



Syllabus of Module

6. Organisational Management and Strategic Thinking

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Module Annotation

Contemporary managers are located either in the known or unknown area. The familiar space is characterised by decision-making for certainties and risks. In contrast, unknown space is a space for decision-making under uncertainty and unpredictability. Top managers, managers with strategic management of the organisation in their competence, are moving in an unknown space. That is why we have here the principles of strategic thinking, which will help us in the environment of the unknown in order to define the appropriate strategy.

What do we mean by strategic thinking? Henry Mintzberg sees strategic thinking as a synthetic process that uses creativity and intuition. The result of this process is an integrated view of the organisation. Strategic thinking is a process that determines the way managers think, evaluate, imagine and shape the future of an organisation. Strategic thinking is reflected in the ability to plan the future (define strategies) to cope with the turbulent environment of the present.

Strategic management is the sum of the following processes:

- preparation for planning;
- strategic analysis;

- setting strategic orientations;
- the formulation of the strategy;
- implementation of the strategy;
- monitoring and evaluation;
- definition and implementation of corrective measures.

Strategic management and strategic thinking are connected with processes and thus with process management. It is process management that is one of the approaches to the management of the organisation. This means managing the organisation through processes (management, implementation and support) defined across the organisational structure of the organisation. The aim of the process is to identify, manage and improve processes for the efficient production of end products. The processes are then a tool for defining the need for resources in the organisation and thus defining the detailed organisational structure of the organisation.

Each process has a goal and in connection with the goal there is also another approach to the management of the organisation – management by objective (MBO). Peter Drucker laid the foundations for this approach. MBO is further developed in the approach according to the logical framework and the Balanced Scorecard method as a method of constructing a strategic map. Management according to the

goals, there also being its modifications, such as management according to results, etc.

Risks are also part of the processes and risk management is one of the other approaches to the management of the organisation (risk-based management). Current managerial practice no longer looks at risks from the perspective of the positive (through opportunities) and the negative (through threats). Opportunity management appears separately and individually from risk management. Risk and opportunity management is the basis for strategic management. On the one hand, we are looking for opportunities. On the other hand, we formulate measures to manage the risk resulting from the threat (it may affect the vulnerability of a significant asset of the organisation).

Other approaches to the management of the organisation are quality management (quality of products, services, processes of their creation, quality of management) and project management (through projects).

But what do these management approaches have to do with strategic thinking? They are processes as part of the process management approach. This implies – if we want to achieve success, let us respect and implement the process. Only in this manner will we discover an appropriate strategy we implement correctly and respond in a timely manner to changes caused by the turbulent environment.

Module Objective

To provide students with the theoretical and practical foundations of strategic thinking and approaches to the management of the organisation. Students will learn the principles of strategic thinking and the approach to creating business models. They will become familiar with the approaches to the management of the organisation, which are an integral part of strategic thinking.

Literature

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