THE STRATEGIC PLANNING PROCESS AND THE EFFECT OF IT ON ORGANIZATION FUNCTION

Sahar Pourasghar¹
Roya Sharifi²
Mahtab Ensansefat³
Nina Bagheri⁴
Arezoo Tarajbar⁵

1.2.3.4.5- M.A Student. Department of Management. Islamic Azad University. Rasht Branch. Iran

Abstract

The effect of strategic planning is not hidden for no body on today’s organization planning in kind of organizational planning that is used for implementation of the main strategic of organization and reaching to organization’s goals.

Strategic planning choose the organization’s goals, basis on its vocation and for determining and implementation of realistic goals, investigates the environment research and identifies the chances and threats, and the power and weakness of organization.

Using the strategic planning by managers, has great effect on organization in the long term. If this kind of planning that today is used by big organization is chosen correctly, and at the end, by this way, the organization will improve and will be the best.

By increasing the number of small organization and the importance of small organization and the importance of them on the economics world, in this paper after defining the meaning of strategic planning, we investigate the meaning of big and all organization and introduce some important models of small and big organization after that, we compare and contrast these models.

After all investigations we try to introduce a conceptual model for small organization.

Keyword: Process, Organization, Model, Strategic planning, Effectiveness

Introduction

Today everything changes and develops very fast, so its necessity for us that know these changes.

The necessity of planning is not hidden for nobody, as there isn’t any security about environments changing and getting more profit the planning is a undeniable fact. the strategic planning investigates the risky factors of environment and after that, introduce the solutions for accessing the goals. in fact, the strategic planning is a process for determining the organization’s goals and implementation of comprehensive plan of organization. despite the impedance of strategic planning, many organization hasten underrated the role of it on organization yet and sometimes, some manager say that it is a luxury and costly action. from the point of view of some scientists the strategic planning showed the managers creative mind about future. on the other hand, managers by the strategic planning make future. strategic planning investigates the inside and outside environment of organization and basis on it identifies the chances and threats of environment and the power and weakness of organization and by considering the organizations mission, regulates the long term goals for organization and for reaching to these goals chooses the best strategy. This strategy by attention to powers and using the chances tries to solve the problem and decree the threats. If this strategy implement correctly the organization will succeed in challenge field(5). in electronic age each organization whether big or small is
faced by fast changing and development so it should plan and manage its activity in way that in the rough environment and competitive market be success full and continue its life by the meaning of strategic planning this fact demands the using of this kind of planning because this planning is provident and on the other hand basis on prediction of next changes introduces a perfect actions and it tends to environment changes very fast then after knowing reacts very fast up to now most of the definitions theories and models about strategic planning are regarded to big organization and the attentions toward the small organization are very less.so basis on this fact big organization can use the strategic planning very easily but on the other hand small organization has not any successful experience about using the planning (8) regarding to the role and importance of the small organization on economic activity and marketing world and on the other hand regarding to the competitive situation all of the organization’s think about victory so all of them need to use the strategic planning.

According to this fact this paper wants to investigate to this fact this paper wants to investigate the important models about the strategic planning and wants to compare and contrast these planning and after that wants to introduce a conceptual model for small organization’s that they can use it.

Strategic planning like other management concept has different definition many exports search about this now we point to some of them one of these definition , is related to small business and trade.

**The foundation of research**

1-fray and stoner : strategic planning is a management tool that it is designed for helping to small organization’s and these organizations. conform themselves to the competitive environment and with the expected changes the strategic planning process gives a frame and view about present organization activity and recognizes the key factors for successful (1).

2- lerner : strategic planning process is a complex and constant change of organization. it looks to future and attention to the future prediction it a tensions to this subject that how world the world change after 5 till 10 years everything that will be created in the future is basis on analyzing the prediction processes and scripts and it is also is basis on analyzing the inside and outside information(2).

It try to put a great effect on future organizations. strategic planning conforms the organization to its environment and prepares a sit auction and introduce a frame and shows the way that by all of there the organization can reach to its desirable future.it introduce the frame that basis this frame we can analyze the whole organizations inside and outside environment and organization potential.

According to this fact organization can attention more to processes events challenge and chances and it can react toward all of them basis on strategic planning process. experiences and opinions are qualitative and theoretical process.

Strategic planning combines the data of daily conversation of organizations and tries to introduce a clear thought and goal for organizations.

As it is a dynamic process so the organization can attention to its activity constantly constant learning process is about organization conversation that tries to develop its goals. Strategic planning tries to change the thought and manner of organization and creates a learner organization. when this plan implement and be successful after that can effects all parts of organization and is known as a culture of organization (2)

3-pofrer: strategic planning is a reactive process that forces the organization that creates its future it introduces and develops the manner and important procedure for reaching to goals.
4-maccoun: strategic planning is process for reconstruction and transfer of organization. According to his point of view in long term planning goals and prediction are basis on the stability of organization and on the other hand strategic planning.

Investigates the role of organization in environment strategic planning causes the organization conforms its activity and service bases on environments needs this planning not only introduces a frame for improving the plans but also gives a frame for reconstruction of plans management and cooperation it also introduces a plan for evaluation of organization improvement (4).

- definition of strategic planning strategic planning is a process about equipment of organization source and harmonize all of the tries for reaching to goals and long term vocation and all of them are basis on outside and inside facilities and limitations.

According to another definition strategic planning is a process that investigates the current and future position of organization and introduces a strategy for reaching to goals and measures the results (gambler amp & borne)

Characteristic of strategic planning rasp eke introduces three features for planning is something that we do before any activity. in fact it is a decision basis Prediction .

2) When planning is necessary that a situation is related to future and on the other hand , for complete implantation , needs to a set of decision that are related to each other . Infect we face with a decision making organization.

3) planning is a process that tines to make one or many future oportuneness that are optionalness and It sounds occur just in especial activity ( 9 ).

There are two important questions that organization for implementation of strategic planning is faced :
1) How is the organization activity?
2) Why does it do this activity?

For answering the first question, we should define the vocation of organization and the second question is relisted to choose and determine on organization goals.

Vocation

The definition of vocation may be very general and ambiguous that hasn’t any clear meaning or just has a general advertisement aspect and only speaks about ideal things that surly never reach. To them , according to « Peter Draker » belief , unavailability of one existence philosophy , is most important factor for marketing failures .

Vocation or mission consisted of clear definition about current activity and future business. Vocation or mission shows the type of organization business. The members of organization without any outlook of success can’t understand the way of vocation implementation of organization. On the other hand, Vocation determine the goal of organization and explains why organization should do these duties.

Goals

Goals are more clear demands that are resulted from mission and environments investigation. High level factors of management strategy are changed to lower goals.

We should attention that because of time and source are limit. So, the priority of goals is very important . In sum , loelow figure , shows the factors that are important for deterring of goals .

Compare and contrast between big and small organization

Big organization: many of organizations , because of competitive world , should have . great sources and on the other hand should economize a lot. Very big organization just can introduce gigantic airplane and just MacDonald organization can open a new stone each 17 hour around the world. big organization work as standard .
The structure of organization are vertical and their management manner have mechanical or cessation state and they are very complex. This complexity cause that for doing the activity and producing the complex products, move than hundred exports and specialists work (3).

Small organization: The opposite of above discussion, is small organization. In the world economic system, the first success condition, It is that organization be flexible sufficiently and regarding the fast changes of world marketing be sensitive and reacts very timely. The structure of organization is horizontal and its management manner is dynamic and organic, managers have more independence and autonomous. And in this kind of organization, the creativity and invention are encouraged. The small organization are not complex. Usually they can produce especial goods.

For example, Hepatitis vaccine is invented by small organization like Chiron and the big organization like more couldn’t invent. it (3).

characteristics and models goals

The conceptual model of strategic planning for small organization has at least steps and is very easily. This model needs to fewer exports and by a small strategic planning committee in short – term is implantable. These feature remove the problems of small organization for using the strategic planning models. So, this conceptual model, because of simplicity and few steps and the limitation number of using exports, can remove the small organizations needs about strategic planning.

There fore the small organization by using this model reaches to advantages of big organization, when they use the common strategic planning models.

Conceptual model is designed for strategic planning for small organization and follows the below goals (10):
1) making the ability for strategic planning for small organization: one of the small organization limitation is about using the current strategic planning models and on the other hand. they are very long and complex and their steps are a lot. Infect these organization because of the limited source and time, can’t use these planes greatly and lose their advantages. The conceptual strategic planning model for small organization, has fewer steps and hasn’t any complexity, tries to able the small organization use it and on the other hand by using this model, this organization can use the advantages of strategic planning.

2) Convincing the manners of small organization for using the strategic planning: The managers of small organization because of the problems about strategic planning in v, don’t believe to use it and they think that they just consume time and money. this introducing conceptual model has a especial feature and tries to remove the problems about using the strategic planning in small organizations and also trivets change the mind of managers about using of this model. by this way, managers understand the impotence of strategic planning and after that they use it for reaching the organizations goals and for a achieving the success.

3) increasing the ability of answering of small organization regarding to environmental changes and coordination with them: Some persons believe that strategic planning because of its long – term strategic planning beau attention and do terming the procedure of organization, limits the coordination of company regarding fast changes and prevents the organizations facility toward environment. The answer of these people is that strategic planning not only doesn’t prevents the coordination of organization with environment also by analyzing the environmental factors and design the planes, cause the organization a be informing from the great chosen of today’s world and by this way, the v can use the advantages and avoid of its threat. The conceptual model also
has thecae feature and tries to increase the ability of small organization toward the environmental changes.

4) Deterring the development path of organization : all of the organization with different size and position, try to develop and improve their situation. Small organization also try to increase their activity and products and on the other hand develop their size. Among all strategic planning manners, there is a manner that determines the strategic path for developing organization (10).

The strategic planning approach

For designing a strategic planning, we can consider three main steps and basis on planning the strategic plan and implement it:

First step: clarify your position as an organization (where are we?)
Second step: what’s our plan for future? (where are we going?)
Third step: for reaching to goal, construct a approach and implement it (7).

Strategic planning process

The model of strategic planning that the process of it is used, consist of 8 steps. This model rather other models, provide a useful list that by this way, implementation of strategic planning is possible (Bryson model).

The step of Bryson model are in below:

1) Starting the strategic planning’s process and the achievement of agreement about that.
2) Deterring and identifying the organization rules.
3) Clarifying the vocation and organization valuations.
4) Investigation of outside environments, changes and threats.
5) Investigation of inside environment, the weakness and power.
6) Deterring the strategic subjects that organization faces with them.
7) Arrangement the strategic for management of strategic subjects.
8) Establishment of useful organizational view for future (2).

-the advantages of strategic planning are that it is guilder this kind of plan determine the way and path of organizations activity and it acts as a organizational guilder.
2- Organization toward the future determines the future priority and chooses and predicates future is basis on today’s decision.
3- Strategic planning has a harmonization role between different organization planes and it direct different activity on unit path.
4-by the changing of situations this kind of planning is use full and establish the team work and exports work.
5-strategic planning by long term attitude predicts the future so in this way it has information that are use full for managers actions.
6-strategic planning and management want to spread the strategic thought among all parts of organization especially among managerial systems and intend of being mechanical action it attention to the workers role groups and the culture of organization (11).

Limitations

Despite the mention advantages many exports believe that strategic planning are inefficient and sometimes are unnecessary. There are some limitations.

About using it

1-the cost of planning is so high and of ten the small organizations cant use it.
2-designing this kind of plan needs to long time so organization shield spend long time for planning and do all of that’s steps.
3-strategic planning process is investigated and analyzed more then reality the plan of it is more mental and it cannot protect the political economical situation of organization.
4-making decision about mission and goals is not easy and sometime may hasn’t any meaning.
5-strategic planning needs to human power and exports so by this way all organization cant we it.
6-organizations cant reach to complete and new information about environment and events and changing of environment.
7-managers are not familiar with strategic management and planning subjects and they don’t believe to strategic planning(6).

**Conclusion**

Even though the strategic planning has some limitations and hard ship but the correct use of it by manager can result the great points. from the point of view of altered marshal who is a famous British economist if all of the worlds sources and tools atone be destroyed but the intelligence of manager be in strategic in short time every thing will change and society will be dynamic again. So for using and implementation of strategic planning us the necessary trains about the fact is vital strategic planning support the strategic attitude of organization and cause the members of organization go to future and attention to remote horizon using the strategic planning causes the same attitude make among members and organization for implementing the strategic planning. We should attention to the culture of organization and the culture of environment for example in society that most of the people appreciate the thought using the strategic planning process makes some problems and difficulty for society and organization. Management looks to strategic planning as a tool not goal so organization should attention to the strategic planning as a step or tool for reaching the goals.
Resource


10- Aghazadeh, H. (2002), "Design and explain the strategic planning model for small-scale industry (industry segment of the car) and comparison with the great industries", Faculty of Management, Tehran University, Master of Business Administration Dissertation Help Poor doctor Tahmoores Hasangholipour