Decizie de indexare a faptei de plagiat la poziţia 00354 / 7.12.2016 şi pentru admitere la publicare în volum tipărit

care se bazează pe:

A. Nota de constatare şi confirmare a indiciilor de plagiat prin fişa suspiciunii inclusă în decizie.

Fişa suspiciunii de plagiat / Sheet of plagiarism's suspicion		
Opera suspicionată (OS) **Suspicious work**		**Opera autentică (OA)** **Authentic work**
OS	PIRTEA Marilen; NICOLESCU Ana Cristina and BOŢOC Claudiu. The role of strategic planning in modern organizations. *Annales Universitas Apulensis, Series Oeconomica*. **11**(2). 2009. p.953-957.	
OA	HUSSEY David. *Strategic Management. From theory to implementation*. Fourth edition. Butterworth-Heinemann, 1998.	
Incidenţa minimă a suspiciunii / Minimum incidence of suspicion		
p.954:01 – p.956:32		p.9:02-p.9:15; p.10:06-p.10:08; p.10:39-p.10:44; p.11:08-p.11:14; p.11:24-p.11:28; p.11:30-p.11:33; p.12:04-p.12:12; p.12:39-p.12:43; p.19:11-p.19:24; p.26:01-p.26:10; p.27:07-p.27:00; p.36:31-p.36:37; p.56:18-p.56:31; p.595:10-p.595:32
Fişa întocmită pentru includerea suspiciunii în Indexul Operelor Plagiate în România de la Sheet drawn up for including the suspicion in the Index of Plagiarized Works in Romania at www.plagiate.ro		

Notă: Prin „p.72:00" se înţelege paragraful care se termină la finele pag.72. Notaţia „p.00:00" semnifică până la ultima pagină a capitolului curent, în întregime de la punctul iniţial al preluării.

Note: By „p.72:00" one understands the text ending with the end of the page 72. By „p.00:00" one understands the taking over from the initial point till the last page of the current chapter, entirely.

B. Fişa de argumentare a calificării de plagiat alăturată, fişă care la rândul său este parte a deciziei.

Echipa Indexului Operelor Plagiate în România

Fişa de argumentare a calificării

Nr. crt.	Descrierea situaţiei care este încadrată drept plagiat	Se confirmă
1.	Preluarea identică a unor pasaje (piese de creaţie de tip text) dintr-o operă autentică publicată, fără precizarea întinderii şi menţionarea provenienţei şi însuşirea acestora într-o lucrare ulterioară celei autentice.	✓
2.	Preluarea a unor pasaje (piese de creaţie de tip text) dintr-o operă autentică publicată, care sunt rezumate ale unor opere anterioare operei autentice, fără precizarea întinderii şi menţionarea provenienţei şi însuşirea acestora într-o lucrare ulterioară celei autentice.	
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4.	Preluarea identică a unor tabele (piese de creaţie de tip structură de informaţie) dintr-o operă autentică publicată, fără menţionarea provenienţei şi însuşirea acestora într-o lucrare ulterioară celei autentice.	
5.	Republicarea unei opere anterioare publicate, prin includerea unui nou autor sau de noi autori fără contribuţie explicită în lista de autori	
6.	Republicarea unei opere anterioare publicate, prin excluderea unui autor sau a unor autori din lista iniţială de autori.	
7.	Preluarea identică de pasaje (piese de creaţie) dintr-o operă autentică publicată, fără precizarea întinderii şi menţionarea provenienţei, fără nici o intervenţie personală care să justifice exemplificarea sau critica prin aportul creator al autorului care preia şi însuşirea acestora într-o lucrare ulterioară celei autentice.	✓
8.	Preluarea identică de figuri sau reprezentări grafice (piese de creaţie de tip grafic) dintr-o operă autentică publicată, fără menţionarea provenienţei, fără nici o intervenţie care să justifice exemplificarea sau critica prin aportul creator al autorului care preia şi însuşirea acestora într-o lucrare ulterioară celei autentice.	
9.	Preluarea identică de tabele (piese de creaţie de tip structură de informaţie) dintr-o operă autentică publicată, fără menţionarea provenienţei, fără nici o intervenţie care să justifice exemplificarea sau critica prin aportul creator al autorului care preia şi însuşirea acestora într-o lucrare ulterioară celei autentice.	
10.	Preluarea identică a unor fragmente de demonstraţie sau de deducere a unor relaţii matematice care nu se justifică în regăsirea unei relaţii matematice finale necesare aplicării efective dintr-o operă autentică publicată, fără menţionarea provenienţei, fără nici o intervenţie care să justifice exemplificarea sau critica prin aportul creator al autorului care preia şi însuşirea acestora într-o lucrare ulterioară celei autentice.	
11.	Preluarea identică a textului (piese de creaţie de tip text) unei lucrări publicate anterior sau simultan, cu acelaşi titlu sau cu titlu similar, de un acelaşi autor / un acelaşi grup de autori în publicaţii sau edituri diferite.	
12.	Preluarea identică de pasaje (piese de creaţie de tip text) ale unui cuvânt înainte sau ale unei prefeţe care se referă la două opere, diferite, publicate în două momente diferite de timp.	

Notă:

a) Prin „provenienţă" se înţelege informaţia din care se pot identifica cel puţin numele autorului / autorilor, titlul operei, anul apariţiei.

b) Plagiatul este definit prin textul legii[1].

> „ …*plagiatul – expunerea într-o operă scrisă sau o comunicare orală, inclusiv în format electronic, a unor texte, idei, demonstraţii, date, ipoteze, teorii, rezultate ori metode ştiinţifice extrase din opere scrise, inclusiv în format electronic, ale altor autori, fără a menţiona acest lucru şi fără a face trimitere la operele originale…*".

Tehnic, plagiatul are la bază conceptul de **piesă de creaţie** care[2]:

> *„…este un element de comunicare prezentat în formă scrisă, ca text, imagine sau combinat, care posedă un subiect, o organizare sau o construcţie logică şi de argumentare care presupune nişte premise, un raţionament şi o concluzie. Piesa de creaţie presupune în mod necesar o formă de exprimare specifică unei persoane. Piesa de creaţie se poate asocia cu întreaga operă autentică sau cu o parte a acesteia…"*

cu care se poate face identificarea operei plagiate sau suspicionate de plagiat[3]:

> *„…O operă de creaţie se găseşte în poziţia de operă plagiată sau operă suspicionată de plagiat în raport cu o altă operă considerată autentică dacă:*
> *i) Cele două opere tratează acelaşi subiect sau subiecte înrudite.*
> *ii) Opera autentică a fost făcută publică anterior operei suspicionate.*
> *iii) Cele două opere conţin piese de creaţie identificabile comune care posedă, fiecare în parte, un subiect şi o formă de prezentare bine definită.*
> *iv) Pentru piesele de creaţie comune, adică prezente în opera autentică şi în opera suspicionată, nu există o menţionare explicită a provenienţei. Menţionarea provenienţei se face printr-o citare care permite identificarea piesei de creaţie preluate din opera autentică.*
> *v) Simpla menţionare a titlului unei opere autentice într-un capitol de bibliografie sau similar acestuia fără delimitarea întinderii preluării nu este de natură să evite punerea în discuţie a suspiciunii de plagiat.*
> *vi) Piesele de creaţie preluate din opera autentică se utilizează la construcţii realizate prin juxtapunere fără ca acestea să fie tratate de autorul operei suspicionate prin poziţia sa explicită.*
> *vii) In opera suspicionată se identifică un fir sau mai multe fire logice de argumentare şi tratare care leagă aceleaşi premise cu aceleaşi concluzii ca în opera autentică…"*

[1] Legea nr. 206/2004 privind buna conduită în cercetarea ştiinţifică, dezvoltarea tehnologică şi inovare, publicată în Monitorul Oficial al României, Partea I, nr. 505 din 4 iunie 2004
[2] ISOC, D. *Ghid de acţiune împotriva plagiatului: bună-conduită, prevenire, combatere*. Cluj-Napoca: Ecou Transilvan, 2012.
[3] ISOC, D. *Prevenitor de plagiat*. Cluj-Napoca: Ecou Transilvan, 2014.

Fourth edition

Strategic Management

from theory to implementation

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Strategic planning

Before the next decade was reached the more advanced thinkers and practitioners recognised that strategy should be at the heart of the process. Although operational planning and strategic planning are intertwined, it is the latter which should be the driver. The short-term plans and systems should be driven by the longer-term perspective. Because of this more emphasis should be placed on strategy, and the title ‘strategic planning’ began to take over from ‘corporate planning’, but the latter persisted as a description, although many might have applied the more strategic orientation. The change was largely a shift of emphasis, not necessarily initially of the overall approach to the process of planning which still tended to focus on formal plans achieved through a corporate-wide process. The links that were intended from this shift of emphasis were not always achieved, and even much later research[14] found that very few organisations were succeeding in driving the organisation through the strategy, and integrating that strategy into the annual budget and the objectives and actions of managers throughout the organisation.

The strategic planning phase correlates with what Gluck *et al.*[1] called ‘externally oriented planning’, with much more attention being given to the external environment and to customers and markets.

Changes like this never appear like a thunderclap out of a clear blue sky, and a number of developments contributed. In the 1960s General Electric commissioned two consulting firms, McKinsey and The Boston Consulting Group, to undertake a strategic study of its activities. This may not have been the first time the technique of portfolio analysis had been applied, but the outcome was a new and superior way to look at the relative strategic importance of the various activities that made up an organisation. The many variants of the approach were influential in shaping the strategies of many organisations from the early 1970s. (Chapters 15 and 16 describe these approaches in some depth.) From this work was created the idea of regrouping business activities into strategic business units, which more closely matched the needs of the markets, and which gave a sharper focus than was possible over the more fragmented groupings of the 1960s. Portfolio analysis was one of many examples of how thinking about strategy was moved forward by consultants and practitioners, a contribution often overlooked by those bewildered by the outpouring of publications from academics. What was a trickle in the mid-1960s, became a stream a few years later, and had developed into a river by the late 1970s. It now resembles one of the Great Lakes of North America.

Portfolio analysis was the beginning of the development of superior ways to aid thinking about strategy, although even this was foreshadowed in Drucker[8], with his suggestions that the business should sort out its products into eleven categories, including yesterday’s breadwinners, today’s breadwinners, tomorrow’s breadwinners, failures and investments in management ego. One of the differences was in taking the thinking to strategic business units, with many products, rather than leaving it at the product level.

Another contribution to better strategic understanding also started by General Electric, with the creation of a database which recorded strategic actions and related them to the consequences. In 1972 this was transferred to the Harvard

Business School and became the PIMS (Profit Impact of Market Strategy) programme. Now run by the Strategic Planning Institute, the database contains information submitted by PIMS members from throughout the world, and conclusions from the programme are regularly published for a wider audience (for example, Buzzell and Gale[15]).

Despite its intentions, the corporate planning phase had not given equal strategic attention to every aspect of the organisation, and 90 per cent of all effort was spent on marketing, finance and merger/acquisition. As with any generalisation, this statement was not universally true. Union Carbide, for example, applied a process of planned operational improvement as an adjunct to its growth-oriented planning. This was described in early editions of this book, but has been omitted on grounds of age from this new edition[16]. Conceptual development on the relationship between strategy and structure began at Harvard in the 1960s, and had a significant impact on thinking by the 1970s. Others began to put more effort into understanding that manufacturing could make a dynamic contribution to corporate strategy, and was not just a function that should passively react to the marketing strategy (see Chapter 19 for more details). However, many organisations gave scant thought to manufacturing strategy until the 1980s, when more were faced with global competition and new technologies began to have a significant impact.

Two factors in particular forced the abandonment of some of the assumptions behind the corporate planning phase, and brought a realisation that processes which assumed incremental growth could no longer stand up to the reality of a world where the future was full of shocks and surprises. The first big shock was the great oil price rise in 1973, when OPEC members got together and reduced supplies and increased costs. This was followed by, and partly caused, a period of shortages of commodities on a global basis, and a period of high inflation. The oil crisis followed the report of the Club of Rome[17], which argued that the world's resources were finite, and were being consumed at a rate that could not be sustained. Not surprisingly, authors rose to the challenge. Procurement was seen suddenly to be a strategic matter[18] and inflation not only called for a strategic response from organisations, but would also affect how the planning process should be applied[19, 20].

The fact that the future was going to be both different and discontinuous was increased by various publications which examined where some of the trends could lead. One such study, which was very influential at the time, was Alvin Toffler's *Future Shock* (1970).

At the same time as the environment was becoming more turbulent, there was a growing awareness that the nature of competition was changing, was more global, and that some competitors were behaving in a way that was different from the historical pattern. Later this began to develop into more structured thinking about global competition, but by this time strategic planning had itself evolved into its next phase.

Perhaps the best way to visualise the switch of emphasis was to see the task as setting a strategic direction for the organisation, whereas many had seen the task previously as preparing a blueprint for the future. I used the direction argument in a book I was writing during 1969, using the term 'objectives' in much the same way as we would now say 'vision'. The terms are explained in later chapters.

> Objectives are something to aim at, although they should be regarded as a map grid reference rather than as a target at a rifle range. The company will not always find that the shortest distance is a straight line, and may have to make detours to avoid obstacles. But having made the detour it is possible to come back to the grid reference from another direction. Without a defined objective it becomes very difficult to measure progress: having detoured the company is likely to remain pointed in the wrong direction.[21]

Although the strategic planning phase put more concentration into strategy in relation to the business environment, markets and competitors, the most common process was still based on the preparation of corporate-wide plans, with submissions from the various business units being discussed with top management of the organisation. Some processes became very bureaucratic, bringing the danger that completing the annual round of forms was a more pressing task than strategic thinking. Not all top managements undertook what in theory was their task in looking across the boundaries of the SBU, and giving clear guidance on the direction of the organisation and what this would mean to each SBU. Sometimes the result was that the official plan for the whole was no more than the addition of the parts, and what actions were taken about developing strategies which were outside the scope of current SBUs, or fell across the boundaries of more than one SBU were unplanned. Some organisations modified the planning process to enable a broader strategic review to take place, and some used the techniques to determine a strategy, without relating it to a formal process of planning.

What was often missing was an emphasis on implementation, and a close relation between the analytical and behavioural aspects of management. It was the growing awareness of the shortfalls of the strategic planning phase, the way in which many organisations tried to overcome them, and the work of researchers and theorists that moved many organisations gently into the next phase.

Strategic management

The existence of strategic management in a job title does not inevitably mean that an organisation has changed to the new approach, and the position is further complicated by the fact that there are many different strands of thought about how strategic management should be applied. Although many of these have emerged in more recent years, a difference of opinion over how to manage strategically is not a new phenomenon, and many of the new ideas have their roots in the past, sometimes to a greater extent than many people realise. But first let us look at at what strategic management is, and how the new phase became popularised. Once again we can attribute the codification of a new way of thinking to Igor Ansoff.

Professor Ansoff gives a 1972 reference[22] as the first publication of the new name, and he should know. Mass appeal came somewhat later as more came to be written, such as Ansoff, Declerk and Hayes,[23] and more organisations took to the approach. Although there is no clear date, it was probably around 1980 when almost everyone switched to the new term, although even into the next century the words will be used by organisations that do not apply the concepts.

What is different about strategic management? First, it is about managing strategically as well as planning, so although the planning part may still be important, it is only a component. Strategic planning tended to focus on the 'hard' aspects of the external environment, and was concerned with markets and the products to supply them. It was about the formulation of strategy rather than its implementation. Strategic management includes the internal elements of organisation, such as style, structure and climate, it includes implementation and control, and consideration of the 'soft' elements of the environment. It is about the management of the total organisation, in order to create the future. Those who read this description will recall that these were the intentions of some of the earlier phases.

Ansoff[24] described strategic management as a new role for general managers, which was very different from the historic approach of management by exception. Discontinuous events rarely bring a response from functional managers, unless guided by general managers who tend to stick too long to the strategic knitting, often in the face of evidence that the market no longer wants it.

> The new general management role required managers to assume a creative and directive role in planning and guiding the firm's adaptation to a discontinuous and turbulent future. It required entrepreneurial creation of new strategies for the firm, design of new organisational capabilities and guidance of the firm's transformation to its new strategic posture. It is this combination of these three firm-changing activities that became known as strategic management (p. 7).

In the same paper, Ansoff suggests that an alternative name for strategic management might be 'disciplined entrepreneurship'.

Johnson and Scholes[25] argued that

> Strategic management is concerned with deciding on strategy and planning how that strategy is to be put into effect. It can be thought of as having three main elements within it . . . There is *strategic analysis*, in which the strategist seeks to understand the strategic position of the organisation. There is a *strategic choice* stage which is to do with formulation of possible courses of action, their evaluation, and the choice between them. Finally, there is a *strategic implementation* stage which is to do with planning how the choice of strategy can be put into effect (p. 10).

Although all this is true, this definition is almost identical to some of the descriptions used in the 1960s to describe corporate planning. What makes strategic management really different is the emphasis on managing the organisation through and by the strategic vision and the strategy, with the realisation that the soft issues in management may be more important in achieving this aim than the analytical processes.

organisational knowledge and to respond flexibly to changing circumstances. So strategic architecture has something to do with the learning organisation.

Reputation is the second powerful source of competence, but its importance varies between markets. It can also be costly and difficult to create, but is very easy to lose.

Innovation does not always deliver sustainable advantage, in that many innovations are easily copied. Kay believes that firms that are successful in innovation are often able to do so because of the strengths they have developed in their architecture, which enable them to generate a continuous flow of innovations, or move more rapidly than others to get an innovation to market.

A contingency approach to strategic management

The earliest concepts of planning were predicated on the assumption that the principles and concept were right for all businesses, although there might be some need for minor adaptation to fit the style and circumstances of particular organisations. Thus it was not expected that every planning system would be applied in precisely the same way, but the concept would be recognisable, and any differences would be in detail rather than the main ideas. This in fact was never true, partly because the fit of the universal concept to particular circumstances was never that precise, partly because new slants to the old concepts were being promoted all the time, and partly because many companies neglected to include many of the key elements when they applied the concepts. This idea of the 'right' way to do things persists in much of the literature to the present day, although there is probably more understanding of the reasons why changes have to be made to fit company circumstances, and in any case many of the modern ideas are intended to bring out the differences between organisations. Nevertheless, the underlying message of many of the authorities presented in this chapter is 'here is the only thorough way to develop strategy, and every one else is wrong in at least part of what they recommend'.

Some twenty years ago Igor Ansoff began to work on a dilemma which bothered him. Why do each of the methods suggested by the experts work well in some organisations and badly in others? I have been fortunate in having had many conversations with Igor, and he has often said that everything is right in some situations. But what are those situations? Igor has also claimed that few, if any, of the 'new' theories that are presented are based on sound research.

We can demonstrate this point by referring back to Quinn's work mentioned earlier. He investigated nine successful companies and drew conclusions that the way they reached their decisions about strategy were right because they were successful. However, he did not do the same detailed research among unsuccessful organisations, who were probably following the same approach, in which case the conclusion might have been that success was not due to the process but to some other unidentified factors. Similarly, it was impossible to say that the companies might not have been more successful had the strategy process

CHAPTER 2

Strategic management: success or failure?

Is strategic management of benefit? In this chapter the research evidence will be examined, both into planning and into the success or failure of various company strategies. The chapter will provide a synthesis of the early research into planning success, and will also show that not all organisations that claim to apply strategic management are doing it well. Recent research into the success and failure of certain common strategic moves will be examined. The chapter will conclude with a list of common areas of weakness which are found in many organisations, and where careful attention would improve the quality of strategic decisions.

There can only be one justification for introducing strategic management into an organisation: a belief that it will lead to a successful future, and is more likely to do this than any other way of running the business. Indeed there is no sound reason why any chief executive should want to use this approach to management unless he or she had this belief.

It is a fact that many companies throughout the world practise some form of strategic management, and this provides circumstantial evidence that a body of chief executives hold this conviction. However, when we look more deeply into this, we find that what they all do under the name of strategic management is immensely variable. Some of the reasons for this have appeared in the previous chapter, and more will emerge later in this book. We should accept, too, that organisations may be dedicated to strategic management, and still take the wrong decisions.

The purpose of this chapter is to examine some of the available evidence about the benefits of strategic management, but not to take this at face value, and also to look at some of the things that strategic management should have avoided, but which have still happened.

Because the nature of strategic management has changed, as has been outlined, studies undertaken at different periods may be measuring different things. The evidence needs to be looked at in two sections. The first will cover the earlier studies of whether formal approaches to planning added value to organisations: essentially these examined whether the existence of a corporate planning process improved results. The following section will see what can be added to this evidence as the concept changes from corporate/strategic planning, to strategic management.

Planning does pay

Unfortunately, many of the benefits of a planning process are difficult to prove in absolute terms. This is because once planning is introduced, the company changes, and it is never possible to compare what has happened with what would have happened under different circumstances. It is rather like changes in the economic policy of a government. One can speculate – as the opposition parties usually do – that another and often totally opposite course of action would have led to better results. Such arguments can only rest on logic, economic theory and idealistic belief. It is never possible to turn the clock back, and neither is it conceivable that two economic solutions could be run in parallel on a test market basis to see which is best.

In addition, there is a major problem in identifying the costs of planning. Real benefit can only come if the additional profit earned exceeds the additional costs of planning. Quite apart from the conceptual problem of specifically separating the benefits of planning from those of other causes, it is almost impossible to identify costs. It may be easy to isolate the costs of any specialist planning staff, but this is only a part. It is very difficult to estimate the cost of the participation of other managers in the process – and an overwhelming task to try to see how the cost of their participation differs from what it would be under some other style of management. Under any circumstances managers will spend some time on planning: how much more (or less) they will spend where a company has a formal planning process can probably never be computed in meaningful terms.

Logical consideration leads to an expectation that planning procedures will bring more in profits than they cost. At one time it would have been necessary to close this chapter at that point – perhaps adding that the worthiness of many other aspects of management are also incapable of absolute proof – but a number of studies have changed this viewpoint. It is now possible to quote evidence which supports the contention that corporate planning leads to better results. These studies are not always perfect, frequently suffer from problems of sampling and usually can only try to measure one or two aspects of results. Those quoted in this chapter refer to a formal planning process, which may not necessarily be the same as strategic management under a modern interpretation.

Planning can be carried out well or it can be done badly. Again, there is an increasing body of knowledge on the degree of satisfaction felt by companies with their planning efforts and on the problems that arise in practice.

The findings of some of these serious attempts to measure the results of planning will be woven into the fabric of this chapter. Before this step is taken it is as well to return to the beginning and look critically at the evidence proving that companies actually do planning.

and chemical industries. The conclusion was that those companies that engaged in corporate planning significantly outperformed those that did not.

Another study of considerable value, also performed in the United States, was carried out by Ansoff *et al.*[16] This examined the effect of planning on the success of acquisitions in American firms, and was limited to companies with a four-year acquisition free period, followed by an acquisition period during which no more than one year elapsed between successive acquisitions, followed by a post-acquisition period of at least two years. The universe for companies which met these criteria was 412 (from the sources used). All 412 companies were approached, resulting in 93 usable replies (22.6 per cent).

The study examined two types of acquisition behaviour: strategic planning (defining corporate objectives and acquisition strategies) and operational planning (identifying the means of acquisition, establishing search criteria, allocation of supporting budgets, and similar activities). Operational planning follows the strategic planning activities.

Corporate performance was measured against thirteen variables: sales, earnings, earnings/share, total assets, earnings/equity, dividends/share, stock price (adjusted), debt/equity, common equity, earnings/total equity, P/E ratio (adjusted), payout (dividends/earnings), and price/equity ratio. Three types of measurement were designed (average of annual percentage change, average percentage change over period, and the simple average value over period). The use, where relevant, of these three measures against the thirteen variables resulted in a total of twenty-one different measures of performance.

The questionnaire established eight characteristics of managerial behaviour during acquisition activity – four were concerned with strategic and four with operational planning. This enabled the sample to be divided into four subgroups: companies with little planning, companies with strategic planning only, those with operational planning only, and those with both types of planning. Overall, the 'planners' – that is companies exhibiting at least six of the eight characteristics – comprised 22.7 per cent of the sample.

A comparison of performance between what might be termed as the extensive planning firms and those with little or no planning revealed that on all the variables with the exception of total assets growth those firms which had extensively planned their acquisition programmes significantly outperformed those that did little or no formal planning. The variables which exhibited the most notable outperformance were sales growth, earnings growth, earnings/share growth, and earnings/common equity growth.

The investigators carried out a second analysis. The performance of twenty-two of the twenty-six 'planners' was compared with that of the forty firms which had no more than four of the eight characteristics. This study supported the findings of superior average performance by planning, and also revealed that the planners performed more consistently. The four most notable variables of outstanding performance were the same as those in the first analysis.

Further analysis supported the contention that planners did better mainly because they were able to avoid failure. A number of individual non-planners had performances which exceeded the best of the planners, but a much higher percentage of the non-planners had very poor performances.

components of planning and to relate them to each other. If the book so far has set the stage, the rest of this chapter offers a synopsis for the play, the individual scenes of which will be enacted as the book progresses.

It will have already become clear that there are several ways in which a planning process can be designed. It is important that each company which introduces planning should do so in a way that meets its own particular needs. The various examples examined here should be seen as starting points and should not be read too dogmatically. It will also already be apparent that part of the difference between planning systems in organisations is not the schematics showing what plans are prepared, or what should go into a plan, but where the analysis and decisions are undertaken. This is where all the ideas and research quoted so far in this chapter are particularly useful. A planning system will be examined in some depth, and this will be followed by illustrations of other approaches which although constructed differently arrive at approximately the same place. The chapter will conclude with a generalised model of what should be considered when a plan is prepared, although the detail of this will be considerably expanded in later chapters.

A strategic management process should aim to unleash for the company the benefits which have already been discussed in some detail – better results through better decisions, the identification of more opportunities, the consideration of more factors, improved coordination and communication, strong motivation, and the provision for the company of a means of coping with the pressures of change.

Any total planning process is concerned with plans of differing durations. It will incorporate plans for both the long and the short term. Immediately the words 'long term' are used they cause a flurry of concern among those who are newly come to planning. How long is a long-range plan? is a question which is frequently asked at introductory conferences, and it is a question which does not have a simple answer. Many planners believe that although the principles which guide the answer are important, the answer itself is nowhere near as vital as the questioners believe.

This is something of a paradox which deserves explanation. The first principle I would urge is that any plan which looks beyond the time horizons of the annual budget is taking a major step forward: even if the time span first chosen turns out to be wrong for the company, the benefits of moving out in time will more than outweigh the temporary disadvantage of having to adjust the period at the next planning cycle.

If plans were prepared on an absolutely rigid time horizon perhaps it would be more important to get the time right the first time around. In fact most companies work their plans on a 'rolling' basis. Every year the first year of the plan drops off and another is added at the end, so that the period provided for is always the three-, five-, ten-, or whatever years' span for which the company is trying to plan. This method gives the opportunity of regularly revising the plan, so that the company is not trying to follow a rigid path which has been outdated by events. The rolling system gives to planning that degree of flexibility which is essential in a fast-changing world and, as has already been seen, this degree of flexibility may still be inadequate when organisations are operating at the higher levels of environmental turbulence.

committee is the only organ the company has of creating and coordinating planning, the risk of failure rises to a very high level indeed.

By all means create forums for the involvement and participation of managers in planning, and develop these as a key element of the company's approach to corporate planning. But these should always be a tool of the planning system, not the method by which planning is introduced.

In any case, it is generally a good rule to have as few committees as possible.

Confusion of strategic and operational planning

The problem of confusing techniques of planning with planning itself has been discussed, as has the need to involve managers at all levels. Companies which manage to get these points in focus often miss another, and are blind to the differences between the two major but related types of planning. This leads to difficulties in deciding who should be involved in what, in defining the planning system, in writing the plans, and in organising the flow of planning information.

Strategic planning is, as we have seen, very different from operational planning. It is sometimes useful, but not always desirable, to involve 'grassroots' managers in the writing of the strategic plan (though often valuable to devise ways that enable ideas to come from all levels of management into strategic thinking).

'Involvement' in terms of strategic planning means the full participation of the top management team in the production of the strategic plan. This one might term as essential involvement for long-term planning success. Optionally, lower-level managers may also participate either because they have skills and knowledge on which the company should draw, or because the motivational value of such involvement is very high. This optional involvement may be selective both as to the choice of managers who are invited to participate and the extent to which they are involved. It is not always desirable for a company's total strategic plan to be known too widely in the company – particularly where there is a major acquisition strategy – although it may be valuable for selected aspects to be published.

For operational plans 'involvement' is different. Here I believe the principle should be that the head of each operational area must be responsible for his own plan, and should certainly enable all of his senior managers and as many of his more junior managers as the circumstances indicate, to play a part in the planning process.

Failure to understand the essential difference between the two types of planning leads to confusion. It prevents planning from becoming a properly integrated part of the company's overall management system. It also leads to the production of inadequate plans which do not cover the needs of the organisation and become rapidly unusable.