual results. It helps enterprises' set expectations and develop plans to achieve their strategic vision.

Strategic directions

Strategy success factors are the specific skills, and qualities necessary for an enterprise to achieve its strategic objectives and fulfill its vision through:

Reviewing main objectives

Selecting a strategic objective

Identifying key success factors

Examples of key factors:

01

Achieving cost efficiency

02

Increasing revenue

03

Employee training

04

Employee motivation

05

Meeting customer demands

06

IT utilization

07

Enhancing employee productivity

08

Maintaining strong operational control

Liability

Teams, departments, or individual employees who will be accountable must:

- Set targets and measurement indicators for their tasks.
- Take responsibility for achieving desired results and understanding the factors that contribute to success.
- Create initiatives and opportunities to enhance performance standards.

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