

Some Pitfalls to be Avoided in Strategic Management

It needs to be remembered that strategic management and strategic planning are intricate and complex processes that take the organization into uncharted territories. Hence, they do not provide a readymade prescription for success nor do they promise instant solutions to all problems that the organization is facing. Instead, strategic management and strategic planning are processes that take the organization through a journey that involves providing a framework for solving problems and addressing questions.

Some of the pitfalls to be avoided in strategic management and strategic planning are listed below:

- The first and foremost pitfall relates to using strategic management and strategic planning only to satisfy accreditation and regulatory requirements instead of adding value to the firm's processes.
- Getting into solution mode without thinking through the complex problems that 21st century organizations face. It needs to be remembered that many problems that businesses face need "slow fixes" rather than quick and easy solutions that are attractive at first glance but fail over the longer term.
- When the top managers do not support the strategic management process because of intra-organizational politics, any strategy however good would fail because of the lack of buy-in from key interests in the organization.
- When the planning is delegated to a "planner" instead of all the managers getting involved, there are issues to do with lack of information and lack of execution, which results in the strategy going haywire.
- When firms are bogged down by too many internal problems that sap the energies of the managers, strategic planning and strategic management become futile, as the managers are engrossed in firefighting and solving the internal problems rather than focusing on the external aspects.
- One of the pitfalls of strategic planning happens when organizations become so formal and structured in their approach that they neglect the creative and flexible aspects. The point to be noted here is that out of the box thinking and non-linearity are important for firms to succeed in today's business landscape.
- On the other hand, too much reliance on intuition can cost firms dear as after all strategy is a series of steps that need to be actualized and hence, there is a need for a well thought out and detailed plan.



While these are the some of the pitfalls of strategic planning, there are other aspects like not working to a plan and being too much bureaucratic. Since the organizations of the future need to be agile and flexible with the ability to be malleable according to the changing market conditions and yet at the same time, have a core structure that is consistent with core competencies, a mix of formal and informal planning is needed for effective strategic management.

Closing Thoughts

Strategy is formal and emergent at the same time meaning that there needs to be formal planning as well as elbowroom for spontaneous evolution of the strategic planning process. This is the overriding imperative that organizations must follow if they are to actualize strategies that make them market leaders

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