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access to success
QUALITY

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Managementul calității

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Studiu de caz privind abordarea riscurilor și oportunităților aferente lanțului tehnologic al unui SACET

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Asigurarea calității educației europene și poziția României în Spațiul European al Învățământului Superior

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Responsabilitatea socială și etica în afaceri I. Dezvoltarea sustenabilă a firmei în noul context socio-economic

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Strategic and Finance Management – Determining Factors for the Success of the Companies in the Business World

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Abstract

Business leaders are under pressure from stakeholders to comply with their demands while maintaining the organization's competitiveness in increasingly complex markets. So, leaders are striving to continuously formulate strategies with management elements that will help them deliver more value to their customers and stakeholders. Strategic thinking is important to guide for examining all markets which are relevant to the core business of interest. Also, it is necessary for analyse the relevant forces creating new markets as identifying business strategy requirements. Therefore, are used management elements, management models as guides for managerial activity in the business world for increasing a firm's competitive advantages. Companies confirm that integrated management model will result in dramatic benefits. In this way, strategy thinking enable company to determines its objectives, purposes, or goals, produces the principal policies and plans for achieving those goals, as defines the range of business the company is pursue and positively affects business performance. This is previous aim for companies in making good decisions in accessing finance.

Keywords: *strategic thinking, strategy management, finance management, business performance, SPSS.*

1. Introduction

A strategic thinking framework is needed to guide for examining all markets that are relevant to the core business of interest. Also this is important to determine the strategic implications for the relevant markets. Strategic thinking in changing markets requires developing a revised conceptual perspective and new thought processes concerning market analysis and targeting and positioning strategy formulation. The intent of strategic thinking is to more fully capture and analyse the relevant forces creating new market opportunities and business strategy requirements. In reality some markets are stable, but many are changing rapidly. Signals may be given by shifting customer value requirements, emerging technologies, new competition, and new business models resulting from industry and value chain modifications. Many companies and industries are confronted with an array of changes in their core markets, presenting strategy researchers and executives with complex challenges but also exciting opportunities. These new challenges are driven by demanding customers with altered value requirements, aggressive global competition, market turbulence, rapid emergence of new technologies, and the escalating globalisation initiatives of many companies (Chakravarthy, 1997).

In this context, researchers define strategic thinking as a marketing strategy analysis and decision making guided by a revised strategic framework. The processes for analysing and interpreting the impact of changing market structures and buyers' value requirements need to be critically examined and revamped to assist strategic thinking in changing markets.

2. Literature review

Gupta (2004) define entrepreneurial leadership as "leadership that creates visionary scenarios used to assemble and mobilize a *supporting cast* of participants who become committed by the vision to the discovery and exploitation of strategic value creation" (Dunning, 1992).

The term 'Strategy' dates back to at least a couple of hundred centuries and the concept is derived from texts that date back to more than a thousand years ago. There have been countless scholars and philosophers that have debated upon this over the past years and different theories and concepts have developed along the way and all these have gradually contributed to the development of the discipline 'strategic management' which has now become indispensable and integral part of doing businesses of the enterprises in the modern business world where everything has to be planned beforehand to achieve the organizational objectives (Karami, et al., 2008). With the change of the nature of business from a somewhat stable environment to a competitive environment, in the post World War II, strategic management gradually become a vital tool for achieving the organizational objectives set by the mission and vision of the enterprises (Thite, 2004). Thereafter many authors and research scholars have forwarded various theories and concept about strategic management and the way of using the strategic management process so as to optimally utilize the resources of the firms to accomplish their business goals and objectives. The importance of bringing the different managerial activities and coordinating the same under one roof of strategy was first emphasized by Alfred Chandler. Before he advocated the above concept various activities of management related to different functions was lacking one vital aspect of strategic management and that is coordination (Proenca et al., 2010). Instead of coordination a communication system was in vogue to coordinate the various departments, where few managers, at the boundary line of their respective divisions, were entrusted with the task of exchanging information required to operate the functions of the business. Chandler also proposed to leave behind the short term perspective and to adopt a long term future oriented vision and mission for the development of successful strategy for an organisation. It was in 1962, when Chandler advocated for strategy which should be strongly coordinated between various managerial functions so as to provide the organisation a well defined strategic structure, a sense of direction enough to make the organizational activities focused to achieve its objective (Kluemper and Rosen, 2009).

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In this context, developing a strategic management elements, strategic thinking and implementing strategic management tools is process that is essential for business success. Their integration helps to the company resulting in dramatic benefits.

In general, developing countries – the Balkan countries have a shortage of savings and they imported foreign savings. Companies tend to borrow in foreign currency-Euro which is particularly popular in Serbia and Croatia, due to the lower interest rates compared to interest rates on credits in national currency. Differences in interest rates are an indicator of expected future depreciation / appreciation currency in terms of fluctuating exchange rates. The currency risk can be hedged in two ways: if the company is a net exporter and lend in currency of

the net exports, or in short-term loans, if agreed today a term exchange rate to repay the loan at the time of the mature. But, as we have seen from the above research there is no developed market of term rates to use this tool.

So, those countries which are small and open have high indicator on protection of the EUR currency risk through their exports in Euros. These sectors can avoid currency risk by borrowing in Euros.

Small businesses have been identified as factor with crucial role for creating jobs and generally growing the economy. Finally, the aim of strategic and financial management is helping the company in reaching its full potential in accessing markets and making profits.

Q-as

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