

I.4. Strategic management

I.4.1. Definition of management

Strategic management is the set of decisions that fall under the responsibility of the company's management and aim to define the company's strategy. These strategic decisions have a long-term impact and their main objective is to ensure the development and sustainability of the company.

The essence of management is to seize opportunities and threats of change in the environment, identify the company's unknown strengths and weaknesses, and develop policies and programmes to achieve key objectives. P. Drucker refers to the effective power of the company to describe its ability to create new opportunities.

More generally: a way of running an organisation, managing it, planning its development and controlling it, which applies to all areas of the company's activity.

Management involves decision-making, of course, but also leading teams and people. Management is therefore the art of being effective, as stakeholders must take ownership of strategies, actions and objectives. Chandler refers to the invisible hand of management, which replaces that of the market in influencing the evolution of the organisation.

Logical and chronological representation

Management = (analysis + decision + action + control + coordination or steering)

I.4.2. Management principles and their evolution

The evolution of management has gone hand in hand with the evolution of concepts of human beings at work and organisational theories.

-Authority: the ability to ensure that orders are voluntarily obeyed (search for consensus: absence of irreconcilable opposition). Traditional authority (e.g. family). Charismatic authority (personality of the decision-maker: leadership). Rational authority (recognition of skills).

Authority is a form of power (power of influence).

-Legal power: this is based on property rights.

In the case of small or medium company: power is held by the owners who hold the capital and manage the business.

In the case of public limited companies: power is held by the board of directors, which appoints a management team. The management team may adopt a defensive power strategy (maintaining a position) or an offensive power strategy (building a situation in which it will have more power).

-Centralisation: this is a legacy of the Scientific Organisation of Work.

-Decentralisation: this is based on decision-making autonomy, a more flexible and motivating organisation. It may be limited to certain individuals (vertical decentralisation) or certain working groups (horizontal decentralisation). It may be comprehensive or limited to certain decisions.

-Methods: management by objectives, co-management, self-management.

-Delegation: delegation is limited to certain tasks. Delegation is both motivating and educational; it optimises the value of human capital, stimulates creativity, initiative and accountability, and encourages the emergence of future managers.

I.4.3. The requirements of management practice

1-Power: this is the ability to impose one's will (does not necessarily imply the support of individuals). Power is linked to a function.

2- Management is the art of managing resources and people in order to achieve a personal or collective goal.

3- Management is the set of organisational techniques used to administer an entity.

I.4.4. Distinction between management and administration

There are no areas reserved for administration or management, only different behaviours in each discipline. Administration is about calculation, while management is about creativity, rejecting rules and transgressing constraints.

Administration means highlighting a solution, and making a series of coherent decisions. It is an act focused primarily on means.

Managing means finding a solution that is not necessarily contained in the data of the problem, optimising the framework of constraints or even breaking out of it, daring to reject the inevitability of the imposed framework (qualitative, intuitive or even emotional). It is an act focused primarily on ends.

Note: paradoxically, this questioning of rules can be seen as a denial of ethics. Managing is more about vertical thinking (searching for solutions), while leadership is about lateral thinking (searching for questions).

I.4.5. Management activities

-Organisation: phase of the management process consisting of determining the tasks to be performed, who should be responsible for them, how to group the tasks together, who reports to whom and the level at which decisions are made.

-Leadership: phase of the management process involving motivating people, managing the activities of other employees, choosing the most effective communication channels and the most powerful messages, and resolving conflicts.

-Planning: phase of the management process that includes defining objectives, developing a strategy, and developing a plan to coordinate activities.

-Control: phase of the management process aimed at monitoring performance, comparing it with objectives, and correcting any discrepancies.

I.4.6. The duties and tasks of a manager

To achieve their objectives, managers must be aware of their duties and tasks in relation to their company, their line managers, their team and their immediate environment within the company. In addition, they must also use tools that will enable them to carry out their mission effectively.

➤ The duties of a manager

A – duties in relation to the company:

- Be familiar with general policy and the economic context,
- Be familiar with regional and local variations in general policy,
- Be familiar with guidelines,
- Be familiar with action plans,
- Be familiar with institutional communication campaigns.

B- Responsibilities towards management:

- Understand your mission, objectives and area of autonomy,
- Negotiate objectives and resources,
- Act as spokesperson for the team's concerns,
- Represent the team,
- Support and defend,
- Back up results.

C- Responsibilities towards one's team and department:

- Assessing the team's skills,
- Matching the department's mission with skills,
- Establishing indicators with the team,
- Lead information meetings: dashboard, activity monitoring,
- Develop corrective actions and know how to be fair and objective,
- Deal with errors,
- Know how to welcome a new member to the team,
- Define responsibilities.

➤ **The manager's tasks**

1- Organising:

- People: Recruitment, Role of each person –
- Resources: Premises, Furniture, Tools, IT equipment, etc.
- the working environment: Structure, Common rules , Working methods.

2- Lead:

- Create teams
- Encourage communication: meetings , informal contacts
- Create momentum: set objectives, provide a vision for the future, encourage innovation

3- Motivate:

- **Make work interesting:** divide up tasks, assign responsibilities
- **Encourage participation in the collective effort:** provide information, break down barriers
- **Create a pleasant atmosphere:** premises, working environment: efficiency without stress
- **Show appreciation:** interest in the person, interest in their work
- Reward and promote

4- Communicate:

- **Communicate with your team:** to stay informed, to take an interest in people and their work, to understand problems, to provide information (company situation).
- **Communicate externally:** with management, other departments, customers, subcontractors, suppliers